

North Cumbria University Hospitals  
NHS Trust  
Proposed Acquisition by a  
Foundation Trust

Stakeholder Event  
Wednesday, 12 October 2011

Stakeholder and Foundation Trust  
Briefing Information

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# 1. Contents

2. VENUE & TIMETABLE .....	4
3. BACKGROUND .....	5
3.1 Purpose of document .....	5
3.2 Strategic Vision for the Acquisition .....	5
3.3 Background .....	5
3.4 Acquisition Process .....	6
3.4.1 Phase 1 .....	6
3.4.2 Phase 2 .....	8
4. PURPOSE OF THE STAKEHOLDER EVENT .....	9
5. EVENT OVERVIEW .....	10
5.1 Stakeholder Participants .....	10
5.2 Foundation Trust Sessions .....	10
5.3 The Role of the Chair .....	10
5.4 Tables .....	10
5.5 The Role of the Host .....	10
6. GUIDANCE FOR STAKEHOLDERS .....	12
6.1 Bid Summaries .....	12
6.2 Confidentiality .....	12
6.3 Conflicts of interest .....	12
6.4 Asking Questions .....	12
6.5 General Responsibilities .....	13
7. GUIDANCE FOR FOUNDATION TRUSTS .....	14
7.1 Representation and Material .....	14
7.2 On arrival .....	14

7.3 Your session ..... 14

7.4 Q&A ..... 14

APPENDIX A - TRUST EVALUATION OF NON-FINANCIAL INFORMATION  
REQUESTED FROM FOUNDATION TRUSTs (PHASE 1)..... 16

APPENDIX B - Stakeholder Event Participants/Delegates..... 18

## 2. VENUE & TIMETABLE

The Stakeholder Event will be held on Wednesday 12 October 2011 at the Rheged Centre, Redhills, Penrith, Cumbria, CA11 0DQ.

The programme for the day will be as follows:

<b>Time</b>	<b>Item/Content</b>
08:30 – 08:45	Tea/Coffee and Stakeholder Registration
09:00 – 09:30	Welcome and briefing from the Chair
09:30 – 11.00	Northumbria Healthcare NHS Foundation Trust
11:00 – 11:15	Break
11:15 – 12:45	'A Partnership with Newcastle in Cumbria' Cumbria Partnership NHS Foundation Trust & The Newcastle upon Tyne Hospitals NHS Foundation Trust
12:45 – 13:30	Lunch
13:30 – 15:00	University Hospitals of Morecambe Bay NHS Foundation Trust
15:00 – 15.30	Summary & Close

Tea & coffee will be available throughout the event and a buffet lunch for stakeholders will be served.

## **3. BACKGROUND**

### **3.1 Purpose of document**

This briefing document sets out the context, purpose and format for the Stakeholder Event to be held on Tuesday 12<sup>th</sup> October 2011 at the Rheged Centre, Penrith as part of North Cumbria University Hospitals NHS Trust's ("the Trust") process to identify an appropriate NHS Foundation Trust to acquire it.

This document:

- Provides background information on the acquisition process
- Sets out the purpose of the Stakeholder Event
- Provides information on the agenda for the day and details of how the event will be run
- Provides guidelines for stakeholders and Foundation Trusts involved in the event

### **3.2 Strategic Vision for the Acquisition**

The Strategic Vision for the Acquisition is:

'We will deliver clinically sustainable and high quality acute services from two hospitals in North Cumbria by becoming part of an existing Foundation Trust which delivers high quality safe patient care, and is financially strong. Together we will develop an organisational approach and critical mass which will enhance access to acute healthcare for all patients across our catchment areas by combining the synergies of our clinical services and teams, developing high quality innovative service models and new integrated patient pathways.'

The objective is to identify the Foundation Trust which can provide the best solution for the population of north Cumbria.

### **3.3 Background**

- North Cumbria University Hospitals NHS Trust (NCUHT) is seeking an NHS Foundation Trust partner to acquire the Trust in order to achieve Foundation Trust status.
- The process is a management acquisition of an 'as is' business which is being managed by the Trust Board. As such it is not a commissioning process for a 'service model' which would require a procurement process involving the private sector.
- The timeline for the acquisition reflects the need for all organisations involved, particularly the Trust, to manage 'business as usual' and ensure that whilst

the acquisition process is ongoing there is continued focus on maintaining the quality, performance and safety of clinical services for patients.

- The process has two phases; Phase 1 is a 'pre-qualification' process which will be completed by November 2011. During this phase the Trust will identify the Foundation Trust(s) which will be invited to participate in Phase 2.
- Qualifying Foundation Trusts will be invited to proceed to Phase 2 which will involve an Invitation to Tender with the aim of identifying the preferred partner by 14 February 2012.
- At the end of Phase 2 the Trust Board will make a recommendation of preferred bidder to the Strategic Health Authority.
- Approval for the transaction will also be required from the Cooperation and Competition Panel (CCP) and Monitor (the Independent Regulator for Foundation Trusts) and from the Secretary of State for Health.

### **3.4 Acquisition Process**

The Trust retains flexibility to amend the process where necessary to achieve the objective; however consideration of wide and varying views of a broad range of external stakeholders has been designed into the process and the October stakeholder event is part of that consideration.

The process developed by the Trust is supported and approved by the SHA and DH. It is designed to;

- Be fair, transparent and competitive allowing equal access and consideration for all respective parties.
- Involve our stakeholders.
- Provide information on the outputs of the evaluation process to the external stakeholders including the External Stakeholder Group, primary care clinicians and Clinical Commissioning leads.

#### **3.4.1 Phase 1**

Phase 1 considers two key areas: financial and non-financial. The non-financial evaluation is based on 8 strategic aims developed through a series of workshops undertaken in May which involved some 40-45 leading clinicians and operational managers from the Trust and primary care (see Appendix A).

Table 1 below sets out the key milestones for Phase 1 of the acquisition.

**Table 1 - Phase 1 Milestones May to November 2011**

<b>Task</b>	<b>Timescale</b>
Internal discussions on evaluation requirements and questions to ask FOUNDATION TRUST bidders	Complete
Foundation Trust gathers responses to questions	Complete
NCUH provides financial and non-financial information for Foundation Trusts	Complete
Trust internal evaluation of Foundation Trust responses	Complete
Clarification with Foundation Trusts to ensure responses are clear and understood	Complete
Moderation and finalised analysis	Complete
Initial draft evaluation report to Trust Board	October
Foundation Trust meetings with External Stakeholder Group	October
Foundation Trust meetings with Trust Board	November
NCUH Trust Board decision and sign off	November

The four Foundation Trusts initially invited to participate were:

- University Hospitals of Morecambe Bay NHS Foundation Trust (UHMBT)
- Northumbria Healthcare NHS Foundation Trust (Northumbria)
- Cumbria Partnership NHS Foundation Trust (CPT)
- The Newcastle upon Tyne Hospitals NHS Foundation Trust (Newcastle)

This resulted in the receipt of three submissions as follows:

- University Hospitals of Morecambe Bay NHS Foundation Trust (UHMBT)
- Northumbria Healthcare NHS Foundation Trust (Northumbria)
- 'A Partnership with Newcastle in Cumbria' which is an 'alliance' between and Cumbria Partnership NHS Foundation Trust (CPT) and The Newcastle upon Tyne Hospitals NHS Foundation Trust (Newcastle)

At the end of Phase 1:

- Deloitte will produce a Feasibility Report which summarises the Foundation Trust responses and through an option appraisal makes a recommendation on the relative benefits of each potential partner for the Trust, based on the performance against the assessment of the financial and non-financial criteria.
- The recommendations in the report will be shared with the SHA and External Stakeholder Group for their consideration.

- The Trust Board will consider the report together with feedback from Stakeholders during October. The Trust Board will make a decision on which Foundation Trust(s) should proceed to Phase 2 in November.

### **3.4.2 Phase 2**

The selection of the preferred bidder will be concluded by 14 February 2012 and the acquisition will then be subject to approval by the Cooperation and Competition Panel and Monitor.

Key stages for Phase 2 will include:

- Formal invitation to bidders who have been selected in Phase 1
- Negotiation and submission of final bids from Foundation Trusts
- Detailed evaluation of Foundation Trust bids involving key stakeholders
- Selection of the preferred bidder

Formal engagement of the NHS Cooperation and Competition Panel (CCP) will follow selection of the preferred bidder together with the development of the business case for the acquisition to be submitted to Monitor, the independent economic regulator for the NHS. The timescale for the approval process for the Cooperation and Competition Panel and Monitor approval cannot be confirmed at this stage.



#### **4. PURPOSE OF THE STAKEHOLDER EVENT**

The purpose of the Stakeholder Event on 12 October 2011 is described below;

- To enable the participating Foundation Trusts to present their proposals to representatives from a range of internal Trust and external stakeholders including representatives of the External Stakeholder Group;
- To enable stakeholders, having heard Foundation Trust presentations, the opportunity to put questions to the Foundation Trust representatives about their proposals.
- To enable stakeholders to submit views to the Trust Board following the Stakeholder Event. This will not be part of the assessment process undertaken in Phase 1 and as such will not be formally scored.
- The deadline for submitting views to the NCUH Trust Board is 19 October 2011. Views should be submitted to the Project Director either by email or in hard copy, indicating the date, author and contributors.

## **5. EVENT OVERVIEW**

### **5.1 Stakeholder Participants**

Members of the External Stakeholder Group were asked to identify individuals who should be invited to the Stakeholder event ensuring representation from a wide range of interest groups. Individual invitations have been issued and where someone has not been able to attend another representative from the interest group has been invited.

NHS Cumbria has identified all representatives from primary care and commissioning to ensure the attendees are consistent with the PCT's framework for locality engagement and Clinical Commissioning Groups.

### **5.2 Foundation Trust Sessions**

Each Foundation Trust will be given a dedicated session which will last one and a half hours (90 minutes).

During each session, Foundation Trusts are invited to give a presentation for a maximum of 20 minutes on the vision and overall aims for the acquisition should they be selected as a preferred bidder. This presentation is based on the FT's response to the non-financial questionnaire which was submitted to the Trust in July. The presentation will be followed by a Question & Answer session from the stakeholders.

All participants should note that the Q&A sessions will be documented and published after the event.

### **5.3 The Role of the Chair**

The event will be chaired by Dr Neil Goodwin CBE, Interim Chief Executive of North Cumbria University Hospitals NHS Trust.

### **5.4 Tables**

Stakeholders will be grouped into 'tables', each of which will have a host, many of whom are members of the External Stakeholder Group. Details of the table attendees and hosts can be found at Appendix B.

### **5.5 The Role of the Host**

A host has been appointed for each table. The host will be responsible for supporting stakeholder questions and discussion. The host will identify how the stakeholders would like to submit views to the Trust Board following the event,

prior to the deadline of 19 October 2011. Each host will have a personal assistant available to them for the event, who will help with taking of notes, recording any actions and providing any other assistance required.

## **6. GUIDANCE FOR STAKEHOLDERS**

### **6.1 Bid Summaries**

Stakeholders will receive a summary of each bid with this briefing document. These summaries will exclude any 'commercially sensitive' and financial information and are based on the FT's response to the non-financial questionnaire submitted to the Trust in July. Stakeholders should ensure that they are familiar with this information prior to attending the event. Bid summaries are provided (for stakeholders only) in Appendix C.

### **6.2 Confidentiality**

Foundation Trusts have been asked to exclude any confidential or commercially sensitive information from the presentation and any response to stakeholder questions. Stakeholder representatives are therefore asked to take into consideration that Foundation Trusts may decline a request for information about their bid or organisation which is commercially sensitive or is not publically available. All stakeholders are asked not to provide information or make statements to the press or other media about the event without the permission of the Trust's Project Director. Stakeholders can circulate the information from the event to their respective interest groups but are asked to ensure this is marked 'confidential' and not for wider circulation or publication.

### **6.3 Conflicts of interest**

Stakeholders are required to disclose any conflicts of interest to the Project Director in advance of the stakeholder event. Examples of where a conflict could arise include where a stakeholder has an interest in, or business relationship with, any Foundation Trust or member of a Foundation Trust consortium or joint venture.

Disclosure of a potential conflict will not necessarily require exclusion from the event. The Project Director, on a case-by-case basis, will assess all disclosures. Individuals will only be excluded from the event where the identified conflict is, in the Project Director's opinion, material and cannot be mitigated or be responsibly dealt with in another way.

### **6.4 Asking Questions**

In order to ensure that as many stakeholders get the opportunity to ask questions and use the time available to best effect, we recommend that stakeholders observe the following conventions when asking questions;

- Ask your question as succinctly as possible and avoid unnecessary preamble to allow the FT the maximum time possible to answer your question.
- Do not ask questions about finance. This information is commercially sensitive and as such will not be discussed in this forum.

- Do not ask questions which require detailed responses about future service changes.
- Avoid asking identical or very similar questions if this has already been explored by another stakeholder.

Details of questions asked by the Trust as part of the evaluation process are provided for your information in Appendix A as these may be helpful to you when constructing your question.

## **6.5 General Responsibilities**

All stakeholders are asked to:

- Arrive at the venue and complete the attendance register before 08:45am in order to ensure a prompt start to the event.
- Familiarise themselves with the background information on the acquisition prior to attending the event (see Section 2) and summaries of the Foundation Trust submissions (see Appendix C)
- Not issue any public statements to the press, media or social networks in relation to the event.
- Undertake all activities in a manner consistent with fair competition.
- Declare to the Project Director any potential conflicts of interest prior to attending the event.

## **7. GUIDANCE FOR FOUNDATION TRUSTS**

### **7.1 Representation and Material**

FTs are required to confirm the names of those who will be attending the Stakeholder Event with the Project Director, Caroline Griffiths, by 5 October 2011. Foundation Trusts are also required to submit any electronic material (i.e. PowerPoint slides) in advance of the meeting and no later than 5 October 2011.

### **7.2 On arrival**

FTs should arrive 30 minutes prior to the start of their dedicated session. On arrival, you will be greeted by a member of NCUHT staff and shown to a waiting area. You will have access to the main meeting room five minutes prior to the start of your dedicated session to allow you to set up.

### **7.3 Your session**

During each dedicated session, FTs are invited to give a presentation for a maximum of 20 minutes on your vision and overall aims for the acquisition should your bid be successful. This should be based on your response to the non-financial questionnaire which was submitted to the Trust in July.

Overhead digital projector facilities will be available in the conference room for this purpose and your presentation will be uploaded in preparation for your session. If you have any other requirements over and above this, please contact the Project Director no later Friday 30<sup>th</sup> September 2011.

Foundation Trusts should present for no longer than 20 minutes in order to maximise the time available for Q&A. The Chair reserves the right to ask Foundation Trusts to stop their presentation at 20 minutes.

The presentation must not include financial information or service changes (which would be subject to consultation in the future) or any confidential information on your organisation. It should focus on your submission to the request for non-financial information and your experience and capabilities for undertaking a management acquisition of North Cumbria University Hospitals as described in your submission.

### **7.4 Q&A**

Following each Foundation Trust presentation, stakeholders are invited to ask questions. Stakeholders will receive a summary of your proposal in advance of the event that will exclude any 'commercially sensitive' and confidential financial information.

Stakeholders have also been asked not to raise questions about finance or for detailed responses about future service changes. Please see Section 5 for more information on the guidance given to stakeholders.

## **7.5 Press and Media Briefings**

The Trust will coordinate all media briefings for the Stakeholder Event in line with the Bid Process Compliance Protocol. FTs should not engage in any media briefings outside this process (reference: Section 7 of the Protocol).

**TRUST EVALUATION OF NON-FINANCIAL INFORMATION  
REQUESTED FROM FOUNDATION TRUSTS (PHASE 1)**

<b>Strategic Aims in identifying an FT acquirer</b>		<b>Questions asked of FT Respondents</b>
THREE OVERARCHING GENERAL QUESTIONS		A. Why do you want to undertake this transaction?
		B. What benefits would there be to North Cumbria as a result of an acquisition by your Foundation Trust?
		C. What key risks do you anticipate encountering as a result of this transaction and how would you expect them to be managed?
1	To identify an FT to share experiences and best practice in service and strategy development to meet acute healthcare needs of a rural population, overcoming challenges for healthcare access.	<p>1. What is your experience in providing acute healthcare services to rural populations and how will you improve access to these services? What clinical and staffing strategies have worked well? Please provide examples.</p> <p>2. What clinical synergies in service delivery do you believe are achievable through a merger with North Cumbria?</p>
2	To identify an FT who will maximise the clinical and financial benefits and sustainability of specialist services in the Trust's portfolio of services	<p>3. Which specialist services delivered by small clinical teams do you currently provide? What patient access and governance structures do you have in place to manage these services?</p> <p>4. How would you share critical mass benefits from the acquisition to improve access, governance and quality of the delivery of specialist acute services? Please provide specific ideas.</p> <p>5. How would you develop a strategy for greater efficiency for these services across the Trust's catchment populations?</p>
3	To form a collaborative approach both to the transaction and to the new organisation in terms of clinical leadership and organisational design	<p>6. What are your views on the shape of the leadership structure of the new entity?</p> <p>7. How will you approach organisational engagement during the transaction process?</p> <p>8. Please provide a headline project plan for how you would progress the acquisition.</p>



## APPENDIX A

4	To identify a partner with a good cultural fit with shared or complementary approaches to patient care and staff engagement and a shared understanding of organisational values	9. How would you describe your organisation's culture? How do you drive organisational change and service improvement? Please provide an example of this through a significant transaction or acquisition you have performed.
		10. Provide the latest staff and patient satisfaction survey results and comment on what you perceive to be particular areas of strength and weakness in staff engagement and patient satisfaction and an indication of how weaknesses are to be addressed.
5	To identify a partner who will strengthen the approach to training and education across clinical and non-clinical staff	11. Describe your Trust's approach to training and education giving examples of innovative practice.
		12. Please provide examples of where the Trust has applied innovative workforce structures and training programmes to deliver sustainable clinical rotas and access to services in the rural environment.
6	To be acquired by a Trust with excellent independent quality recognition through strong performance against external regulatory and statutory requirements	<p>13. Please provide details as follows:</p> <ul style="list-style-type: none"> <li>- CQC results for the annual healthchecks up to 2008/09</li> <li>- Current QRP, compliance assessments and inspection reports</li> <li>- NHSLA and CNST ratings for the past 3 years and details of objectives and Plan for the next assessment</li> <li>- Details of any improvement notices or reviews relating to safety or quality served by an external body during the past 3 years</li> <li>- Details of achievement against key performance metrics e.g. waiting times targets, cancer waits, 4 hour waits, MRSA and C-Difficile</li> <li>- A copy of the Trust performance report and clinical dashboard covering the 12 month period up to 31 March 2011</li> </ul>
7	To be acquired by a Trust with a base of strong quality standards - for example around 18 week waiting times, better care better value outcomes, MRSA and C-Diff rates etc.	
8	To be acquired by a Trust with a long track record of positive compliance with the Monitor regulatory framework	14. When were you authorised as an FT?
		15. Please provide your Monitor risk ratings for the last 3 years (as available) and details of any interventions or concerns expressed by Monitor during the same period

## STAKEHOLDER EVENT PARTICIPANTS/DELEGATES

Group	Description/Host	Delegate
1	Cumbria County Council Jill Stannard	<ul style="list-style-type: none"> <li>• Council Leader</li> <li>• Adult Services</li> <li>• Elderly Services</li> <li>• Children's Services/Trust</li> <li>• Health and Wellbeing Board</li> <li>• Allerdale District Council</li> <li>• Copeland District Council</li> <li>• Eden District Council</li> <li>• Carlisle District Council</li> </ul>
2	Cumbria Cluster Sue Page	<ul style="list-style-type: none"> <li>• Public Health</li> <li>• Medical Director</li> <li>• Director of Commissioning</li> <li>• Director of Corporate Affairs</li> <li>• Acting Director of Finance</li> <li>• LMC Representative</li> </ul>
3	Clinical Commissioning Groups Senate Chair	<ul style="list-style-type: none"> <li>• Allerdale Locality</li> <li>• Barrow-in-Furness Locality</li> <li>• Copeland Locality</li> <li>• Carlisle Locality</li> <li>• Eden Locality</li> <li>• South Lakes Locality</li> </ul>
4	Overview & Scrutiny Bill Wearing	<ul style="list-style-type: none"> <li>• LINKs</li> <li>• Save our Services</li> <li>• Age Concern</li> <li>• Carers Association</li> </ul>
5	NCUH Patient Panel Jessica Riddle	<ul style="list-style-type: none"> <li>• Patient Panel Members</li> <li>• Maternity Liaison</li> <li>• Cancer Support Groups</li> </ul>
6	Operational Managers Corrine Siddall	<ul style="list-style-type: none"> <li>• Divisional General Managers (x3)</li> <li>• Heads of Nursing (x3)</li> <li>• Finance</li> <li>• Information</li> <li>• HR</li> <li>• Governance</li> </ul>
7	Clinical Managers Mike Walker	<ul style="list-style-type: none"> <li>• Associate Medical Directors (6)</li> <li>• Clinical Leads (2)</li> </ul>
8	Secondary Care Clinicians Charles Brett	<ul style="list-style-type: none"> <li>• 4 Clinicians from WCH</li> <li>• 4 Clinicians from CIC</li> </ul>

<p><b>9</b></p>	<p><b>NCUH Partnership Forum Christine Wharrier Unison</b></p>	<ul style="list-style-type: none"><li>• <b>Unison</b></li><li>• <b>Unite</b></li><li>• <b>RCN</b></li><li>• <b>Royal College of Midwives</b></li><li>• <b>MIP</b></li><li>• <b>GMB</b></li><li>• <b>Physiotherapists</b></li><li>• <b>Radiographers</b></li><li>• <b>LMC</b></li></ul>
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