

**Manchester Health and Wellbeing Board  
Report for Information**

**Report to:** Manchester Health and Wellbeing Board – 18 January 2017

**Subject:** Manchester Single Hospital Service Update

**Report of:** Peter Blythin, Director Single Hospital Service Programme

**Summary**

The Single Hospital Service Programme continues to make good progress. Current activities are focussed on the review and approvals processes operated by the Competition and Markets Authority and NHS Improvement (Regulator). The Programme is suitably resourced for current activities and governance arrangements are operating effectively. Communications and engagement activities are being enhanced.

**Recommendations**

Health and Wellbeing Board is asked to note the current position of the Single Hospital Service Programme.

**Board Priority(s) Addressed:**

<b>Health and Wellbeing Strategy priority</b>	<b>Summary of contribution to the strategy</b>
Getting the youngest people in our communities off to the best start	A Single Hospital Service Programme will optimise the provision of healthcare service to young people across Manchester and so minimise any adverse effects.
Improving people's mental health and wellbeing	
Bringing people into employment and ensuring good work for all	The proposed new Single Hospital Service organisation will aim to be an employer of choice, providing access to employment opportunities for local people and excellent training and career paths for a broad range of healthcare professionals.
Enabling people to keep well and live independently as they grow older	A Single Hospital Service will ensure effective standardisation of hospital services in Manchester, so that residents are able to access the best and most appropriate healthcare, regardless of where they live.
Turning round the lives of troubled families as part of the Confident and	

Achieving Manchester programme	
One health and care system – right care, right place, right time	A Single Hospital Service will help to ensure consistency in providing care for patients in the most appropriate setting, whether that is a high care facility or (through collaborative working with the Local Care Organisation) as close to the patient's normal living environment as possible.
Self-care	A Single Hospital Service will facilitate the development and functioning of the Manchester Local Care Organisation, and support patient education to make as many people as possible self-caring, in particular those with long term conditions.

**Lead board member:**

Kathy Cowell, Chair, CMFT  
Barry Clare, Chair, UHSM  
Jim Potter, Chair, PAHT

**Contact Officers:**

Peter Blythin, Director Single Hospital Services Programme  
Telephone: 0161 291 4369  
E-mail: p.blythin@nhs.net

**Background documents (available for public inspection):** None

## **1. Introduction**

2. This report provides the Health and Wellbeing Board with an update on the latest position of the programme to create a Single Hospital Service for the City of Manchester.

## **3. Update**

## **4. NHS Improvement (NHS I) and Competition and Markets Authority (CMA) processes**

5. The first key deadline of the programme plan was met with the submission, on the 9 December 2016, to the Competition and Markets Authority (CMA) of the merger notification and the Stage 1 report on the competition analysis. The Trusts are seeking a “fast track” referral through to Stage 2, assessment of benefits, and, to support this, a draft of the Stage 2 submission, benefits case, was also provided to the CMA for comment. Assuming a fast track referral is achieved the final version of the benefits case will be submitted at the end of January 2017. This would be expected to produce an outcome from the CMA process by July 2017.
6. In addition to the work required by the CMA, progress has also been made with the NHS Improvement (NHS I) approvals process. Comments have been received on the account of the strategic work undertaken across Manchester to support the development of a Single Hospital Service for the City. A final version was submitted to NHS I on 15 December 2016, with a view to completing the Strategic Case stage of the NHS I process (Gateway 1) during January 2017.
7. Work on developing the Full Business Case (FBC) is now underway. A range of work streams has been established to take forward the key areas of developmental work. These will continue over the next three months with the objective of submitting the FBC at the end of March 2017. The FBC work will need to be underpinned by appropriate Due Diligence reviews and include a well-developed plan for how the integration of the two organisations is to be implemented.

## **8. Due Diligence**

9. Due Diligence is an essential activity to ensure both Boards have comprehensive information on which to base the decisions to enter into the proposed merger. This includes an appreciation of risks associated with each Trust together with suitable mitigations.
10. Due Diligence activities will be broken down into a number of discrete areas of work, including; Legal, Financial, Clinical, Workforce, Estates and Information & Technology. The funding to support this work has been agreed (see below) and approval received from NHS I for the use of consultancy services to support delivery. The work commenced in late December 2016 and is expected to be largely completed by mid-February 2017.

## **11. Resourcing**

12. Initial support from the Greater Manchester Transformation Fund (GMFT) was agreed in September 2016 which allowed the core Programme Team and key advisers to be put in place and crucial elements of the Programme to be initiated. Following this, work was undertaken to develop a comprehensive investment proposition for all initiatives in the Manchester Locality Plan, including costs associated with the SHS Programme. This was submitted to GMFT on 12 October 2016.
13. Originally, the expectation was the comprehensive proposal would be assessed and an agreement on funding reached in time to support the full SHS Programme costs in 2017/18. However, the evaluation process is taking longer than anticipated but an agreement on funding is likely to be reached by the end of March 2017. In response to this a second tranche of GM TF to enable Due Diligence activities in the 2016/17 work plan was granted.
14. To support the evaluation of the SHS element of Manchester's substantive investment proposal a Cost Benefit Analysis is being undertaken. This is generally looking positive and the work is due to be completed by end of January. The submission will be agreed with the Manchester Transformation Fund Accountability Board prior to submission to the GM Devolution Team.

## **15. Governance and Engagement**

16. The established programme governance arrangements continue to function effectively. In particular all three Trusts, University Hospital of South Manchester NHS Foundation Trust (UHSM), Central Manchester University Hospitals NHS Foundation Trust (CMFT) and Pennine Acute Hospitals NHS Trust (PAHT) remain actively involved with the Programme although the current focus is on the first step in the transaction to merge UHSM and CMFT.
17. In addition to the established governance infrastructure, agreement has been reached with all relevant parties, including NHS Improvement, to the establishment of a Joint Steering Board between UHSM and CMFT. The Board is constituted of both Trusts' Chairs and Chief Executives and one Non Executive from each Trust. Its purpose is to provide senior oversight during a period of major change to ensure CMFT and UHSM continue to function effectively in the run up to the proposed merger. The Joint Steering Board is not involved with the transaction detail which remains the responsibility of the Single Hospital Service Programme Board and associated governance arrangements.
18. Apart from the general transaction business, work is also underway to engage the Councils of Governors from CMFT and UHSM to ensure they are adequately supported to undertake their roles in the merger process. Both Trusts have undertaken numerous independent briefing sessions with their respective Councils of Governors in recent months and a series of joint meetings has now been created. The first of these took place on 16

December 2016 with further dates planned for February, March and April 2017.

19. Similarly, a process has been commenced with staff-side organisations to facilitate effective, structured interaction with staff and representative organisations throughout the Single Hospital Service Programme. This work will sit within the context of the wider Local Workforce Transformation Group activities.
20. Engagement with the community and voluntary establishments is being prioritised, with arrangements put in place to meet Manchester and Trafford Health Watch organisations and Manchester Local Voluntary and Community Sector Support Organisation (MACC). This will be an expanding area of activity going forward.

### **21. Recommendation**

22. Health and Wellbeing Board is asked to note the current position of the Single Hospital Service Programme.