

**Manchester City Council  
Report for Information**

**Report to:** Health Scrutiny Committee – 30 June 2016

**Subject:** Health and Wellbeing Update – Part 2

**Report of:** Nick Gomm – Head of Corporate Services – North, Central and South Manchester Clinical Commissioning Groups

---

**Summary**

This report provides Members of the Committee with an overview of developments in the local NHS.

**Recommendations**

The Health Scrutiny Committee is asked to note the contents of this report.

---

**Wards Affected:** All

---

**Contact Officers:**

Name: Nick Gomm  
Position: Head of Corporate Services  
Telephone: 0161 765 4201  
E-mail: n.gomm@nhs.net

**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

## **1. Introduction**

1.1 This is a health update paper produced by North, Central and South Manchester Clinical Commissioning Groups (CCGs) for the Health and Wellbeing Overview and Scrutiny Committee. It provides a brief summary of issues or news items that may be of interest to the Committee.

1.2 If Committee members of the Committee have any specific questions about the contents of this paper, please email them to [n.gomm@nhs.net](mailto:n.gomm@nhs.net).

## **2. Manchester Single Hospital Service Review**

### **2.1 Background**

In January 2016 Manchester's Health and Wellbeing Board commissioned an independent review by Sir Jonathan Michael to look at what could be achieved by hospital services working closer together in the city. This was called The City of Manchester Single Hospital Service Review and involved University Hospital of South Manchester NHS Foundation Trust (UHSM), North Manchester General Hospital (run by The Pennine Acute Hospitals NHS Trust – PAHT) and Central Manchester University Hospitals NHS Foundation Trust (CMFT).

The work on the Single Hospital Service forms one of the three pillars of the Manchester Locality Plan. The other two are the development of a Local Care Organisation and a single commissioning function within the City.

Sir Jonathan's review has been conducted in two stages.

### **2.2 Stage One**

The first stage of Sir Jonathan's review was considered by the Health and Wellbeing Board on April 27, 2016.

In summary, it identified that each of the hospitals provides important services to people in Manchester, but that each one works independently with a different range of services, different ways of working and different priorities. This has led to duplication in some areas and gaps in others. Most importantly it has led to a situation where patients may receive different standards of care depending on the hospital they first attend.

The report also noted that the variations in care are happening in the context of the significant challenges facing health and social care services in the city. Overall, health outcomes are poor for Manchester – in many cases they are some of the worst in England. It also noted financial pressures and the need to ensure that Manchester's healthcare funding is spent as effectively as possible.

The first stage of the review involved extensive engagement and involvement with key stakeholders – including more than 140 senior doctors and other clinicians from each hospital trust, local GPs, patient groups and local NHS commissioners – all supporting the need for closer collaborative working to help address these problems.

This part of the review looked in detail at a group of eight 'exemplar' services, including cardiac services, respiratory services, critical care, radiology (including interventional radiology), secondary care paediatrics, obstetrics, infectious diseases and rheumatology.

The review identified that, by working more closely together and introducing a 'Single Hospital Service' model, the three hospitals in Manchester can ensure that all patients are able to access high quality, efficiently-run services that best meet their needs. These benefits included areas such as quality of care, patient experience and research and innovation. It also identified a range of 'enablers' that would need to be in place to successfully deliver these benefits, including the need to have clarity of leadership, joint IT systems and common HR processes.

Sir Jonathan's report concluded that continuing to work independently will not allow the hospitals to raise their services to the best standards.

Manchester's Health and Wellbeing Board was supportive of the recommendations made by Sir Jonathan and agreed that the review should then move to a second stage – a consideration of the most appropriate and effective organisational arrangements to deliver the identified benefits.

The full report is available on the Manchester City Council website at:

[http://www.manchester.gov.uk/meetings/meeting/2641/health\\_and\\_wellbeing\\_board](http://www.manchester.gov.uk/meetings/meeting/2641/health_and_wellbeing_board)

### 2.3 Stage 2

The second stage of the review considered the governance/ organisational arrangements that would need to be in place for successful delivery of a Single Hospital Service and this report will be presented to the Health and Wellbeing Board on June 8, 2016.

The report has considered seven organisational models ranging from a partnership agreement through to the creation of a new hospital trust for the city. Each has been assessed to determine the extent to which they might allow the benefits and enablers of a Single Hospital Service to be realised. This work has been done by Sir Jonathan and the resulting report represents his independent view.

The key recommendation of the Stage Two report is that a new, single organisation should be created to run hospital services in Manchester, and that the Trust Boards should enter into discussions, over the next few weeks, to consider how this would best be achieved.

Sir Jonathan has recognised the complexity of the recommendation and he has asked the hospital boards to consider a range of areas within their conversations.

These include a detailed assessment of the impact from the realignment of North Manchester General Hospital on the sustainability of either the remaining clinical services provided by Pennine Acute Trust and the proposed new City wide Hospital

Trust. In addition he has highlighted the need to ensure that any changes in the city are co-ordinated with work across Greater Manchester.

The Manchester Health and Wellbeing Board has been central to the progress of this work from its initiation, and the continued involvement and support of HWBB will be essential in seeing the programme through to effective implementation.

Sir Jonathan has recommended that the three Trusts feedback the outcomes of their discussions to the Health and Wellbeing Board within six weeks.

## 2.4 Summary

In summary, the key recommendations from this independent review by Sir Jonathan Michael are that:

- a Single Hospital Service model should be developed across the City of Manchester to deliver improved health outcomes for patients and the benefits identified in the review.
- the creation of a new organisation, which would take responsibility for the full range of services currently provided by CMFT, UHSM and NMGH, provides the best opportunity to deliver the benefits of a Single Hospital Service.
- the Trust Boards should enter into a discussion over the next 6 weeks to consider how the creation of a single organisation to run hospital services in the City of Manchester would best be achieved

The Health and Wellbeing Board agreed these recommendations at their meeting on 8 June 2016. A further report will be presented to the next Health and Wellbeing Board.

## 3. Single Commissioning System

3.1 In addition to developing a Single Hospital Service, the Locality Plan also describes the need for a Single Commissioning System in the city of Manchester. Building on previous progress made, the leadership of the 3 CCGs and Manchester City Council have now agreed the following:

- The establishment of a Joint Commissioning Executive (JCE) which met for the first time earlier this month. This will enable senior commissioning executives from the CCGs and MCC to discuss, agree and communicate clear and unified approaches to major issues in the city described in the Locality Plan, as well as other matters requiring actions by commissioners. The JCE will report to each constituent organisation and to the Joint Commissioning Board which met for the first time on 23rd May.
- An independent option appraisal of more formal integrated commissioning arrangements. This is underway and will consider the benefits of more formal organisational and management models. It will result in a clear evidence-based recommendation to the CCG boards and MCC about the timescale and road map for the transformation of commissioning in the City.

#### 4. NHS finances

4.1 At the last Health Scrutiny Committee meeting, the CCGs' Chief Finance officer presented an overview of NHS finances in Manchester. At the meeting the Committee asked for information regarding the financial position of each Trust in the city and some further detail regarding the financial gap being addressed by Manchester Locality Plan

4.2 The table below shows the projected financial position for each hospital Trust in Manchester for 2016/17:

	<b>Central Manchester University NHS Foundation Trust £000's</b>	<b>Mental health &amp; Social Care Trust £000's</b>	<b>Pennine Acute NHS Hospital Trust £000's</b>	<b>University of South Manchester NHS Foundation Trust £000's</b>
<b>Income</b>	1,033,004	101,045	604,269	453,060
<b>Expenditure</b>	-1,035,789	-103,545	-644,524	-465,463
<b>Total Deficit</b>	-2,785	-2,500	-40,255	-12,403

4.3 The table below shows the projected gap in NHS and Social Care finances by 2020/21 if nothing is done to address the issue:

<b>Sector</b>	<b>Projected Gap £m</b>
Local Authority	45
NHS Providers	66
CCGs	22
<b>Manchester (total)</b>	<b>134</b>

4.4 The financial challenges across the NHS and Social Care will be addressed through a combination of supporting individuals and communities to live healthier lifestyle, transformation of care to ensure that fewer people are reliant on high cost hospital services, and more efficient working. Further details can be found in the Locality Plan which will be the focus of further discussions at this Committee over the coming year.