

Merger of Hinchingbrooke Health Care NHS Trust and Peterborough and Stamford Hospitals NHS Foundation Trust

Briefing for joint health scrutiny panel members



Better

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Recap on merger plan

The Clinical Case

The Financial Case

Benefits and risks

What happens next

Your questions

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Recap on merger plan – an overview

- Peterborough and Stamford Hospitals is clinically and operationally sustainable (with specific challenges) BUT not financially sustainable
- Hinchingbrooke is neither clinically nor financially sustainable in its current form
- Cambridgeshire and Peterborough is one of the most financially challenged health systems in the country
- As part of the System Transformation Programme led by Cambs and Peterborough CCG, our Trust and Hinchingbrooke looked at the benefits to be had by working collaboratively – four options were assessed

Merger milestones to date

- **May 2016:** Outline Business Case, which showed clear clinical and financial benefits for both Trusts working as one organisation, approved by both boards
- **Sept 2016:** Full Business Case, showing in detail the clinical and financial benefits of merging, approved by both boards subject to consideration of feedback from:
 - Independent East of England Clinical Senate on integration of clinical services
 - Staff and the public in additional events to be held in October/early November

Upcoming milestones

- **End November 2016:** The Full Business Case will be reviewed again by the boards of both Trusts at public meetings – taking all recent feedback into account
- Our regulators will also review the Full Business Case and make its recommendation to the Secretary of State for final approval in **March 2017**
- **Post end November:** If the Full Business Case is ratified, by both Trust boards detailed implementation/integration plans will be shared with staff asap
- Merger date proposed: **1 April 2017**

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The clinical case for change

- Some services in both organisations are clinically fragile now - further services at risk in medium-term
- Contributory factors:
 - Smaller teams, compared to teaching trusts and larger hospitals, can make recruitment difficult
 - Agency spending caps
 - 7-day working requirements
 - Junior Doctors contract/provision of rest

Service Changes and Opportunities at Hinchingbrooke

Emergency / Urgent Care	Elective & Outpatients	Diagnostics
<p>In line with many small district general hospitals, ambulances divert to other hospitals for emergency patients with:</p> <ul style="list-style-type: none"> • Trauma (level 2 & 3) • Stroke • Heart Attack <p>No substantive specialty consultants (inpatient cover provided by general medical physicians):</p> <ul style="list-style-type: none"> • Stroke rehabilitation • Haematology <p>Limited consultant cover for:</p> <ul style="list-style-type: none"> • Cardiology • Respiratory • Neurology 	<p>The following services have are no longer available at Hinchingbrooke (last 12-months):</p> <ul style="list-style-type: none"> • Pain* • Dermatology* • Spinal** now closed to new referrals <p>The following services are not available at Hinchingbrooke currently, but are an opportunity post-merger.</p> <p>Sub-speciality Cardiology, such as</p> <ul style="list-style-type: none"> • rapid access chest pain • heart failure clinics <p>Sub-speciality respiratory, such as</p> <ul style="list-style-type: none"> • Oxygen Therapy 	<p>The following diagnostic services are no longer available at Hinchingbrooke (last 12-months):</p> <ul style="list-style-type: none"> • *Nuclear medicine* <p>The following services are not available at Hinchingbrooke currently, but are an opportunity to develop post-merger.</p> <ul style="list-style-type: none"> • Bronchoscopies • Sleep studies • Nuclear medicine

* services have ended in the past 12 months

** service is a sub-specialty of orthopaedics not currently provided by PSHFT either.

Clinical integration - overview

- The Clinical Advisory Group prioritised those services which face the greatest sustainability risks for integration first, identifying them with a change readiness evaluation tool
- Priority services for focus are:
 - Stroke
 - Emergency Department
 - Diagnostic imaging
 - Cardiology
 - Respiratory medicine
 - Clinical haematology (blood disorders)

Clinical integration approach

- Excellent engagement by clinical staff in the process
- Clinicians from both Trusts have been meeting to:
 - Jointly assess their strengths and weaknesses
 - Assess their current readiness for change
 - Plan their future milestones for integrating their service

Clinical integration - progress update:

- **Haematology**
 - Rapid progress: solutions in place by April 2017
 - Consultant haematologist appointed mid Sept
- **Cardiology, Stroke and Respiratory**
 - Substantial service improvements/enhancements by March 2018
- **Emergency Department and Diagnostic Imaging**
 - National shortage of specialist staff may delay progress
 - Training/sub-specialisation opportunities pursued

Wider benefits and opportunities

- All clinical services from both sites have been engaged with - and identified that merger will:
 - Strengthen single-handed sub-specialties and support services
 - Improve access to emergency and 7-day services
 - Formalise and expand training clinical rotations
 - Help staff on all sites learn from best practice to improve services
 - Increasing resilience to meet requirements for rapid access to services, such as 2 week waits

Wider benefits and opportunities

- Strengthening and/or repatriating services
- Core training and development to enhance staff access to skills across all sites
- Expansion of clinical trials building on existing strengths
- Standardising services commissioned across the area
- Strengthened working with community provider partners
- Joint recruitment to attract high quality staff
- Opportunity to benefit from clinical leadership of colleagues in specific areas

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The Financial Case

- Merger saves at least £9m recurrently
- The transition costs are circa £13m (non-recurrent)
- Positive contribution delivered from Year 3 with opportunities for further future savings
- Reduction in the recurrent deficit support

The Financial Case

- Financial performance 2015/16:
 - HHCT £18.8m deficit (16.8% of turnover)
 - PSHFT £37.1m deficit (14.2% of turnover)
- 2016/17 Plan:
 - Including S&T funding £4m = £9.9m deficit
 - Including S&T funding £10.8m = £20.2m deficit
- Combined 5 year plans forecast deficit of £17.7m but exclude impact of continued S&T funding and PFI support
- Merger is part of our journey to financial sustainability

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The benefits

- Improves clinical sustainability - wide range of services
- Chance to share/implement best practice
- Saves at least £9m - corporate and back office savings (also supports the health system Sustainability & Transformation Plan)
- Facilitates more robust infrastructure – IT; Equipment and Estate Usage and Rationalisation
- Engagement with community through Foundation Trust membership and Council of Governors

The risks

- Too optimistic regarding workload, timelines and resources to deliver the programme
- Under estimation of funding to deliver project and the subsequent integration
- Failure to engage staff and gain support, especially from clinicians
- Failure to engage the public
- Due diligence revelations

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What happens next

- Full Business Case submitted to regulator, NHS Improvement
- Detailed Financial, Clinical and Governance Assurance programmes under way
- Engagement ongoing with staff and the public – started in July and ends in November
- Work with fragile clinical services (commenced June)
- Further development of clinical case and start of early collaboration (commenced June and is ongoing)

What happens next - membership

- Work commenced on building a wider membership base to vote for public and staff governors who can represent the areas served by both trusts
- Proposal for 3 public constituency areas to represent:
 - Stamford and South Lincolnshire
 - Greater Peterborough
 - Huntingdonshire
- Proposal for 3 staff constituency areas representing Peterborough, Stamford and Hinchingbrooke Hospitals
- Membership engagement events begin mid-October across the areas served by all three hospitals

What happens next – establishing governors

- Public members from each area can vote for their local governors to ensure each area is represented
- Representation will be proportionate to the size of population served by each hospital. Therefore:
 - Stamford and South Lincs – **5** public governors
 - Huntingdonshire - **6** public governors
 - Greater Peterborough - **6** public governors
 - Discussions with partner organisations commenced – includes statutory representation from Pboro City Council, Cambs County Council, Lincs County Council

What happens next – establishing governors

- Staff members from each site can vote for their local staff governors to ensure each area is represented
- Representation will be proportionate to the size of staff numbers and concerns. Therefore, proposed as:
 - Stamford – **1** staff governor
 - Hinchingbrooke – **3** staff governors
 - Peterborough – **3** staff governors
- Elections are to take place with preparations starting in January 2017 so that a representative Council of Governors in place for 1 April 2017

What happens next

- **End Nov 2016:** The Full Business Case will be reviewed again by the boards of both Trusts at public meetings – taking all recent feedback into account
- **Post end Nov:** If the Full Business Case is ratified by both Trust board, implementation/integration plans will be shared with staff asap
- **End Dec 2016:** Name of new organisation decided
- Our regulator will make its recommendation to the Secretary of State for final approval in **March 2017**
- Merger date proposed: **1 April 2017**
- Implementation and benefits **2017-2020**

Responses to frequently-asked questions

- The Sustainability and Transformation Plan has identified that 24/7 urgent care services, and consultant-led obstetric and paediatric services would continue to be provided at all three acute sites
- Patients will not have to travel to access services they previously accessed at their local hospital – there are no proposals to change the location of any services
- Patients in Huntingdon will benefit from improved services at their hospital - via A&E, Haematology, imaging, respiratory services and cardiology

Responses to frequently-asked questions

- The PFI costs of Peterborough City Hospital does not, and will not, impact upon patient care across any of the three hospitals
- Patients can have a greater say in how their hospital is run, through becoming members of the merged Foundation Trust – and by being able to stand as Governors. This is a particular benefit to Huntingdonshire patients who fear that not having a board dedicated to their hospital alone will mean the local ‘voice’ is lost

Responses to frequently-asked questions

- The boards of each Trust recognise that in bringing the two organisations together we need to give full consideration to how we integrate the cultures in Peterborough, Hinchingbrooke and Stamford Hospitals
- In merging we are aware we must not lose the things that our staff love about working in their hospital – this will help us achieve the best of both organisations

Responses to frequently-asked questions

- The merger will not affect any plans to redevelop our hospital at Stamford – the new MRI scanner is a good example of this
- We will aim to keep any redundancies to a minimum. Any losses will be from staff in ‘back office’ functions
- We will ensure all staff are properly supported throughout any process to integrate our hospitals

Our Joint Vision

Delivering excellence in care in the most efficient way in hospitals where it is great to work

Our Joint Strategy

Clinical Excellence

Doing the very best for our patients

Financial Sustainability

Getting value for money for taxpayers for our services

Operational Sustainability

Making the most of our hospitals for the future

Underpinned by Our Values

Across the populations of South Lincolnshire, Peterborough and Huntingdonshire we will...

Provide safe and timely care for our patients

Ensure that our staff feel valued and have opportunities for development

Design our services to meet the changing needs of our patients

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