

Oldham Health Scrutiny Committee

16 March 2021

Pennine Acute Trust Transaction Update

1. Introduction

This paper provides an update on the transaction and future arrangements for Pennine Acute Trust (PAT) hospitals. The key messages are:

- We are now technically ready to deliver the safe disaggregation (i.e. separation) of PAT sites and services on 1 April 2021 as planned.
- From 1 April, MFT will formally acquire and be responsible for NMGH. The NCA will continue to deliver some services on site or jointly through a SLA.
- Due to the pandemic and the complexity of the NCA's part of the PAT transaction, NCA have asked for an extension by up to six months to formally complete our part of the legal transaction.
- We will be enacting a two phased approach to complete the PAT Transaction and the final dissolution of PAT by no later than the end of September 2021.

2. Journey so far

Over the last five years, NCA Group, have made significant improvements across PAT services. This has been achieved through the huge amount of hard work by teams and staff at all levels, as well as continued focus on quality improvement and shared learning, unwavering commitment to improve patient and service user experience, and collaboration with our partners.

The NCA journey has also been supported by a transaction programme, over the last three and half years, to prepare for the formal change in ownership of Oldham, Rochdale and Bury sites to Salford Royal NHS Foundation Trust to form the Northern Care Alliance (NCA). The transaction also involves the formal change in ownership of North Manchester General Hospital (NMGH) to Manchester University NHS Foundation Trust (MFT) to complete the planned Single Hospital Service for the city of Manchester and Trafford, and the dissolution of the PAT.

Enormous efforts have been invested into understanding and planning how to safely disaggregate PAT and its services into the parts to be acquired by the NCA and MFT. This has included work with NHS England/Improvement and with colleagues at MFT, and the engagement and input from staff and clinical teams that has been undertaken in readiness for completion of the transactions.

We are now technically ready to deliver the safe disaggregation (i.e. separation) of PAT sites and services on 1 April 2021 as planned. From this date MFT will formally acquire and be responsible for NMGH and the vast majority of services on the site. NCA will continue to deliver some services on site or jointly through a Service Level Agreement.

This is a fantastic achievement for all involved and a key milestone in the long term future and sustainability of these services.

3. Phasing the transactions

The pandemic, however, has without doubt required us to rightly divert much of our time and resources away from the transaction programme. Due to the complexity of the NCA's part of the PAT transaction, we have asked for an extension by up to six months to formally complete our part of the legal transaction. This means it will complete by no later than the end of September 2021. The NCA will continue with a Management Agreement for Oldham, Rochdale and Bury Care Organisations during this interim period.

PAT will therefore remain a statutory organisation until the transaction is fully complete and the PAT Board and Trust is dissolved.

The consequences of this decision mean all parties acknowledge that we will be enacting a two phased approach to completion of the PAT Transaction and the final dissolution of PAT.

This means:

- **Phase 1** – On 1 April 2021 services will be disaggregated as planned so that MFT can acquire NMGH by a commercial transfer.
- **Phase 2** – The legal aspects of the transfer of Oldham, Rochdale and Bury Care Organisations to the NCA as a statutory legal entity will be completed before 30 September 2021, formally establishing the Northern Care Alliance NHS Foundation Trust and the final dissolution of PAT, subject to approval by regulators and the Secretary of State for Health.

It is important that we defer for six months to give a bit more time to put in place the finishing touches on the NCA transaction for staff and patients.

Since April last year, MFT has managed the operational running of NMGH in advance of its formal acquisition. Staff employed in those services will transfer to MFT on 1 April 2021.

For staff who remain PAT employees until the transaction concludes, the aim remains to transfer employment to SRFT and the NCA by September, leading to the final dissolution of PAT.

4. The future

The NCA Group has been operating for almost five years and has used our scale to invest and develop in people and services. We continue to operate as one organisation, share learning, skills and expertise. We no longer operate as two organisations, but as a single group – a NCA Family - committed to delivering the best possible care and experience for our patients and the local populations we serve across Oldham, Bury, Rochdale, Salford and beyond.

As we progress plans to recover from the pandemic, we will continue our NCA journey – developing new ways of working, mobilising NCA-wide services, and continuing to integrate services and care within each of our localities.

Staff and patients will also benefit from investments being made in our organisation, including the James Potter Building in Salford, significant development and extension of The Royal Oldham site, a continued focus on Research and Innovation, and the progression of our Digital Control Centre. We will also continue development of the Rochdale site as a surgical centre and our Rochdale and Bury services will continue to lead the way in developing new models of acute and community care, drive forward innovation and integration across their localities.

Work will continue with NHSEI, the PAT Board and MFT in progressing the safe disaggregation of PAT services and in ensuring the vibrant futures of both NCA and MFT organisations over the coming years.

