Merton Council

Healthier Communities and Older People Overview and Scrutiny Panel

21 July 2020

Supplementary agenda

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Responding to the DMBC

Presentation

Roger Steer 21th July 2020

Introduction

- Local Authorities have a duty to scrutinise and to approve or seek change to NHS plans and independent advice has been taken.
- In the presentation:
  - the context will be described,
  - the big issues identified
  - and, advice provided.

The Big Picture-the DMBC in context

1. A Plan which risks the Americanization of the NHS

- With high tech, specialist services soaking up resources at one end
- And lack of access, overcrowded and poor quality services at the other

2. A Plan to create another specialist centre in London

- This is the last thing that London needs
- What is required is ready access to good quality services meeting most peoples needs
- London cannot and should not afford to locate more world class specialist centres in every locality.

3. The Plan is over-reliant on meeting "South West London clinical standards" as justification

- These "standards" if rigorously applied would lose many , if not most , NHS hospitals. Standards seem designed to promote consolidation and in the case of A&E are out of date, as the Clinical senate pointed out.
- Real world healthcare delivery implies compromise between access, resources and staffing levels.

The Big Picture

4. The Plan defies economic and financial logic i.e. is irrational

- It claims the two centre configuration is financially unsustainable and then proposes creating a third, brand new hospital while retaining the bulk of services at the other two sites.
- It claims to be affordable without providing the historic or latest evidence to suggest this is achievable. It seems to cost less by largely cost shifting to other London hospitals without it being clear that the resources or capacity yet exists or by claiming huge savings targets can be achieved without credible justification. As with previous plans, and plans presented elsewhere, it fails to meet the "real world" test , appears "counterfactual" and risks rejection later.
- In particular it exaggerates the savings available from consolidation of A&E and hasn't updated the PCBC financial analysis, which in my opinion is unreliable, and lacks professional assurance, as required by guidance.

5. The Plan has not followed guidance and advice on how to avoid mistakes

- It makes classic errors

The Big Picture

(cont)

- It fails to clarify what its objectives are in SMART terms
- It appears to be a reconfiguration whose chief objective is to achieve a reconfiguration i.e. it already presumes that creating a consolidated specialist emergency care hospital has been agreed. It hasn't –it requires a business case.
- It rules out of consideration improving services by investing in the existing two centre configuration and "do-minimum " options or lower cost options
- It presents a narrow range of "gold-plated solutions" as the only choices.
- Above all, it has failed to listen and conscientiously take account of what people are saying by refusing to consider a wider range of options and be open to scrutiny.

6. The Plan sets aside the law stipulating a public sector equality duty and promotes a scheme which worsens access to services for the most deprived. Instead it amounts to investing more in Sutton which "ranks as one of the healthier boroughs in England".

The Big Picture

7. The Plan lacks democratic legitimacy.

- It is not agreed by LB Merton or LB Sutton, the local MPs for the local constituencies, including Chris Grayling MP for Epsom, by trade unions representing the staff or by the bulk of those who have expressed a view (see Siobhan McDonagh submission to the DMBC).
- This would normally kill a scheme stone dead when the Outline Business Case is presented.

8. The Plan risks losing access to £500m of investment funds by failing to listen to advice. The opportunity presented by COV19 to justify delay and reconsideration should be taken.
9. Is the Plan appropriately presented, by the right people , at the right time?

No, No and No . The plan is unlikely to succeed as drafted; it seeks to pre-empt decisions of the new regional Integrated Care bodies being created to provide strategic leadership and it presents plans before the lessons of COV19 have been learnt.

The Big Picture

- 10. Final Decisions have not been made and there could be other opportunities for intervention
  - The PCBC and DMBC are just dress rehearsals not the final decisions
  - The process is designed to identify errors , flaws and additional work prior to decisions to approve the Outline Business Case (OBC) and Full Business Case (FBC)
  - It is likely there will be another 9-12 months before the OBC can be agreed and it will probably be longer.
  - All that is being suggested is that the planning processes be followed and that a wider selection of options be looked at and appraisals properly conducted .
  - If that is done I am confident that the Sutton option would not be selected.

The BIG issues

From talking to stakeholders these issues emerge:

- Can the £500m gift horse be examined*?*
- Can you question the judgement of NHS senior figures, local senior clinicians and senior GP representatives ?
- Can alternative options be considered and represent better ways of spending money, saving money and securing staff and priority services?

£500m

- It is presented as an offer too good to question, which needs to be snatched before it is taken away. **BUT** Its not a free gift – annual costs are usually c10%
- Extra capital means extra revenue savings have to be made
- Savings are difficult to make as new hospitals are built to higher standards than old ones
- In order to present a plan that the Treasury will approve plans have therefore to incorporate cuts in beds and services sufficient to fund the extra revenue cost consequences of the investment.
- Recent tenders have proven to cost much more than planned so costs may exceed £500m
- Often refurbishment of existing premises can be a better local option

Can the NHS be wrong?

- Wrong about Better Healthcare Closer to Home. It hasn't been possible to substitute community care for acute care.
- Wrong in Better Services, Better Value as it was not possible to agree on a business case showing how costs could be justified or in claiming that patients would die otherwise.
- Wrong in claiming that staffing problems would be solved by concentrating services further. Often staffing problems are in those areas that have had the highest investment.
- Wrong in claiming that local clinical standards are more important than access to services and economic issues and promoting "the very best healthcare". The NHS cannot afford them .
- Wrong in ruling out behaviour changes and lower cost options being considered as solutions to current problems
- Wrong in not admitting to groupthink, bias and vested interests
- Too often the prospect of a new hospital is seen as a "once in a lifetime opportunity" and the chance to create a legacy.

Are there alternatives?

- Yes, lower cost capital solutions should be considered, i.e. refurbishment and retention of services on existing sites or centralisation within the two existing sites
- Yes, shortages of key medical staff can be addressed by increasing trainees, reforming rotas and working in co-operation with neighboroughing hospitals.
- Yes , priority should be provided to sustaining adequate generalist services not specialist services
- Yes, the requirement to cut acute services and staffing further needs to be re-appraised. The NHS has fewer doctors and nurses, the most concentrated acute sector in the world , and cannot justify reducing capacity based on the evidence presented. COV 19 exposed this.

My advice therefore is the DMBC has :

- Failed to heed the advice of many key stakeholders expressed in the public consultation and to conscientiously take account of views expressed within the latest plans. E.g. it ignores completely questions on the financial viability of plans.
- Failed to understand the need to do so and appears intent in driving forward as quickly as possible
- Failed to consider that by doing so it increases the chances that the future Outline Business case (OBC) will not be fit for purpose, will not secure agreement and the opportunity to invest in local facilities will be lost.
- Failed to take sufficient time to consider the implications of COV19; the shift towards integrated care systems planning; the economic uncertainty generated by the pandemic and unresolved trade negotiations; and continued uncertainty about the NHS capital funding regime, future revenue allocations , Human resource planning, social care changes , future population needs etc.
- Intervention is advised at the earliest stage to avoid costly errors and lost opportunities.
- It is recommended the Council refer the decision to approve the DMBC to the Secretary of State and for independent review . Legal advice has been taken and sufficient grounds exist.