

Pathology Update to Lewisham's Healthier Communities Select Committee

11th November 2020

1. Introduction & Executive Summary

(1.1) Lewisham and Greenwich NHS Trust (LGT) last briefed the Committee on the future of LGT Pathology services in late 2019. Since that time, the Trust has been working with Barts Health NHS Trust (BHT) and Homerton University Hospital NHS Foundation Trust (HUH) to establish an NHS pathology network in line with the NHS Improvement (NHSI) mandate, published in Summer 2017, for all Trusts nationally to form networks.

(1.2) The Trust is working towards implementation of the proposed network in March 2021. Good progress is being made – the three Trust Boards approved Full Business Case (FBC) in July 2020. The transition to full implementation will be over three years.

(1.3) Simultaneously, the reprocurement of Pathology services (which started in 2018) in South East London (SEL) has now concluded, with a decision in September 2020. At its meeting on 17 September 2020, the Governing Body of NHS South East London CCG agreed to commission direct access pathology services for 2021/22 from Guy's and St Thomas' Hospital NHS FT (GSTT) and King's College Hospital NHS FT (KCH), who have agreed to develop a joint venture partnership with Synlab. As agreed at the start of the procurement process, the CCG's decision was based on a value for money assessment.

(1.4) For direct access GP services provided currently by LGT (for Bexley, Greenwich and Lewisham GPs), the service commencement date is expected to be in the middle of the 2021/22 financial year in order to allow sufficient time for the safe transfer of services. GP practices in Bromley, Lambeth and Southwark will see no immediate change at all as their current providers – GSTT and KCH – are not changing, though their laboratory partner is changing from Viapath to Synlab.

(1.5) Transition governance is being established for both the SEL Pathology programme and the Barts Health/Homerton/LGT Pathology programme, ensuring an effective interface is in place, so as to maintain a smooth transition of services. All parties are committed to working with each other to ensure the transition is effective.

2. Background and Current Service Provision across SEL

(2.1) In 2017 the south east London ICS established a Pathology Programme which comprised GSTT, KCH, Lewisham and Greenwich NHS Trust, South London and Maudsley NHS Foundation Trust (SLaM), Oxleas NHS Foundation Trust and all six former south east London CCGs (acting as an Alliance at that time). The programme was formed in response to NHSI's strategy to form hub and spoke pathology networks across England. Originally it was intended that there would be 29 networks, this was later expanded to up to 'one per Sustainability and Transformation Partnership (STP)' (i.e. 44 at that time). All trusts were advised of the pathology network within which their

service was expected to be located, with LGT identified as sitting within the SEL network, along with GSTT and KCH as providers of pathology services.

(2.2) Pathology tests cover blood tests, and tests on urine, stools (faeces) and bodily tissues and as you will be aware, many of the decisions upon patient care will be based on the results of such tests. LGT provides an in-house NHS pathology service, including to local primary care (GPs) and to Oxleas Foundation Trust, whilst other providers in the sector (GSTT, KCH and SLAM) all outsource their pathology services to a Joint Venture partnership called Viapath, jointly owned by GSTT and KCH with Serco as a private sector partner. The Viapath contract expires in 2020.

(2.3) In January 2018, following an assessment of their local needs, the six former south east London CCGs agreed individually and collectively to engage as interested parties in the procurement supporting this vision for sector wide pathology networks. It is important to note that the former south east London CCGs were not contracting parties and did not make any commitments to the proposed 15 year contract with the preferred supplier. The contracting parties on the tender were originally Lewisham and Greenwich NHS Trust, KCH and GSTT. Within SEL, different models currently exist for the provision of pathology services.

(2.4) In July 2018, SEL Trust Boards considered a paper from the SEL Pathology Programme Board, seeking approval to the issue an OJEU notice, which would launch the procurement process jointly across all participating SEL Trusts for the provision of pathology services.

(2.5) The LGT Board considered its position at its meeting in July, at which time it seemed likely that no NHS based bid would come forward. Based on this, the LGT Board determined that it should not be named specifically in the OJEU notice in order to enable its executive team to pursue the possibility of developing an NHS network model with an alternative pathology provider.

(2.6) In September 2018, following exploratory discussions with neighbouring NHS trusts, namely BHT and South West London Pathology, the Board agreed that LGT should develop an NHS option with a neighbouring NHS provider outside SEL, and in January 2019, the Board agreed for the Trust to develop the business case for a network solution with BHT and HUH.

(2.7) In October 2018, the LGT Board withdrew from the south east London pathology network procurement process and therefore were no longer members of the Pathology Programme Board. The decision by LGT did not change the position of the former south east London CCGs which remained part of the procurement process from the outset along with every other NHS statutory member of the then STP and now ICS.

(2.8) LGT also recognised that the Bexley, Greenwich and Lewisham CCGs (as they were at the time) primary care direct access volumes currently provided at the trust would remain in scope of the overall south east London ICS Pathology network procurement.

3. Maintaining Local Clinical Pathways

(3.1) In taking the decision to develop a network with BHT and HUH, the LGT Board recognised the close clinical links between LGT and the other trusts in SEL, especially the role of GSTT and KCH as specialist (“tertiary”) referral centres for patients (particularly when tests for cancer are needed). The Trust has continued to work with STP partners and the SEL Pathology Programme Board to ensure that these clinical links are not negatively affected by joining a pathology network outside

SEL. When rapid patient diagnosis of pathology samples is needed, for example, for haemato-oncology, LGT will continue to refer samples to the local tertiary centre in SEL.

(3.2) LGT have been keen to continue providing GPs in Lewisham, Greenwich and Bexley with pathology services as their established local NHS provider, though it is recognised that this local GP 'direct access' activity was included in the SEL procurement. The GP direct access activity represents 49% of the total pathology activity undertaken by LGT. Given the CCG decision to award all SEL GPDA to Synlab, the impact of the loss of this work by LGT is being worked through with commissioners to ensure no negative impact on the health economy or on the quality of services provided to local people.

(3.3) LGT will continue to work with commissioners and respond as appropriate to commissioning intentions, including being keen to offer SEL commissioners an alternative solution for GPDA in any future market testing or value for money exercise.

4. SEL Pathology Procurement process

(4.1) The ICS and CCGs have been clear that local views will be taken into consideration within the decision making process for future contracting for GP direct access activity. In July 2019, LGT was advised that the decision would be based on a 'best value' decision.

(4.2) The procurement exercise commenced in late 2018 and following the second and third dialogue stages and evaluation in January 2020; SynLab was selected as the preferred bidder subject to FBC approval. The proposed contract will be held by GSTT and KCH (via a joint venture with SynLab). It was concluded that to deliver the specification the new provider would establish a new pathology hub and centralise 70% of test activity, deploying a new integrated LIMS system and moving towards a digital pathology service model.

(4.3) In September 2020 the SEL CCG Governing Body reviewed the pathology proposal¹. The proposed service will generate system savings over the course of the 15 year contract of which the CCG share of these savings is currently forecast to be between £8.8 million and £51 million over the same period. The savings levels have been determined based on an estimated baseline activity and estimated recurrent growth levels of between 2% and 5% per annum. The value for money assessment was the final stage of a process that commenced in 2018, which has now been met. As a minimum NHS South East London CCG will spend 2% less on direct access pathology services than it currently does and is likely to see savings of between 4%-5% given the projected activity growth. These savings will be delivered without any material change to the current service for patients or impact on residents and GPs in south east London and ensure that south east London benefits from a best value service for Primary Care.

(4.4) The Trusts have now concluded their negotiation and are at the point of contract award, which required the confirmation of planned activity from commissioners, specifically the direct access GP volumes, which are based on the inclusion of all six boroughs activity from the outset of the procurement process. The financial benefits to the NHS South East London CCG and the wider system are predicated on this activity and would likely be foregone if the total activity for the NHS South East London CCG was not included in the programme.

¹ <https://selondonccg.nhs.uk/wp-content/plugins/download-attachments/includes/download.php?id=3531>

(4.5) As part of the annual commissioning intention's process, South East London Clinical Commissioning Group (CCG) was required to determine the commissioning of direct access pathology activity in 2021/22 by 30 September 2020. This decision also supports the south east London Integrated Care System (ICS) Pathology programme partners timetable to finalise the contract arrangements of the new service. The NHS South East London CCG is only making a decision on the commissioning arrangements for the 2021/22 period; the decision for future years will be subject to the standard annual commissioning process.

(4.6) In October 2020, GSTT, KCH and Synlab have confirmed their intention to form a joint partnership, the aim of which will be to make a number of important improvements to transform pathology services, including the introduction of digital pathology and investment in new laboratories and equipment.

(4.7) For direct access GP services provided currently by LGT, the service commencement date is expected to be in the middle of the 2021/22 financial year in order to allow sufficient time for the safe transfer of services. GP practices in Bromley, Lambeth and Southwark will see no immediate change at all as their current providers – GSTT and KCH – are not changing, though the lab partner is changing to Synlab.

5. Development of the full business case for Pathology Network Development for LGT with Barts Health NHS Trust (BHT) and Homerton University Hospital NHS Foundation Trust (HUH)

(5.1) In July 2020 the FBC for the Pathology Network was presented and agreed by the Boards of LGT, BHT and HUH.

(5.2) The Pathology services will become a single organisation hosted by Bart Health - all LGT and HUH laboratory staff will TUPE to Barts Health Employment.

(5.3) The preferred target operating model for the network is a single, hosted Pathology service operating across three trusts, BHT, HUH and LGT. Once fully implemented, the Partnership will operate pathology laboratories across seven sites including:

- Royal London Hospital (RLH), which will also serve as the hub for the Partnership,
- Whipps Cross Hospital, Newham University Hospital, St Barts, Homerton University Hospital (HUH) and University Hospital Lewisham will retain an Essential Services Laboratory (ESL) on-site which will include the Biochemistry, Haematology, Blood Transfusion and urgent Microbiology services necessary for addressing any of the site's urgent needs; and
- Queen Elizabeth Hospital, which will initially be configured as an ESL+GP. This will provide the same menu of services as other ESL laboratories but will be configured to receive and process a higher volume of GP direct access samples from the start of the partnership, which will transition to an ESL only following the transfer of GP direct access to Synlab from October 2021.

(5.4) This service will be managed by a joint Partnership Strategic Board and will be accountable to all three Trust Boards equally as customers, as well as being jointly owned by all Trusts. The aim of the Partnership is for all three Trusts to secure high quality, more cost effective laboratory services and thereby help secure the longer term sustainability of Pathology services in east and south-east London.

(5.5) The FBC sets out a 3-year transition plan, with a start point of March 21, through to steady state by Feb 24. This timeline was adjusted by eight weeks from initial plans following the delay to the programme due to COVID-19 events. The key enablers to the transition include:

- A single laboratory information system (LIMS);
- A single governance and management framework in place prior to any tests transferring;
- Estates investments at RLH and HUH, and adequate equipment capacity at sites

(5.6) LGT's Strategic Projects Committee will maintain oversight and continue to receive regular updates during the implementation of the Pathology Partnership for assurance and monitoring.

6. Transition and transformation programme for SEL Pathology Programme

(6.1) A programme plan and overarching governance has been in place for the SEL Pathology Programme since 2018. As we now move into implementation, a Transition and Transformation Pathology Programme Board is being established, which will cover the key workstreams, including Finance, IM&T, GP direct access, Operations /Governance, Clinical governance & quality, R&D, Estates, Workforce, and Stakeholder engagement & communications. The CCG will be actively involved in the programme, and Neil Kennett-Brown, Greenwich Borough Director, will be the Senior Responsible Owner for SEL CCG.

(6.2) For direct access GP services provided currently by LGT, the service commencement date is expected to be in the middle of the 2021/22 financial year in order to allow sufficient time for the safe transfer of services. GP practices in Bromley, Lambeth and Southwark will see no immediate change at all as their current providers – GSTT and KCH – are not changing.

(6.3) The interface between the SEL Pathology Programme and the Barts Health/LGT/Homerton Pathology Programme is important, to ensure a safe and effective transition across the laboratories

- Managing the transition of the GP Direct Access activity
- Ensuring the specialist pathology pathways are maintained (e.g. cancer)
- Ensuring the flow of test results across all our pathways and settings are maintained

(6.4) LGT's Chief Executive has confirmed that the Trust would work with SEL partners to ensure a stable and safe transition for patients and staff. LGT will be actively involved in all the relevant workstreams, including clinical.

(6.5) The CCG is looking to work with the new joint venture partnership in establishing a detailed mobilisation plan for sharing with GP practices as quickly as possible. Part of this work will include clinical involvement from the CCG to ensure that the views of GPs and their staff is reflected in this planning in order to support a smooth transition.

(6.6) As part of the implementation of the new systems, GPs and hospital doctors across south east London will be able to order and access results as is the case currently, with no anticipated disruption of service.

7. Conclusion

(7.1) LGT has made good progress in the development of a Pathology network partnership with BHT and HUH, with the FBC approved by the three Boards in July 2020. Implementation of the new

network will commence towards the end of 2020/21, over a period of three years. This will simultaneously build on and broaden local partnerships, and strengthening the resilience of LGT's pathology services through the benefits a network model offers.

(7.2) The Transition and Transformation Programme Board will be overseeing the establishment of the SEL Pathology network, which will include developing and overseeing a detailed mobilisation plan. Part of this work will include clinical involvement from GPs and hospital teams, to ensure that this is reflected in this planning in order to support a smooth transition. It is planned that the GP Direct Access Pathology will transfer by the middle of 2021/22.

(7.3) As part of the implementation of the new system, GPs and hospital doctors across south east London will be able to order and access results as is the case currently, with no anticipated disruption of service. The only change of note is the laboratory where the tests will be processed, which the new provider, Synlab, has committed to ensuring will have no negative impact on the experience that patients or their GPs will have.

(7.4) All parties are committed to working together. A further update can be provided to Committee members.

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