MANCHESTER UNIVERSITY NHS FOUNDATION TRUST (MFT)

BOARD OF DIRECTORS

Report of:	Peter Blythin, Director Single Hospital Service
Paper prepared by:	Peter Blythin, Director Single Hospital Service
Date of paper:	8 January 2018
Subject:	Progress report on the Single Hospital Service
Purpose of Report:	Indicate which by ✓ • Information to note ✓ • Support • Resolution • Approval
Consideration of Risk against Key Priorities:	Failure to deliver the Single Hospital Service Programme effectively will present risks to all of the Trust's Key Priorities, but particularly Priority 1: - to deliver the merger of the two organisations with minimal disruption whilst ensuring that the planned benefits are realised in a timely manner.
Recommendations:	The Board of Directors is asked to receive the report and note the progress made and on-going actions.
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Introduction

This report provides an update on progress of the Manchester Single Hospital Service (SHS) Programme.

Merger of University Hospital of South Manchester NHS FT and Central Manchester University Hospitals NHS FT (Project 1)

Following the successful merger of University Hospital of South Manchester NHS Foundation Trust (UHSM) and Central Manchester University Hospitals NHS Foundation Trust (CMFT) on 1 October 2017, an evaluation report is currently being finalised. This aims to capture lessons learnt to inform the development of the second stage of the SHS Programme – the incorporation of North Manchester General Hospital (NMGH) – and to share with the wider NHS.

Emerging strengths of Project 1 include the programme governance and structure, the level of clinical engagement and the collaborative working between teams. Emerging areas for development include mechanisms for managing the volume of work alongside the 'day job', management of the volume and duplication of information requests and cross-site working arrangements for the SHS Programme Team and others.

The Board will be provided with more information on the evaluation work at its meeting in March 2018.

A Legacy Plan has also been produced following the completion of the merger. The Legacy Plan will ensure that corporate memory of the transaction is retained and that important information relating to the transaction can be accessed in the future. It will support any potential audits of the programme and enable requests for information about the merger to be answered accurately.

Integration

Following completion of the merger, MFT is focussed on planning and delivering the integration of services to achieve the planned merger benefits.

To support the work relevant governance arrangements are in place to oversee delivery of the Post Transaction Integration Plan (PTIP) and completion of associated integration planning activities. The work is currently focussed on the implementation of activities for the first 100 days and planning for year 1 and beyond. Corporate integration is progressing to plan and a series of in-depth workshops have provided an opportunity to identify interdependencies and issues promptly. Corporate governance and risk integration has also developed to ensure that regulatory processes and statutory requirements are met. Project plans, key deliverables and risk registers are in place for all of the work streams and progress against planned activity is continuing as intended.

Clinical and operational integration is also moving at pace through the development and delivery of 41 integration projects organised into 27 clinical work streams. These projects vary in size and scale and initially involve service review, due diligence and cross-site clinical engagement, scoping and testing of the potential opportunities.

Work to define the objectives and timelines for the year 1 and 2 projects and develop detailed implementation plans is on-going. It is intended that this work will be in place by day 100 post-merger. Moreover, planning is being carried out in close collaboration between

the Transformation and Strategy Teams to ensure the interface with the development of an MFT Group Service Strategy and Greater Manchester Theme 3 is managed well.

As the new Hospital Chief Executives and their teams come into post it is envisaged that they will play a key role in the continued development and implementation of the integration work.

North Manchester General Hospital (Project 2)

The second stage in the creation of a Single Hospital Service for Manchester is to incorporate North Manchester General Hospital (NMGH) into MFT. NMGH is currently part of Pennine Acute Hospitals NHS Trust (PAHT).

At the request of NHS I the proposed acquisition of NMGH by MFT is currently being managed to run concurrently with the dissolution of PAHT and the expected acquisition of the remainder of the Trust by Salford Royal NHS Foundation Trust (SRFT).

The process to acquire NMGH is likely to be complex and will require a significant degree of co-operation and partnership across a range of stakeholders. The proposed transaction will be governed by the NHS Improvement (NHS I) Transaction Guidance which was reissued in November 2017 ("*Transaction Guidance – for trusts undertaking transaction including merges and acquisitions"*). Based on the criteria described in the guidance the proposed acquisition of NMGH will be a significant transaction and will therefore, be subject to a detailed NHS I review. This review will be a two stage process involving the development of Strategic Case followed by the production of a Business Case. In addition work will be required to satisfy the requirements of the Competition and Markets Authority.

Governance arrangements have been established for the transaction both internally and at a Greater Manchester level and a timeline is being developed. The ambition remains to achieve the transfer of NMGH to MFT by April 2019 although this is subject to validation.

The complexity of disaggregating NMGH from PAHT means that robust due diligence will be critical. This will allow an effective assessment of the nature of any risks and support the development of credible mitigation plans.

Conclusion

This report provides an update on the progress on implementation and planning for the SHS Programme. The Group Board of Directors is asked to note the progress made to date and consider the on-going actions and planning.