REPORT TO:	**NHS SOMERSET INTEGRATED CARE BOARD** **ICB Board Part A**	**ENCLOSURE:** **C**
DATE OF MEETING:	**28 March 2024**	
REPORT TITLE:	**Somerset Acute Hospital-Based Stroke Services Reconfiguration – review of the financial case**	
REPORT AUTHOR:	**Maria Heard, Deputy Director Innovation & Transformation** **Julie Jones, Stroke Programme Manager Stroke, Neurorehabilitation and Community Hospitals**	
EXECUTIVE SPONSOR:	**David McClay, Chief Officer for Strategy, Digital and Integration**	
PRESENTED BY:	**Alison Henly, Chief Finance Officer and Director of Performance and Contracting**	

PURPOSE	DESCRIPTION	SELECT
Approve	To formally receive a report and approve its recommendations, (authorising body/committee for the final decision)	☒
Endorse	To support the recommendation (not the authorising body/committee for the final decision)	☐
Discuss	To discuss, in depth, a report noting its implications	☐
Note	To note, without the need for discussion	☐
Assurance	To assure the Board/Committee that systems and processes are in place, or to advise of a gap along with mitigations	☐

PREVIOUS CONSIDERATION/ENGAGEMENT

The NHS Somerset Board approved recommendations at the January 2024 board meeting to improve stroke services in Somerset. The plans will mean changes to:

- Hyper acute stroke services, with the establishment of a single Hyper Acute Stroke Unit at Musgrove Park in Taunton, providing 24/7 emergency treatment. Research shows that more people survive stroke and can live independently when specialised stroke services are located in one place.
- Ongoing hospital treatment, with acute stroke units at both Musgrove Park Hospital, Taunton and Yeovil District Hospital, Yeovil. Maintaining two acute stroke units would mean that following their emergency stroke treatment, patients could move to Yeovil District Hospital if this was closer to where they live.
- Patients would be taken to their nearest hyper acute stroke unit. This could be out of Somerset if it was closer such as Dorset County Hospital, Dorchester.

Full details of the proposals can be found in the Decision Making Business Case Enc-C-Somerset-Acute-Hospital-Based-Stroke-Services-Reconfiguration-–-Decision-Making-Business-Case.pdf (nhssomerset.nhs.uk).

The Board requested that the ICB finance committee review the financial case in terms of maximising value for money for the investment and seeking assurance around the affordability of the capital case.

Executive summary and reason for presentation to Committee/Board	The purpose of this paper is to update the board following the review of the financial case and provide assurance around the affordability of the revenue and capital case in terms of maximising value for money.

Recommendation and next steps	It is proposed that the ICB Board **approve** the recommendation from the finance committee that the questions raised at the board meeting in January 2024 have been answered sufficiently in terms of providing assurance around the affordability of the case and maximising value for money. The Board is asked to **approve** the recommendation that the Acute Hospital-Based Stroke Services move to the implementation phase.

Links to Strategic Objectives (Please select any which are impacted on / relevant to this paper)
☐ Objective 1: Improve the health and wellbeing of the population
☒ Objective 2: Reduce inequalities
☒ Objective 3: Provide the best care and support to children and adults
☐ Objective 4: Strengthen care and support in local communities
☐ Objective 5: Respond well to complex needs
☐ Objective 6: Enable broader social and economic development
☐ Objective 7: Enhance productivity and value for money

Impact Assessments – key issues identified **(please enter 'N/A' where not applicable)**	
Reducing Inequalities/Equality & Diversity	An Equality Impact Assessment (EIA) has been completed and can be found in the appendices of the DMBC. The EIA has been reviewed and updated throughout the process, supported and enabled by both the public engagement and consultation has been an integral part of the reconfiguration programme and commenced from the outset of developing the Somerset Stroke strategy in 2019, and our ongoing engagement and consultation activities. The EIA identified that in the preferred option, there will be a negative impact on those carers/relatives who are older people or live in rural areas and more deprived areas in the south of the county (who would normally travel to YDH for their stroke care) as there would be increased travel during the first 72 hours of care whilst receiving Hyper Acute Stroke Care. It is not possible to mitigate all the negative impacts on protected groups which have been identified in this EIA. The impacts that remain are predominantly: • For patients who will have an increased ambulance travel time following a stroke. This will be mitigated by an improved clinical model of care which will improve outcomes for stroke patients. • On carers/relatives who are older people, those who live in rural areas and those who are in the more deprived areas in the south of the county (who would normally travel to YDH for their stroke care). This is because a proportion of patients carers/relatives would experience an increased travel during the first 72 hours to visit loved ones in a HASU which is different from the current HASU in YDH. The programme will reduce health inequalities by delivering equitable access to timely specialist interventions proven to reduce mortality and morbidity and best practice long-term rehabilitation

	support to optimise the quality of people's lives after stroke, regardless of where they live.
Quality	By centralising our hospital-based stroke services, we will be better placed to follow best practice national guidance and deliver improved outcomes for people who use Somerset services. This will include 24/7 services, address workforce issues and provide treatment in a more timely way.
Safeguarding	Safeguarding has been considered as part of the process of developing the pre consultation business case. It has been considered that safeguarding does not directly impact the shortlist of options but will be an integral part of any future implementation. We are committed to following the Mental Capacity Act and engaging with robust capacity and best interest assessments. As any changes to services are implemented, due regard will be given to ensure the services meets our responsibilities outlined in the MCA including Deprivation of Liberty safeguards and Liberty Protection Safeguards as well as our statutory safeguarding duties.
Financial/Resource/ Value for Money	The cost to the system of implementing these proposals has been estimated at £4.2m per year. This includes a one-off transitional cost to the system of £0.2m to cover the costs of agency premiums whilst recruitment to therapy roles is completed. The estimated cost of capital required to implement these proposals are estimated to be a maximum of £1.8m. The delivery of benefits relating to a reduction in long term health and care needs relating to stroke care will enhance productivity and value for money
Sustainability	Consideration has been made to increased travel times for carers and family being part of and supporting rehabilitation after having a stroke which is key to recovery and was consistently noted in the consultation feedback.
Governance/Legal/ Privacy	The recommendation in this paper is made by the ICB Finance Committee. Previously the ICB Board has approved the recommendation to move to a preferred option on 30 November 2023 and the decision to proceed to consultation on 26 January 2023. The NHS Somerset Board approved recommendations at the January 2024 board meeting to reconfigure hyperacute stroke services in Somerset. The programme has been overseen by NHSE under the service change guidance and is subject to the associated assurance processes[1]. This has included a Clinical Review Panel by the South West Clinical Senate. Legal advice was taken in relation to public consultation, completion of the PCBC, further option assessment and completion of the DMBC.

[1] planning-assuring-delivering-service-change-v6-1.pdf (england.nhs.uk)

<table>
<tr><td></td><td>There is a legal duty on NHS organisations to involve patients and the public in the planning of service provision, the development of proposals for change and decisions about how services operate:

• Section 242, of the NHS Act 2006, places a duty on the NHS to make arrangements to involve patients and the public in planning services, developing and considering proposals for changes in the way services are provided and decisions to be made that affect how those services operate.
• Section 244, of the NHS Act 2006, requires NHS bodies to consult relevant local authority Overview and Scrutiny Committees on any proposals for substantial variations or substantial developments of health services. This duty is additional to the duty of involvement under section 242 (which applies to patients and the public rather than to Overview and Scrutiny Committees).
• The NHS Act 2012, Section 14Z45 places a duty on ICBs to make arrangements to ensure that individuals to whom the services are being or may be provided are involved (whether by being consulted or provided with information or in other ways):

  • in the planning of the commissioning arrangements by the integrated care board;
  • in the development and consideration or proposals by the integrated care board for changes in the commissioning arrangements where the implementation of the proposals would have an impact on the manner in which the services are delivered to the individuals or the range of health services available to them;
  • in decisions of the integrated care board affecting the operation of the commissioning arrangements where the implementation of the decisions would (if made) have such an impact.

There are no information sharing implications of this report.</td></tr>
<tr><td>Confidentiality</td><td>N/A</td></tr>
<tr><td>Risk Description</td><td>Somerset holds a corporate risk regarding the risk of reputational damage to organisations from legal challenge brought by members of the public, either a Judicial Review and/or Independent Reconfiguration Panel.

<table><tr><td rowspan="2">Risk Rating</td><td>Consequence</td><td>Likelihood</td><td>RAG Rating</td><td>GBAF Ref</td></tr><tr><td>5</td><td>3</td><td>15</td><td>446</td></tr></table>
There are a number of risks to implementation which are contained within the DMBC.</td></tr>
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SOMERSET ACUTE HOSPITAL-BASED STROKE SERVICES RECONFIGURATION – REVIEW OF THE FINANCIAL CASE

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SOMERSET ACUTE HOSPITAL-BASED STROKE SERVICES RECONFIGURATION – REVIEW OF THE FINANCIAL CASE

1 INTRODUCTION

1.1 The NHS Somerset Board approved recommendations at the January 2024 board meeting to improve stroke services in Somerset. The plans will mean changes to:

- Hyper acute stroke services, with the establishment of a single Hyper Acute Stroke Unit at Musgrove Park in Taunton, providing 24/7 emergency treatment. Research shows that more people survive stroke and can live independently when specialised stroke services are located in one place.
- Ongoing hospital treatment, with acute stroke units at both Musgrove Park Hospital, Taunton and Yeovil District Hospital, Yeovil. Maintaining two acute stroke units would mean that following their emergency stroke treatment, patients could move to Yeovil District Hospital if this was closer to where they live.
- Patients would be taken to their nearest hyper acute stroke unit. This could be out of Somerset if it was closer such as Dorset County Hospital, Dorchester.

1.2 The Board requested that the ICB Finance Committee review the financial case to ensure it delivers maximum value for money for the investment and seeking assurance around the affordability of the capital case.

1.3 The Board aired concern at the value of the funding going out of Somerset, alongside the need to have assurance that the standards will be met before the transfer takes place.

1.4 The purpose of this paper is to update the ICB board following the review of the financial case and provide assurance around the affordability of the revenue and capital case in terms of maximising value for money.

2 SUMMARY OF THE FINANCIAL CASE FOR OPTION A

2.1 The revenue cost to the system of implementing the option A model for stroke services is estimated at £4.2m in year 1. The additional cost is broken down as follows: -

- Additional staffing and non-pay costs at Somerset Foundation Trust (SFT) - £1.9m,
- Additional costs at Dorset County Hospital (DCH) to support Somerset patients previously treated at Yeovil District Hospital (YDH) - £1.8m.
- Additional costs to Somerset ICB for patients now treated at Royal United Hospitals Bath (RUH), previously treated at YDH - £0.1m

- Transport costs for the repatriation costs of patients back to YDH Acute Stroke Unit, from DCH, MPH and RUH - £0.1m
- SFT loss of income from Dorset ICB for Dorset patients no longer treated at YDH - £0.3m

2.2 The capital cost to the system of implementing option A was estimated to be £1.8m, based on the Somerset proportionate share of an assessment of the Dorset County Hospital Capital requirements.

2.3 The delivery of benefits relating to a reduction in long term health and care needs relating to stroke care will enhance productivity and value for money. The assessment of the economic case assumes that the additional costs of delivering the preferred option could be partly offset by an estimated £811 per patient in savings in the first 90 days post stroke and £314 per year in subsequent years (as people who have a stroke have lower disability over the long term). It is assumed that the preferred model of care will generate a non-cashable benefit for the commissioners of £1.0m from the first full year it is operational. This will rise to £3.5m by year 10.

3 SUMMARY OF THE REVENUE ASSUMPTIONS WITHIN DECISION MAKING BUSINESS CASE (DMBC) OF FUNDING TRANSFERING TO DORSET COUNTY HOSPITAL (DCH)

3.1 The ICB took the updated costings that were submitted by DCH on 16th January.

3.2 The DMBC included the proportion of the revenue cost that is driven by additional Somerset patients being admitted to DCH, as per the below table, although it should be noted that this includes mimics, so we would not expect all these patients to require a HASU admission.

Additional Admissions	402	Revenue
		£s
Somerset Patients	**313**	**1,771,331**
Dorset Patients	88	498,010
Non-Somerset/Non Dorset	1	5,659
Total	**402**	**2,275,000**

The NHS Somerset ICB Board sought assurance that this revenue investment maximises value for money and that the standards will be met before the transfer takes place.

4 ACTIONS TAKEN SINCE LAST ICB BOARD

4.1 Revenue Assurance

Work has been completed on the detail of workforce models, with both DCH and SFT finance teams assured of the underpinning assumptions within the costing model are consistent.

Revised revenue costings are based on Somerset supporting the costs of 4 beds at DCH, where original costings were based on 6 beds.

4.2 Capital Assurance

Finance Committee have reviewed the Somerset 2024/25 capital plan, and the commitment for the Stroke DMBC of £1m in 2024/25 and £1m in 2025/26 has been included.

Colleagues from the ICB and SFT have undertaken a site assurance visit to Dorchester Hospital, with further work ongoing to produce detail designs of the capital requirements. Dorset County Hospital have identified an alternate estates configuration which they are costing which is expected to be below the original estimate.

Implementation is expected by May 2025.

5 REVENUE ASSUMPTIONS WITHIN DMBC OF FUNDING TRANSFERRING TO DCH

5.1 DCH have submitted updated costings of £2.036m to cover 4 beds.

The ICB have included the proportion of the revenue cost that is driven by additional Somerset patients being admitted to DCH, as per the below table, which shows the comparison:

Dorset Workings – Option A		
Additional Admissions	**Revenue (6 beds)**	**Revenue (4 beds)**
	£s	**£s**
Somerset Patients	**1,771,331**	**1,585,137**
Dorset Patients	498,010	445,562
Non-Somerset/Non-Dorset	5,659	5,064
Total	**2,275,000**	**2,035,863**

6 CONCLUSION

6.1 The 2024/25 capital programme plans contain a commitment for stroke of £1m, with a further commitment of £1m in 2025/26..

The finance team from DCH and SFT have met up and are assured that the underpinning assumptions within the costing model are consistent between the two organisations.

Revised revenue costings are based on Somerset supporting the costs of 4 hyperacute stroke unit beds at DCH as the DMBC, where original costings were based on 6 beds. As a result, overall revenue costs have decreased from £4.2m to £4m.

7 RECOMMENDATION

7.1 The Board is asked to **approve** the recommendation from the Finance Committee that the questions raised at the board meeting in January 2024 have been answered sufficiently in terms of providing assurance around the affordability of the capital case and maximising value for money.

7.2 The Board is asked to **approve** the recommendation that the Acute Hospital-Based Stroke Services move to the implementation phase.