

Oldham Health Scrutiny Committee

6 July 2021

Pennine Acute Trust Transaction Update

1 INTRODUCTION

This report presents an update on the proposed SRFT acquisition of Oldham, Rochdale and Bury Care Organisations and related services, covering the following key areas:

- Meeting with key stakeholders
- Progress to SRFT transaction completion
- Further disaggregation of services

2 LIAISON MEETINGS WITH KEY STAKEHOLDERS

The section provides an update on liaison meetings with key stakeholders in the Transaction approval process.

2.1 TRANSACTION OVERSIGHT BOARD

A meeting of the Transaction Oversight Board was held on 25th May 2021. The meeting was chaired by Bill McCarthy, Regional Director (North West) and the NCA presented an update on progress to date against the scope of work agreed with NHSEI. The main focus of discussion was the revised LTFM (Long Term Financial Model).

2.2 PENNINE/NCA EXEC TO EXEC MEETING

The monthly Exec to Exec meeting with PAHT was held on 4th June 2021. The main focus was on operational performance, particularly cancer performance, there was also discussion on progress against the Oldham CQC report action plan, pressure sores and the experience of doctors in training in PAHT.

As with the Oversight Board meeting, this was an opportunity to confirm a shared view of progress against the relevant aspects of the NHSEI scope of work to achieve transaction.

It was noted that the operational issues regarding Respiratory, Dermatology and MFT Policies, referenced at the last Acquisition Committee meeting, had all been resolved successfully and no further operational issues of note had arisen.

2.3 STOCKTAKE MEETING WITH NHSEI

A second stocktake meeting with NHSEI will be held on 11 June 2021. This will follow a similar format to the initial meeting with a review of progress and confirmation of a shared view of the tracker.

The meeting will focus specifically on the LTFM and the Director of Finance for NHSEI, North West will be in attendance.

3 PROGRESS TO SRFT TRANSACTION COMPLETION

Progress towards the SRFT Transaction at the end of September 2021 continues on plan; a view shared by all key stakeholders.

The Deloitte “Line of Sight” review has commenced with a number of individual interviews undertaken together with attendance at Oldham Care Organisation meetings. There are no significant issues to report at this stage.

The next key deliverable is the revised LTFM which will be submitted subject to approval at this Acquisition Committee meeting. The LTFM will be critical to approval of the transaction and, along with developments on partnership working, represents the most significant element of new material to be provided since April.

The Chief Finance Officer will present key assumptions and outputs from the LTFM at the meeting on 14th June 2021.

A review of the due diligence has been undertaken following a request from NHSEI. The majority of key risks have significantly reduced in scoring as a result of the work that has been undertaken over recent months.

4 FURTHER DISAGGREGATION OF SERVICES

Disaggregation at 1 April 2021 was focussed on delivering a safe split of clinical and corporate services to enable the MFT commercial transaction to acquire NMGH to be executed. It was always acknowledged that further work would be required for some time to further disaggregate services and review the SLAs.

Discussions have taken place with clinical and corporate teams in the NCA and MFT to arrive at a shared view of the pace and prioritisation of further disaggregation. A joint report has been prepared by colleagues from NCA, PAHT and MFT summarising this shared view. The report will be considered by Transaction Oversight Board.

This will need to reflect the changing wider healthcare environment across GM with an increasing emphasis on joint delivery of services by providers.