



**We want to understand the views of local people about our proposed changes to local health services. The consultation running from 10 December 2018 to 17 March 2019 looks at different options for how community-based services can be delivered differently in a more integrated way, closer to home; and how we can make better use of community hospital rehabilitation beds in the area.**

Health and social care services in Northern Staffordshire face some challenges that must be addressed to make sure patients get the high quality care they deserve. We want to make sure that the local health and care system is clinically and financially sustainable. We face a number of challenges, including financial challenges, that mean we need to look at different ways to deliver services in order to offer the best possible care within our limited budget.

Since October 2017, we have been looking at what services people need and asking people what their views are. This then shaped our proposed model and started a process of developing and testing many options against key criteria. It was important to provide our local population with the very best health and care services, that are sustainable for the future.

## All of the options are cost neutral

To understand the affordability of the options across all localities, their impacts in terms of expected costs and benefits must be considered in the context of CCG spend and provider in system income. This has been done through comparing the growth in CCG income (allocation from NHS England) and hub costs (as a result of increased activity, cost inflation, additional recurrent costs and the additional depreciation from new estates).

Analysis suggests the breakeven point should be achievable over the period 2018/19 to 2022/23, i.e. that costs will rise at a rate no higher than income growth.

### Where is the money coming from?

**Stoke-on-Trent City Council** has confirmed its willingness to fund the capital requirements (**£13.2 million**) for the South of Stoke-on-Trent development to enable an integrated care hub to be provided alongside the existing planned development of a primary care facility on the same site. They would therefore own the new build facility and would lease the premises to health partners.

**Midlands Partnership NHS Foundation Trust (MPFT)** has confirmed its desire to fund the capital requirements (**£31.9 million**) for re-developing the other community hospitals sites in line with final decisions reached after the formal consultation. This aligns to their wider strategy for investment and service development.

### Is 'doing nothing' an option for community hospital rehabilitation beds?

'Doing nothing' is not an option because it would not solve the problems of unnecessary hospital admissions and prolonged inpatient stays. All of the options are improvements over 'doing nothing', which would see expenditure rise by more than the forecast allocation growth. Across the six consultation options, at most, only two community hospital sites are running and incurring costs compared with all five sites being operational.



## Is this consultation about saving money?

With diminishing resources and increasing pressures on services across the whole of the NHS, both CCGs are facing financial challenges. Maintaining services as they are is not the best way to spend the Northern Staffordshire pound wisely and to get best value for the public money that we spend.

## Integrated care hubs

This short-list of options was agreed by looking at: meeting the health needs of local people; delivering high-quality care; whether they would work in the future; accessibility (travel times and distances and public transport links); and costs.

Affordability was evaluated using:

- **capital expenditure** – this is the initial investment needed to make sure the site can open and deliver services safely. The costs of building or refurbishing plus any costs for creating access to sites, plus fees and costs for planning, works and equipment were all taken into account.

**A total capital cost of £45.152 million was calculated for the development of the four preferred options for the hub model.**

- **Net Present Cost (NPC)** – this is used to compare the total lifetime cost and show which hub location may represent the best value for money in the longer term.

## Comparing the options for integrated care hubs (bold = preferred option for each hub area)

Option		Estimated capital expenditure	Estimated Net Present Cost (NPC)
<b>South of Stoke-on-Trent</b>			
1A	Longton (new site)	<b>£13.21 million</b>	<b>£18.59 million</b>
1B	Meir Primary Care Centre (existing site)	£3.84 million	£16.01 million
<b>Staffordshire Moorlands</b>			
2A	Leek (refurbish)	£6.5 - £8.0 million	£8.70 million
2B	Leek (rebuild)	<b>£9.36 million</b>	<b>£10.54 million</b>
2C	Kniveden (new site)	£9.36 million	£10.54 million
2D	Cheadle (existing site)	£6.93 million	£8.70 million
<b>Newcastle-under-Lyme</b>			
3A	Bradwell (existing site)	<b>£10.72 million</b>	<b>£15.90 million</b>
3B	Milehouse (existing site)	£3.90 million	£14.23 million
<b>North of Stoke-on-Trent</b>			
4A	Haywood (existing site)	<b>£11.86 million</b>	<b>£14.81 million</b>



## Community hospital rehabilitation beds

We have calculated we would need approximately 132 beds in the area, but we need to be able to adjust the numbers up and down a little when needed. This short-list of options was agreed by looking at: how many beds may be needed; how many sites they could be delivered from; and which sites could be used.

- **Investment cost** – this is the money needed up-front to make sure the sites can open and deliver services safely. Options 1-5 each require some initial investment to fix the backlog of maintenance, or to spend on new buildings. Only option 6 has no initial investment cost.
- **Expenditure** – this is the money needed to add the right number of beds to each hospital site in order to reach the 132 total for each option. There are expenditure costs involved for options 1-4, but not for options 5 or 6.
- **Running costs** – this is the cost of keeping the beds open, so is based on the cost per bed. Commissioned community hospital beds cost on average £2,100 per bed per week. Care home beds cost on average £1,000 per bed per week.

### Comparing the options for community hospital rehabilitation beds

(bold = preferred option)

Option	Investment cost needed	Expenditure needed	Average running costs per bed per week	
1	All 132 beds at Haywood	£1.02 million	£25.5 million	£2,100
2	77 beds at Haywood, 55 at Leek	£3.0 million	£11.8 million	£2,100
3	77 beds at Haywood, 55 at Longton	£0.6 million	£9.8 million	£2,100
4	77 beds at Haywood, 55 at Cheadle	£1.6 million	£7.8 million	£2,100
5	77 beds at Haywood, 55 at Bradwell	£1.5 million	£0.0 million	£2,100
6	<b>77 beds at Haywood, 55 NHS commissioned assessment beds in local care homes</b>	<b>£0.0 million</b>	<b>£0.0 million</b>	<b>£2,100 at Haywood; £1,000 at care homes</b>

More detail on all of these figures and calculations can be found in the Pre-Consultation Business Case.