

## **Paper for 9 September JHOSC**

### **Merger of Royal Free London NHS Foundation Trust and North Middlesex University Hospital NHS Trust**

#### **1. Introduction**

- 1.1 In January 2024, following several years of closer working, we announced that we were exploring how North Middlesex University Hospital NHS Trust (North Mid) could merge with the Royal Free London NHS Foundation Trust (RFL) and join the RFL group.
- 1.2 In February 2024, the chief executives of RFL and North Mid briefed members of the North Central London Joint Health Overview and Scrutiny Committee (JHOSC) on the rationale and plans for merger. It was agreed that they would return to update the committee formally once the work on the full business case had been completed.
- 1.3 This paper provides an update on progress with the merger and development of the full business case for the committee's information.

#### **2. Merger progress**

- 2.1 The full business case for merger was completed and approved by both trust's boards in July and has been submitted to NHS England for approval as part of the standard formal process. NHS England has indicated it will review the business case in autumn 2024. Subject to its approval, and that of the Secretary of State for Health and Social Care, we expect to bring our organisations together around the end of the year with a planned formal merger date of 1 January 2025.
- 2.2 We will continue to keep the JHOSC updated on progress. We have been invited by the chair of Camden Health and Adult Social Care Scrutiny Committee to update the committee and will be presenting this paper to their meeting, also on 9 September. We would be happy to present this update to any other individual overview and scrutiny committees.

#### **3. Patients will still be referred to their usual local hospital**

- 3.1 Patients will still be referred to their usual local hospital and our hospitals will continue to provide the same routine services for their local patients. At North Mid, these include A&E, maternity, intensive care, paediatrics, acute surgery (i.e. trauma and emergency surgery), acute medicine and community services.
- 3.2 As our plans do not currently involve any significant change to where the vast majority of patients would access their routine care, there will be minimal impact on patient travel or choice. We recognise the importance of having accessible and convenient travel links to our hospitals, for patients and staff, and remain mindful of any potential travel implications as we develop our plans for merger. Separately from the merger process, we continue working with our partners, including elected representatives, local government and Transport for London, to improve accessibility where there is an identified need and to support the development of sustainable transport and travel plans that promote health and wellbeing.

#### **4. The benefits of merger**

- 4.1 For patients:

- we can go further and faster in providing better, more sustainable and equitable services, including working together beyond our hospitals and organisational boundaries.
- faster reduction in waiting times through combining and sharing resources to treat more patients.
- more specialist care locally and more joined up community services supported through a single electronic patient record.
- increased opportunities for patients regardless of location or background to participate in research and trials of new clinical treatments.

#### 4.2 For local communities:

- more co-ordinated action to improve the health of the local population through greater focus on understanding and addressing inequalities in care.
- more support to help people stay healthy, with tailored screening and expanded early diagnostic and intervention services.

#### 4.3 For our staff:

- improved learning and career opportunities with the ability to develop and diversify their careers without having to change organisations.
- enhanced recruitment and retention offer with greater opportunities for development and learning.
- new employment opportunities for local people as a combined and significant employer in both local clinical and supporting services.

### 5. Integrating specific clinical services

#### 5.1 We have identified the first four services that we will prioritise for early integration. These are areas where, as a group, we will be able to accelerate the delivery of the benefits for patients, staff and our communities:

- **Cancer:** We will establish ourselves as a world-class cancer centre, working together as one specialist oncology team across all our sites to ensure a patient's cancer treatment journey is consistently excellent whatever type of cancer they have, directing our resources where they are needed the most to cut down on the time patients wait for treatment and provide access to the most advanced and effective cancer care close to home.
- **Research and development:** We will tackle the current inequalities in access to research trials and new treatments, where legal and regulatory barriers limit the collaboration that is possible at present. This will allow greater access to potentially life-changing innovative treatments for North Mid patients and a more diverse patient base for RFL trials.
- **Colorectal surgery:** We will realise our vision to become a centre of excellence for bowel cancer and complex surgical treatment, focused on innovation through the use of robotic technology, early screening and integrating our service as one to provide 24/7 specialist care close to home.
- **Surgical hubs:** We will draw on the success of our existing surgical hubs for orthopaedics and ophthalmology to create a network of centres of surgical excellence across our group. This will mean patients will be seen more quickly for common procedures and receive consistently excellent care.

- 5.2 See appendix A for more detail of our plans for each of these services, which illustrate the kind of benefits we want and expect to achieve across a wider range of clinical services.

## **6. Urgent and emergency care (UEC)**

- 6.1 The merger will support existing plans to address UEC pressures and will enable us to work in a more effective way with wider services to streamline access for patients, improving performance across the merged trust.

## **7. Corporate governance**

- 7.1 The RFL group model was designed to ensure strong local clinical leadership at site level and a focus on local relationships and identity, with a robust framework for clinical and operational governance across multiple sites.
- 7.2 North Mid will join the RFL group as a fourth health unit alongside Barnet Hospital, Chase Farm Hospital and the Royal Free Hospital. All health unit chief executives will be voting members of the board. North Mid will continue to be supported by a local executive team responsible for its performance and local services and relationships, in the same way as the other existing RFL health units.
- 7.3 As an NHS foundation trust, RFL has a patient, public and staff membership that elects a council of governors to hold the board to account. We will expand this membership and reconstitute the council of governors to ensure the voices of North Mid communities are included.

## **8. Digital integration**

- 8.1 Establishing a single electronic patient record (EPR) across the group is a critical enabler for many of the benefits of merger. Our longer term plan is to deliver a single hospital EPR. In the interim, we have a clear plan for how we will safely manage different EPRs across the same trust, building on RFL's previous experience in managing multiple digital systems across different sites.

## **9. Financial impact of merger**

- 9.1 While the purpose of merger is to provide benefits for patients, our people and the wider population, merger also will bring a limited number of financial benefits through reduced duplication in corporate support services; lower combined insurance premiums; efficiencies of scale in purchasing; and, once implemented, reduced license costs from having one EPR plus fewer duplicate clinical and support systems.
- 9.2 After allowing for any additional costs caused by the merger, there is an overall positive revenue impact from the merger from 2025/26 onwards, with increased opportunities to identify further savings to reinvest in patient care and staff development.

## **10. Engagement with our staff, stakeholders, patients and communities**

- 10.1 We have engaged extensively and continue to engage and involve our staff in the merger planning work. While there has been understandable anxiety reported by some staff from both trusts about what merger might mean for them, we have been providing reassurance that we are not expecting any significant changes for most colleagues from day one and staff report being motivated by the opportunities to both improve patient care and further develop their own careers.

- 10.2 Overall staff are positive about the proposals, citing the potential benefits they can see for patients and services. Importantly the group model through which the merged organisation will be run, enables the retention and celebration of local identities, cultures, and services – but strengthening these through joint working, sharing of resources, and standardisation where appropriate.
- 10.3 Where colleagues will be affected as the organisations come together we will manage this through our agreed formal change processes.
- 10.4 We have engaged extensively with stakeholders, including health overview and scrutiny committees; councillors; local authority leaders; voluntary and community sector forums; Healthwatch; primary care forums; and local partnership boards. Feedback indicates that they are largely relaxed about the proposed merger and broadly supportive. They have been reassured that the group model supports strong local leadership and relationships, the merger is not motivated by cost-cutting, and that closing or relocating services is not part of the plans.
- 10.5 Our community engagement has been delivered with support from Healthwatch Enfield and Healthwatch Haringey. As the merger plans do not involve any specific proposals that require formal consultation, community engagement has focused on raising awareness, providing reassurance and listening to any questions or concerns so they can be addressed. Feedback has shown that people recognise and welcome the benefits of transfers of care being quicker and more streamlined within a single trust and of the potential for a greater choice of sites to attend for outpatient tests and appointments.

## Appendix A: Details of the four services prioritised for early integration

Oncology
<p><b>Our overall ambition</b></p> <p>Cancer is one of the most significant health challenges for our local populations, with rates expected to increase significantly over the next 10 years. As a result it is one of RFL's group-wide priorities and the vision is to establish a world class, comprehensive cancer service. Oncology services are a critical part of the cancer pathway, providing both systemic treatments (e.g. chemotherapy) and local treatments (e.g. radiotherapy). Merging oncology services across the expanded group will allow teams to work as one, with a clear and united shared strategy focused on excellent patient outcomes and experience, with staff wellbeing, education and development at its core.</p>
<p><b>Our progress as separate organisations</b></p> <p>The two trusts' oncology services have worked together for years both formally – with joint multi-disciplinary team meetings (MDTs) and cross cover arrangements – and informally, for example discussing the management of complex clinical cases. Despite this, barriers remain to joint delivery of the most effective, equitable care for people across our shared population since, and when operational pressures have emerged, each team has had to prioritise the needs of their own organisation. Joint innovative thinking and large-scale transformational change are needed to meet the combined challenges of rising demand, inequity of access and workforce sustainability, and to best serve the needs of our shared population.</p>
<p><b>Accelerated progress we will achieve through merger</b></p> <p>For oncology, the merger will allow us to combine our workforce into a single united team, reducing the organisational bureaucracy involved in closer working. This will enable us to provide a more resilient service while prioritising the reduction of health inequalities by ensuring patients receive the right treatment in the right place. We envisage providing care closer to home and increasing equity of access to specialist MDTs, clinical trials and cancer treatments while eliminating unwarranted variation in our existing pathways. Ultimately, this increases the likelihood of improving clinical outcomes and patient experience. Education, training, research and wellbeing will underpin this approach, enabling our staff to have the best possible experience while growing their expertise and further developing their careers.</p>
<p><b>Key metrics</b></p> <p>Integration of our oncology services will provide improved equity and access:</p> <ul style="list-style-type: none"><li>• More access to specialist MDTs, specialist cancer treatments and clinical trials closer to home</li><li>• better outcomes for patients, readmission avoidance, reduced lengths of stay and mortality rates</li><li>• improved patient experience and access to holistic care such as psychological support.</li></ul>

## Research and development

### **Our overall ambition**

RFL has an ambition to increase world class research as part of its tripartite mission. It is well evidenced globally that research-active hospitals and services provide better care and outcomes overall. Through the earlier access to new therapies, development of expert teams and close monitoring and support that clinical research facilitates, we aim to tackle existing inequalities in access to trials, improve outcomes for all our patients and enhance the experience of our staff by providing more opportunities to participate in research.

### **Our progress as separate organisations**

There has been collaboration between the two teams, including a joint bid (with University College London Hospitals NHS Foundation Trust) to participate in an early detection trial for cancer. The extent to which collaboration can bring new opportunities to patients is however limited by the legal and regulatory requirements for opening studies that are in place for each trust as long as the trusts are separate.

### **Accelerated progress we will achieve through merger**

Only through merger can the two trusts offer all their patients access to all trials, leading to improved clinical outcomes. Early integration of our research and development teams, funding and infrastructure, and the creation of standardised protocols across the trust, will allow us to increase participation of patients in a wider range of clinical trials, regardless of site. This will mean that patients across the group, regardless of where they live, can have the opportunity to participate in research trials of new medications and treatments. It will also mean more of our staff have the opportunity to be part of clinical research and develop their careers and skills.

### **Key metrics**

Integration will result in an increased number of participants in clinical trials and increased number of patients with access to innovative drugs and devices.

## Colorectal surgery

### Our overall ambition

Our ambition is to deliver equitable improvements in patient outcomes and experience across the colorectal cancer care pathway, from early diagnosis to complex surgical intervention, recovery and beyond. This includes creating a centre of excellence for cancer and complex colorectal surgery, with cutting edge technology and robotic surgery, and establishing a bowel screening centre, while continuing to deliver local care.

### Our progress as separate organisations

Work to consolidate complex colorectal surgery at Royal Free Hospital has been undertaken over the last year. While this has been successful, the speed of change under current arrangements has been limited by fragmentation and lack of scale of services in the face of rising demand, workforce challenges and disparities in access to research.

### Accelerated progress we will achieve through merger

Through merging, there will be greater opportunity to standardise clinical practice and reduce unwarranted variation across all pathways of the new colorectal service, allowing for local, case-based variation where appropriate. This increases the likelihood of being able to establish an effective colorectal service where activity is consolidated, economies of scale can be leveraged, and there are more research opportunities. There will also be greater opportunity to take a shared approach to colorectal cancer prevention. This increases the likelihood of increasing the proportion of patients diagnosed with colorectal cancer at earlier stages in line with national targets.

### Key metrics

Integration will result in improved outcomes and a reduction in length of stay for complex colorectal patients by using innovative surgical techniques and introducing enhanced recovery.

## **Surgical hubs**

### **Our overall ambition**

Our ambition is to reduce waiting times and improve outcomes for patients by establishing surgical hubs for general surgery, gynaecology, urology and ENT, and to optimise our existing surgical hubs in orthopaedics and ophthalmology in line with best national and international practice.

### **Our progress as separate organisations**

It has taken several years to establish one surgical hub: the elective orthopaedic centre at Chase Farm Hospital. Optimising these existing hubs has been difficult because of competing priorities and a lack of unified governance structure. Establishing further hubs, such as gynaecology, has not been feasible due to limitations including cost, scale and digital infrastructure (no shared EPR).

### **Accelerated progress we will achieve through merger**

Merging will be a key enabler for establishing further surgical hubs, as there will be greater ability to establish a shared purpose between teams and unify governance. There will also be greater likelihood of optimising these hubs, as merging provides greater ability to standardise processes, unify operating frameworks and align on performance improvements.

### **Key metrics**

Expansion of our surgical hubs across six specialities means we can increase the number of surgical procedures we are able to provide through productivity alone – by more efficient use of our existing theatre capacity (with an overall increase of 1,000 more patient operations per annum). Improving quality and efficiency will mean patients have shorter waits for surgery, will be more likely to go home on the same day, and will be less likely to need additional treatment after surgery.