



Acute Hospitals Collaboration

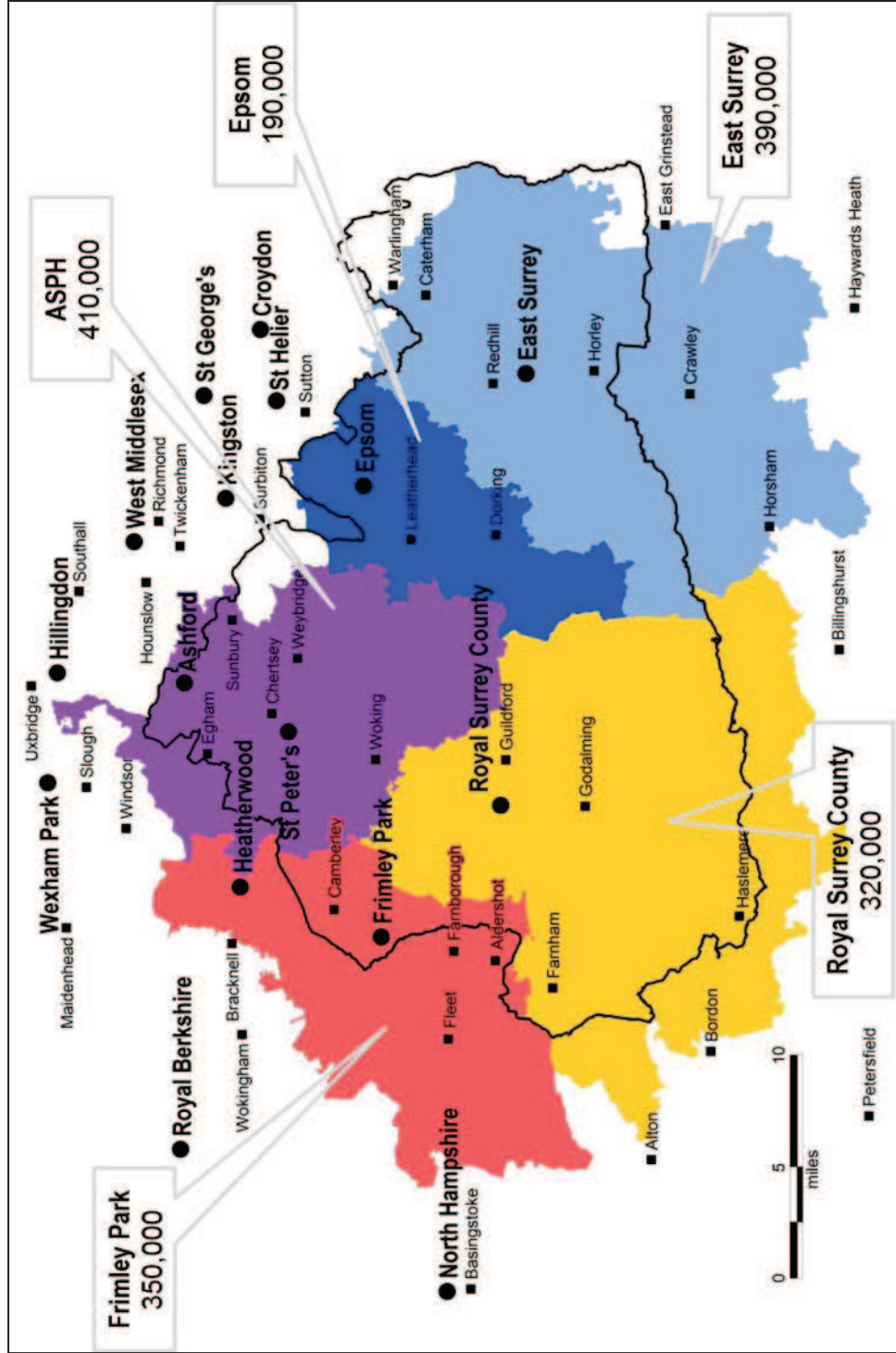
Proposed merger between Ashford & St Peter's Hospitals and The Royal Surrey County Hospital NHS Foundation Trusts

Surrey Health Overview & Scrutiny Committee
July 2014

Introducing ...

- Andrew Liles, Chief Executive, Ashford & St Peter's Hospitals NHS Foundation Trust
- Nick Moberly, Chief Executive, The Royal Surrey County Hospital NHS Foundation Trust
- Julia Ross, Chief Executive, North West Surrey Clinical Commissioning Group
- Dominic Wright, Chief Executive, NHS Guildford & Waverley Clinical Commissioning Group

The Surrey context



Ashford and St. Peter's Hospitals
NHS Foundation Trust



North West Surrey
Clinical Commissioning Group

Working together to put patients first



Guildford and Waverley
Clinical Commissioning Group

Royal Surrey County Hospital
NHS Foundation Trust



Commissioners' perspective

- Overall commissioners are generally supportive of the merger as a way of providing significant benefits to patients and supporting a sustainable future for local acute healthcare but will also need to consider in detail any specific proposals for service development as they are developed.
- Key issues from the commissioners' perspective include:
 - Ensuring that the Clinical Strategy is aligned to commissioner plans
 - Securing a sound financial transition and future
 - Delivering required level of performance throughout the merger – in particular Referral To Treatment (RTT) and A&E
 - Demonstrating a broad and deep engagement with communities
 - Strengthening the governance to deliver the merger

Commissioners' perspective

- There has been good engagement between commissioners and with the Trusts to date, with a commitment on all sides to focus on.
 - Co-designing the clinical strategy that preserves the full range of District General Hospital Services for local populations and aligns to commissioning strategies
 - Financial planning together to secure financially healthy economies for local people and that acknowledges a move towards outcomes based commissioning
 - Ability of the Trusts to meet the specific needs of the G&W and NW Surrey populations and commissioning priorities
- In addition we will be looking for assurance that:
 - Potential costs of merger are constrained as much as possible to ensure maximum investment in patient care
 - There is a strong focus on business as usual and the maintenance of key performance targets during this period including staff confidence
- As commissioners, we will also be centrally involved in ensuring the development of a broad and deep public and patient engagement plan

Two Successful and Complementary Foundation Trusts

	Royal Surrey County Hospital NHSFT	Ashford & St Peter's Hospitals NHSFT
Hospital sites	1	2
Local catchment population	320,000	410,000
Key specialist services	Cancer, OMF & ENT surgery	Neonatal ICU, Cardiology, Vascular, Bariatric surgery, limb reconstruction
Annual turnover	£260m	£245m
Beds	520	570
Employees	3,200 wte	3,300 wte
Annual admissions	67,000	68,000
A&E attendances	71,000	92,000
FT Authorisation Date	1 December 2009	1 December 2010
Monitor CoSRR	4	3
Monitor Governance Rating	Green	Green

Background

- The two Trusts have been working together under a Principle Partnership agreement since early Summer 2013
- Summer 2013 – the two Trusts began to shape a joint clinical strategy through a number of clinical workshops
- Autumn 2013 – agreement to develop a shared Outline Business Case to consider the right future for the partnership to ensure maximisation of patient benefits
- January 2014 – both Trusts began a widespread engagement campaign with both staff and external stakeholders
- April 2014 – Outline Business Case presented to both Boards – agreement to begin developing a Full Business Case for merger

The Case For Change

Healthcare is changing

- The healthcare burden is growing at an unsustainable rate
 - Significant increase in elderly population
 - Greater number of people with complex health and care needs
 - Technology is advancing – new drugs, technologies and treatments with rising costs
 - With a major focus on delivering new quality standards, e.g. 7 day working
- At the same time, the NHS is experiencing its most challenging economic environment since its creation with an almost flat budget for the next 10 years
- Resulting financial burden is unsustainable

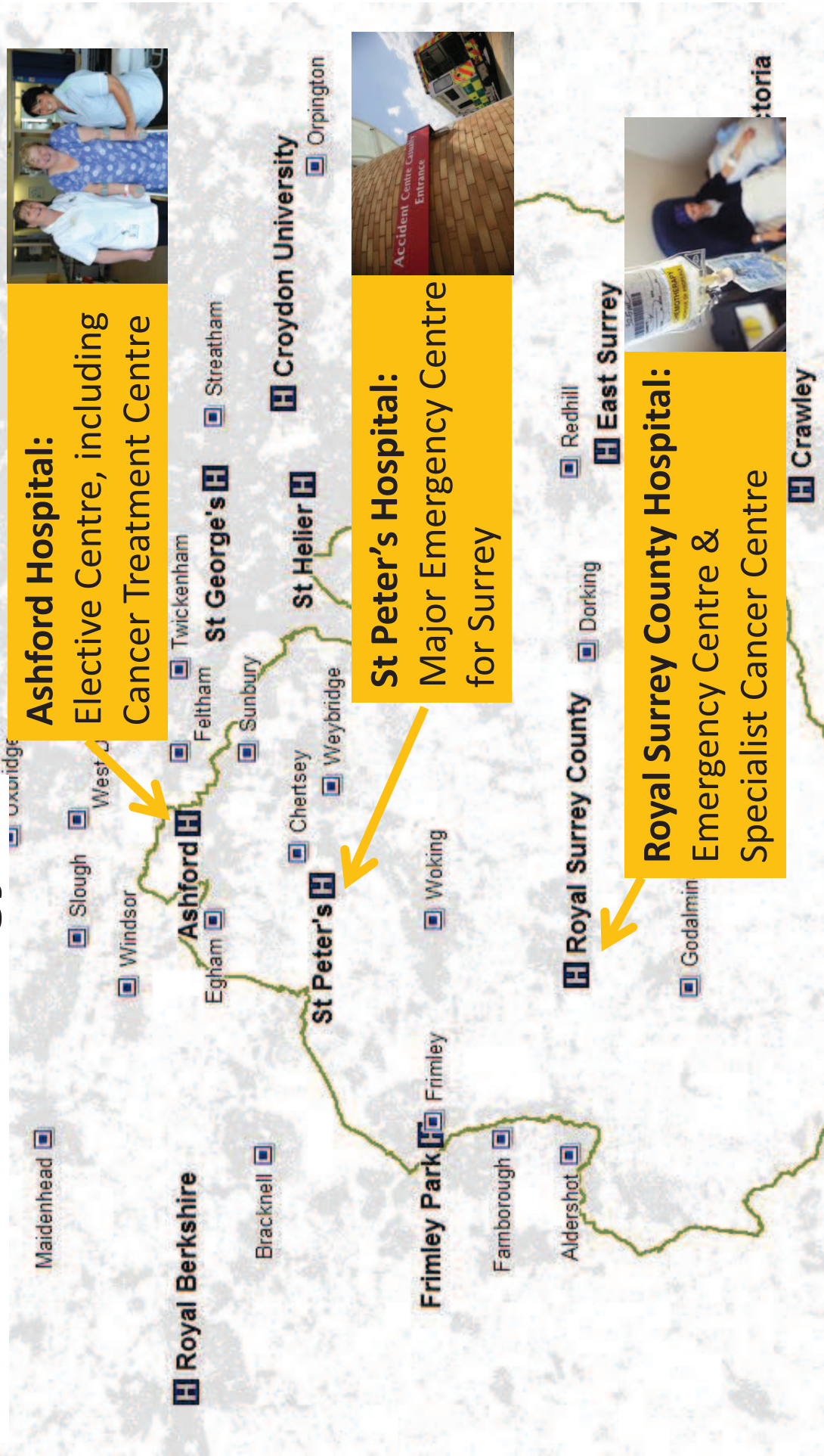
The Case For Change

- 40% of acute FTs are already in deficit, with small to medium sized trusts especially challenged
- ASPH and RSCH each face an efficiency requirement of £60-70m over next 5 years (reduction in tariff, Better Care Fund)
- Both Trusts are predicting deficits within 3 years
- Conclusion: neither Trust is likely to be sustainable in its current form in the medium term
- **However, our existing partnership has demonstrated huge opportunities and potential benefits in coming together**

The Opportunity

- The scale of the challenge also creates the momentum for transformational change
- By working together we have the opportunity to develop an exciting clinical strategy which will:
 - Meet the “Keogh” challenge – 7 day, sub-specialist working
 - Create better local access to specialist services – repatriating work from London
 - Offer patients improved access to cutting edge treatments and innovative “best in class” care pathways
 - Maximise benefits of digital technology – e.g. moving towards electronic patient record
 - Platform for supporting commissioners to develop an improved integrated care system

Our Clinical Strategy



- This is about enhancing services, not reconfiguration
- Patients won't be expected to travel further for routine treatment
- A&E and obstetric led care will continue at both St Peter's and The Royal Surrey

Our Clinical Strategy

St Peter's Site – Major Emergency Centre

- Cardiovascular Centre for population of 700 000 – 1million
- Hyper Acute Stroke Unit
- Strong Trauma Unit with specialist limb reconstruction
- Improvements in 7 day working (Keogh compliance) in Cardiology, Stroke, GI Bleed, Diabetes, Palliative Care and Neurology through Partnership

In addition to other specialist services:

- Level 3 Neonatal Unit
- Regional Bariatric Surgery

With plans for:

- Renal Inpatient Centre
- Cardio-thorasic Centre



Royal Surrey County Hospital

- **Emergency Centre**
 - Sustain and improve core clinical services including undifferentiated Surgical and Medical Take and Consultant-led obstetric Care.
 - Hyper-Acute Stroke Unit with 7-day ward cover supported through Partnership
 - Improvements in Keogh compliance for 7 day working in Stroke, GI bleed, Diabetes, Palliative Care and Neurology through Partnership

- **Cancer Centre**

- Oncology Centre for SWSH Network
- Specialist Cancer Surgery for HpB, OG, Gynae-Oncology, Urological Cancers, ENT and Maxillo-facial Surgery
- Further developments – Level 3 Paediatric Oncology Unit and Level 3 Haemato-oncology ward supported by scale of Partnership



Our Clinical Strategy

Ashford

- Continue to provide:
 - Elective Inpatient and Day Case Surgery
 - Outpatients and Diagnostics
 - Chemotherapy
- Building on existing services in:
 - Rehabilitation
 - Orthopaedics
- Developing integrated care with our commissioners:
 - GP Led Walk-in Centre
- Opportunity and plans to:
 - Expand cancer and elective catchment into West London
 - Develop radiotherapy



Developing the partnership – why merger?

- Three Options were considered
 - Do minimum – existing state
 - Extended Partnership
 - Merger








Clinical service benefits

- 7 day working** – currently most patients aren't reviewed by a consultant at weekends. Working together gives us the scale to increase our rotas to do this, significantly improving patient care across a range of specialities – for example, stroke, gastro-intestinal bleeding, hip fractures. This is part of the Keogh quality standards which we would struggle to implement on our own.
- Clinical support** – both Trusts have rotas for interventional radiology (an important specialist radiology service for patients with serious bleeding) but with gaps. Coming together gives us the opportunity to create a robust joint rota and for a more robust 24/7 radiology reporting rota.

Benefit summary	Existing state	Extended partnership	Merger
7 day consultant care:	○	○	●
Clinical support: Interventional radiology 24/7 radiology reporting	○ ○	○ ○	● ●

Clinical service benefits

- Major Emergency Centre** – the combined catchment of ASPH and RSCH (plus Epsom Hospital) gives us the scale required to do this at St Peter's – in particular for cardiovascular and renal services.
- Cancer services** – greater collaboration gives us increased opportunity to develop specialist cancer services in three key areas:
 - Ashford Hospital as a cancer diagnostic and treatment centre, including radiotherapy treatment
 - The scale to develop a Paediatric Oncology Shared Service Unit at The Royal Surrey (St Luke's)
 - more children from Surrey would be treated locally instead of going to London
 - Repatriating haematology oncology (leukemia??) to St Luke's from London

Benefit summary	Existing state	Extended partnership	Merger
Major Emergency Centre Interventional cardiology Emergency vascular surgery Inpatient renal service			
Cancer services Paediatric oncology unit Ashford cancer centre Haematology - oncology		Level 2  Level 2b 	Level 3  Level 3

Clinical service benefits

- Specialist children's services** – combined catchment populations give the scale to develop a small Children's High Dependency Unit and to provide enhanced specialist children's surgery with visiting surgeons from St George's (at St Peter's) – both preventing the need to travel to London.
- Other specialist services** – larger scale creates further opportunities for developing other specialist services in Surrey, for example a satellite service for cardiothoracic surgery (St Peter's), developing Ashford Hospital as an Orthopaedic Diagnostic Treatment Centre, plastic surgery, neurology, maxillofacial services and hepatology (liver, gallbladder etc).
- Cutting edge treatments** – maximising our partnership with Surrey and Royal Holloway Universities to develop a stronger infrastructure for research and development would enable us to access more cutting edge treatments for our patients.

Benefit	Existing state	Extended partnership	Merger
Specialist Children's Services	○	○	●
Future specialist services opportunities	○	○	○
Cutting edge treatments	○	○	●

Financial modelling - options

Predicted
year-end
positions:

- ASPH

	2014/15	2015/16	2016/17	2017/18	2018/19
Do minimum	1,500	210	(470)	(1,197)	(2,001)
Extended partnership	897	827	999	566	(170)

- RSCH

	2014/15	2015/16	2016/17	2017/18	2018/19
Do minimum	2,500	1,000	(1,400)	(2,300)	(2,400)
Extended partnership	1,898	1,618	70	(537)	(569)

- Merged

	2014/15	2015/16	2016/17	2017/18	2018/19
Merger	1,597	8,030	8,417	9,179	8,813

Next steps / timeline

- Full process likely to take between 12 – 18 months
- Submission to the Competition and Markets Authority (CMA) – this is a key regulatory approval, followed by Monitor
- Development of a Full Business Case (FBC) and Integration Plan
- If we receive approval from the CMA likely that Full Business Case will go to Boards and Governors for final approval in December
- On-going staff and stakeholder engagement throughout this time
- Earliest likely date for full merger would be April 2015

Conclusions

- Powerful case for change
- Opportunities to improve quality of patient care and financial sustainability, particularly around:
 - 7 day working
 - Opportunity to develop specialist services in accordance with NHS England and Surrey wide strategies
- No loss of service
- Merger has general support of commissioners
- Significant work and engagement programmes over next 9 months (whilst ensuring business as usual) to reach merger



Discussion and questions