

## **ASHFORD AND ST PETER'S/ROYAL SURREY COUNTY MERGER INQUIRY**

### **Summary of hearing with St George's University Hospitals NHS Foundation Trust on 24 April 2015**

#### **Background**

1. St George's University Hospitals NHS Foundation Trust (St George's) told us that it was the largest healthcare provider and main regional centre for specialised services in South West London with a turnover in excess of £700 million. Apart from specialist treatment for burns it provided a comprehensive range of services, including services for hyper-acute strokes. It was also a major trauma centre serving South West London and parts of Surrey. As well as acute and specialist services it also provided a range of community services.
2. It shared its site with St George's, University of London, which trained medical students and carried out medical research, as well as Kingston University Faculty of Health and Social Care Sciences, training healthcare professionals.
3. St George's was authorised by Monitor to become a foundation trust on 2 February 2015.

#### **Commissioning and collaboration**

4. St George's said that its host commissioner was NHS Wandsworth Clinical Commissioning Group (CCG) but a significant proportion of its specialised services were commissioned by NHS England.
5. There was also a commissioner-led collaborative, the South West London Commissioning Collaborative (the Collaborative), which included Surrey Downs CCG, which looks at the configuration of services across South West London, including St George's, Kingston Hospital NHS Foundation Trust (Kingston), Croydon University Hospital (Croydon), and Epsom and St Helier University Hospitals NHS Trust (Epsom and St Helier). Wandsworth CCG was part of this Collaborative.
6. St George's said that of these providers only St George's and Kingston were foundation trusts. As the biggest provider in South West London, St George's may take a leading role in some of the Collaborative initiatives.

7. St George's said that the health economy in South West London faced significant challenges. Though it was no longer formally designated as challenged there were significant pressures in the system that were recognised nationally and the Collaborative was in place to try and tackle the substantial funding gap facing the South West London provider sector.

## **Remuneration**

8. St George's said that the standard Payment by Results regime applied to it but not to all of its services as a few services were paid based on local tariffs. It did not have block contracts for elective services. Due to the changing tariff and commissioning of specialised services, these services were less profitable. This would also have affected other teaching hospitals.
9. This year the tariff offer that St George's had accepted meant that there were no Commissioning for Quality and Innovation payments. There had been discussions between St George's and its commissioners to ensure the continuation of quality initiatives previously delivered through Commissioning for Quality and Innovation in 2014/2015 and they were debating how that could be funded. It was reviewing all of its service lines from a profitability and quality perspective.

## **The role of choice**

10. St George's said patients in Surrey and South West London could choose between a number of different general district hospitals, including Kingston, Croydon, Epsom and St Helier as well as Frimley Health NHS Foundation Trust (Frimley).
11. St George's said that in Surrey and South West London a lot of people commuted into Central London and might therefore choose to be seen in Central London, closer to their place of work. The way people travelled in Surrey was driven, in part, by the road system and where the M25 was. Usually it was a boundary rather than something that enabled transport.
12. St George's said that it used Dr Foster data to analyse patient flow, market share and trends. Research on patient choice showed that choice was generally guided by the healthcare professional, ie the general practitioner (GP), and that referral flows were usually based on historic relationships. It referred to a number of GP practices local to it historically referring patients to (Chelsea and Westminster). It tried to raise its profile through, for example, GP events (in Merton, Wandsworth and South West Lambeth).

13. St George's said that where choice was made by an individual patient, this was sometimes driven by their individual patient experience, which could sometimes come down to as simple as whether the staff were nice to them.
14. St George's said that some specialist work would come to it as a result of a consultant referral from another hospital rather than from a GP. It gave an example of consultant-to-consultant referrals from Croydon or Ashford and St Peter's Hospital NHS Foundation Trust (ASP), where a patient might have a complex or unusual medical problem. Patient choice was unlikely to be offered at the point of referral in these examples as consultants would make referrals based on established clinical flows and networks.
15. St George's said that some specialist work would be referred by the GP directly. There were also clinical network models for some services, where St George clinicians might provide services in another provider's facilities.
16. St George's said that CCGs could also influence choice through negotiation with providers on services that they would like provided and through repatriation of services.

## **Community services**

17. St George's said that the NHS's strategy was to move services out of acute trusts to the community and it supported this strategy. It provided a full range of community services for Wandsworth. It provided services at St John's Therapy Centre in Wandsworth as well as at a number of other sites.
18. St George's provided a lot of services from Queen Mary's Hospital, Roehampton (Queen Mary's). Queen Mary's was owned by NHS property services and the CCG had a residual financial commitment but St George's was one of the largest service providers there along with Kingston.
19. St George's could optimise its outpatient services through partnership with other providers through, for example, joint appointments or straightforward and specialist clinics running alongside each other. There were a range of different models of activity.
20. St George's said that Wandsworth CCG and Wandsworth Council worked closely together over joint health and wellbeing strategies. It expected a number of services would be tendered, including acute services. It had just won a competitive tender in Merton and was providing acute services in the Nelson hospital (a local hospital with no inpatient services). It was also bidding for Merton Community Services.

21. St George's said that it was constrained by capacity and that it needed to build capacity and to develop networks in order to move activity out of the hospital and into the community.

### **Staffing and seven day working**

22. St George's said that its staff were paid a higher inner London weighting according to the NHS terms and conditions. It was accessible and therefore seen as a good place to work, however it still had an issue of recruiting specialist staff.
23. St George's was open twenty four hours a day, seven days a week as a trauma centre. A lot of its staff already worked six days a week and seven day services could only be achieved through scale. There was a debate to be had about utilising assets more productively during standard work hours versus providing seven days services. It queried whether patients would really want to be in a hospital on a Sunday for elective surgery, but expected the debate to continue.

### **Views on the merger**

24. St George's said that, in general terms, it was supportive of what the potential merger between ASP and Royal Surrey County was trying to achieve. It was supportive of the merger on the basis that it considered the merged organisations would be better able to further develop their own services.
25. St George's said that the merged organisations might start to provide services which, as traditionally seen as complex, would ordinarily flow elsewhere and away from the trusts. It was keen to understand the detail of how the merger might affect flows of patients to, and the health economy of, South West London.
26. St George's gave an example of the South West London Elective Orthopaedic Centre, a partnership between South West London Trusts including St George's, Epsom and St Helier, Croydon and Kingston. A significant proportion of orthopaedic surgical activity from the area went to the centre and that there were quite large flows from Surrey. The merger could compete for this work and impact and change orthopaedic flows.
27. St George's said that it already partnered with ASP in a number of areas and had good clinical and management relations with ASP. Any conversations with the parties on partnership were irrespective of the merger.

28. St George's said it would hope the merger would be an opportunity to further develop services to the benefit of patients rather than something that was negative to them.