



The Pennine Acute Hospitals NHS Trust

Transactions Programme Update

July 2019

What are the proposed plans for The Pennine Acute Trust?

- A new ownership and long-term management arrangement for the hospitals currently run by Pennine Acute Trust (PAT) is essential to support the future clinical, financial and workforce sustainability of acute hospital services in the North East sector and across Greater Manchester
- It is an opportunity to strengthen how acute and community based services across these hospitals are delivered for our patients, service users and staff.
- The proposed plans will support and complement local integrated healthcare plans to meet the population health needs of local communities and wider local health plans to strengthen community support, deliver more care closer to home and maximise the use of the estate on the PAT footprint

Who is overseeing the process?

- The arrangement to reorganise Pennine Acute Trust is a complex legal process and requires formal approval at a national level via NHS Improvement (NHS I) and the Competition and Markets Authority
- A PAT Transaction Board, independently chaired by GM HSCP, is overseeing the formal transactions and proposed changes in ownership
- The Board comprises senior leaders from NHS Improvement, GM HSCP, PAT, Salford Royal FT, Manchester University Hospitals FT, Manchester Commissioners (MHCC), and all CCGs and Local Authorities on the PAT footprint
- Associated sub-committees / groups have also been established and these have appropriate multi-agency involvement
- All partner organisations involved are committed to working through a series of complex processes in order to secure the best future for patients and staff
- The PAT Transaction Board aims to complete the transactions and to formally split PAT by 31 March 2020, subject to rigorous due diligence, agreement of financial plans and approval of business cases.

What is currently underway?

- There are two legal processes (transactions) underway to reorganise and split The Pennine Acute Hospitals NHS Trust. The proposed plan is for The Royal Oldham, Fairfield General Hospital and Rochdale Infirmary to be acquired by and formally become part of Salford Royal NHS Foundation Trust and under the Northern Care Alliance.
- This proposal coincides with the plans for MFT to formally acquire the North Manchester General Hospital (NMGH) site to transfer to MFT as part of its group of hospitals. The future plans for NMGH is part of the longstanding plan to create a Single Hospital Service for the City of Manchester and Trafford, with involvement from Manchester City Council and Manchester Health and Care Commissioning.
- All partners are committed to the future of North Manchester General Hospital. It has a positive and vibrant future, continuing to provide much needed health and care services to the local population of North Manchester, as well as those who travel from other parts of Greater Manchester to use its services. It will continue to provide a range of hospital services, including emergency and maternity care.

How will this benefit patients? The Northern Care Alliance

The planned transfer of Oldham, Bury and Rochdale sites to SRFT under the NCA will benefit patients by:

Improved population health

- Integrated systems eliminating unwarranted variations in health outcomes
- Standardisation eliminating unwarranted variations in processes of care
- Alignment with GM and wider population health priorities
- Sharing CQC “Outstanding” rated best practice from Salford Integrated Care Organisation

Improved patient experience

- Sharing best to practice to deliver reliable and excellent care to patients
- Timely access to diagnostics, care and specialist care
- Consistency and equity of services
- Improved pathways across all local care organisations
- Improved patient outcomes through standardisation
- Empowering patients to deliver self care

Improved finances

- Opportunity to share the cost of commissioning services
- Procurement savings maximising economies of scale
- Maximise research income
- Improved healthcare value through economies of scale
- Reduction in duplication will optimise cost reduction

Improved staff experience

- A culture of broader understanding and shared purpose
- Ability to attract and retain more staff through brand and specialist services
- Improved brand and reputation will increase pride
- Economies of scale leading to enhanced employee benefits
- Standardisation and training empowers staff in their role

How will this benefit patients?

How will the planned transfer of NMGH to MFT benefit patients?

Quality of Care

Reduce variation in the effectiveness and safety of care. Improve access to specialist care.

Patient Experience

Reduce fragmentation, reduce duplication. Transfer care closer to home.

Workforce

Support the provision of a 7 day service. Improve the recruitment and retention of appropriately skilled workforce.

Financial/Operational Efficiency

Improve operational performance. Ensure resource is focussed appropriately.

Research and Innovation

Improve access to clinical trials. Ensure learning from research and innovation is consistently implemented.

Education and Training

Widen student and trainee exposure, optimise curriculum delivery.

What stage are we at?

Stage 1: Strategic Case Review

We are currently in the middle of the strategic case review process.

- The strategic cases (one for SRFT and one for MFT) were submitted at the end of March 2019 for consideration by NHS I. Subsequent to this, NHS I has held review meetings with both potential acquirers to further understand the content of their respective documents. The strategic cases were developed in line with national guidance and included in-depth financial due diligence.
- Acquirers have set out their respective cases (reasons, benefits and strategic plans) for acquiring the relevant parts of Pennine Acute; SRFT: Royal Oldham (ROH), Fairfield General Hospital in Bury and Rochdale Infirmary, and MFT: North Manchester General Hospital (NMGH).

What are the next steps in the process?

- NHSI will review the cases and will determine whether to give approval for the two acquiring Trusts to proceed to full business case development. Further discussions may be required with the providers particularly with regard to financial positions before this approval is given
- Financial modelling has been prepared by all partners together with a review of consequences for patients and funding if the transactions were not to go ahead.
- The submission and approval of the strategic cases represent a crucial point in the transaction process, enabling an assessment of whether the acquiring providers' proposals are deliverable, affordable and will enable delivery of services in the future to the PAT population that are fit for purpose
- Local partners acknowledge that substantial investment is required to improve the estate across Pennine Acute but in particular at North Manchester General Hospital and The Royal Oldham Hospital
- The transaction process go-ahead is dependent on the outcome of this review, and agreeing the position around funding between the relevant parties (including the availability of capital funding)

What is involved in Stage 2?

Stage 2: Full Business Cases

If the Strategic Cases are approved, there is significant work to do at Stage 2;

- Development of separate acquisition business cases for SRFT and for MFT (commencement date is dependent on the completion of stage 1)
- The post transaction implementation plan will also need to be developed alongside the full business cases; including service transfer/continuity and TUPE of staff

How are key stakeholders kept engaged and informed?

Clinical and non-clinical staff

- Regular communications and ongoing engagement with clinical and non-clinical staff across PAT remain a key priority for PAT (and the acquiring Trusts SRFT and MFT)
- Joint internal comms and staff engagement sessions involving MFT directors attending the NMGH site continue, and equal emphasis on staff engagement and briefings given to staff on the other PAT sites
- MFT engagement with NMGH staff is increasingly positive. A further NMGH Staff Engagement session took place on the 12 June 2019. The session was well attended and feedback was very positive. MFT will continue to attend NMGH staff engagements on a bi-monthly basis
- MFT and SRFT have now commenced a joint disaggregation review process where senior managers and clinicians from MFT, SRFT, and PAT will discuss the requirements and potential complexities to disaggregate PAT services in readiness for the proposed acquisition. Feedback from initial meetings has been positive.

How are key stakeholders kept engaged and informed?

Public and patients

- Appropriate public and patient communication and engagement around future plans for PAT hospitals and services will increase where required during 2019/20 as part of the Business Case stage
- This will ensure the public are informed and reassured about access to their hospital services as no major services changes are expected from Day 1 post-transaction i.e. no changes to A&E or Maternity services.
- There is no requirement in the legislation which governs transactions for a formal public consultation. This is a legal transaction process involving two NHS acquisitions. There will be a period of formal staff consultation in terms of TUPE for staff currently employed by PAT

Healthwatch

- We are continuing to engage and keep our local Healthwatch partners updated and involved in the process, through briefings by SRFT and MFT directors

Councillors

- Engagement and regular updates on the PAT Transactions are being given to LA Cllr members of local HOSCs by GM HSCP and SRFT and MFT, and at quarterly meetings of the Pennine Acute Joint HOSC

Summary

Irrespective of the challenges and complexities, all partner organisations involved are committed to working through a series of complex processes in order to secure the best future for patients and staff.

The GM ambition remains the same:

- The proposed plan is for Salford Royal (SRFT) to formally acquire Oldham, Bury and Rochdale hospitals as part of the new Northern Care Alliance NHS Group (NCA)
- Coinciding with SRFT's acquisition of Oldham, Bury and Rochdale sites, it's intended North Manchester General Hospital (NMGH) will transfer to Manchester University NHS Foundation Trust (MFT)



Questions and Discussion