The Shrewsbury and Telford Hospital NHS Trust

Sustainable Services Programme

Northumbria Comparator

SUMMARY REPORT

5 July 2018

1. Introduction

As part of the Future Fit programme, Shrewsbury and Telford Hospital NHS Trust (SaTH) was asked to take a lead role in undertaking a major transformation of its services across both of its hospital sites, the Royal Shrewsbury Hospital (RSH) and the Princess Royal Hospital (PRH). The programme aims to address a number of significant challenges and to meet the needs of our communities across Shropshire, Telford & Wrekin and mid Wales.

Following initial development of a long list of potential options by the Future Fit team, which included input from SaTH, these were assessed and narrowed down to two shortlisted options

1. For RSH to be an Emergency Care site and PRH to be a Planned Care site (originally entitled C1 within the long listed options- now known as Option 1);
2. For PRH to be an Emergency Care site and RSH to be a Planned Care site (originally entitled option B within the long listed options- now known as Option 2).

These shortlisted options were assessed through a formal options appraisal process in September 2016, which involved a wide-range of representatives from across the health economy. Further to this, the CCGs concluded that their preferred option was Option 1 (for RSH to be identified as an emergency care site). The CCGs are currently consulting on the two options and any final decision about the future of the two hospitals will be dependent on the outcome of the public consultation.

As part of the options appraisal process, Future Fit considered a single new site option to replace the hospitals at RSH and PRH, which was excluded on affordability grounds. The Trust has reviewed how the clinical configuration adopted by the Northumbria Healthcare NHS Foundation Trust might be configured within SaTH's clinical model. Their model consists of a new build called the Specialist Emergency Care Hospital (NSECH) at Cramlington within a network of non-emergency care hospitals which includes North Tyneside General Hospital, Wansbeck General Hospital and Hexham General Hospital.

2. Modelling assumptions

If the Trust were to adopt the Northumbria model this is different to the current SaTH clinical service provision, as some services currently provided by SaTH are not currently provided by the Northumbria Heathcare Trust. In order to model this and be able to directly compare with Option 1 and 2, two models have been considered:

- Model A: which comprises a direct comparison with the bed numbers and services provided at NSECH Cramlington (without the continued provision of the existing specialties commissioned by SaTH); and

- Model B: which expands the NSECH model to include all of the services commissioned with SaTH.

Both Model A and Model B comprise of constructing a new specialist emergency hospital on a new site between the existing Royal Shrewsbury Hospital (RSH) and Princess Royal Hospital (PRH), whilst maintaining non-emergency services at both RSH and PRH. This would create a three site configuration, compared to the current two-site solution proposed.

The new Emergency Hospital would be a stand-alone hospital, and as such would need to be able to operate independently. It would require relevant clinical and non-clinical support services (such as imaging, pharmacy, facilities management, main entrance, car parking).

3. Impact of adopting the Northumbria model

If the Northumbria model were adopted by SaTH (either Model A or Model B), this would have a significant effect on:

- the Trust's ability to recruit a sustainable workforce that deliver the clinical model across three sites;
- the scope of the physical redevelopment, which would increase to include a new piece of land to develop a 3rd hospital site; and
- capital and revenue requirements to deliver a three site configuration.

The impact of adopting the Northumbria model on each of these items is set out below:

3.1 Model of Care and Workforce

SaTH have confirmed that the principles of the proposed clinical model would remain the same with this configuration, in that the single point of emergency admission remains alongside an Emergency Department, Critical Care Unit and inpatient facility.

Under the Models A and B, there would be two planned care sites at RSH and PRH providing outpatients, diagnostics, planned episodes of care and medical inpatients. This would require all specialties to have the facilities, equipment and workforce to support three sites of delivery. For example with orthopaedics, trauma care would be provided on the Emergency Site with planned orthopaedics taking place on both the RSH and PRH site. This would introduce further inefficiencies to SaTH's model of care.

Under Model A the equivalent type of services that are currently provided by SaTH, including Urology, Oncology and Haematology are not provided by the Northumbria Healthcare NHS Trust and therefore would not be provided in this model. It is assumed these pathways, including follow up care would need to be provided out of county.

SaTH has confirmed that implementing the Northumbria Healthcare NHS Trust model has an impact on the Trust's workforce.

Both Model A and Model B create inherent inefficiencies within the workforce due to operating services across three sites rather than two, which exacerbates the current inefficiencies experienced by the Trust and increases duplication of clinical and non-clinical services. The inefficiency in workforce is created by increased travel time for staff, increased on-call commitments and by introducing additional workforce requirements at the new Emergency site.

SaTH have confirmed that the clinical and non-clinical workforce would need to increase above current establishment to provide a three site solution which would add to the current challenges in recruitment and retention. This would result in an increase in ongoing revenue costs.

3.2 Scope and extent of physical development

The Trust commissioned Rider Hunt to undertake a review of the likely impact of the Northumbria model on the scope of physical development. Strategic Healthcare Planning (SHP) was commissioned to undertake a detailed assessment of how the three sites in Shropshire could be configured. AHR architects then developed a specific schedule of accommodation (SoA) for each site. DSSR Consulting Engineers (DSSR) reviewed and determined the potential mechanical and engineering implications. The cost estimates were completed by Rider Hunt.

Schedules of Accommodation

The accommodation for the new third site has been based on the Emergency Site considerations identified within the preferred option (Option 1) and applied for both Model

A and Model B as appropriate for a new site. A similar approach has been adopted for non-emergency care, modified to reflect the fact that under this scenario there would be two non-emergency care sites – one at RSH and one at PRH. The principles of providing these services as uniformly as possible across the two sites has been maintained.

The high-level SoA considered the demand for service and facilities across each of the three sites under the following categories:

- Emergency , Urgent and Ambulatory Care
- Inpatient facilities
- Diagnostic services
- Womens and Children's Services
- Specialist Services; Clinical Support; Staff and Visitor Welfare; Facilities Management
- Outpatients
- Main Entrance, Administration, Education, and Training

The schedule of accommodation developed assumes that all departments are developed in line with current modern standards, and are fully compliant with all required legislation, guidance and best practice.

Building and site size

Further to development of the baseline SoA, AHR Architects and DSSR Engineers developed an initial schedule of the potential size of the new building and site, as well as the level of development on the existing RSH and PRH sites. This included potential building scale and massing, practical implications of developing a new site, external and supplementary works, site abnormals, and allowances for engineering and infrastructure.

For Model A, the following approximate scale of development has been determined:

- 52,000m^2 of new build accommodation at the new site, plus associated externals and other works- with a total site area of approximately 85,000m^2;
- 4,000m^2 of new build and 6,500m^2 of refurbished accommodation at PRH; and
- 15,000m^2 of new build and 7,500 m^2 of refurbished accommodation at RSH

For Model B, the following approximate scale of development was determined:

- 60,000m^2 of new build accommodation at the new site, plus associated externals and other works- with a total site area of approximately 100,000m^2;
- 4,000m^2 of new build and 6,500m^2 of refurbished accommodation at PRH; and
- 15,000m^2 of new build and 8,500 m^2 of refurbished accommodation at RSH

3.3 Land purchase

In order to develop a new third hospital, a new piece of land would need to be acquired by SaTH of approximately 8.5ha (Model A) or 10ha (Model B).

At this stage no specific piece of land has been identified for the purpose of siting a new hospital. The ability of the Trust to acquire a site of sufficient size, of suitable quality, in the preferred location is by no means guaranteed and comes with a degree of risk.

The new piece of land to be acquired would have a number of issues and abnormals associated with it, such as highways access, contamination, incoming services and ecology. As these are site dependent, the impact may be significant. The Trust would also need to apply for and receive planning approval for a new hospital, which would not be guaranteed.

3.4 Capital and revenue costs

Implementing the Northumbria model would have an impact on both capital and revenue costs.

Capital Costs

Rider Hunt was commissioned to undertake a High Level Capital Cost Estimate of both Model A and Model B. These estimates have been prepared based on the high level information provided, and in line with NHS capital planning guidance. The approximate capital costs are:

- Model A: £438m
- Model B: £486m

These costs contain a number of notable exclusions, such as land purchase, off- site abnormals, legal and estate agency fees, and residual backlog. The costs have been backdated to November 2016 to provide a direct like-for-like comparison with the Future Fit's preferred equivalent capital cost of £312m.

It is difficult to confirm a cost for the land acquisition at this stage, as the cost of land is very diverse and depends on a number of different factors, which include current usage, future usage, location, planning permission and infrastructure. Rider Hunt has confirmed this could be in the region of £10m to £20m, in addition the figures quoted above. This cost excludes any associated professional fees and any applicable on-costs or taxes.

Revenue Costs

SaTH have confirmed that the Trust would not achieve the same revenue position with the Northumbria model as it does with those currently proposed in options 1 and 2. There would be an increase in workforce costs needed to deliver care across three sites, which would result in any savings associated with duplication of services not being realised by SaTH.

There would also be additional revenue costs associated with delivering services across three acute sites as well as an increased revenue impact from needing to service a larger capital cost.

For Model A there would be a loss of income associated with not providing the current range of these existing services.

Conclusion

In conclusion, both Model A and Model B could be designed and constructed subject to the acquisition of a suitable site, resolution of all site issues and abnormals, and the ability to acquire suitable capital funding.

There would be substantial risk for SaTH in adopting the Northumbria NHS Trust configuration of services, most notably:

- The capital costs of this option are significantly higher than the Department of Health allocated funding of £312m;
- Significant backlog would remain at RSH and PRH, due to less investment at existing sites;
- The ability of the Trust to acquire a site of sufficient size, of suitable quality, in the preferred location for the third acute hospital site. As a consequence, the programme would take longer to deliver than the preferred shortlisted option;
- The potential site issues with the land that would need to be acquired;
- The trust's ability to recruit and staff a safe workforce model across three sites; and
- Clinical risks would be associated with Model A, as this would result in patients travelling out of the area to access those services in other Trusts.