Committee and Date	Item No
Joint Health Overview and Scrutiny Committee 19 December 2011 2.00 p.m.	**3** Public

TELFORD & WREKIN COUNCIL/SHROPSHIRE COUNCIL

JOINT HEALTH OVERVIEW AND SCRUTINY COMMITTEE

Minutes of a meeting of the Joint Health Overview and Scrutiny Committee held on Tuesday, 23 August 2011 at 5.00 pm in the Reception Suite, Civic Offices, Telford

PRESENT – Councillor D White (TWC Health Scrutiny Chair) (Chairman), Mr D Beechey (SC), Councillor K Calder (SC), Ms D Davis (TWC), Councillor V Fletcher (TWC), Ms J Gulliver (TWC), Councillor T Huffer (SC), Councillor J Minor (TWC), Mr R Shaw (TWC) and Ms A Thorn (SC)

Officers – V Beint (Corporate Director: Health & Care, SC), P Taylor (Social Care Specialist, TWC), S Jones (Scrutiny Group Specialist, TWC), F Howe (Committee Officer, SC), P. Smith (Democratic Services Team Leader, TWC)

JHOSC-8 APOLOGIES FOR ABSENCE

Councillor G Dakin (SC Health Scrutiny Chair)

JHOSC-9 DECLARATIONS OF INTEREST/PARTY WHIP

None

JHOSC-10 MINUTES

RESOLVED – that the minutes of the meeting held on 16 July 2011 be confirmed as a correct record.

JHOSC-11 THE FUTURE CONFIGURATION OF HOSPITAL SERVICES: OUTLINE BUSINESS CASE

Adam Cairns (Chief Executive, Shrewsbury & Telford Hospital NHS Trust), Steve Jarman-Davies (NHS Telford & Wrekin), Kate Shaw (Programme Manager, Shrewsbury & Telford Hospital NHS Trust) and Nick Henry (Divisional Manager, West Midlands Ambulance Service) were in attendance for this item.

Adam Cairns gave a presentation to Members on the Outline Business Case (OBC) for the proposals for the future configuration of hospital services in Shrewsbury and Telford. This followed extensive public consultation on the strategic options and subsequent approval by the Hospital Trust and Primary Care Trusts Boards of Option 2 – to move some services from Shrewsbury to Telford and some services from Telford to Shrewsbury. A copy of the full OBC document had been sent to Members in advance of the meeting.

The OBC had been prepared in accordance with Department for Health and Treasury guidance, and followed the approved format of the Five Case Model, which allowed the proposals to be explored from the following perspectives:
1) the Strategic Case – this included looking at demographic changes and assessing the future capacity needs for acute services. The Trust was committed to moving into the upper performance quartile for length of stay – which potentially could lead to a reduction of 217 in-patient beds over the next five years. For each of the medical specialisms affected by the reconfiguration, productivity improvements had been agreed with clinical staff, which would feed into the future capacity requirements.
2) the Economic Case – a full appraisal (both non-financial and financial) had been made of all the shortlisted options for the physical configuration of services on each of the hospital sites. Following detailed analysis, the preferred option at the Princess Royal site was a new 2 storey development for paediatric services. This would be an extension to the existing pattern of buildings, and would allow for the postnatal ward and assessment to be co-located with obstetrics and neonatology. The preferred option at the Royal Shrewsbury site was for no new-build, with all the reconfigured services to be accommodated through conversion or refurbishment of existing facilities and buildings.
3) the Commercial Case – this tested the likely attractiveness of the preferred options to developers, and outlined the approach of using the Department of Health's P21+ best practice framework to deliver the project. P21+ offered best value in terms of capital and revenue costs through improved efficiency and elimination of waste.
4) the Financial Case – the capital cost of delivering the improvements was £28.6m at the Princess Royal site and £6.2m at the Royal Shrewsbury site. This was well within estimates, and NHS capital spending allocations. There would be an additional annual revenue cost of £1.5m in 2014 rising to £1.6m in 2021. This would be mitigated through savings generated by the Trust's Cost Improvement Plan. It was stressed that while there was an additional cost arising from the re-configuration of services, the 'do nothing' option would result in cost pressures of between £2.4m and £3.2m per annum in increased maintenance costs etc.
5) the Management Case – this highlighted implementation issues and demonstrated the Trust's capability for delivery.

The OBC would now go to the Trust Board (on 25 August) for approval, and subsequently to the Primary Care Trust Boards and the Strategic Health Authority. Once approved, a Full Business Case would be developed, including support to a capital loan request of £34.98m.

Members then asked a number of questions, and sought clarification on various elements of the Outline Business Case, including:

- **the Cost Improvement Plan** – Adam Cairns stated that the Trust was aiming to achieve revenue savings of £20m next year, which would put it in a strong financial position. It was anticipated that significant savings could be achieved by reducing the use of locum doctors and agency nurses. In response to questions, Mr Cairns stated that he was very confident that the savings could be achieved through being more efficient and delivering services in a different way that reflected the outcomes that patients wanted. In relation to reducing the use of agency nurses, this was already being implemented and there had been a 37% reduction in their use during July 2011. There was a clear step by step plan to realise the identified savings.
- **The list of consultation/engagement events** in Chapter 6 should also have included the JHOSC visit to the Royal Shrewsbury Hospital and the JHOSC meeting in February 2011.
- **Progress of discussions with partner organisations and stakeholders** – Adam Cairns reported that the West Midlands Ambulance Service and their Welsh counterparts had developed much closer co-operation which meant their control rooms could now talk to each other. There was an improving relationship with health bodies in Wales.
- **Potential job losses** – as reported recently in the local press. Adam Cairns stated that there would be fewer people as a result of the proposals, but that this could be managed through natural wastage and staff turnover. As part of the drive to reduce the use of locum doctors and agency nurses, the Trust would be looking to recruit more of its own doctors and nurses.
- **Proposals for transport links/provision between the two hospital sites** – Adam Cairns and Kate Shaw reported that discussions and consultations were taking place on a proposed shuttle bus between the two sites. The Trust would be producing an overarching travel/transport plan to address these issues
- **The availability of an "out of hours" consultant at the proposed Paediatric Assessment Unit at the Royal Shrewsbury Hospital.** Adam Cairns clarified that in the night time period, the priority if a child needed to be admitted would be to get them to the Princess Royal Hospital. However, in an emergency situation at the RSH, a consultant could be called in to assist the A&E team to stabilise a child prior to transfer to Telford or Birmingham. In response to a question concerning the current position of paediatricians on the proposals, Mr Cairns advised that, while not everyone was strongly in favour of the proposals, they had signed them off as safe and deliverable. Some individuals were engaging positively in the process of change.
- **Estimates of Capital costs** – in response to questions, Adam Cairns stated that the proposals had been thoroughly costed and tested by professional advisors. He was therefore confident that the figures in the OBC were sound. It was not possible to move revenue expenditure into capital spending.

- **Discharge of patients from hospital** – how could this be speeded-up? Adam Cairns advised that various initiatives were being examined to improve patient turnover, including making sure the patient's "go-home" medication was available sooner, getting patients discharged from wards before 12 noon, and a better interface with community services.
- **Patient appointments** – in terms of getting more patients to the right place at the right time, Adam Cairns reported that administrative systems were being rigorously reviewed so that by April 2012 there would be less duplication and more efficient processes.

The Chairman reminded Members that attached to the agenda was the latest update from SaTH to the issues previously identified by the Joint Committee for monitoring.

In the light of the latest updates from SaTH and the responses provided to the Committee's questions, Members were satisfied that the Outline Business Case had been properly scrutinised.

RESOLVED - that the Joint Health Overview and Scrutiny Committee support the proposals laid down in the Outline Business Case, and note the reassurances indicated within the assurance grid.

JHOSC-12 SHROPSHIRE COMMUNITY HEALTH NHS TRUST

Jo Chambers (Chief Executive, Shropshire Community Health NHS Trust), was in attendance for this item, and provided an update on the progress of the Trust following its establishment on 1 July 2011.

The new Trust covered both the Shropshire and Telford & Wrekin administrative areas, and served a population of 459,600 people. It had a budget of £77m in 2011/12, and employed around 2,000 people. Services provided included child and adolescent mental health services, health visiting, community hospital & community services, and sexual health services. The Strategic Objectives of the Trust were explained, along with some of the quality assurances that had been provided by external regulators on the services provided. In terms of modernising local services, new community facilities had been provided in Telford (Euston House) and Oswestry (Primary Care Centre), refurbishments were being carried out at Community Hospitals in Bishop's Castle, Bridgnorth and Whitchurch, and a new Community Hospital was to be built in Ludlow (start on site in 2012, subject to appointment of contractor). Other priorities for developing local services included increasing the number of health visitors, helping people to get home quickly after a hospital stay, and using 'telehealth' to support patients not in hospital. Among the challenges facing the Trust were an increased demand for services and financial constraints arising from general reductions in public spending. The Trust would need to find 4.5% efficiency savings each year.

Members then questioned Jo Chambers on a number of issues, including:

- the variable success in tackling teenage pregnancy rates
Response – it was accepted that the picture was variable across the county, and in those areas where rates were still high, the Trust would be looking to do more of the things that were working well elsewhere.

- what sorts of services were being moved into the community, particularly for older people?
Response – for older people, there were some community matrons who had the right sets of skills, and more of these posts could be provided if GPs and commissioning bodies felt it to be necessary. The Hospital Trust was looking to support the provision of services in the community (eg through use of new technology), but there would need to an agreement as to whether it was worthwhile for consultants to attend community facilities.

- the development of an ophthalmology service at Euston House, Telford , for which the Joint Committee had asked for an update on, and the priority for community services in the Telford & Wrekin area given that it did not have a community hospital.
Response – information on the ophthalmology service would be forwarded. All the community hospitals were available to patients from anywhere in the county. In Telford, there were now nurse consultants, who could provide a higher level of care for patients in their home.

- What was the brief from the Primary Care Trusts to the Community Health Trust, and were they monitoring value for money?
Response – There was a brief from the PCTs on what sort of service they expected. In terms of value for money, the main focus was on looking at how staff spent their time each day - with a view to identifying more efficient ways of working.

- what checks and balances were in place to monitor performance and patient satisfaction?
Response – there were monthly contract meetings with both commissioning bodies, and a monitoring process to look at patient activity. Patient feedback was collated from various sources and methods.

- how would the new Trust build up reserves and balances over the next 3 years without affecting services?
Response – The Trust wanted to re-invest any savings in services rather than build-up a large amount of reserves. The reserves were being maintained at the minimum level required (around 3% of turnover). The Trust was able to borrow money for things like essential maintenance work and repairs.

The Chairman stated that, in terms of the transfer of care from hospital to the home or community, it was important that carers and family members were given sufficient information (and training if necessary) on the patient's care needs before they returned home. More awareness was also needed on the support services available to patients and their families.

RESOLVED – that the position be noted.

JHOSC-13 GYNAECOLOGICAL CANCER SERVICES

Attached to the agenda was a briefing note from the Director of the Greater Midlands Cancer Network, in response to a request from the Joint Committee for an update on the outcome of the audit on the pathways for gynaecological cancer patients and how patient record access and transfers were being addressed.

The response stated that a small number of patients were being treated at Wolverhampton or Stoke in accordance with the plans presented previously to the Joint Committee. No difficulties had been encountered, and any radiotherapy or chemotherapy was being delivered locally in Shrewsbury as planned. The patients' experience survey was in the detailed planning stage, and user groups had been very useful in the design. It was expected to start collecting information before the end of the year. The 'Somerset system' was in place in all the Trusts within the network, and was capable of sharing patient information such as waiting times, diagnostics carried out and any treatment decisions made..

RESOLVED - that the interim report be noted, and that the matter be considered at a future meeting.

JHOSC-14 CHAIRMAN'S UPDATE

The Chairman reminded Members of the Joint Committee that they were invited to attend a visit to the Hamar Centre at Royal Shrewsbury Hospital on 12 September, organised by the Shropshire Council Health & Community Scrutiny Committee. This would enable Members to see what services were provided at the Centre and to speak to staff etc.

The Chairman also reported on a regional health scrutiny meeting he had recently attended. There had been an update on the consultation around children's heart surgery, and was reassured that under all options being considered, Birmingham Children's Hospital and Alder Hey Children's Hospital, Liverpool would be retained as centres of excellence for paediatric surgery.

The meeting closed at 7.15 pm

Chairman………………………………………

Date…………………………………………….