


Council of Governors	Guy's and St Thomas'  NHS Foundation Trust
Service Strategy Working Group report – 13th October 2015	28th October 2015 CG/15/25

This paper is for:		Sponsor:	
Decision	<input type="checkbox"/>	Author:	Emma Saunders
Discussion	<input type="checkbox"/>	Reviewed by:	Robert Parks, SSWG Chair
Noting	X	CEO*	
Information	<input type="checkbox"/>	ED*	
		Board Committee*	
		TME*	
		Other*	

* *Specify*

1. Attendees:

Robert Park (Chair), John Porter, Dianne Rekow, Devon Allison, Jenny Stiles, John Duncan, Jonathan Farley, Giles Taylor, Barry Silverman and John Burns.

Martin Shaw (Director of Finance), Julie Gifford (Deputy Director of Strategy) and Emma Saunders (Senior Strategy Manager) attended from Guys and St Thomas'. Diane Hamilton-Fairley (Director of Educational Transformation and Consultant Gynaecologist) attended for the clinical education and training item.

Apologies were received from Yvonne Craig-Inskip.

2. Notes of the previous meeting and matters arising

2.1 The notes of the meeting held on 7th July were approved and were reported at the last Council of Governors meeting.

3. Clinical education and training

3.1 Diana Hamilton Fairley talked through the presentation, circulated in advance. The vision is to develop Guy's and St Thomas' and King's College London as the preferred provider of clinical healthcare education, training and development for internal and external healthcare providers and the public in south east England.

3.2 The Trust has been providing training to doctors, nurses and other healthcare professionals for over 250 years. We currently provide over 2500 clinical placements per year, predominantly commissioned by Health Education England and providing an income of approximately £70million per year.

3.3 As well as educating undergraduate health students, postgraduate students (MSc, PhD), postgraduate medical doctors and other health professionals we also provide education and training for administrative and clerical staff. We provide apprenticeships for local people, host conferences and deliver simulation training. These activities are undertaken at numerous locations – St Thomas' House (including SaIL – Simulation and Interactive Learning Centre) and the Prideaux Building at St Thomas'; the Education Centre at York Road; the Sherman Centre; throughout clinical areas across all acute and community buildings; and externally as we do not have enough internal capacity.

3.4 Current facilities do not meet current and future need and will need to move as building leases end and to enable the expansion of other services. There is a well recognised link between the quality of education training provision with patient care, staff satisfaction, recruitment and retention. Continuing to be an education provider is therefore important to the Trust. There are also financial opportunities to provide for other public and private organisations.

3.5 Block 9 is a currently redundant building at the far south of the St Thomas' site. It is owned by King's College London but there is an opportunity to jointly redevelop the building as an Integrated Education Centre.

3.6 During questions and discussion the following was highlighted:

- Governors agree that developing education facilities is strategically important and that Block 9 provides a good location opportunity but questioned whether the space is large enough. There are opportunities to use space and collaborate with other local colleges/ education institutions. Diana flagged that there is an ongoing programme of stakeholder engagement underway to get views on the use of the site as well as space analysis on what could be accommodated. Importantly, we will need to ensure we are set-up to provide education differently e.g. to provide flexible space with an IT infrastructure to accommodate more remote and digital training.
- Governors asked about the profit margins for education. Diana highlighted that several audits have been completed but unpicking income and cost is difficult due to interdependencies with clinical and research activity and income. It is clear that education income is reducing in line with all NHS financial pressures.
- The group discussed that financial pressures in the Trust mean the source of capital to refurbish Block 9 is not clear. Martin Shaw highlighted that, although the capital and revenue requirements are not included in the Trust's current five year plan, the Board is aware of all strategic business cases being prepared. When to progress a case will be decided based on the current financial and strategic environment and priorities. Detailed cost structures are completed for all Full Business Cases.
- Aside from buildings and finances, Diane agreed with the group that integrating acute and community care education as well as physical and mental health 'silos' is very important. Clinical education now includes mental and physical wellbeing modules and more rotations across community and Primary Care as well as in hospitals.

4.5 The group thanked Diane for the presentation, noting the surprising magnitude and scope of education and training.

4. Strategic context to 2016/17 business planning

4.1 The King's Fund report 'The first 100 days of the new government' and the Trust's 'strategic context to business planning' had been circulated in advance. Emma summarised the national context, highlighting that several national initiatives are focussed on addressing the financial situation facing health and social care. There are increasing 'central' controls on providers around areas such as agency spend. Pressure on social care provision is a significant risk to our services. The regulatory framework is also shifting with a welcome emphasis on local health economies, partnership working and on viewing efficiency and finances in tandem with the delivery of safe, high quality care. The group noted that Monitor and the NHS Trust Development Agency are merging to become NHS Improvement.

4.2 Julie outlined the local strategic context, including:

- **The south east London and Kent health landscape:** There are significant challenges – all Trusts (except Guy's and St Thomas') have received a 'requires improvement' or 'inadequate' CQC rating with three in special measures. We are increasingly collaborating with these organisations as we think this will support improvements in coordinated services for patients. A recent NHS England vanguard bid with Dartford and Gravesham NHS Trust to test future models of collaboration between hospitals was successful. We also have a buddying agreement with Monitor and Medway NHS Foundation Trust to support them to improve services.
- **Our Healthier South East London Programme:** Since June 2014 the programme has been developing high-level clinical models e.g. for cancer, community based care and planned care. The pace and urgency of this work is now increasing as the sector needs to address the £1.2 billion local financial gap. Our staff are involved in clinical leadership groups, financial modelling, strategy and executive groups. We are very willing, and expecting to work closely with all local Trusts to identify solutions that work locally.
- **King's Health Partners:** The focus is on developing a number of world-class clinical academic institutes serving south London and beyond such as for Cardiovascular, Haematology and Child Health.

- **Local integrated care:** This is still an important priority. Our Adult Local Services programme has been running for two years in partnership with Southwark and Lambeth Integrated Care. The @Home model and Enhanced Rapid Response have been very successful in stabilising emergency patient admissions. We are now focussed on what is needed to support ongoing improvements for local people.

5.3 Martin updated the group on the financial context. We will be entering year three of our five year plan. Directorates delivered £79.2million and £64.2million savings in 2013/14 and 2014/15. A huge amount of effort is going into delivering the £93million savings requirement for this year (2015/16) in order for the Trust to achieve the £19 million deficit plan. This has included two sets of finance reviews on top of monthly Performance Review Meetings.

5.4 The 2016/17 financial planning estimates will be reviewed following the Comprehensive Spending Review (CSR) and national planning guidance. Based on current assumptions services will need to make 10-11% cost reductions in 2017/18. This will be a huge challenge with 'bold ideas' around IT, space and logistics being tested. We will also need to deliver on our strategy to further diversify our income sources so we are not so reliant on NHS funding.

5.6 During questions and discussion the following was highlighted:

- Governors questioned whether the models proposed in the Our Healthier South East London work will save money across the sector or just switch overhead costs. Martin felt that we need to undertake further modelling to understand the cost base across the sector. It should not, however, be a pricing exercise but about what is best for patients. It is encouraging that local staff across health and social care are working collaboratively already.
- Governors highlighted the importance of staff engagement as cultural change will be needed. The group also agreed that there are opportunities to involve patients and carers in efficiency work, e.g. could patients 'opt-in' to a skype call rather than a consultation? Patient groups could be segmented to identify those patients who would most likely take up these efficiency opportunities.
- It was agreed that the scale of the challenge ahead cannot be underestimated. The group requested that the Council of Governors is kept up to date on what the impact on staff will be as well as other provider of commissioning decisions which could result in service changes.

5.7 Robert Park thanked the team for the 'tour' of the very challenging strategic context but noted that that the collaborative working and collective endeavour across the local health economy is very reassuring.