

TO: Health and Wellbeing Board
DATE OF MEETING
10 APRIL 2014

**UPDATE ON THE PROGRESS OF THE FRIMLEY PARK HOSPITAL NHS FT
ACQUISITION OF HEATHERWOOD & WEXHAM PARK HOSPITALS NHS FT**

1 PURPOSE OF REPORT

- 1.1 To update the Health and Wellbeing Board of progress in the Frimley Park Hospital NHS FT acquisition of Heatherwood and Wexham Park Hospitals NHS FT

2 RECOMMENDATION

- 2.1 The Board is asked to note the report.

3 REASONS FOR RECOMMENDATION

- 3.1 The report is for information

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None applicable

5 SUPPORTING INFORMATION

- 5.1 Frimley Park Hospital NHS FT is continuing with its plans to merge with Heatherwood and Wexham Park Hospitals NHS FT through acquisition. The Trust has shared its rationale for entering into this process as aiming to:-
- Future proof services for patients currently provided at both trusts and leave the enlarged trust in a strong position for growth
 - Continue to develop services for patients in the enlarged Trust catchment and ensure they are financially sustainable
 - Create a new vision for patient services across the new catchment.

The financial challenge faced by the NHS means that there is a continued impetus for increased efficiency, greater specialisation and 24 hour working, meaning that medium sized Trusts such as Frimley Park and Heatherwood and Wexham Park will potentially need much bigger catchment populations.

The developing model is for full hospital services to remain at Frimley and at Wexham with a new elective site at Heatherwood Hospital in Ascot. If there are any changes in services in the future at any site in the enlarged trust, they will be implemented gradually and all stakeholders will be informed well in advance, and consulted as appropriate.

Unrestricted

The acquisition is being thoroughly scrutinised and will need to be approved by each Trust's Board and Council of Governors, the Office of Fair Trading and Monitor, the foundation trust regulator. It will only go ahead if parties across the health system believe it is right for patients and financially sustainable.

The future vision of the enlarged trust is that

- It will allow the trust to provide excellent quality patient service across all three sites, meeting the national standards that patients should expect
- The new organisation will provide a consultant-led service, recognised by Sir Bruce Keogh as essential to providing the very best care to the most seriously ill and injured patients
- It will put the enlarged organisation in a strong position to gain super A&E status for local patients – one of the 40 to 70 proposed in the Department of Health's national vision
- An extended trust would have the option to develop Heatherwood as a centre for planned surgery to serve patients from both trusts' existing catchments. This would take some pressure away from both the Frimley and Wexham Park sites.
- Care of elderly people will be developed, with less reliance on patients spending time in hospital and more support provided in local communities. This fits well with Bracknell Forest Health and Wellbeing Board strategy for integrated services under the Better Care Fund arrangements.
- The Trusts will take the opportunity to make savings in corporate support functions that will help meet the 4% year on year efficiency savings required under NHS funding.

If the acquisition goes ahead there will be sufficient funding available from other sources to remove the current Heatherwood and Wexham Park debt and turn the finances around into a positive year-on-year position. If not, Frimley Park Hospital will not proceed with the acquisition.

Capital investment from the Department of Health into the Heatherwood and Wexham Park sites is expected to continue throughout and after the acquisition. No current Frimley Park capital will be needed immediately for HWPH, so capital plans relating to the Frimley Park Hospital site will continue.

The six main CCGs who commission from the two Trusts are Chiltern CCG, Bracknell & Ascot CCG, Slough CCG, Windsor Ascot and Maidenhead CCG, North East Hampshire and Farnham CCG, and Surrey Heath CCG. The CCGs understand the rationale for the acquisition and are working with the Trusts to develop the Full Business Case. This provides an opportunity to model the transformational changes signalled by the clear Health and Social Care strategy to strengthen investment in social care, community care and primary care in order to reduce the amount of time people spend unnecessarily in hospital.

CCGs will also be monitoring closely throughout the merger process to ensure that standards of quality and patient experience stay at the highest possible levels throughout.

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Timescales for the transaction are short. The Full Business Case is due for completion by the end of April, with Frimley Park Board making their decision in May. If this is positive the new combined trust will commence in July 2014.

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