

Board of Directors' Meeting 6 May 2021

Agenda item	101/21			
Report	Hospitals Transformation Programme Report			
Executive Lead	Interim Director of Strategy and Planning			
	Link to strategic pillar:		Link to CQC domain:	
	Our patients and community	√	Safe	√
	Our people	√	Effective	√
	Our service delivery	√	Caring	√
	Our partners	√	Responsive	√
	Our governance	√	Well Led	√
	Report recommendations:		Link to BAF / risk:	
	For assurance		BAF risks 1, 2, 3, 4, 5, 6, 7, 8	
	For decision / approval		Link to risk register:	
	For review / discussion	√	970, 1083, 1930, 2027, 2065	
	For noting			
	For information			
For consent				
Presented to:	N/A			
Dependent upon (if applicable):				
Executive summary:	<p>This report outlines the progress and next steps associated with the Hospitals Transformation Programme (HTP).</p> <p>The Board of Directors are requested to NOTE the progress described in this paper and SUPPORT the approach outlined.</p>			
Appendices	N/A			

Hospitals Transformation Programme Report

1 Introduction

- 1.1 The Hospitals Transformation Programme (HTP) has been established to deliver the healthcare objectives outlined through the Future Fit public consultation, the output of the consultation confirming that PRH in Telford would become a dedicated Planned Care site and RSH in Shrewsbury would become a specialist Emergency Care site. Both sites would have an urgent care centre. The HTP is targeting improvements that include the delivery of better quality care both in and out of hospital, improved outcomes and experience for our patients, reduced cancellations of planned care activity and also reductions in the amount of time people stay in hospital.
- 1.2 The Trust recently undertook a review of the HTP to assess current status and reset future plans (as the impact of the COVID-19 pandemic reduces).
- 1.3 Linked to the recommendations of that review, a number of key focus areas were identified and are being progressed at pace:
 - Updating of a number of specific areas of content to finalise the Strategic Outline Case (SOC);
 - Resetting of programme timelines and strengthening governance arrangements;
 - Accelerating the implementation of acute reconfiguration clinical models;
 - Addressing the affordability challenge.
- 1.4 This paper is the first of a series of regular reports that will be provided to the Board every two months.

2 Finalising the Strategic Outline Case

- 2.1 The Trust is presently working to complete an updated SOC by the end of July, which will then be submitted to NHSEI for formal approval. The finalised SOC will be available for wider circulation following approval by NHSEI.
- 2.2 Additional capacity and support is required to finalise the SOC in these timescales, and during the month of April a procurement exercise was undertaken to identify a preferred supplier/partner. We are planning for the preferred supplier to begin working with the Trust and system partners on 3 May 2021, subject to timely confirmation of funding by NHSEI.

- 2.3 The programme delivery structure is being refreshed to ensure that system partners are fully engaged in the future development and delivery of the programme (linked to 3 below).

3 Strengthening governance arrangements

- 3.1 The recent review highlighted the need to strengthen governance arrangements and to ensure that these new governance arrangements are embedded into the broader programme of system transformation.
- 3.2 To this end, a newly-formed HTP Programme Board has been established, led by the Trust (on behalf of the STW Integrated Care System (ICS)), with a membership comprising senior leaders and clinicians drawn from within the Trust, Shropshire Community Health NHS Trust, Shropshire, Telford and Wrekin CCG, NHSEI and Robert Jones and Agnes Hunt NHS FT. This new approach will provide a platform through which programme progress, including the acute reconfiguration and development of new out-of-hospital models of care, will be more actively performance managed. The HTP Programme Board reports progress directly through to the ICS Board.
- 3.3 The Trust has also established a time-limited committee (including NED representation) to provide the Board with assurance on programme progress and to ensure that the Trust is adequately performing its system leadership role.
- 3.4 External programme oversight will also be provided by the national team established to support the new hospital infrastructure programme.
- 3.5 Our communications and engagement plans are also being refreshed to make sure that all stakeholders across the health economy and our communities continue to be engaged in the development of the programme.

4 Accelerating the development of acute reconfiguration clinical models

- 4.1 Opportunities to accelerate the implementation of the HTP clinical models are also being explored, with the aim of delivering a proportion of the benefits in advance of the main infrastructure development:
- To bring forward benefits that come from the acute reconfiguration;
 - To accelerate parts of the acute reconfiguration that will address immediate operational issues.
- 4.2 To support the acceleration of acute reconfiguration activities, two business cases have been developed to increase capacity across Shrewsbury and Telford hospital sites. These two business cases, if approved, will allow the Trust to:
- Establish additional ward capacity at RSH and enable elective inpatient and day case capacity to be protected at both RSH and PRH;
 - Address capacity and quality issues in respect of renal medicine at PRH through the transfer of the service into a dedicated community unit;

- Provide capacity flexibility to support the first stages of service reconfiguration.
- 4.3 The Trust is planning to develop further business cases in the coming months, for implementation over the next four years, which will support the acceleration of acute reconfiguration benefit delivery.

5 Addressing affordability challenges

- 5.1 In March 2018, the Department of Health and Social Care approved £312 million of funding based on the capital value included in the 2016 draft SOC. In the revised 2019 draft SOC, the funding requirements had increased to £533m, predominantly due to increases in published government inflation rates and changes to technical classifications (which in total add £162 million to the predicted capital cost). Linked to 2.1 above, the capital requirements for the programme will continue to be reviewed as part of the work being undertaken to finalise the SOC.
- 5.2 The ICS is currently refreshing its Long Term and Financial Sustainability Plans (LTP). An approved LTP containing the same underpinning assumptions and incorporating the full implications, both cost and benefits, of the HTP will be required to support the affordability of the programme.

6 Key risks

- 6.1 The finalisation of the SOC in the timelines described above requires the engagement of a preferred supplier (see 2 above). This is contingent on timely approval of the associated funding by NHSEI.
- 6.2 Approval of the SOC is interdependent with the work being undertaken across the broader Shropshire and Telford Healthcare system to develop the LTP (see 5 above).
- 6.3 The assumptions that underpin the design of the acute reconfiguration include the successful delivery of an expansive transformation programme for non-acute care pathways. The design (and cost) of the new acute facilities is likely to be significantly impacted if plans for non-acute care pathways are not able to be delivered to time and/or scale.

7 Recommendation

The Board of Directors is requested to **NOTE** the progress described in this paper and **SUPPORT** the approach outlined.