# Integrated Care - A Shelford Group Perspective

> *Our organisations are some of the largest and most pioneering in the NHS. We aspire to provide system-wide leadership for the benefit of patients and the prosperity of the country.*
>
> Sir Mike Deegan,
> Chair, Shelford Group, and CEO, Central Manchester University Hospitals NHS Foundation Trust

## Background

On Thursday 10 November 2016, senior leaders from some of England's largest hospital trusts gathered in Manchester to discuss integrated care across their local health economies and to share best practice.

The Shelford Group comprises 10 of the leading NHS multi-specialty academic healthcare centres in England and have a wealth of experience of what does, or does not, work in the NHS. The meeting drew together Chief Executives, Finance Directors, Medical Directors, Chief Nurses and other senior colleagues from a range of professional disciplines to Central Manchester University Hospitals NHS Foundation Trust.

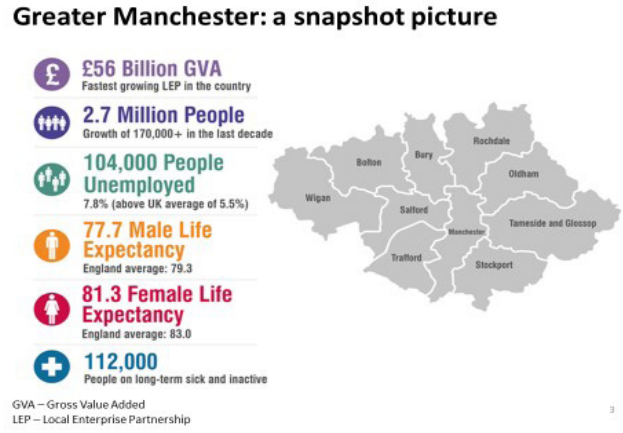
Topics covered included 'Devo Manc', acute care collaboration in Birmingham, and the Southwark and Lambeth Integrated Care Programme. Louise Watson from NHS England also presented on the national New Models of Care Programme. A number of key themes emerged, particularly around:

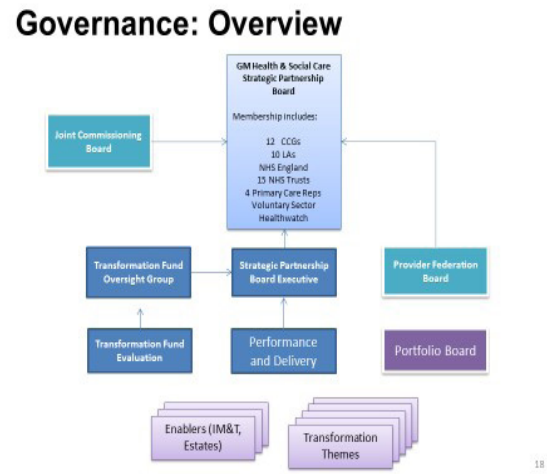
- The role of good governance in overseeing local service change.
- The importance of place-based solutions, and regulation to match.
- Conditions and requirements for successful merger of NHS organisations.
- Applicability of competition law in the NHS.

## Devolution and a sense of 'place'

Greater Manchester was already well on the way to dramatically reshaping its local health and social care economy when Sustainability and Transformation Plans (STPs) were announced across the rest of the country by NHS England in December 2015. Each STP footprint will need its own plan to deliver better care for patients, health promotion and efficiency, and there is much in the 'Devo Manc' model which provides a useful reference point for others.

'Devo Manc' is a health and social care partnership that aims to be bold in developing the most appropriate local services for patients' needs, using co-design with commissioners, providers and residents. It recognises Greater Manchester as one 'place' for regulators and other stakeholders. It brings together all of the disparate local partners, through the oversight of a Strategic Partnership Board, and has control of an estimated health and social care annual budget of £6bn.



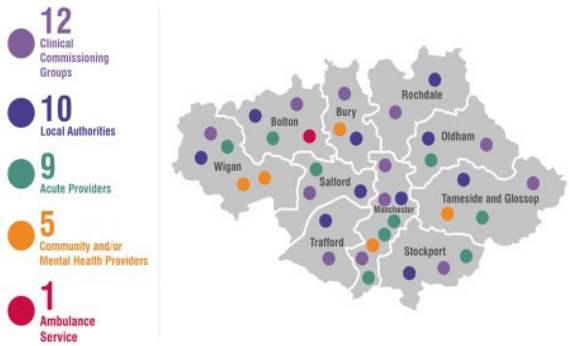



Key to this has been getting good governance in place which allows for clear decision making and collective responsibility. This has taken time to get right, something of a luxury compared to the timescales for STPs elsewhere, but has had real benefits in ensuring that everyone has a clear sense of direction and ownership of the decisions being made.

Majority voting and a block vote for providers means that consensus building is vital for influencing the Partnership Board. This is particularly important given the respective legal remits of the partners involved and the budgets that they control, as it prevents organisational protectionism and promotes shared problem solving.

Some services could be commissioned across Greater Manchester in future to avoid duplication and manage workforce issues, such as paediatric surgery. Within the current legal set up, provision is through the 10 local care organisations.

**Greater Manchester: Our health and social care system**




> *We have to have the ability to commission and de-commission services to meet local needs. We have identified those needs and how to deliver pathways through local teams.*

Gill Heaton,
Deputy Chief Executive, Central Manchester University Hospitals NHS Foundation Trust

> *We need commissioners and regulators to recognise Greater Manchester as a place and, at the same time, to maintain our focus on our role in the wider health system and those services that we provide on a North West and a national basis.*

Darren Banks,
Director of Strategy, Central Manchester University Hospitals NHS Foundation Trust

As well as governance, Greater Manchester benefits from a clear sense of 'place' and identity, which is particularly important for the cohesion of the local authorities involved. This is less clear for NHS specialised services, but although some services run into other localities, as will always be the case with public services which are not co-terminus, most within Greater Manchester understand and relate to it as a place.

> *We are pooling some of our sovereignty because it is essential that we make decisions in the best interests of our patients and the communities that we serve, rather than the narrow interests of individual organisations. This is the most exciting development that I have been involved with in my whole NHS career.*

Sir Mike Deegan,
Chair, Shelford Group, and CEO, Central Manchester Universty Hospitals NHS Foundation Trust

# Mergers & Competition

It is often widely suggested that hospital trusts, like schools, could benefit from working more closely together, whether through a formal merger process or informally sharing best practice. However, although there are many different models for how this works in England, in reality there can be cultural or structural barriers to making this work effectively.

> *"Competition law must not be seen as a barrier to developing innovative organisational solutions. There must be no doubt that patient benefit is and will be the key judgement in progressing new organisational forms."*
>
> The Dalton Review
> of new options and opportunities for
> providers of NHS care, December 2014

Dame Julie Moore, Chief Executive, and Kevin Bolger, Executive Director for Strategic Operations, at University Hospitals Birmingham NHS Foundation Trust shared their experience from leading Heart of England NHS Foundation Trust's (HEFT) recovery plan. They highlighted the challenges they faced with a worsening financial situation and poor performance that had prompted regulatory intervention in 2015.

In supporting HEFT, UHB's leadership team focused on improving the quality of care for patients and stabilising performance and financial recovery. This meant looking at many areas, including improving operational performance against waiting times targets, getting control of expenditure through stronger governance, dealing with a long standing lack of investment in infrastructure, better incident reporting, improved discharge arrangements, and increased staff engagement.

The results have been impressive, with improving performance on RTT, A&E, cancer and finances. Internal and external engagement with staff, patients and stakeholders has also improved dramatically. The financial situation is much improved, with the deficit substantially reduced, and new plans for investment in IT and estates.

> "It's really hard work to run your own organisation and turn around another simultaneously, effectively doing two jobs. We do it because we've committed to the staff and we want the best for the patients of our region, but there is no regulatory incentive or motivation."
>
> Dame Julie Moore
> Chief Executive, University Hospitals Birmingham NHS Foundation Trust and Interim Chief Executive, Heart of England NHS Foundation Trust

First, it takes a team to deliver real and effective change. Putting in a new chief executive alone is not enough, but is often seen as the solution. Any new chief executive will need to work with the right people, whether they are brought in for specific roles or utilising the experience and releasing the capability of the existing staff within a trust. As well as focusing on internal control measures and staff engagement, the new team should engage local stakeholders and residents to ensure transparency and reassure them about progress. This can also include increased use of the friends and family test and other feedback mechanisms.

The law of unintended consequences means that some of the legislative and regulatory structures and practices can potentially hold trusts back from working more closely together. The Competition and Markets Authority (CMA) has a clear remit to decide whether or not the reduction in competition of a merger outweighs the benefits for consumers or the economy. However, the NHS is not like retail sectors, such as energy or banking. The CMA process can add time and cost, or event prevent mergers between trusts even where there are quality and efficiency benefits in terms of consolidating clinical and back office services.

It is also clear that the complex regulatory system could better incentivise trusts to take on and turn around their struggling neighbours, and give them more breathing space to do so. For example, by introducing wider tolerance levels for performance and reducing the plethora of central reporting in the turnaround phase.

The Shelford Group could play an important role in working with the regulatory bodies on a 'fair deal' for a successful trust to enter into a takeover or merger with a struggling one. Successful organisations should be incentivised, whereas at present it is all risk for little gain.

## The key recommendations that emerged were:

Some central support to backfill senior staff time spent on site with another organisation is necessary, as this has proven to be a major commitment for leadership teams.

Allow for a streamlined approach to regulation and some 'breathing space' in which to turn around struggling organisations, because too much time is taken up with central reporting and responding to different regulators rather than focusing on the needs of the organisation and its patients.

A review is needed of the way the Health and Social Care Act 2012 bring NHS mergers under the jurisdiction of the Competition and Markets Authority, which seems to create significant effort and cost for a sector that is not a true market.

There should be an 'open book' approach to laying out the true, underlying financial position of the struggling entity so that there are no surprises after taking on the responsibility for the trust.

Control totals should be agreed before the merger/ takeover and any adverse adjustment should allow for a break clause if it makes the turnaround trust no longer viable.

It is clear that frontline NHS staff working on wards, in theatres and other areas are very motivated to do more for patients if they are freed up and empowered to do so. Putting refreshed systems in place, for example effective governance and decision making processes, often gives them this opportunity to deliver results. In most turnaround cases, staff are hardworking, enthusiastic and hungry for change, but just need the fresh impetus to unleash their talent and energy.

In Southwark and Lambeth, the community based strategy is a transformational cornerstone of their STP and Local Care Networks are the delivery vehicle. Professionals in primary, acute and social care work on an equal footing with each other and residents to co-design projects. Being represented at every level of governance means they can play an important role in improving care for local people. This holistic approach was greatly valued by clinicians in developing new skills and making a difference for themselves and their patients.

## The next workshop

The Shelford Group will run workshops with a similar format in 2017. Provisional topics are to compare and contrast different approaches to clinical transformation and to look at contemporary workforce issues. If you have any comments or suggestions, please email info@shelfordgroup.org.

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