**Appendix 1**

# Clinical Futures Programme Business Case Overarching Report in Response to Scrutiny

## 1. Introduction and Context

The Clinical Futures Strategy is now at a critical stage of its implementation with the need to secure funding to progress the capital development of the Specialist Critical Care Centre (SCCC) and its completion scheduled for late 2019. The SCCC is the key enabler to delivering the next phase of the Clinical Futures Strategy that will deliver:

- Service and workforce sustainability
- Service improvement and enhanced quality of care
- Modern functional estate and
- Wider system opportunities.

The Clinical Futures Strategy was developed by the Gwent Health Community in 2004 and has demonstrated considerable resilience over the last 12 years as a robust strategy for delivering modern health care that has received universal support across the community through an unprecedented level of consultation. It responds to the local health challenges of the Gwent population and supports a modernisation agenda that is entirely consistent with all National Strategies and Royal College reports and recommendations.

The challenges facing health services across the UK and in Gwent specifically are becoming increasingly evident:

- Unsustainable fragmented services
- Recruitment challenges
- Changing demographics and increasing demand
- Deteriorating estate
- Poor population health and inequalities
- Real and growing operational issues and risks on a daily basis

The Clinical Futures Strategy delivers a new differentiated acuity based model of healthcare based on 21st Century, leading edge specialist hospital care, supported by a more efficient and effective network of local general hospitals and enhanced primary and community care, that provides better access to all levels of care leading to improved patient experience and outcomes.

The Clinical Futures Strategy has been through an extensive and comprehensive process of consultation and engagement since 2004:

- It is fully supported by the Health Board (and its six predecessor bodies), the Community Health Council, Powys tLHB, five local authorities, voluntary bodies, all local Assembly Members, senior clinicians, other staff groups, trade unions, and the public. This is unique in NHS Wales for such a major service change.

- The SCCC was identified as one of the three major acute centres under the South Wales Plan and is consequently a fundamental component of the South Wales hospital infrastructure. This was consulted upon and agreed by the public and all South Wales Health Boards and WAST through the South Wales Collaborative (SWC). This has been reinforced in the letter of support from the Director of the South Wales Collaborative.

- Support from Welsh Government (WG) for the SCCC through a robust Outline Business Case process and significant funding support of circa £30 million to support the capital expenditure incurred to date on the project, including securing the land and progressing the case to Full Business Case stage.

The implications of the SCCC not being progressed would present significant challenges for the future of health service provision across the Gwent communities with serious ramifications for our population and resilience of the South Wales system. The reputational damage that would be caused by non-approval would be significant given the critical mass of support and growing aspirations of both the public and our staff.

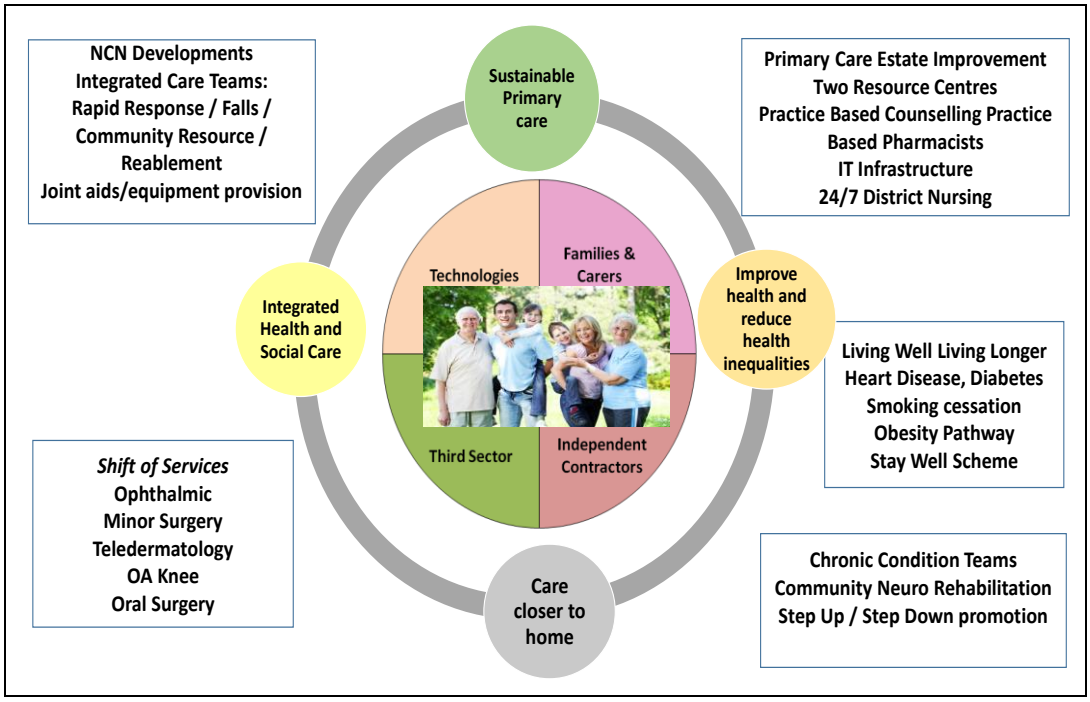
## 2. Delivering Clinical Futures – Building the Foundations

Aneurin Bevan University Health Board (ABUHB) has demonstrated a strong track record of performance and is recognised as an organisation that has a reputation for delivery. These include meeting its statutory responsibilities each year, delivering financial breakeven, delivering good performance, leading service change and innovation especially in primary care, actively responding to the prudent and value agenda, actively contributing and influencing national programmes of work and ensuring alignment to the delivery of the Clinical Futures Strategy.

The Health Board has made significant progress in the past 10 years in building the foundations of the Clinical Futures Strategy and has progressed and successfully implemented many components of the strategy, where possible, both in the primary and community care settings as well as in relation to hospital services. These are summarised below with additional detail provided in the supporting scrutiny response.

## Primary Care & Integration

The Clinical Futures Strategy has always promoted the importance of reducing the reliance on hospital services and bringing care closer to home for the public wherever possible, always aiming for equity of provision. Significant progress has been made in strengthening the role of primary and community care services in order to provide a platform on which to build a sustainable, whole system model as set out in the Clinical Futures Strategy. The following illustration sets out the route map of the plan and some of the key headline change programmes and service improvements that have been successfully implemented or being actively progressed.




The list of service changes and developments set out above is not exhaustive but reflects the most significant improvements and innovation progressed to date. The impact of some of the key developments are summarised below:

- The development of twelve Neighbourhood Care Networks (NCNs) who plan and deliver services for a population of 30,000-50,000. The NCN model goes beyond GP cluster structures, and are multi-organisational and include representation from Local Authorities, Housing Associations and the Third Sector to improve the co-ordination of care and integration of health and social care. ABUHB has been recognised as having the most advanced model in Wales in this area.

- The continued focus on improving GP access recognising the fragility of these services which has significantly increased the availability of appointments across the system via the "A" is for Access scheme and extended hours Local Enhanced Service (LES) which delivers an additional 74 GP hours per week.

- The development of the Gwent Frailty Service in partnership with the

five Local Authorities within Gwent, providing 7 days a week access to Community Resource Teams. This has been a significant project supported by an investment of £15m across the Health Board and the Local Authorities and provides out of hospital care dealing with 1200 referrals a month with over 80% of patients being maintained at home.

- Implemented an integrated primary care estate structure including the development of two Integrated Primary Care Resource Centres (Rhymney and Blaenavon) and estate improvements to over 40 GP practices over the last 10 years.

- A dedicated team of nurses has been employed to support nursing homes in Advance Care Planning (ACP), recognising and managing the deteriorating patient in and out of hospital setting where appropriate.

- Transforming the way the urgent primary care service (OOHs) is delivered to ensure it meets the core objectives of the service and directs patients to the most appropriate setting.

- The development of integrated chronic condition services for diabetes and respiratory, which seek to support patients to self-manage as well as expanding expertise and capacity within primary care to manage the majority of patients within the community.

- Significant Programmes of work have also been prioritised as models of prevention and early intervention to avoid unnecessary hospital admission. These include risk stratification tools, 24/7 District Nursing, Community Phlebotomy Service, Discharge to Assess Pilot and Choice of Accommodation policy.

- Shifting services to more appropriate primary care settings with recent success stories in Ophthalmology and Oral Surgery with further shifts planned for 2016-17. It is anticipated that over 15,000 attendances at secondary care will have transferred to Primary Care by the end of 2016/17 since March 2015 just in relation to these two specialties.

- Developed new workforce models across the service to support new ways of working including Practice Based Pharmacists, Advanced Nurse Practitioners, Therapists and Support Workers to support the principles of a Prudent workforce.

- There are a number of examples where the UHB has used the principles of prudent healthcare to redesign the way services are delivered. Examples include the approach applied to managing skin lesions via the development of a tele dermatology service coupled with a new service to remove low risk skin cancers in primary care, resulting in circa 1,000 hospital based outpatient appointments being avoided. In addition the development of interactive patient education groups for osteoarthritis of the knee seeks to promote informed decision making and signpost to appropriate care. It is anticipated that this approach will improve clinical outcomes for patients.

To this end the Health Board has developed an integrated approach to service redesign along prudent principles and continues to develop and implement a comprehensive programme of innovation and improvement that will support and compliment the hospital network of services.

**Hospital Care**

Significant progress has been made in transforming the hospital service provision across the Gwent area to ensure it is fit for modern day healthcare. Since 2008 the Health Board has:

- Commissioned two new local general hospitals, Ysbyty Aneurin Bevan (YAB) and Ysbyty Ystrad Fawr (YYF).
- Closed 11 old hospitals.
- Closed 517 beds over the last ten years, despite the challenges of demographics, chronic conditions and increased emergency demand of 37%.

The benefits of new modern day hospital facilities have already been demonstrated in many areas and continue to present new opportunities. Recent work on the benefits realised by the new YYF development has identified the following:

- Improved outcomes including reduced RAMI with a reduction from 2.39% to 1.57% in just 3 years;
- Reduced New to Follow Up from 1:1.7 to 1:1.4;
- Increased % assessed out of 56.5% compared to 24.5%;
- Improved staff morale based on a Trusted to Care Review in 2014 which identified good practice including staff attitude and appearance
- Reduced sickness rates of 5.8% compared to 9.7% in 2011 for the predecessor hospitals.
- Improved access to core services including improved bed utilisation; reduced lengths of stay from 5.2 to 4.4 days, and improved access to locally based diagnostic services.
- Improved therapeutic environment including a significant reduction in Healthcare Acquired Infections across C Difficile, MRSA and D&V outbreaks, in addition to improved privacy and dignity evidenced through positive patient feedback.
- Improved integration – although some of these network outcomes depend on SCCC being commissioned.
- Reduced reliance on hospital care - ABUHB is developing a 24 hour Community Nursing Service aligning services provided by District Nurses and those provided by the Urgent Primary Care (OOH) service.
- Improved local services and capacity including care close to home and pathway integration. Current developments include tissue and respiratory specialist nurses working in the borough and there is now a joint health and social care Reablement Service which operates 7 days a week which enables patients to be discharged from the hospital setting to the community for ongoing rehabilitation.

Centralisation has been implemented in a limited number of services where possible to support service improvement and sustainability. The centralisation of stroke services on the Royal Gwent Hospital (RGH) site has significantly improved performance against the SNAPP targets and repatriation to base, or community hospitals, has facilitated rehabilitation closer to home. Similarly the centralisation of upper GI bleeding services on the RGH site, with a full rota for upper GI endoscopy, has led to more timely management of GI bleeds. Further centralisation of services on the RGH site is, however, not possible due to the physical constraints of the site.

Other services have been successfully centralised off the main acute sites, for example, the orthopaedic foot and ankle service which is based at Ysbyty Ystrad Fawr. Previously this service was delivered by consultants on both Nevill Hall and Royal Gwent sites. This has facilitated a more consistent and efficient delivery of the service with high levels of patient satisfaction. This model is now being extended to hand surgery and a case is also being made for a single breast unit. There are many benefits of locating such services at an Enhanced Local General Hospital that is separate from the higher acuity specialties that often compromise the efficient delivery of services such as a reduction in cancellations, as the impact of the acute takes on bed availability is removed.

Whilst there has been significant progress made across the health system in Gwent in response to its strategy, the SCCC is the key enabler that will support a step change in the way we provide services. It will resolve the daily challenges faced by front line services in trying to sustain quality and safe care via a fragmented and outdated hospital model.

## 3. SCCC - Delivering Sustainability

The implications of the SCCC not being progressed would present significant challenges for the future of health service provision across the Gwent communities with serious ramifications for our population and resilience of the South Wales system.

The current set up of two main acute hospitals in terms of the RGH serving the South Gwent population and Nevill Hall Hospital (NHH), supporting the North Gwent and South Powys populations, is becoming unsustainable for a number of reasons:

- A number of critical clinical services are not sustainable in their existing form due to medical workforce and training issues. The current trainee doctor rotas are unsustainable, incur a banding cost of up to 80% of the trainee's full time salary and do not meet Deanery standards of 1 in 11 rota requirements. For the Health Board to maintain specialist services on multiple sites and comply with Deanery Junior Doctor Standards an additional 76 clinical fellow/specialty doctors are required. Due to the likelihood of not being able to recruit to these posts, we would need an additional 32 consultants working in "hybrid

"roles, equating to an additional annual cost of circa £8 million per annum. Given current levels of consultant and junior doctor vacancies and recruitment difficulties being faced on a daily basis by our existing services, this scenario is now considered unachievable from a workforce perspective.

- Specialist services are currently spread too thinly and a critical mass is required to deliver and sustain effective and safe services. The current configuration of hospital services is not consistent with National, Regional and Local Strategies. This can only be achieved via centralisation.

- The current configuration of district general hospital services at the RGH and NHH sites will not support the achievement of good quality clinical outcomes and performance and will become an increasing risk for the Gwent area in the future.

- Increasing demand and acuity presenting at our hospitals as a result of changing demographics, chronic conditions and addressing inequalities continues to put huge pressure on existing services. New facilities are required to fully implement new ways of working and integrated care across the system.

- Recruiting staff across many of the key clinical areas is proving increasingly difficult given the condition of existing facilities and fragmented services.

The key services that are under the most significant pressures in terms of sustainability include:

- Accident& Emergency Services
- Emergency Medicine
- Emergency General Surgery
- Trauma
- Cardiology
- Critical Care
- Consultant led Obstetric Inpatients
- Child Health Inpatients
- Neonates
- Emergency Gynaecology

Many of these services are interdependent and must be co-located to provide safe care. As described previously, centralisation, where feasible, has been progressed in terms of Hyper Acute Stroke Services and GI bleeding but is not ideal due to the location of the Royal Gwent for the South Powys and North Gwent populations and estate space constraints. In the meantime, services at Nevill Hall in particular continue to face significant challenges in terms of medical recruitment to deliver core services with Paediatrics and Cardiology currently facing daily pressures. Without the SCCC women and children's service will not survive at Nevill Hall Hospital and we know that a centralised service at the Royal Gwent

Hospital will be difficult to access for a large proportion of our population is potentially unsafe and politically and publically unacceptable,

Our interim plan to sustain services at NHH using hybrid consultants is not resilient in the long term. Over Christmas 2015, the service at NHH had to temporally close due to lack of cover. If the SCCC is not approved it is likely that this will happen on a permanent basis and the hybrid consultants leave.

Therefore if the SCCC does not proceed the Health Board would be faced with the following scenarios:

- Scenario 1 - Centralising A&E and the core services listed above at the Royal Gwent site with an updated capital cost of £255m excluding future inflation. A robust and detailed analysis of the consequences of relocating the above services from Nevill Hall to Royal Gwent was undertaken in the OBC, and further work was done during the OBC scrutiny period. This option was regarded as the "Do Minimum" option. As the OBC was approved in October 2013, based on the provision of a SCCC at Llanfrechfa Grange Hospital, the "Do Minimum" option has not been revisited as part of the FBC, other than to update the capital costs for inflation and any other relevant changes.

  As a result of the need to commence the planning of that option virtually from scratch, i.e. new OBC and a new FBC, plus the need to go back out to public consultation, it has been estimated that this option would not be able to start on site until 2022 and would not be completed until 2028. This would present major clinical risk and access issues for the North Gwent and South Powys populations.

- Scenario 2 - In the absence of capital availability the Royal Gwent site could not accommodate the core services listed above being relocated from Nevil Hall Hospital. Re-provision of these services would therefore need to be sought elsewhere which, presents major challenges in terms of capacity available, clinical risk and public and political acceptability of this option.

Centralisation is therefore required in all scenarios due to the issues described above, **the "Do Nothing" scenario in the PBC and FBC is not a practical, achievable, or sustainable solution.**

## 4. SCCC – Delivering Improvement & System Efficiency

The SCCC located at the Llanfrechfa site in Torfaen will become the major acute centre serving the Gwent and South Powys populations. The location of the SCCC was considered to be the optimum location to serve the communities throughout the five boroughs and this has been formally supported by the Welsh Government. Indeed Welsh Government instructed that alternative locations should not be considered further.

The state of the art SCCC will enable centralisation of key emergency services onto one site facilitating the enhanced provision of services offering 24 hours a day, 7 days a week cover across all specialities and improved access to comprehensive diagnostic services. The SCCC services include:

| Non Elective | Elective |
|---|---|
| ED (Majors and Resus)<br>All Emergency Surgery and Trauma<br>Emergency Assessment Unit<br>Children's Assessment Unit<br>Unselected Medical take, with inpatient adult and paeds beds<br>Cardiology<br>Gastroenterology<br>ITU<br>NICU & SCBU<br>Acute Cardiac unit<br>Obstetric Inpatients & High Risk Births | High Acuity Surgery<br>Paeds Inpatients<br>Enhanced Diagnostics<br>Emergency Endoscopy and Flexible Cystoscopies<br>Cardiology |

This will enable the sickest patients to be concentrated on one site to ensure they receive optimum care by the appropriate specialist 24/7. As patients are stabilised they will either be discharged directly home or transferred to their local general hospitals depending upon their condition.

**Delivering Improvements in Emergency Care**

The SCCC will centralise the sickest patients onto one site where enhanced diagnostics are available 24/7 with daily consultant ward rounds in all specialities enabling high quality care. The key service improvements will include:

- Centralisation of the Emergency Department onto one site which will ensure the sustainability of these services despite the current staff recruitment crisis
- 24/7 consultant /specialist availability to support the sickest patients.
- Daily review of all patients by the correct specialist will optimise the use of diagnostics, thereby ensuring correct treatment from admission.
- The enhanced consultant presence will allow rapid assessment and triage and referral on to specialty.
- Length of stay will be significantly reduced and using the Northumbria experience as a gold standard, we will be aiming to achieve a 2.5 day length of stay at the SCCC. Patients that cannot be discharged directly home will be moved closer to home to continue their treatment and rehabilitation.
- Consolidation of fragile services such as emergency general surgery which is increasingly difficult to deliver on 2 acute sites; as neither site has sufficient capacity and resource to allow this to proceed with the current estate

- The SCCC will reinforce and support training for junior staff particularly those in fragile specialties such as emergency general surgery and critical care.
- The proximity to the large 'state of the art' Critical Care Unit will facilitate rapid transfer and treatment of critically ill patients.
- Seven day working will allow full development of ambulatory care models thus preventing avoidable admissions at weekends. This support is particularly important for the out of hour's service.
- The Health Board's ability to meet the 4 and 12 hour performance targets.

Based on the above this new way of working will eliminate the delays that patients currently experience in receiving appropriate care, not only making the system more efficient but improving quality of care and survival.

**Delivering Improvements in Elective Care**

The hyper acute configuration of the proposed SCCC supports 21st Century medicine in terms of layout and intervention, speed and accessibility. For Elective Care the access for surgical patients will improve, and accessibility to supporting specialties for patients will be significantly better. Currently patients at Nevill Hall only have access to opinions from specialities such as ENT and Urology on certain days of the week. Daily access will be the norm with the new configuration which will eliminate these delays, reduce length of stay and improve quality of care.

The model of an SCCC as a hub surrounded by 'elective'/lower acuity facilities is sound. Provision of the SCCC Separation of the acute and elective work streams will be beneficial to both groups of patients.

The following improvements will be realised to the Elective stream:

- Separation of the emergency/elective and major/minor patient flows
- 24/7 consultant specialist availability to support the sickest patients.
- Reduced length of stay and better clinical outcomes for patients.
- Elective operations are currently cancelled when the emergency flow peaks, cancellations will be reduced if not eliminated in the new model by protecting the elective stream.
- Clinicians will be dedicated to the elective stream and not called away from outpatients or elective lists to care for emergency patients.
- The Health Board's ability to meet or better the WG Referral to Treatment Time (RTT) targets.
- With no competing demands for beds, clinicians will have confidence to improve the day case rate to 80%.
- The ability to establish Centres of Excellence in surgical sub-specialities.
- Radically changing the outpatient model through alternative ways of supporting primary care e.g. telephone and email advice, local patient education/support groups, direct access to diagnostics.

**Delivering Improvements in Women & Children Services**

The Clinical Futures Service Model of centralising consultant led obstetrics, NICU, inpatient paediatric, paediatric assessments and emergency gynaecology will facilitate significant improvements for women and children requiring acute hospital care. Underpinning all this will be the ability to deliver services on a sustainable footing that meets national workforce and educational requirements in a prudent and, more importantly, robustly sustainable model. The provision will be an integral part, and is key to delivery of, the whole system redesign of services for Women and Children that uses new ways of working and develops the range of professional practice in partnership with community services, Primary Care, voluntary sector and local authorities.

- A centralised neonatal unit will deliver a safe environment that meets the latest infection control recommendations, and senior medical cover.
- Centralised acute paediatric services will be able to develop an integrated model for managing the acutely unwell child whilst minimising hospital bed stay.
- The development of a short stay paediatric assessment service will prevent admissions in children requiring periods of observation.
- There will be a release of medical and nursing time to increase and improve community delivered services, sustainably providing safeguarding services and integrated children disability services with our local authority partners.
- There will be improved outcomes and experience for children and families.
- The consolidation of Consultant Obstetrics and Gynaecology staff will enable us to further enhance Consultant presence on the Labour Ward.

## Delivering Improved System Efficiencies and Performance

The Health Board has modelled the planned bed reductions that can be achieved over the next five years as part of the whole strategy implementation and tried to identify those that will be generated directly from the SCCC whilst recognising there are many interdependencies across the whole system to deliver the full benefits of Clinical Futures.

The further bed reductions of 230 are considered achievable over the next five years and have been calculated in the context of continued growth in demand and acuity. The reduction is based on improved system efficiencies in the hospital system through improved length of stay, and new models of care in primary and community care settings, including integration with social services.

The SCCC is a key enabler to the delivery of improved system efficiency, with all specialties achieving closer to upper quartile performance on length of stay. This is achieved through consultant availability 24/7, access to diagnostics, and improved streaming and flow of patients across the system, leading to improved patient experience and outcomes.

A high level summary of improved performance indicators would include:

- 230 less physical beds across the Health Board, with the SCCC a key enabler, together with investment in primary and community services.
- Reduced occupancy (maximum of 90%) and new models of care, notably the expansion of ambulatory care, will contribute to reductions in length of stay.
- For medical specialties, the acute emergency length of stay will reduce from 8.9 days to 6.4 days (26% improvement)
- For surgical specialties, the acute length of stay for emergencies and electives will reduce from 2.6 days to 2.1 days (19% improvement)
- There will be a parallel improvement in the day case rate, with a minimum improvement of 10% for surgical specialties excluding Ophthalmology.
- The above would comfortably exceed best current performance in Wales

The Health Board will continue to test and review the benefits and outcomes of the Clinical Futures Programme through a more robust benefits realisation process and learning from evidence elsewhere, with Northumbria continuing to be our reference site due to the similar geography, demographics and common service model. The SCCC at Northumbria, became operational in June 2015 and after six months has seen significant benefits that have exceeded their expectations.

In summary, the SCCC will enable a step change to be made in the provision of acute care that will ensure a safe sustainable service for the population of Gwent that will be fit for 21st century health care, offering 24/7 specialist care to our sickest patients to ensure optimum treatment leading to improved patient outcomes and experience and significant improvements in the system efficiency and performance. This will be a catalyst for change and be central to supporting the wider models of care at both the local general hospitals and in primary and community care.

## 5. SCCC - Wider System Benefits

The SCCC as a key enabler in delivering the rest of the Clinical Futures strategy, alongside continued work in primary care, community and mental health, also offers the opportunity of wider system benefits that are not easily quantified but are relevant in considering the broader impact. These include:

- **Health Gain Impact**

  The SCCC is a key part of the Clinical Futures Strategy which aims to address the health inequalities across the region in addition to improving population health, mortality and morbidity of its citizens. Work is underway with the Wales Health Impact Assessment Support Unit/Policy Research and International Development Directorate at Public Health

Wales to progress work on identifying health gain impact and also how the SCCC and wider programme contributes to the "Well Being of the Future Generations Act".

- **Recruitment and Retention for Wales**

The Health Board is facing major challenges in its recruitment, especially for clinical staff who do not have the desire to work in fragmented services in poor estate. Many HB appointments have been made in the expectation the SCCC will be approved, but the continued delays are makings retention equally difficult. A new modern day hospital facility that supports evidence based service models of care will attract new skilled people into Wales, especially given our location to the English border, helping to address the national challenges faced across Wales in relation to the clinical workforce.

- **Research and Innovation**

The SCCC as a modern high specification 21st century acute care facility offers significant potential to encourage innovation and research through stronger links with academic institutions, and as a consequence of improved recruitment into Wales as highlighted above.

- **Regional Resilience**

Whilst the SCCC primarily serves the populations of Gwent and South Powys, the physical capacity released at Nevill Hall and Royal Gwent will provide future opportunities for any capacity requirements that may emerge through the ongoing work programmes of the South Wales Collaborative in trying to cope with the continued centralisation and capacity challenges, especially in the South East region, which would be exacerbated in the absence of the SCCC.

- **Broader Economic Regeneration**

The new hospital will be a significant local and regional employment generator.

The economic regeneration benefits of the SCCC will be centred on its ability to stimulate greater inward investment. The location of such a significant employer will certainly make the area more attractive for business investments and additional services, and this will bring positive benefits for the local communities. The key economic regeneration benefit of the proposed scheme is the fact that it will result in the retention of a major local employment generator. A further economic benefit will be increasing the investment potential of the area and stimulating an increase in local businesses choosing to locate there. The location of such a significant employer will certainly make the area more

attractive for business investments and additional services, and this will bring positive benefits for the local communities.

The Health Board is working with Torfaen Council who have appointed external consultants, as part of a wider brief, to consider the potential wider economic impacts of the SCCC in more detail

## 6. The Financial & Economic Case

The Financial Case needs to be considered in the context of the wider NHS outlook across the UK and the local funding position of Aneurin Bevan University Health Board. The Health Board has a lower than average funding per head of population across Wales despite major population health needs and inequality across its communities. This is further within the context of the findings of the Commonwealth Report showing the UK ranks as the most effective and efficient healthcare system but with the unhealthiest population, and alongside the Nuffield Report "A Decade of Austerity" which sets out the significant financial challenges facing Wales in the next 10 years. These all set the context of the financial sustainability challenge facing NHS organisations and the need for new ways of working and innovation supported through improvement and efficiency and the recycling of resources to manage significant demographic growth over the next 5-10 years.

The Financial Case shows the 'SCCC only' option to have an annual recurrent cost of £0.744m (from the FBC), whilst there are annual recurrent savings associated with the 'SCCC and Do Minimum' option (incl eLGHs as per the PBC) of £2.043m. Both compare to a 'Do Nothing' cost of £8.987m per annum, demonstrating a cost avoidance benefit of £8.243m per annum from the 'SCCC only' option and £11.030m per annum by implementing the 'SCCC and Do Minimum' option.

Therefore over a ten year recurrent period, once fully implemented, there would therefore be a cost avoidance of £82m through implementing SCCC in comparison to 'Do Nothing'.

The relevant costs and savings have been derived from the detailed analysis undertaken across all sectors of the organisation on clinical and service models; activity, demand and capacity models; workforce configuration; and estate implications.

Centralisation of services and revised service models result in significant efficiency savings, which are disinvested as part of these changes. However, there is a requirement for reinvestment to support the improved clinical service provision and the revenue costs associated with the new estate configuration. In the wider context of a challenging 10 year financial outlook - supported by the 2014 Nuffield Trust assessment "A Decade of Austerity in Wales" (referred to above) and the absence of further revenue support, the Health Board's financial strategy supporting this development is based on reinvesting efficiency savings to support future service models.

This position is outlined in the table below:

| | Do Nothing | SCCC New Build | SCCC & Do Minimum |
|---|---|---|---|
| | £000 | £000 | £000 |
| Efficiency Savings | 0 | -6,771 | -6,771 |
| Investment in Clinical Services | 8,987 | 3,885 | 3,885 |
| Estate Costs | 0 | 3,630 | 843 |
| Total | 8,987 | 744 | -2,043 |

- Efficiency savings of circa £7m are generated from the bed reduction programme, as a result of length of stay improvements, improved theatre utilisation and savings in medical staffing in particular through centralising clinical services at the SCCC.

- Investment in clinical services of circa £4m allows for the necessary improved service provision delivered as part of the SCCC, these include:

    - Greater medical input at the front door
    - 7 day service provision of all specialties,
    - Improved diagnostic and therapy support
    - Non-emergency patient transfers generated by the revised clinical system.
    - Improved IT infrastructure

- Further investment is required for the revised estate structure to support the required clinical model. The implications of the 'SCCC only' option do add significantly to the estate costs, as vacated areas at Royal Gwent, Nevill Hall and St Woolos hospitals remain. However, the 'SCCC and Do Minimum' option allows demolition of many of these areas, producing savings from these sites and allowing the full cost avoidance benefit previously referenced to be achieved.

In addition to the benefits described above, in the context of the 10 year financial outlook, the organisations ability to manage increased demand growth and chronic conditions will be improved which, as outlined in the Nuffield Trust assessment, will drive the increased use of resources over the next 10 years. The development will therefore significantly assist the Health Board's ability to manage its overall revenue affordability and sustainability going forward.

A delay in approving this proposal will not only add £1m per month to the capital build costs (from inflation), but also from a revenue perspective defer the ability to generate savings and cost avoidance in the timeframes stated, proportionately to the circa £8m minimum per annum benefit.

It should be noted that the 'Do Nothing' option was only included in the FBC to provide a comparative position, in accordance with business case guidance, given that this is not a viable option from a service and workforce perspective. Financially, rejection of the preferred option (demonstrated to give the best value for money in the approved OBC, and re-confirmed in a revised assessment for the FBC) would incur the annual cost quoted of £8.987m as a minimum. If staff cannot be recruited and services are externally commissioned, this cost could be considerably increased.

## 7. Delivering a new and sustainable Workforce

The significant challenges facing the workforce across the spectrum of healthcare in Gwent have been highlighted throughout the report and are summarised below:

- Recruitment challenges in a number of specialties with high vacancy levels across many specialties
- Ageing workforce profile in a number of professional groups
- Deanery rota compliance and training standards
- Provision of 7 day and extended services for a number of professional groups
- Specialist skills spread too thinly across existing site configuration
- Increasing demand across the healthcare system
- Recruitment and Retention of staff in fragmented unsustainable services, in outdated poor estate, in the absence of SCCC approval.

Without the SCCC the medical workforce specifically will not be sustainable. To ensure that rotas are sustainable in the current service configuration would require 76 junior doctors of which 32 would be hybrid consultants. Since many of the junior doctor gaps are at SPR level, due to insufficient numbers in training and extreme challenges of recruitment, hybrid consultants would be the only solution to filling these gaps.

Maintaining services on the existing two sites is therefore not a sustainable workforce option, as this would require a level of medical cover that is not available in the labour market now or in the future. This presents a serious risk to patient care and safety.

New roles are being developed to support the medical model. However, these roles cannot be medical replacements in terms of supervision of junior doctors or undertake tasks that only medical staff can do. The SCCC will be a primary enabler in delivering workforce sustainability, supported by a programme of workforce modernisation that will reduce the reliance on the medical workforce. A programme of training and education has already commenced to train additional staff to support new roles, some of which have already been implemented. These roles include:

- Emergency Nurse Practitioners in emergency departments
- Physician associates in acute medicine and general practice
- Physician associates in anaesthetics

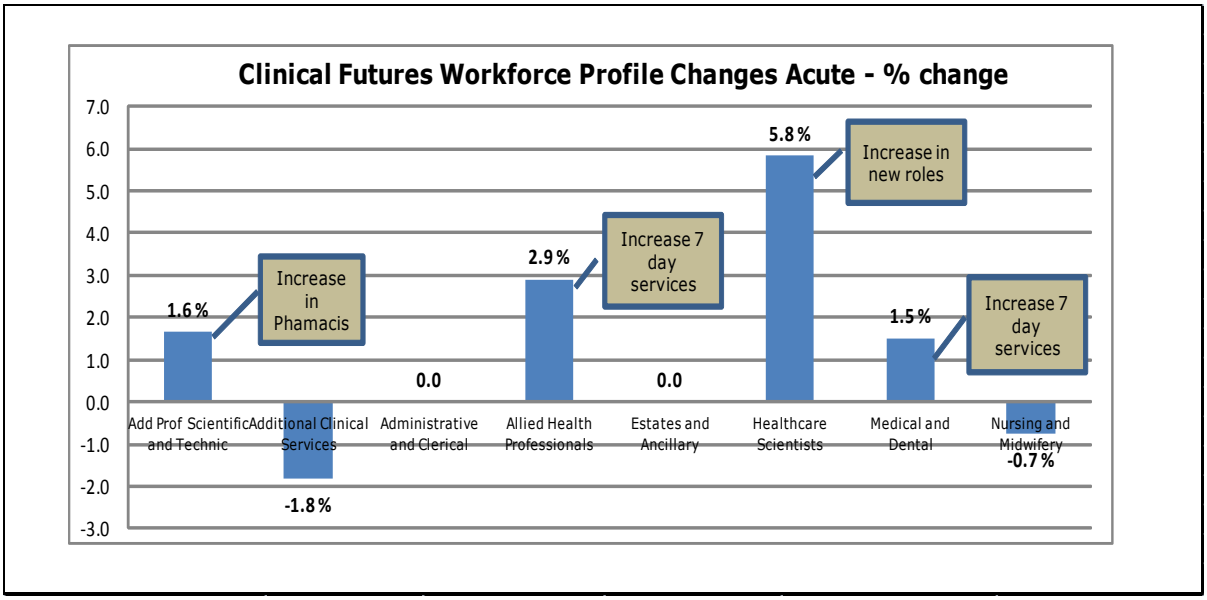
- Advanced Nurse Practitioner roles in neonates, gynaecology and paediatrics and other specialties
- Extended scope of practice for therapy services diagnostics
- Surgical Care practitioners

This is in addition to extending the scope of practice for a number of existing nursing professionals, radiographers, therapists and healthcare scientists. Overall these roles would equate to 10% of the existing medical workforce.

There are measureable benefits to centralisation of services for a number of the non-medical workforce in terms of sustainability, release of efficiencies and improved ability to cover 7 day services. Centralisation of a number of services will improve critical mass which will have a positive impact on skills, training and resources.

Other wider workforce benefits include improved working environments, greater autonomy, improvement in training and skills and appropriate staffing levels. All these factors impact on behaviour of staff, as was demonstrated through the implementation of YYF. This resulted in improvements in sickness absence, recruitment and retention and staff morale which delivered better patient care.

A summary of the key changes to the workforce profile from the current position as a result of the new hospital configuration is illustrated the following table. It is important to note that the levels of both medical and nursing staff would be higher in a 'do nothing' option.




The workforce savings associated with the development of the SCCC are associated with the reduction in nursing and support workers as a consequence of centralisation and reduction in beds, in particular paediatrics, theatres, and emergency gynaecology assessment (104 WTE). This in turn will offer improved workforce sustainability in these areas.

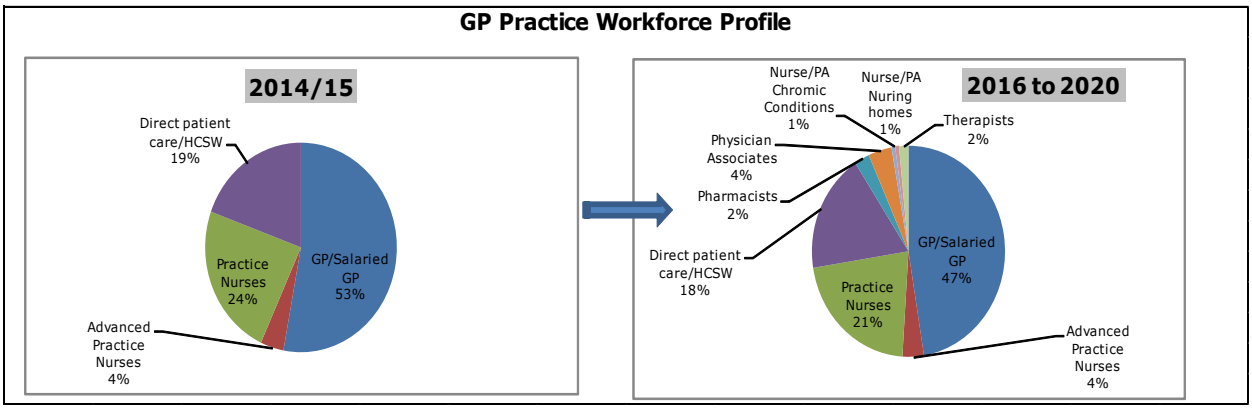
**Primary Care**

The workforce modernisation within Primary Care is moving at pace and will continue to be the focus of development over the next few years, supported by the "Primary Care Workforce Plan for Wales".

Training and development programmes have already commenced within GP practices to support the transformation of care. Additional new roles will be required to support the Primary Care workforce in delivering the Primary Care Workforce Strategy. The focus of Primary care workforce will be based on NCN populations, forming a team of primary care practitioners.

Physician's associates are likely to make up 4% of the primary care team, undertaking noncomplex care assessments and some minor injuries. Nurse practitioners and pharmacists will continue to support chronic conditions within Primary Care and reduce the impact on secondary care referrals. Therapists, and improved integration with social care and mental health, will form a significant part of the Primary Care workforce of the future.

The diagram below shows the anticipated change in the workforce profile to support General Practice:




The delivery of more accessible and prudent healthcare at home, or as near to home as possible, requires a wider range of professionals working as part of a team. In turn, this will free up GPs time and expertise to deal with patients with more complex needs.

Recognising this, the Health Board has instigated the following workforce changes:

- Optometrists – undertaking secondary care post-operative follow up and monitoring of specific eye conditions.
- Community pharmacists becoming more actively involved in minor illness, smoking cessation, immunizations, medication reviews.
- Management of chronic conditions through new resources programme of training and appointment of additional resources is ongoing and will expand.
- Improved interface between acute specialist and Primary Care Workforce assisted through telemedicine and closer working in a community setting.
- Development of Advanced Nurse Practitioner (3 WTE) and Pharmacist to support care homes which will reduce the impact of GP resource.

- Audiologists providing assessment and review in Primary Care (2 WTE) and reducing the impact on secondary care services.
- Impacts of the various schemes which will deliver care closer to home such as diabetes, OA of the Knee, and anti- coagulation will impact on secondary care referrals.

The SCCC is a key enabler in addressing the significant workforce challenges evident across many of the clinical staff groups with less reliance on doctors and nurses, both of which are experiencing national shortages. There is a wider workforce modernisation agenda based on prudent principles across both primary and secondary care which continues to be developed across the Health Board to ensure a highly motivated sustainable workforce that maximises skills and capabilities and is fit for purpose to support the future challenges.

## 7. Summary

In summary, the Clinical Futures Strategy has remained resilient and relevant over the last twelve years and continues to set the direction of modern day health service provision for the Gwent population for the future.

Significant progress has been made in building the foundations for Clinical Futures across primary, community and secondary care with a clear track record of delivery and innovation.

The SCCC is now the key enabler that will secure service sustainability, drive system improvement, and deliver wider health benefits through a new improved model of care that is supported by National evidence and experience in other parts of the UK.

In the absence of the SCCC, services will collapse at Nevill Hall and alternative provision will need to be made for the North Gwent and South Powys populations with serious issues in securing appropriate and accessible capacity either in Wales or England, with major consultation and public considerations and inability to deliver on the outcomes of the South Wales Plan.

Significant workforce challenges will be overcome with the establishment of the SCCC, both in terms of the lower numbers of clinical staff required and the benefits of recruitment and retention associated with new modern provision of healthcare.

The SCCC provides the opportunity to reinvest in new services through recycling our resources through improved efficiencies, and offers greater opportunities in delivering financial sustainability in the future.

The additional physical capacity offered by the SCCC provides greater resilience into South Wales as services develop in the future.

The SCCC has the potential to become a centre of excellence for research and innovation in the future and improve clinical recruitment into Wales.