

## HERTS COUNTY COUNCIL HEALTH SCRUTINY UPDATE – Appendix C

### **Report to Health in Dacorum Committee County Council Health Scrutiny Committee 12/12/2017**

#### Introduction

The purpose of the meeting was to scrutinise the finances of 6 NHS Trusts, 3 of which are of interest to Dacorum; namely, West Herts Hospital (WHHT), Herts Partners University Foundation (HPFT) and East of England Ambulance Service (EEAS). Two of these are financially in good health but WHHT is not.

#### EEAS

1. Services are provided across Herts, Beds, Essex, Cambs, Suffolk and Norfolk.
2. The Ambulance Response Programme deals with 999 emergencies from 3 call centres each staffed by approximately 110 staff, mostly medically qualified.
  - a. Each caller undergoes a triage set of questions by clinicians at senior paramedic/district nurse and or GP level.
  - b. A decision is then made on appropriate treatment, response time and vehicle. The patient may be dealt with at home by a medic or social services and only as a last resort in A&E. As a result, across the service area only 50% of patients are now taken to A&E, representing a fall of 100K admissions p.a. (for which the Trust receives no extra income from their CCG's).
3. The Trust currently breaks even, but there is pressure on the capital budget because ambulances (approx. cost £150K each) need constant upgrading and replacement.
4. The only way that the Trust can increase income is by securing contract(s) for non urgent patient transfers and it is currently bidding for the Herts contract.

#### HPFT

1. This Trust provides mental health and learning disabilities inpatient care as well as treatment in the community. The Integrated Marlowes Health and Wellbeing Centre is at the centre of its operations,
2. Wherever possible treatment is provided in the home and even in-patients are encouraged to spend weekends or longer breaks at home. This allows for maximum usage of available beds.
3. A street triage system has been developed in conjunction with the police and EEAS services, with the aim of obviating patients going to A&E and/or into custody.
4. A vital part of the Trust's work is the Child & Adolescent Mental Health Service and it has managed to reduce delayed referrals from 40% to 5%.
5. The Trust had a surplus of £1million at the end of the last financial year and expects to duplicate this in the current period.

#### WHHT

Governance seems better than in former years but;

1. The anticipated deficit at the end of the financial year is c£42million.
2. Anticipated refurbishment and development estate costs for the next 2 years are c£80million.
3. Cashflow problems have been caused by disputes with the CCG over payments e.g.
  - a. E.o.y billings.
  - b. Invoices for months 1-3.
  - c. Medical procedures no longer funded by the CCG that the Trust claims had already been performed prior to the new embargo.
4. Financial shortfalls have been routinely funded by borrowing, leading to an accumulated debt in excess of £100million. (The Trust has applied to NHS England to write this debt off, but so have 15 other Trusts nationally, who are in a similar position).
5. Ambulances from North London have started "dumping" their patients at Watford General.

6. A&E is under pressure with 85-95% ward occupancy. This leads to delayed transfers that the Trust estimates to cost £16.5million p.a.
7. There is a high staff turnover, particularly of nurses who often go to large London Trusts where the training is believed to be better. Even though many return after training, the immediate result is high agency staff costs.
8. Owing to the financial pressure, there is no money to upgrade the aged ICT system and the Trust is trying to outsource some of this to neighbouring Trusts.
9. Compliance with CQINS is best described as optimistic and the Trust admits that it has no chance of meeting its CIT target "without a fundamental change to the environment that the Trust operates within." (It is not clear whether this includes the location of Watford General).

#### Pressures on all Trusts

1. A growing and ageing population, leading to greater demands on services.
2. Unsatisfactory relations with, sometimes capricious, CCG's. (The Scrutiny Committee resolved to add CCG's to its work programme.)
3. Poor staff retention and resultant high staff agency costs.
4. Meeting capital requirements when operations budgets are under extreme pressure.

#### The good news

Even under extreme pressure, no Trust allows financial problems to impact upon patient care.