

Blackpool Teaching Hospitals NHS Foundation Trust

Update on the Trust's Strategy – Clinical and Financial Sustainability

1. Introduction

This paper updates members of the Health Scrutiny Committee on progress against the Trust's strategy, the impact on operational and financial performance over the winter period and more recent announcements on the back of the NHS Forward View – The Next Steps.

2. Background

The Trust engaged in a major review of its strategy during 2015 using the template recommended by the regulator (Monitor – now NHS Improvement).

The strategy followed a 7 step process and was developed in conjunction with our clinicians, stakeholders and key local partners.

The Trust identified a strategic vision as follows:

“As a high performing Trust, operating as part of an accountable care system for the Fylde Coast, we will provide high quality, safe and effective care in a financially sustainable way, through our skilled and motivated workforce.

The strategy was based around 4 key themes of quality, performance, workforce and finance and we identified a number of strategic ambitions or targets for the next 3-5 years.

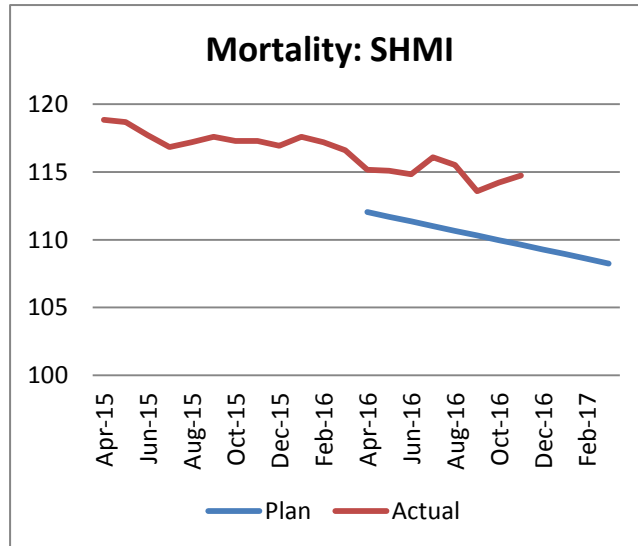
	Measure	Ambition	Key measure(s) of success	
			Current	Ambition
Quality	1. Mortality: SHMI	We aim to achieve our lowest levels of mortality, meeting and then falling below our expected number of deaths.	112 ¹	<=100 in 3 years
	2. Patient Experience: Friends & Family Test	We aim to achieve our highest levels of patient satisfaction.	95.8% ²	98% in 3 years
Operations	3. Length of stay	We aim to achieve top quartile performance, moving to top decile performance, for both non-elective and elective lengths of stay, whilst at the same time maintaining high quality care.	Non-elective 4.9 days ³ Elective 3.5 days ³ Readmissions within 30-days 103.5 ⁴	Non-elective 4.1 days in 2 years 3.7 days in 5 years Elective 2.6 days in 2 years 2.3 days in 5 years Readmissions within 30-days 96.7 in 3-years 90.8 in 5 years
Workforce	4. Vacancy rate	We aim to reduce our vacancy rate by >50%, based on future workforce numbers	9.09% ⁵	4% in 5 years
	5. Staff Satisfaction: Friends & Family Test (recommend as a place to work)	We aim to achieve our highest levels of staff satisfaction.	69% ⁶	85% in 5 years
Finance	6. Finance	We aim to achieve a FSRR of 3. The FSRR is a composite of various financial measures, including: <ul style="list-style-type: none"> • Liquidity (days) • Capital Service Cover • I&E Margin • I&E Variance (as a % of income) 	2 ⁷	3 in 3 years

The strategy and progress against it has been presented and discussed at the Scrutiny Committee on three previous occasions (November 2015, February 2016 and December 2016).

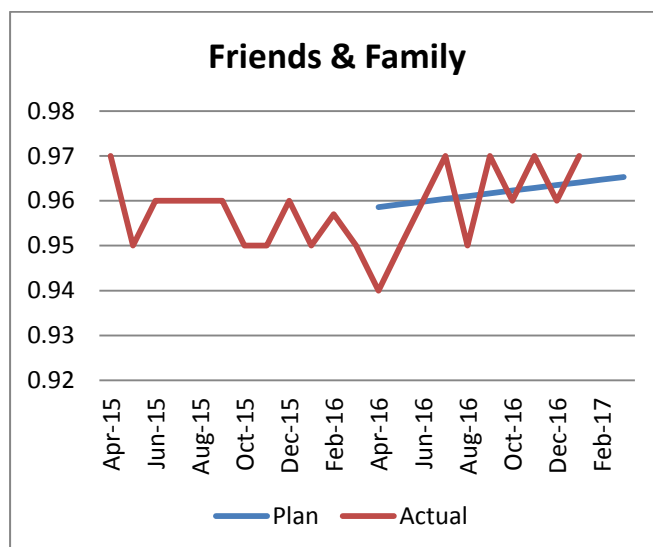
3. Progress to Date

Progress against each of the strategic ambitions is as follows:

Quality of Care

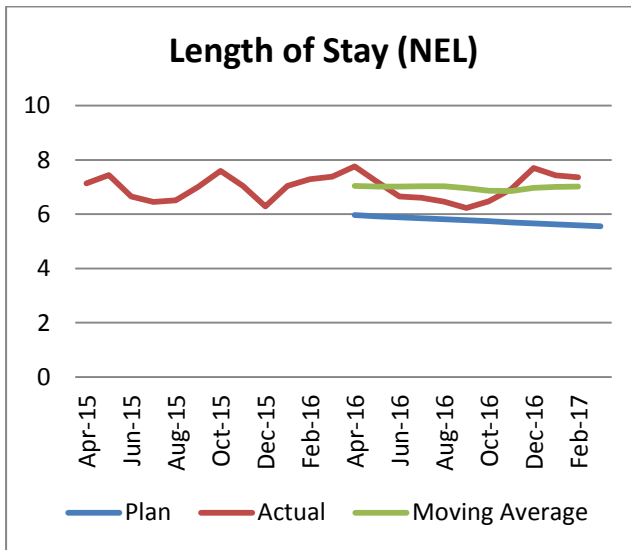


The Trust has set an ambition to reach a Standardised Hospital Mortality Index (SHMI) of 100 by 2019. Although progress has been made towards this actual results are higher than planned. As a result new initiatives aimed at improving pathway compliance for specific conditions have recently been agreed and implemented.

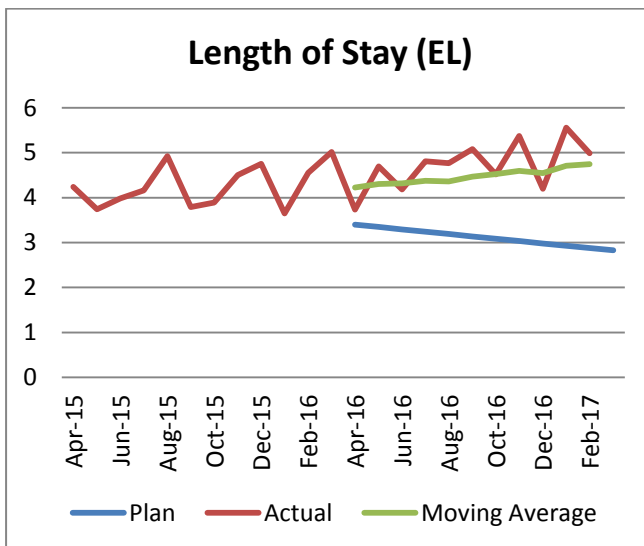


The results of this test continue to show general positive feedback from patients and carers. We aim to get to a positive figure of 98% and current progress is ahead of plan.

Operational Performance

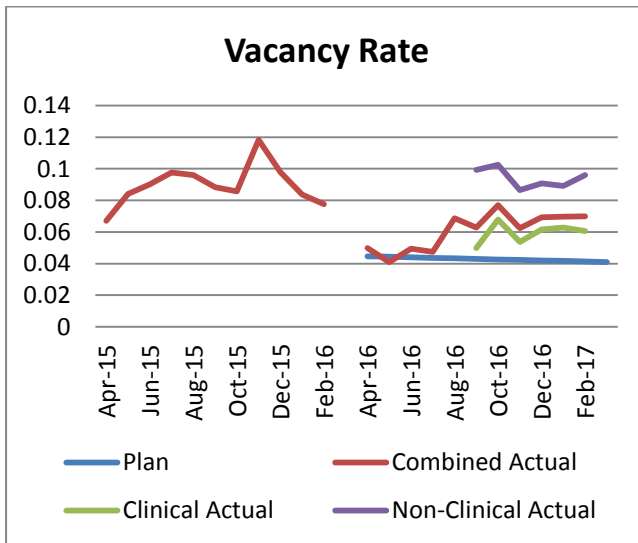


Lengths of stay for non-elective patients was showing good improvement earlier in the financial year but has reversed over the winter period (see section 4 below).

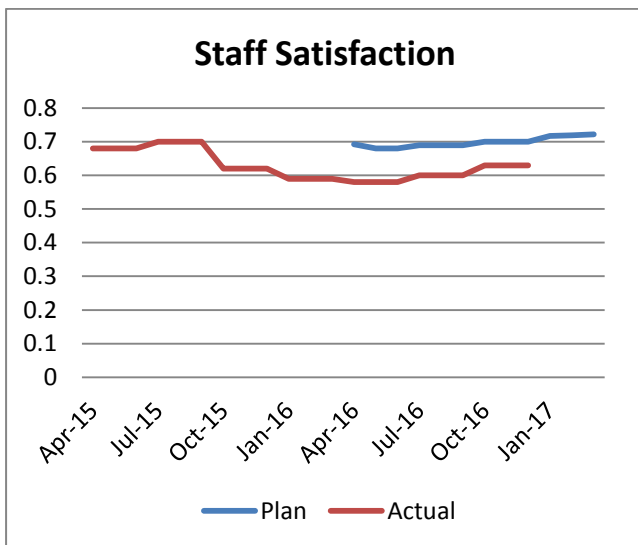


Length of stay for elective patients has actually increased over the period. However, we believe that more patients are now being treated as day-cases (not included in these figures) and therefore the case mix of the admitted patient cohort has got more complex leading to the increases shown.

Workforce



The rising costs and reliance on agency staff were one of the key drivers behind the need strategy. The target is to reduce to 4% over the time period. To date this has not been achieved.



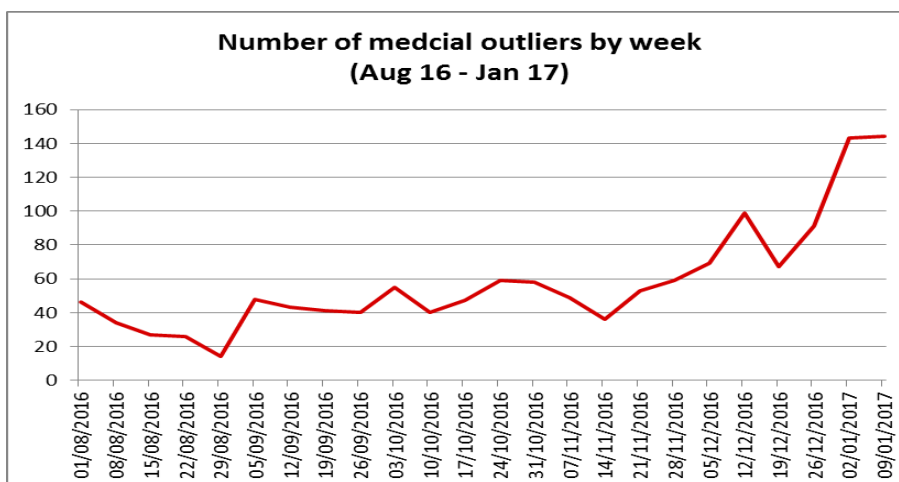
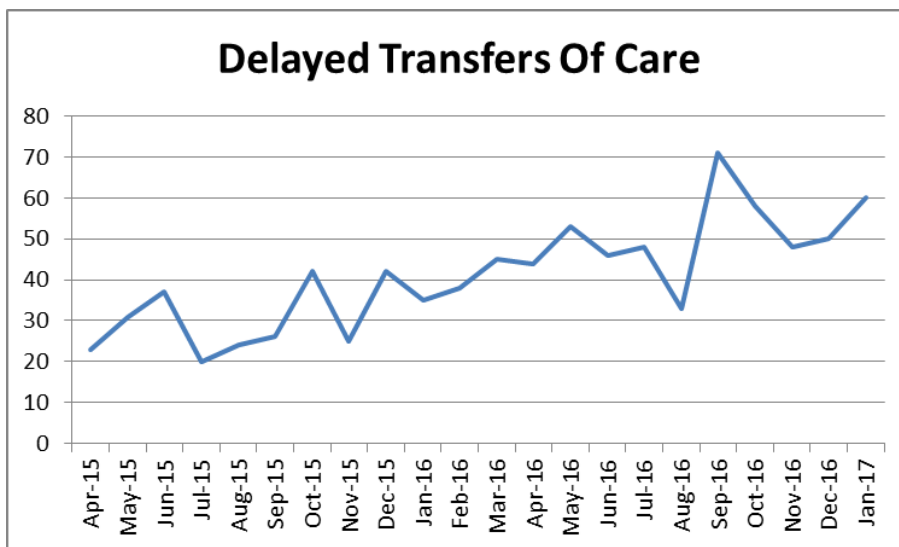
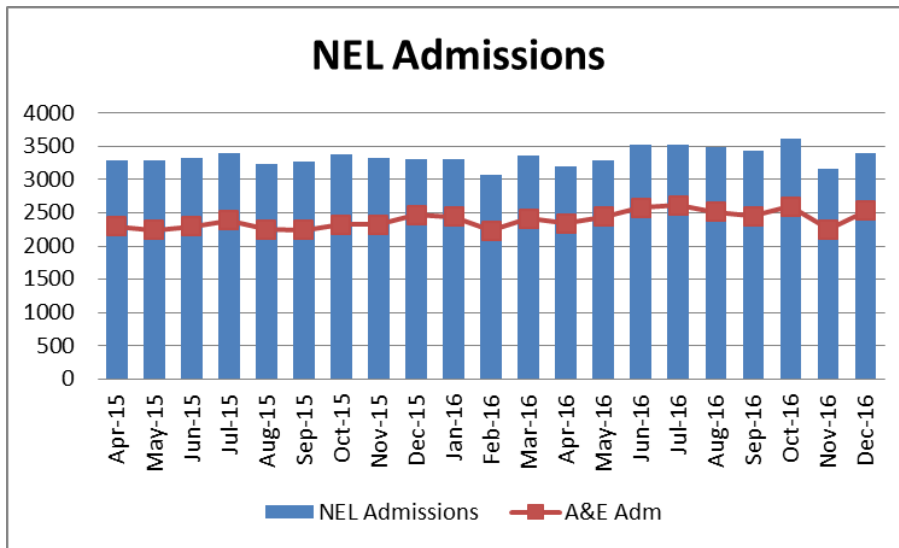
Staff satisfaction has improved more recently but is not meeting the target the Trust established. A key review will be how this has moved over the winter period.

Finance (see section 5 below)

4. Operational Pressures Over the Winter Period

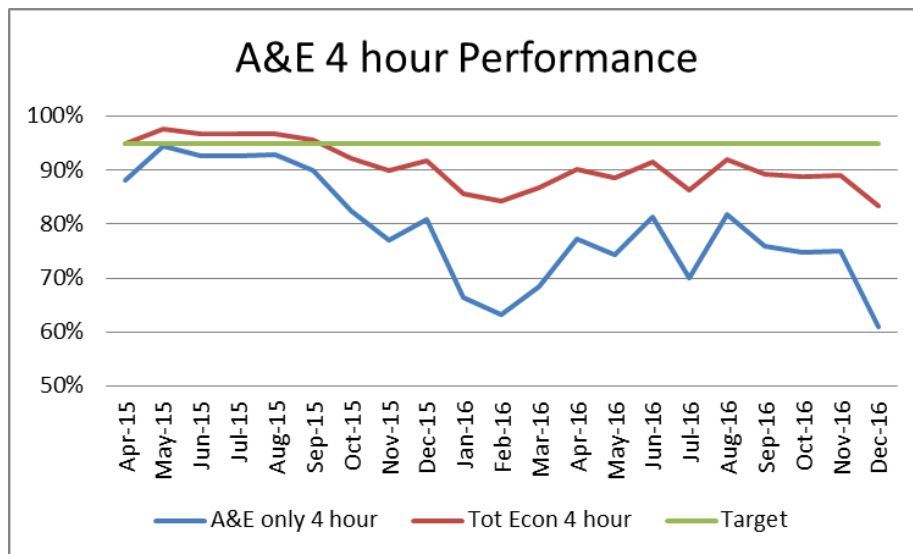
Alongside many parts of the NHS the Trust has faced periods over the winter months of unprecedented pressure on the emergency pathway. The causal factors are multifaceted but include an ageing population with increasing levels of comorbidities, increased attendances at the emergency department and other elements of the urgent care network and a significant increase in delays in discharging patients from hospital once medically fit.

None of these alone can explain the full impact but graphs to highlight the position are as follows:



The first priority of the Trust has been to ensure patient safety and a range of actions have been introduced to ensure that these pressures do not compromise the quality of outcome

that patients experience. However, as shown in the following graph it has resulted in longer waits within the ED department:



5. Financial Position

Alongside the unprecedented levels of operational pressures are the financial challenges facing the NHS in general and the Trust more specifically.

As previously discussed at the Scrutiny Committee, the Trust has been operating with an underlying deficit for several years. On top of this each year the NHS expects that providers will make further efficiency savings. This is brought about by funding for procedures being kept flat whilst the Trust has to meet increasing cost pressures (for things such as pay awards, drug inflation, other cost pressures) through internally generated savings (Cost Improvement Targets).

This year (2016/17) the Trust had a target of £20m in savings on top of the extra costs of dealing with the operational pressures over winter and the impact of agency staff costs for difficult to recruit to posts. Delivery of the savings is essential if the Trust is to meet its control total which in turn is a prerequisite to receiving our share of the national Sustainability and Transformation Fund. In January it looked highly likely that we would not meet these savings targets without compromising patient safety and as a result we were forecasting that we would not meet our control total and therefore not receive the sustainability and transformation fund. However, more recently the Trust has benefited from some one-off savings and some additional funding to support a number of projects. This now looks sufficient to bridge the savings shortfall and ensure we get the sustainability monies.

Whilst this is clearly a better position than we were in even a few months ago it does not deal with the underlying deficit and further significant savings and efficiencies will be required over the next few years.

6. Five Year Forward View – Next Steps

The Government has recently published an update to the NHS Strategy – The Five Year Forward View.

<https://www.england.nhs.uk/publication/next-steps-on-the-nhs-five-year-forward-view/>

This provides detail on both the priorities for the NHS and the way in which these are expected to be achieved. The document focuses on the challenges (financial, operational, workforce) facing the whole NHS. It makes clear reference to local health systems that have integrated care more fully having had fewer emergency admissions and signposts that where local agencies are working together consideration should be given to moving towards an Accountable Care System (ACS).

ACS seek to integrate care horizontally (across providers) and vertically (primary, community, acute, mental health) and get local commissioners and trusts often in partnership with local authorities taking collective decisions on what is “right” for their local residents. ACSs seek to move away from tariff based payment mechanisms and are intended to support local bodies taking responsibility for redesigning care across the whole of their footprint.

Blackpool (together with Fylde and Wyre) has been highlighted as one potential area at the forefront of developing accountable care due to the strength of local partnerships and because of the good track record in developing new models of care.

The Next Steps document is therefore an important signpost of how we will move forward over the coming months and the way in which we will increasingly seek to manage whole population health together.

7. Summary and Conclusion

This paper has sought to brief the members of the Health Scrutiny Committee on progress against the previously discussed Trust strategy.

In summary progress has been made against most strategic ambitions including quality, operational performance, workforce and finance. However, this progress has not been as quick as expected and in part this is a result of the high level of emergency pressures we have experienced over the last few months.

Moving forward we have an opportunity to develop a much more integrated health and care system and given the interconnected nature of the services we provide this offers significant scope for further improvement both in terms of the services and outcomes for our residents and also the overall health and wellbeing of the population.

Tim Bennett

Deputy Chief Executive, April 2017.