

A region that's ripe for collaboration

Our regional round-up of PPU's progress continues with Philip Housden's (right) look at the private patient services in the nine NHS trusts delivering acute care services across the East Midlands' counties of Northamptonshire, Leicestershire, Nottinghamshire, Derbyshire and Lincolnshire



THIS REVIEW is based on the information published in the Trust Annual Accounts for 2019-20, which was partially adversely impacted by the early months of the Covid pandemic.

At the time of writing, University Hospitals Leicester has not published annual accounts for 2020-21 and so a judgement estimate has been made regarding private patient incomes for the trust.

For this group of trusts, the accounts show that total private patient revenues in the region increased by 8.4% from £11.1m to £12.0m over 2018-19 (Figure 1).

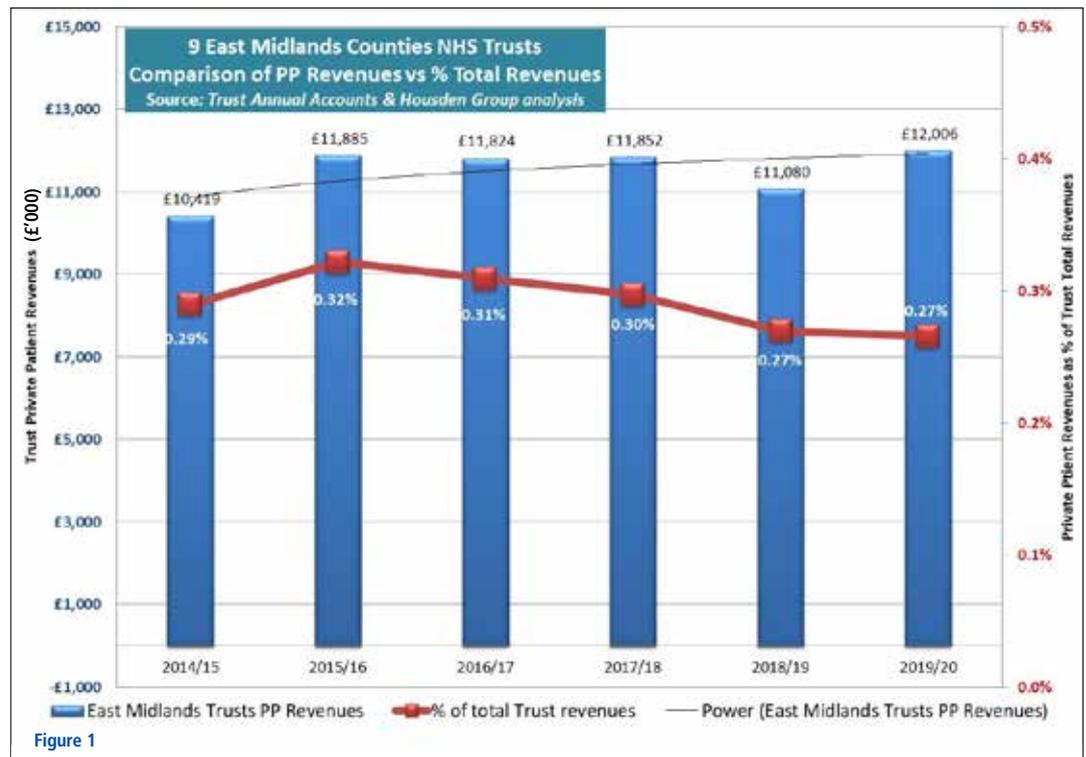
This represents 0.27% of these trusts total revenues, flat from 2019-20 and remains below the combined national average outside of London of 0.43% (Figure 2)

Closer working

A feature of the region is that, as strategic planning for NHS services is in line with county boundaries, there is potential for this to also be a basis for closer working between trusts for private patient services development.

The trust that is most active with regards to private patient services in the East Midlands is University Hospitals Derby and Burton. The combined trust operates private services from Derby Royal, branded Derby Private Health.

The dedicated private patient unit houses 11 ensuite inpatient



rooms, five consultation rooms, a private chemotherapy suite and minor procedures room. The well-respected local manager Sue Searle recently retired, having led Derby Private Health for five years, during which time revenues grew from just over £2m a year to the £5.15m achieved in 2020-21 – up 21.8% and £973,000 in the last year.

The trust is ambitious for further growth and in 2021 opens a new

dedicated operating theatre for private patients at the Royal Derby Hospital after a £2m investment.

Possible tie-up

Perhaps Derby Private Health has the potential to support Chesterfield Royal – where private patient income is negligible at £15,000 in 2019-20, down from £28,000 in 2018-19 and only 0.01% of turnover?

University Hospitals of Leicester

has no dedicated inpatient private patient accommodation, with services spread between three main campuses across the city, from which a range of private ambulatory and diagnostic services is offered, including the Leicester Fertility Centre.

The trust's estimated private patient revenues in 2019-20 were £2.5m, which is 0.28% of turnover.

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Nottingham University Hospitals did not have a separate PPU for many years but housed private patients on NHS wards. However, the trust has opened a dedicated private patient unit at The Nottingham NHS Treatment Centre, named Nottingham Hospitals Private Healthcare. This investment has enabled the trust to increase private patient incomes by 33.2% and £595k in 2019-20 to reach £2.35m.

Also in the county, Sherwood Forest Hospitals, *Health Service Journal's* Trust of the Year, has plans to extend the present limited private patients service at the King's Mill Hospital near Mansfield. The trust reported revenues of only £141,000 in 2019-20, up 50% on the £94,000 earned in 2018-19 (0.05% of turnover).

Greater collaboration

Northampton General Hospital increased private patient revenues by 8.5% in 2019-20 to reach £779,000, which is 0.24% of total trust income.

In January 2020, the trust announced a commitment to working closer with Kettering General Hospital by moving towards a group management model to strengthen health services across Northamptonshire.

This shows a commitment to greater collaboration between the two hospitals. At Kettering, private patient income was only £96,000 – 0.04% of total trust income – down 25% in 2019-20 on £132,000 the year before. Will a joint approach to private patient services be part of the joint approach?

Northern Lincolnshire and Goole have developed their own multi-site service or 'chain' across three hospital sites in Goole and District, Diana, Princess of Wales, Grimsby and Scunthorpe General.

This is branded Lindsey Private Patients. In the past year, the revenues remained flat at £1m and 0.33% of total turnover. All cosmetic surgery is carried out at Goole Hospital using the Lindsey Suite single-room accommodation and a range of other procedures and treatments are available at all three sites.

In 2019-20, the trust reported private patient revenues of £736,000 at 0.3% of turnover, down £146,000 and 16.6% on the year before.

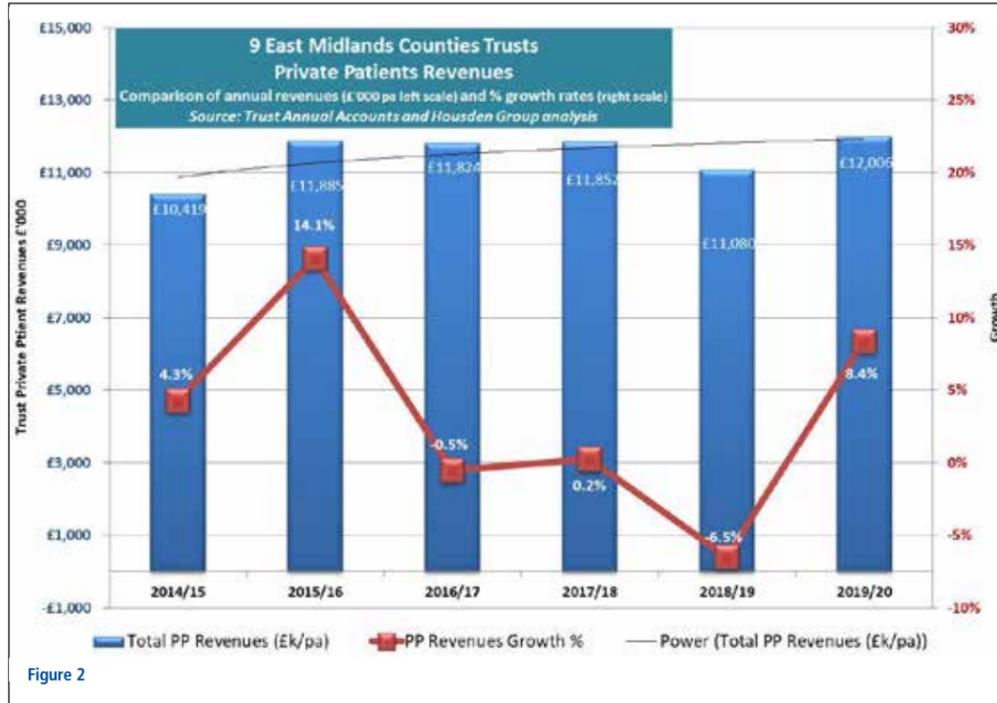


Figure 2

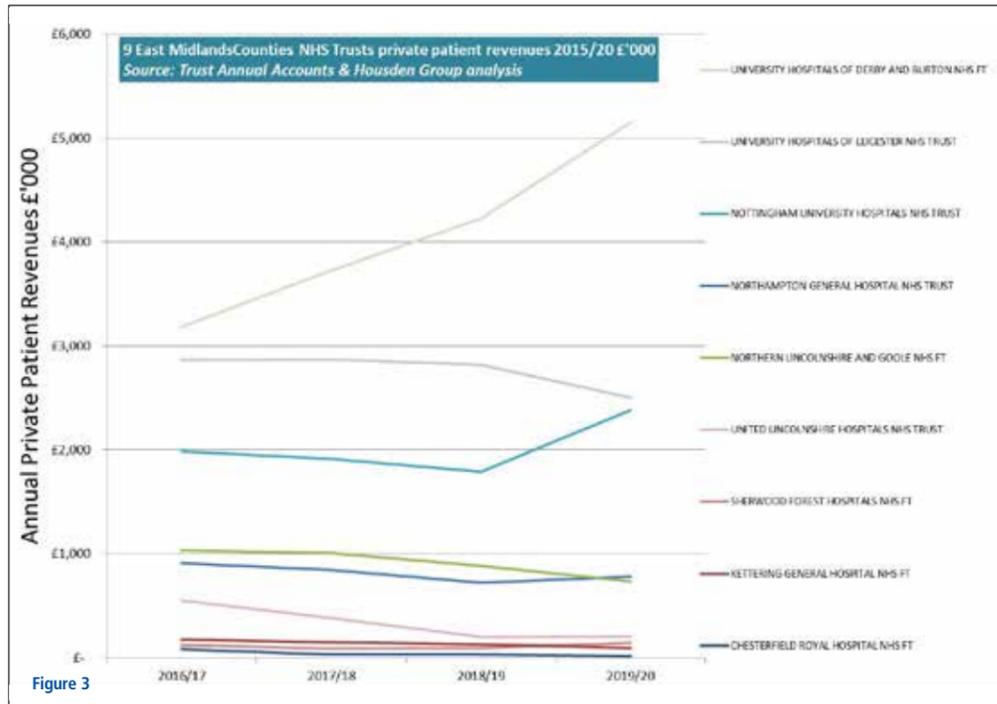


Figure 3

United Lincolnshire Hospitals operates from Boston, Lincoln, Grantham and Louth sites. Pilgrim Hospital, Boston, has a dedicated private patient unit, the Bostonian Wing, with capacity for 20 beds.

However, in 2019-20 the trust delivered only £203,000 revenues from private patients – 0.04% of turnover.

There is an opportunity for cross-trust working with neighbouring North Lincs to share back-office and commercial costs to re-invigorate the trust's service.

The opportunity for growth exists for East Midlands, but private patient income performance varies greatly, with neighbouring hospitals covering broadly similar

catchments delivering markedly different revenues.

Therefore, increased partnership working between trusts could be the key to unlocking growth.

■ **Next month: Yorkshire.**

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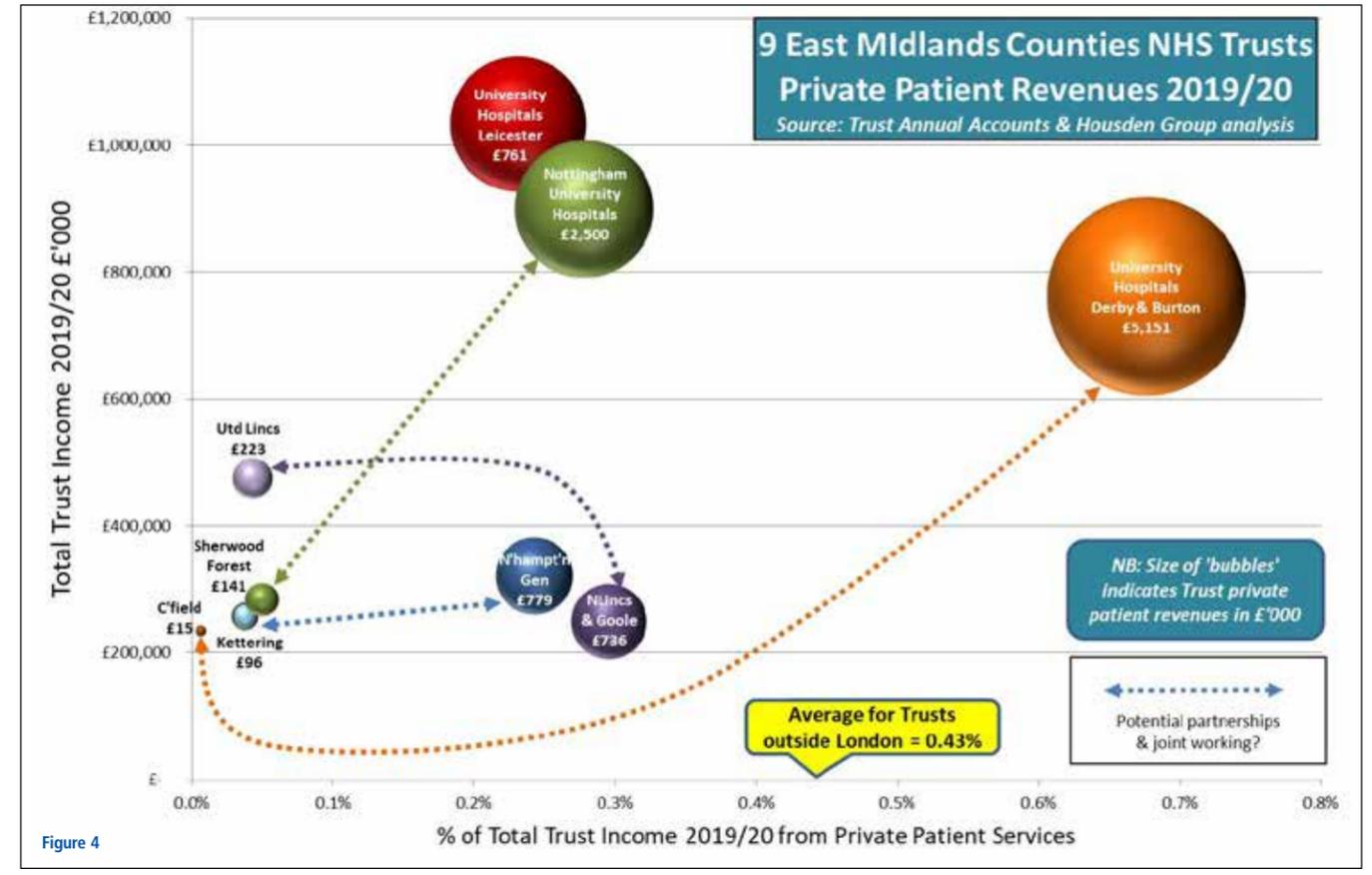


Figure 4