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Princess Elizabeth Hospital Review

A Review of the Operational Efficiency and Professional Leadership of Acute Services

This document summarises the main points raised in the PEH Review, and HSSD's response. It is intended as a quick guide to the review.

1A) Benchmark Hospital

The Review compares the PEH to a "benchmark hospital" (not an individual hospital, but a statistical model built up from data on a number of UK NHS hospitals). It looks at:

- The caseload (number and type of patients) by medical and surgical specialty;
- The number of beds used and the length of stay;
- The number of staff in different specialties and functional areas.

The reviewers acknowledge that "PEH data on patient activity is incomplete" (p5) and that "the data … was based on a definition of a day case different from that used in the NHS, which obscured comparison between the two sets of figures."

On the basis of its comparisons, the Report's main findings were:

1) That the PEH may have a lower-than-usual inpatient caseload and/or a higher-than-usual ratio of day cases to inpatients;
2) That lengths of stay in the PEH may be up to 21% higher than usual;
3) That bed occupancy may be low, and fewer beds may be needed in the PEH;
4) That nurse staffing levels may be as much as 20% lower than usual, especially in the unregistered workforce;
5) That support staffing levels may be higher than usual (and this may be linked to the lower numbers of unregistered nurses, if support staff are helping with basic tasks on the ward);

1B) HSSD's comment

While it is always useful to compare Guernsey to other jurisdictions, the "benchmark hospital" was not fully adapted to local constraints. For example, the "benchmark hospital" uses junior doctors (this is apparent from the table on p13 of the report). Junior doctors are in the course of training as Consultants. They have to be working in a hospital of sufficient size and covering the range of services necessary to be accredited as a teaching hospital. Guernsey is not in that position. This will affect some of the conclusions drawn about staffing and cost.

It is disappointing – although perhaps inevitable, given the very short timeframe for the Review – that the reviewers have drawn conclusions on the basis of data which they acknowledge to be incomplete or unreliable, rather than seeking to understand or validate it further. Conclusions can only be as strong as the data and analysis they are based on, which unfortunately means that HSSD cannot place too much reliance on the results of this Review.

2A) Secondary Care Contracts

One of the main messages of the Review is that the States could save a significant amount by changing the contractual relationship between HSSD and MSG. The Reviewers calculate a saving of

around £6.2m by moving from a partly contracted to a wholly in-house service (p13), and as much as £9.4m if the service is redesigned along the lines of their "benchmark hospital".

The Review also suggests that the working relationship between HSSD and MSG needs to be greatly improved. It says that:

1) MSG staff and HSSD staff working in the PEH do not share the same targets and incentives;
2) MSG consultants drive theatre list scheduling without any input from HSSD staff;
3) HSSD has no control over service developments which are driven by MSG consultants;
4) A Medical Director (employed by HSSD) is needed to manage the relationship with MSG.

2B) HSSD's Comment

It is helpful to investigate ways in which the current service could be provided more cost-effectively, especially at the present time. However, HSSD is concerned that this has been done by pricing up the "benchmark hospital" with little regard for Guernsey's particular circumstances, and the Review does not clearly justify the range of savings which it proposes. Particular concerns are:

a) **Junior doctors:** All the alternative models offered on p13 rely on the use of junior doctors, which as explained earlier is not possible in Guernsey.
b) **Rates of pay:** The Reviewers acknowledge that their models are "based on all staff being … paid salaries comparable to the rates of pay applicable to each pay grade now. In practice, higher rates are likely to be needed to attract high quality senior medical staff to Guernsey.

HSSD and SSD are committed to reviewing and improving the present contractual arrangements to reduce inefficiencies. However, the Department does not believe that a 40% reduction in the cost of secondary care doctors is likely under any circumstances.

Of more concern to HSSD is the claim that "consultants are not part of the PEH organisation and do not have the same interests and incentives as PEH." On the contrary, the PEH is kept running by the professionalism and skill of both MSG and HSSD staff, all of whom are focused on caring for patients and providing a good service. On the whole, working relationships between MSG and HSSD staff in the PEH are characterised by cooperation and collaboration for example HSSD staff attend MSG board meetings and MSG attend the HSSD management meetings. There are also regular meetings between politicians from HSSD & SSD and MSG.

It is inaccurate to suggest that HSSD does not have any control over activity within the PEH (such as service developments or theatre scheduling). However, these are areas which have historically caused some frustration within both organisations, and it is understandable that the Reviewers would have picked this up during their snapshot visit to Guernsey. HSSD and MSG continue to work together to improve the way that both these issues are handled.

3A) Costs of Primary Care

The Review only touches on Primary Care briefly. It suggests that GP charges create an incentive for patients to seek referral to (free-of-charge) secondary care. It also says (p4) that GPs are making an unusually high number of requests for diagnostic services (tests on blood samples).

3B) HSSD's Comment

This Review was commissioned to look at the operation of the hospital. It is right that it should look at movement between primary and secondary care, as this affects hospital admissions, but this issue was naturally not explored in great depth.

HSSD considers that the impact of primary care charges, and movement between primary and secondary care, is an area which should be explored further. The Department is pleased that the Primary Care Committee has expressed its willingness to explore referral patterns from primary to secondary care, and use of diagnostics, in conjunction with HSSD and MSG.

4A) Cost of Off-island Care

The Review highlighted the costs of off-island acute care on p13 (around £7.7m for HSSD and £2m for SSD in travel costs). It did not look into this in detail, but suggested that cost drivers could be:

1) Unnecessary referral
2) Overseas stays that last too long, or involve unnecessary treatment

4B) HSSD's Comment

HSSD believes that it can make savings in off-island costs for both acute and complex care. Significant improvements have already been made in 2013 and will continue in 2014. This is through process change and more robust contract negotiations.

5A) Poor Management at HSSD

The Review is critical of senior management at HSSD. It says that there are too many conflicting "top-down priorities" and no clear direction (p14), that front-line "service departments", such as the PEH, are not involved in strategic planning (p16) and that there is a lack of support from the top.

The Review also says:

- The lack of an HR Director has affected the management of HR activities, including recruitment (p14);
- Operational managers are not closely involved in budget setting (p14);
- The lack of an equipment procurement process (known as 'PAG') puts frontline services at risk (p15);
- HSSD is unable to make robust decisions on clinical issues without a Medical Director (p16);
- Operational planning is not linked to frontline priorities (p14).

On the other hand, the Review says that staff relationships in the PEH are good, with "frequent and open communication, mutual support and sharing of issues, concerns and solutions."

5B) HSSD's Comment

The Review said that frequent changes of direction have damaged staff morale (p19), and HSSD acknowledges that even more changes have been made since this Review was conducted in February 2013. Nonetheless, the Department believes that there have been improvements in processes and communication throughout the organisation in recent months. HSSD is pleased that positive working relationships in the PEH were highlighted in the Review.

In respect of some of the specific points raised:

- HSSD now has an interim HR Director who is providing invaluable support to the Department;
- As part of the Department's financial management improvement plan, budget-holders across HSSD have been much more closely involved in budget-setting for 2014 over the course of this year;
- A new process for requesting and prioritising the purchase of equipment on a routine basis has been set up and is now in operation;
- In addition, HSSD has received an additional capital allocation for the replacement of ageing medical equipment in 2014, which it will be running alongside the routine programme;

The Department recognises the need to improve clinical and professional involvement in decision-making and in operational planning, and is working to strengthen both these areas.

The Department's relationships with MSG and the Primary Care doctors are currently in very good order.

6A) Operational Areas for Improvement

The Review highlights three operational areas for improvement (p16):

- **Theatre utilisation:** The Review suggests that the scheduling and management of theatre lists could be improved to increase efficiency and avoid some inpatient admissions.
- **Outpatients:** The Review suggests that all outpatient activity should be moved to the PEH, and that outpatient waiting times should be reviewed.
- **Bed utilisation / Average length of stay:** The Review suggests that it might be possible to reduce length of stay by improving discharge planning within the hospital, as well as community support. This would make it possible to use fewer beds, more efficiently.

6B) HSSD's Comment

While the Review flags these up as issues for concern, it does not explore them in any detail.

HSSD is working with NHS Elect* to develop a performance report which will give the management team and the Board regular updates on key information. From the start of 2014, this will be used by the Board to monitor the areas above, among others. This will allow HSSD to make informed decisions on the changes that are needed in these areas.

One particular concern for HSSD is the claim made in this Review that "fewer beds are needed than are used" (p7), based on claims that greater efficiency could be achieved. At the time this Review was written, in February 2013, De Sausmarez Ward had only been closed for two and a half months. 10 months down the line, the evidence from postponements confirms that additional bed capacity is required; although HSSD agrees that more efficient ways of working should always be pursued.

HEALTH AND SOCIAL SERVICES DEPARTMENT
25th October 2013

*NHS Elect is a membership organisation for health services (see www.nhselect.org.uk) which provides management and technical support across a range of areas. HSSD is currently a member of NHS Elect.