

16<sup>th</sup> November 2011

Mr Nick Chard  
Members Suite  
Sessions House  
County Hall  
Maidstone  
KENT  
ME141XQ

Dear Nick,

**Re: Health Overview and Scrutiny Committee Meeting – 25<sup>th</sup> November 2011**

Further to your invitation for us to attend the above meeting, please find the answers to your questions below.

**1) What decisions have been made since July regarding the proposed integration of Dartford & Gravesham NHS Trust and Medway NHS Foundation Trust?**

The Trust Boards of both Medway NHS Foundation Trust and Dartford and Gravesham NHS Trust considered whether the proposed integration of the Trusts could be feasible in September 2011, after receiving a detailed feasibility study. Criteria were developed, to support Board members in both organisations to carefully consider whether the integration has the potential to succeed. These were:

1. Do both Boards agree that the integration shows sufficient tangible benefits to patients and the public?
2. Is the agreed clinical strategy for the integrated organisation acceptable to both Trust Boards and formally supported by commissioners?
3. Does the Long Term Financial Model (LTFM) of the integrated organisation achieve the risk ratings for Foundation Trusts (as determined by Monitor)?

4. Do both Boards agree that the outline post integration plan shows how to achieve the required financial benefits, the clinical strategy and the benefits to patients and the public?

The criteria required each Trust Board to scrutinise the integrated clinical, estates and back office strategies; the provision of formal support from commissioners for the integrated clinical strategy; the combined Long Term Financial Model of the new organisation and the outline for the plan to manage the process of integration.

During separate Trust Board meetings in September, a unanimous decision was made, by both Trust Boards to proceed towards integration.

The Integration Feasibility Test document can be found from page 22 (Attachment 4) of Dartford and Gravesham NHS Trust's September Board papers: [www.dvh.nhs.uk/about-us/trustmanagement/trust-board/trust-board-minutes-agendas](http://www.dvh.nhs.uk/about-us/trustmanagement/trust-board/trust-board-minutes-agendas)

## **2) What are the implications for the range and location of health care services delivered at both sites?**

Our approach to developing service strategies in the current economic and policy context is two-fold: safeguarding services and developing services.

### Safeguarding the range of services provided

The purpose of integration is to safeguard services and build on the range and quality of services already offered to local people. We do not intend to reduce services – as by way of example, both hospitals will continue to provide full Consultant led A&E, maternity, children's, acute medicine, elderly and outpatients services.

We are aware of the need to fully consult with the public in cases where major service changes are anticipated. There are no plans to diminish the range of services provided at either local hospital or to centrally locate services at one hospital site or other. The clinical strategy seeks to "level up" the quality of services provided across both hospital sites. The integrated Trust has ambitious plans to significantly improve the quality of services provided to the population of North Kent and we believe that it will be easier to do this as an integrated entity. This will be achieved, in part, by integrating the teams of consultants and specialist nurses providing the services.

The strategy also seeks to develop the range of services provided so that local people can access more specialised services at their local hospital should they choose to do so, rather than travel long distances to London.

### The development of specialist services

Some specialist services require a certain size of population to be sustainable. This is because clinicians need to perform a minimum number of

procedures each year to maintain professional standards and quality outcomes. It is generally accepted that a minimum population base of 500,000 is required to maintain a full range of general hospital services. The integrated organisation would serve a population of 630,000 in the first instance (however, population estimates for North Kent show that number rising) and therefore services will be both viable and sustainable, both clinically and financially, across the North Kent health economy.

We are already working in partnership in a number of areas, such as ear, nose and throat services, urology and dermatology and our staff provide services across both hospital sites and in the local community. Formalising this relationship will realise benefits across a wider range of clinical services.

Whilst the integration would enable our clinicians to maintain their specialist skills it would also provide the flexibility to develop them further and therefore increase the range of specialist services provided in the combined organisation. Some services for which patients have to currently travel to tertiary centres in London for treatment, for instance nephrology, can be developed locally. It will also mean that the new organisation will retain and attract the very best clinicians in its key clinical leadership roles.

Such highly specialised services are accessed by a small number of patients, and the services are developed by highly specialised clinicians, often utilising cutting edge technology and expensive equipment. To achieve economies of scale, both in the purchase of specialised equipment and the availability of highly trained clinicians, decisions to locate these services on one site might need to be made. It is anticipated that, as an integrated organisation, there will be more opportunity to further develop such services.

This is currently the case in urology that followed national guidance in improving clinical outcomes which led to each hospital site offering different regional services – Darent Valley currently provides a kidney stone service using a laser and Medway Maritime currently provides a complex cancer centre. However, in both instances patients are seen in their local hospital's outpatient setting when referred by their GP.

It is not anticipated that there will be an immediate increase in the range of services, specialist services will take time to develop. The first tranche of services developed will be those currently referred to London centres.

### Location

We want to take every opportunity to assure residents within our local communities that we are listening to and have heard their concerns. In the vast majority of cases, our patients will continue to access services at their local hospital in the same way that they have always done.

In summary, clinicians are continuing to develop their visions and service plans for the services they lead and we expect these to be finalised in the Spring 2012. They are passionate about providing excellent services to the

local population and we would be pleased to share the detail of these with you in 2012.

**3) Can you set out the timescale for your developing partnership and explain the stages it is required to go through?**

The timeline in Appendix 1 outlines the formal transactions process that the Trusts are required to undertake.

**The Competition and Cooperation Panel (CCP)** will undertake an assessment to understand the impact that the integration will have on patient choice and competition in the health market. They will recommend integration if they believe that the benefits to patients and the taxpayer outweigh the loss in choice of organisational provider.

Both Trust Boards will commission independent **due diligence** reports regarding clinical, financial, estates, workforce and legal issues. The purpose of the due diligence reports will be to provide assurance separately for each Trust Board that there are no material issues that they are not aware of that would preclude or be a surprise to them following the integration.

Dartford & Gravesham NHS Trust must submit a **business case to the Strategic Health Authority (SHA)** who will submit it to the Transactions Panel of the Department of Health. The Secretary of State will be advised by the Transactions Panel whether to give formal approval via Parliament to dissolve Dartford & Gravesham NHS Trust as a legal entity.

At the same time, Medway NHS Foundation Trust must submit an **integrated business plan to Monitor**, the Foundation Trust regulator. Monitor will undertake an assessment which will scrutinise the information presented in the business case. Monitor will advise Medway NHS Foundation Trust Board of a risk rating based on this assessment of the new organisation which it will use as part of its decision to integrate.

Dartford and Gravesham NHS Trust Board and Medway NHS Foundation Trust Board will then independently make a formal decision based on the advice received from the CCP, Transactions Panel and Monitor. **This formal decision is anticipated to be taken in July 2011.**

Based on our current timeframes, and subject to the relevant approval processes, the new organisation is anticipated to become a single legal entity on the **1<sup>st</sup> August 2012.**

**4) What are the biggest challenges to achieving a successful outcome?**

This is a complex process and there are a number of factors which could impact upon a successful integration and we are working hard to mitigate those risks. Some of the biggest challenges include:

**a) Failure to respond to the concerns of the public, patients and our stakeholders, such as GP commissioners:**

We are working closely and in partnership with key stakeholders and we plan a significant period of public engagement plan, split into 2 phases. Phase 1, which is already underway, will focus on hearing the views of the general public and our patients, ensuring that views, concerns and suggestions are fairly considered and built into our business plan wherever possible. It will end on 29<sup>th</sup> February 2012, in order to build in time for views to influence our business case. Phase 2 will take place after the business plan has been submitted to the relevant approval bodies, and it will focus on ensuring that implementation plans address the concerns that are raised.

We are developing a close working relationship with LINKs and have already had 2 successful, well attended public meetings in Northfleet and Gillingham. A series of further meetings with local community and patient groups are also planned. We also plan to visit key local areas, such as shopping centres and will be producing information booklets and feedback forms, to capture the views of the wider community. A summary of our public engagement plan, including a list of organisations which we have already contacted, can be found in Appendix 2.

We have been in close contact with GP Commissioners throughout the feasibility study process and now during the development of more detailed plans. We also plan ongoing communications with GPs through existing newsletters and inviting their feedback.

**b) Operational and financial performance dips due to the distraction of the changes that will be associated with the protracted integration process:**

A number of decisions have been deliberately taken to ensure that this does not happen. This has so far included the establishment of a director level Transition Team, responsible for the development and delivery of the programme. They are a step removed from managing the operational performance of either Trust. This means that executive directors can continue to focus on operational delivery.

**c) Failure to engage our staff, particularly our clinicians:**

We know that our workforce are key to any successful integration and that without the input and engagement of our doctors and nurses particularly, we will not be able to realise the potential benefits of the integration. Clinical Directors across both Trusts are driving forward this agenda, focusing on the development of

coherent integration plans, deriving the key benefits as well as ensuring that safety remains paramount.

We are developing plans to ensure that we retain our talented workforce during this time of change and transition, and as such, we will work with our trade union partners to ensure they are fully engaged with the integration plans and process.

Our staff engagement plan mirrors our public engagement plan with two phases of engagement, firstly gathering their views to inform our plans and secondly helping with implementation of those plans.

**d) An inability to integrate the differing cultures of each hospital:**

Naturally, the integration of different organisational cultures will be critical to the achievement of the vision and aims of the proposed integration between Medway NHS Foundation Trust and Dartford and Gravesham NHS Trust. Too often, cultural considerations are not given enough emphasis during integrations, and this is cited as the most common reason why mergers fail to make their planned benefits. We are therefore actively building an organisational development plan that aligns the vision and values of the new organisation with all of the strategies, policies, processes, behaviours that are being produced as part of the overall integration plan.

Each hospital has areas that function better than at the other, impacting on quality of care provided and patient experience. It would not be acceptable for each hospital to stay as they are, when they could learn from the other and improve. The integration aims to improve the quality of care across the two hospitals. Where one is better than the other in a specific area, the quality of care will be “levelled up”, resulting in consistently high quality of care at both hospitals.

Failure to build a constructive culture and to level up quality of care would mean that benefits identified in the feasibility study would not be realised.

**5) Does the existence of a Private Finance Initiative scheme at Darent Valley pose any particular challenges?**

The existence of a PFI scheme at Darent Valley ensures that the quality of the physical environment is sustained as a result of the payments made to maintain the facility. However, the challenge for organisations funding PFI schemes is ensuring the estate is optimally utilised and the rigidity of making estates related payments reduces the choice of decisions in allocation of budgets to other areas. There is a particular issue that the PFI presents in

relation to achieving the required metrics and risk ratings used by Monitor to assess Foundation Trust Hospitals. These standards have been fully met as part of the Long Term Financial modelling work that has been undertaken. This was noted earlier as a key criterion of the feasibility study with which both Trust Boards used to make their decision to proceed to the next stage of the transaction.

The PFI scheme has been the subject of questions during our engagement with the public to date. We feel that it is important to make some specific points:

- a) Dartford and Gravesham NHS Trust has always met its financial obligations related to this loan. There is no reason to suggest that an integrated organisation could not do the same.
- b) One of the conditions of the PFI agreement is that the quality of the estate is maintained at "B" standard. This means that the fabric of the building must be maintained at a "nearly new" standard, in comparison to Medway NHS Foundation Trust which has in excess of £24m backlog maintenance.
- c) Financial due diligence will be essential for the integration to proceed and this means that the assumptions made, which demonstrate that the PFI is affordable to the integrated Trust, will be rigorously and independently tested.

We look forward to attending the HOSC meeting on the 25<sup>th</sup> November. Should members have any questions in the meantime, do not hesitate to contact us.

Yours sincerely

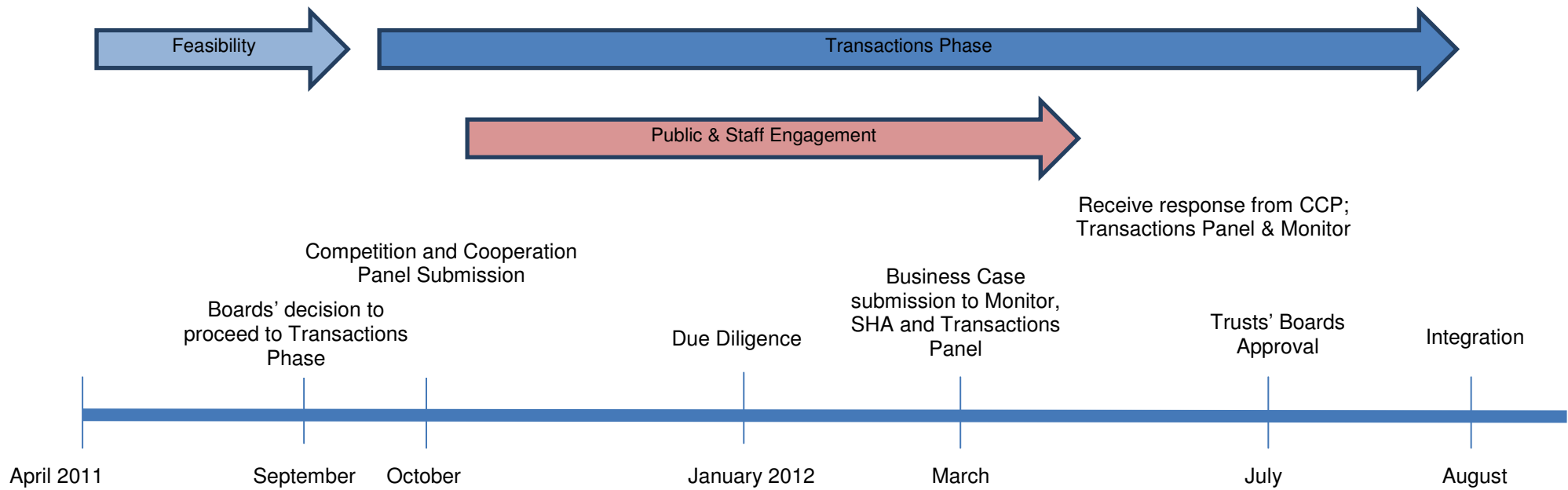


Mark Devlin



Susan Acott

# APPENDIX 1: Proposed Integration Timeline: Dartford & Gravesham NHS Trust and Medway NHS Foundation Trust





## **APPENDIX 2: Public and patient communications and engagement summary**

### **Introduction**

We want our local communities and members of our organisations to be involved in the development of our plans to integrate Medway NHS Foundation Trust and Dartford and Gravesham NHS Trust. We have developed a communications strategy which details our intended approach. This briefing note aims to give HOSC members a summary of the activities undertaken to date and our plans to involve patients, members and the public over the coming months, to the point of integration.

We are keen to reassure HOSC members that we do not propose changes to either local hospital which would diminish its contribution as a significant provider of hospital services to the local community and we do not plan to reduce the range of services offered to local residents, accessed through their local hospitals. We do propose to develop some services that are not currently available locally and it is possible that these may only be developed on one site, to take advantage of economies of scale. We believe that the plans to engage with the public, patients and our members is proportionate to the scale of change that they will experience from the way that they access the services that we provide.

If, at any point in the future, we plan to make major service changes, we are committed to meeting our statutory obligations and enter into a phase of full public consultation.

### **Our plans – an overview**

We have had a communications and engagement strategy in place since the establishment of the programme, designed to ensure that key stakeholders are kept informed throughout the process. Our public engagement plan supports the overarching strategy and ensures that patients and the public are not only kept informed, but also have the opportunity to get involved and influence our plans. Both the strategy and plan focus on on-going engagement and partnership working.

We plan to work closely and in partnership with key stakeholders to engage with patients and the public over the next six months, in two phases. Phase 1, which is already underway, will focus on hearing the views of the general public and our patients, ensuring that views, concerns and suggestions are fairly considered and built into our business plan wherever possible. It will end on 29<sup>th</sup> February 2012, in order to build in time for views to influence our business case. Phase 2 will take place after the business plan has been submitted to the relevant approval bodies, and it will focus on ensuring that implementation plans address the issues that are raised.

### **Engagement so far**

We have over 10,000 members between the two Trusts. They have been informed of progress to date and we plan to ask members to share their views of our plans. We have also worked with the media and used our websites to publicise the decision to

draw up more detailed plans following the feasibility study outcome. We have a dedicated email address ([bettercaretogether@nhs.net](mailto:bettercaretogether@nhs.net)) and telephone number, through which members of the public can contact us, ask questions, make suggestions and comment on our plans.

We aim to work in partnership with local community groups and associations to generate considered and detailed engagement and ensure we hear from all sections of the local community. We have worked with LINKs to deliver two public meetings, held in our local communities in recent weeks, attended by 130 people. We shared our plans to date, answered questions, invited debate and discussion through the use of round table exercises. The debate on the challenges and benefits of the integration has led to a series of questions, which the Trusts are committed to responding to and publishing on our websites in due course.

We have contacted over 150 local community groups, forums, charities and organisations to invite them to get involved and see how we can work more closely with them to inform and engage with their members and networks (please see the full list below). We are now following up interest from a number of groups, including:

- Bluewater Community Forum
- Dartford Elders Forum
- Alzheimer's Society
- Kent Association for the Blind
- Rural Age Concern Darent Valley
- Age UK North West Kent
- Metro Centre
- Parkinsons Disease Society - South East
- Medway Hindu Community Centre
- African Caribbean Forum – Gravesham
- Medway Heart Care Support Group

We will be working with these organisations, and others, to ensure that they are kept informed of our plans and progress and have opportunities to give feedback. This will be through a variety of mechanisms, including presentations, Q&As and capturing feedback at their meetings and forums, information and feedback booklets and regular email updates.

### **Future plans for engagement**

We are committed to building our relationship with community groups, forums and charities and will continue to have a focus on partnership working with these organisations.

We are also planning to use a number of other communications and engagement mechanisms to ensure patients and the public are kept informed and can have their say. These include:

- Events for members and the public across the area specifically on the integration and on-going members updates.
- The information booklet, with a feedback form included, will be distributed to public locations across the area, including libraries.
- Regular updates will be posted on our websites, with an online feedback form.
- Noticeboards will be established at both hospitals, with updates and feedback forms.
- A roadshow, visiting central areas such as shopping centres, with materials to distribute.
- Using social media, such as Facebook and Twitter to ensure our younger population is engaged with.

### **Getting involved**

We welcome any ideas for further community groups, forums and charities to contact, to ensure that both the public's and our service users' views are heard and can influence the development of our plans.

### **Other stakeholders**

This summary only covers public, patient and member engagement. We have also planned communications and engagement for our other key stakeholders, which include our staff, GP commissioners, PCT cluster staff, GPs, MPs and unions and would be pleased to provide HOSC members with more information on the 25<sup>th</sup> November, should this be useful.

## Full list of organisations contacted

121 Youth Befriending  
Abbeyfield Society Ltd  
Action with Communities in Rural  
Kent  
Advocacy Kent  
African Caribbean Forum  
Gravesham  
Age Concern Chatham  
Age Concern Darent Valley  
Age Concern Gillingham  
Age Concern Gravesend  
Age Concern Medway Ltd  
Age Concern Northfleet  
Age Concern Sheppey  
Age Concern Swanscombe &  
Greenhithe  
All Saints Community Project  
Alzheimers & Dementia Support  
Services  
Alzheimer's Society  
Ash-Cum-Ridley Parish Council  
Kent Autistic Trust  
Spiritual Assembly of the Bahàis of  
Gillingham  
Bangladesh Welfare Association  
Bangladeshi Trust  
Bean Parish Council  
Beat  
Kent Association for the Blind  
Bluewater Community Forum  
Blythswood Care  
BME Carers: Princes Carers Trust  
BME Womens Network/ BME  
Youth Forum  
Brompton Barracks  
CARE Kent  
Care4  
Carers First  
Carers Kent  
Carers' Relief Service  
Carers Relief Service (Dartford &  
Gravesham)  
Carers Support Scheme  
Carers UK  
Caring Hands in the Community  
CASE Kent  
Catch 22 Housing  
Centre for Independent Living in  
Kent  
Cerebral Palsy Care  
The Challenging Behaviour  
Foundation  
Chart Sutton Parish Council  
Churches Together in Medway  
Citizens Advice Medway  
The City of Rochester Round Table  
no.56  
Cobham Parish Council  
Connexions Kent and Medway  
Coxheath Parish Council  
Crossroads West Kent  
CVS  
Czech/Slovak Society  
Darent Parish Council  
Dartford Elders Forum  
Dartford, Gravesham and Swanley  
MIND  
Dementia Carers Friendship Group  
Eastern European Forum  
Ellenor Foundation and Lions  
Hospice  
Emmaus Medway  
Epilepsy Action  
Ethnic Minority Project Workers  
Every Family Matters  
Eynsford Parish Council  
Fairbridge in Kent  
Farningham Parish Council  
Fibromyalgia Support Group  
Medway  
First Steps Drop in Centre  
Gillingham Youth for Christ  
Goldenhar Support Group  
HACO (Health Action Charity  
Organisation)  
Hands and Gillingham Volunteer  
Centre  
Hands Rochester Volunteer Bureau  
Hartley Parish Council  
Heart of Kent Hospice  
HI Kent  
Hindu Association  
Home Start North West Kent  
Housing 21  
Invicta Advocacy Network

KC Addiction  
 Kent and Sussex Alternative ME  
 Kent and Youth Community  
 Kent Association for Spina Bifida & Hydrocephalus  
 Kent Association for the Blind  
 Kent Autistic  
 Kent Children's Fund  
 Kent Council for Voluntary Youth Service  
 Kent Energy Centre  
 Kent Equality Cohesion Council  
 Kent Volunteers  
 Kent West Dyslexia Association  
 Kent Youth  
 Living Well Centre  
 Macintyre Charity  
 Macmillan Cancer Support (Medway Committee)  
 Marie Stopes  
 MCCH Employment and Vocational service  
 Medway Access Group  
 Medway Asthma Self Help (MASH)  
 Medway Cyrenians  
 Medway Ethnic Minority Forum  
 Medway Heart Care Support Group  
 Medway Hindu Community Centre  
 Medway Inter Faith Action  
 Medway Older People's Partnership  
 Medway Parents and Carers Forum  
 Medway Pensioners' Forum  
 Medway Youth Parliament  
 Melville & Brompton Community Association  
 MeRGe (Medway Residents Group)  
 Metro Centre  
 MOAT Homes  
 Motor Neurone Disease Association - Mid Kent Branch  
 Multiple Sclerosis Society - Medway Branch  
 Narcotics Anonymous Kent  
 North Kent Council for Interfaith Relations  
 North Kent Women's Aid  
 North West Kent CVS

Parents Plus  
 Parkinsons Disease Society - Maidstone and Gravesend  
 Parkinsons Disease Society - Medway Towns  
 Parkinsons Disease Society - South East  
 Parkwood Youth Centre  
 Participate By Right! Kent Children's Fund Network  
 Pathway Project  
 Paula Carr Diabetes  
 Platform 51 - girls and women at heart  
 Pre-School Learning Alliance (South Division)  
 Princes Royal Trust Medway Carers' Centre  
 Quest School for Autistic Children Rainer  
 Ramgarhia Darbar  
 Relate  
 Religious Society of Friends  
 Rethink  
 Richard Watts Charity  
 Royal Association for Deaf People  
 Russian Mother & Toddler Group  
 Salvation Army in Chatham  
 Salvation Army in Gillingham  
 Shaw Trust  
 Singalong Group  
 Single Parent Support Group  
 Skillnet Group  
 South East Faith Forum  
 Spadework  
 The Kent Association for Spina Bifida and Hydrocephalus  
 Sri Guru Ravidass Sabha  
 St Nicholas Day Care Centre  
 St Philip & St James' Church Community Office  
 The Stroke Association  
 Sunlight Development Trust  
 Sure Start Centres  
 Sussex and Kent ME  
 The National Autistic Society  
 The Tomorrow's Child Trust  
 Voice 4 Kent  
 VoiceAbility  
 Voluntary Action within Kent

Medway 

NHS Foundation Trust

Volunteer Centre - Dartford  
Volunteer Centre - Gravesham  
Volunteer Centre - Swanley  
Volunteering in the NHS  
VSU Youth in Action  
The Walter Brice Centre  
WEDGE (Women on the Edge of  
their Community)  
Welcome Day Centre (EMSCA)

Dartford and Gravesham 

NHS Trust

West Kent College  
West Kent Extra  
West Kent Housing Association  
West Kent Mediation  
West Kent YMCA  
Winter Warmers Society  
Word on the Street  
Ying Tao Chinese Association