

Health Scrutiny Panel
Slough Borough Council
20 January 2015

**Frimley Health NHS Foundation Trust:
Frimley Park Hospital NHS FT acquisition of Heatherwood & Wexham
Park Hospitals NHS FT: UPDATE**

Purpose of the report: For information

Following Monitor's approval of Frimley Park's (FPH) acquisition of Heatherwood & Wexham Park Hospitals (HWPH) the Committee wishes to receive an update on progress of the integration of Frimley Health NHS Foundation Trust.

Introduction:

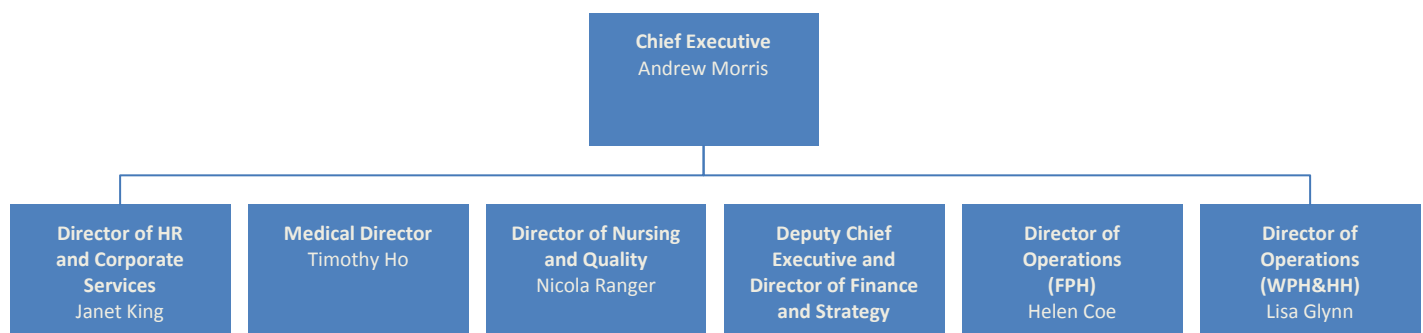
1. HWPH was facing significant financial, operational & clinical challenges. In the absence of the transaction, ongoing financial and operational challenges may have risked FPH's sustainability in the medium term.
 - 1.1 Increasing financial and operational pressures are being placed on acute Trusts. FPH was facing declining surpluses over the coming years and HWPH was in a continuing unsustainable financial position.
 - 1.2 There is a continued drive for high quality sustainable care in the NHS. FPH was at risk of becoming clinically subscale in certain areas as the NHS consolidates to preserve and improve quality care. HWPH already had areas of poor quality in patient care and had lost certain services.
 - 1.3 Both trusts were facing a growing and ageing population, coupled with a forecast increase in chronic diseases, which will put additional strain on local services .
 - 1.4 The combined organisation provides the opportunity to achieve critical mass in clinical services and achieve a sustainable financial position.
 - 1.5 Options appraisal has shown that acquisition offered the best opportunity for FPH to maintain medium term sustainability.
2. The acquisition of HWPH by FPH and the resulting increased population served of between 800,000 and 1,000,000 people creates the organisational scale necessary to establish robust, sustainable services for the people of Berkshire, Buckinghamshire, North East Hampshire and Surrey.
3. The acquisition enables a platform for change, driving forward clinical service changes where appropriate and providing the impetus to create new services to serve the growing and ageing population. The enlarged trust is better placed to recruit and retain high quality clinical staff and to offer excellent training

opportunities. Back-office and operational consolidation will help release resources for front-line services.

4. The enlarged organisation is committed to significantly improving the quality of care and delivery of performance on the Wexham Park and Heatherwood Hospital sites while maintaining and improving all aspects of care on the Frimley Park site. The longer term goal is to achieve the same standards of quality, performance and financial efficiency across the whole organisation.

Governance arrangements for Frimley Health NHS Foundation Trust:

5. FHFT is a single foundation trust incorporating Frimley Park Hospital, Heatherwood Hospital and Wexham Park Hospital. The foundation trust has a single Board of Directors, made up of the Board of FPH plus two additional positions, one executive and one non-executive.
6. The structure for the executive team (given below) includes a dedicated operations director for each acute site, to ensure that there is sufficient focus on maintaining and improving performance and delivery on each of the Frimley Park and Wexham Park sites:



7. Reflecting the successful governance structure of FPH, the clinical services are organised into 10 directorates, each headed by a Chief of Service, who is an experienced consultant. These Chiefs of Service have responsibility across all sites and report directly into the Chief Executive. They are supported by associate directors who also work across the sites, in order to promote strong clinical leadership and aligned managerial support that will drive integration and best practice improvements. The only exception is the medical/emergency department associate directors, who each work on a single site to support the need for good local integrated working and timely operational responses.
8. The trust has established an organisation-wide clinical and corporate governance structure that supports the Board, executive team and the clinical and corporate leadership team. This is based on the most successful elements of the FPH approach to governance, with modifications to make it scalable and appropriate for a multi-site organisation. For example, there are two quality committees for the first year at least, to ensure that there is adequate focus on the different needs for improvement on each site.

9. The FPH management has successfully embedded their vision and principles among the staff at FPH through significant communication activities and leadership engagement. Following work to ensure the values are relevant to staff on the Wexham Park and Heatherwood hospital sites, the executive team have been leading engagement work with teams, explaining the imperative for change and cascading a single set of core values across all sites through the local management teams and face to face meetings with the Executives.
10. An integration programme board is overseeing the work plans that will deliver the required changes across the organisation, and give the Board and our regulators assurance that the benefits of the integration will be achieved. Both Monitor and the Care Quality Commission will work alongside our local commissioners to monitor progress, share learning from other acquisitions and mergers and provide assurance that patients will benefit from improved quality, performance and financial viability.
11. The trust is also committed to working with its partners on transformation across the broader health and social care system, and will achieve this through joint transformation initiatives with health and social care partners.

Commissioning and contracting arrangements for Frimley Health Foundation Trust:

12. The acquisition of HWPH by FPH to form Frimley Health NHS FT impacts on how the local Clinical Commissioning Groups (CCGs) will work together to commission and contract for high quality and safe services for local people.
13. There are six main CCGs that commission services from Frimley Health Foundation Trust. Currently the CCGs work together in two systems; the FPH system and the HWPH system. The FPH 'system' includes Bracknell and Ascot CCG, North East Hampshire and Farnham CCG and Surrey Heath CCG. The HWPH 'system' includes Bracknell and Ascot CCG, Chiltern CCG, Slough CCG and Windsor, Ascot and Maidenhead CCG (please note Bracknell and Ascot CCG works with both 'systems').
14. The CCGs recognise that currently HWPH and FPH have different quality and performance standards and different contracting arrangements in place. The CCGs agree that changes to the commissioning and contracting structures and processes (e.g. to one Frimley Health NHS FT-wide contract) needs to be implemented at an agreed pace to ensure that quality, performance and activity and finance can be appropriately contracted and monitored.
15. A Joint Strategic Commissioning Forum, encompassing all six CCGs, is established. This strategic forum brings together the two existing commissioning systems (as described in 13) providing strategic oversight and leadership to the services commissioned from newly formed Frimley Health NHS FT.

16. It is proposed that in the short term (e.g. for 2015/16) the current arrangements for commissioning and contract monitoring remain the same as they currently are. This will mean two contracts for next year; one for FPH site and one for WPH/HH sites. In relation to quality this will ensure that commissioners can monitor and lead quality improvements at each site, focusing on specific areas of development for local services and local people. The establishment of a Joint Strategic Commissioning Forum will ensure there is strong commissioning clinical leadership and the sharing of best practice and lessons learnt.

Benefits for Slough residents:

17. FPH has been rated as 'outstanding' by the Care Quality Commission, the first trust in England to receive this rating. The acquisition provides a way forward to improve services for both legacy organisations, ensure equity of services and parity of access for the population served by HWPB and FPH. The proposed clinical model will bring the following specific benefits:
 - 17.1 Improve the quality at Heatherwood Hospital and Wexham Park Hospital through a common culture based on FPH leadership through robust clinical governance.
 - 17.2 Improving existing services and developing new services for patients based on sharing expertise and developing improved interfaces with community healthcare. The scale of the new organisation will allow for greater subspecialisation.
 - 17.3 Investment in the infrastructure and buildings at Wexham Park, including a new emergency/acute assessment department, refurbished maternity facilities and upgrades to medical equipment.
 - 17.4 New model of elective care including a new centre of excellence for elective care at Heatherwood and enhanced patient centred models of care, for example 'one stop shop' services.
 - 17.5 Improved flexible capacity and ability to develop and transform services to meet the increasing demands on the system, particularly for frail elderly patients and those with multiple underlying conditions.
18. Key specific changes envisaged within the proposed clinical model include:
 - 18.1 Changes in care of the elderly (CoE): proactive management of higher risk patients, provision of front-door CoE physicians, and greater integration with local health providers will create treatment pathways specifically for older adults and lead to both improved hospital care and early supported discharge;
 - 18.2 Changes in the ED model: excellent quality of care (in all 5 quality indicators) will be achieved through streamlined patient flows, 24/7 Consultant-delivered care, and closer integration with community services;
 - 18.3 Maintain hyper acute services such as stroke, heart attack and vascular services on the Frimley Park site;
 - 18.4 Changes in the urology and cancer networks to ensure that more local services are available for patients, including access to highly specialised services where possible.

19. Bringing together two Trusts with important complementarities will deliver improved clinical outcomes through larger clinical teams and improved access to services for patients. The ability to attract and retain high quality staff will support the delivery of these benefits across all sites.
20. Implementation of the clinical model will be carried out to ensure that the existing excellent quality of services is maintained or enhanced, new services are developed and the clinical pathways are transformed over a pragmatic timeline so that senior leaders are able to devote adequate time to the integration. The focus will therefore be on delivering the short-term changes to 'business as usual' that address current clinical issues and preparing the medium- and long-term changes that will drive patient benefits.
21. The clinical model assumes that the mix of services currently offered to patients in their local area will remain locally. Should the enlarged organisation wish to make any substantial service changes in the future, it would follow an appropriate process of involving all local stakeholders in shaping plans and giving formal feedback on those plans.

Conclusions:

22. The formation of Frimley Health through the acquisition is required to provide both legacy organisations with a sustainable future, given the challenging external environment.
23. Frimley Health is maintaining its successful governance structure of strong clinical leadership and an empowered and engaged culture to ensure the success of the enlarged organisation.
24. The governance structure has been developed to ensure that there will be high quality services improvement on both acute sites while integration is achieved.
25. There are clinical benefits to being a larger organisation, able to provide more local services with greater sub-specialisation, and these benefits will be available to the residents of Slough.
26. The six CCGs that commission services from Frimley Health NHS FT will work together, bringing together the collaborative strength of commissioning clinical leadership to drive improvements whilst ensuring local focus on the quality of local services.
27. The organisation will also be better able to engage in the transformation agenda with its health and social care partners, including commissioners and the local authority. This will drive improved care for patients with more care intended to be delivered closer to home, and only the sickest patients being admitted to hospital for their care.

Recommendations:

28. The Health Scrutiny Panel is asked to note the update provided.

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