

TRUST BOARD

Date of Meeting: 10/07/2012	Agenda Item No: 6.1	Enclosure: 3
Intended Outcome:		
For noting ✓	For information ✓	For decision
Title of Report: Acquisition of North Cumbria University Hospitals NHS Trust		
Aims: To provide the Trust Board with a progress report on the acquisition process.		
Executive Summary		
<p>This report describes progress since the selection of Northumbria Healthcare NHS Foundation Trust (Northumbria) as the preferred bidder including:</p> <ul style="list-style-type: none"> • Business Transfer Agreement (BTA) or 'Transaction Agreement' and interim management arrangements • Acquirer Due Diligence process • Development of the transition plan • Application for approving the transaction from the NHS Cooperation and Competition Panel (CCP) • Foundation Trust membership recruitment for North Cumbria 		
<p>Business Transfer Agreement (BTA) and Interim Management Arrangements The Trust has prepared the draft BTA and details of the interim management arrangements. These largely reflect the Heads of Agreement and it is hoped that both can be agreed with Northumbria in the near future.</p>		
<p>Due Diligence Process Whilst the majority of the due diligence work has been completed much of the continuous provision of Trust information continues to be a priority as this relates to the development of transition plans by various work streams. The Northumbria review of the FBC for the redevelopment of West Cumberland Hospitals will be completed by 10 July 2012.</p>		
<p>Development of the Transition Programme The key milestones for producing the integration plan are:</p> <ul style="list-style-type: none"> • First drafts discussed at Transition Board on 12 June • Draft post transaction integration plans submitted to Northumbria Board on 28 June • Final draft signed off by 19 July • Independent assessment completed by 17 August • Submission to Monitor 31 August 		
<p>The Post Transaction Implementation Plan (PTIP) for the acquisition will be presented in the private session of North Cumbria Trust Board on 10 July 2012. Both Boards are required to provide a joint statement for Monitor on the PTIP.</p>		
<p>Progress on the Application to the NHS Cooperation and Competition Panel (CCP) Further information has been provided to the CCP on both organisation and the services involved in the Transaction. We are awaiting confirmation from the CCP that the review process has started and the expected timescales for the review.</p>		

Membership Recruitment for North Cumbria

Membership recruitment has now started. All Trust staff will be recruited as members and this will be publicised in the staff Team Brief. This is standard practice for staff recruitment and identical to Northumbria's arrangements.

Conclusion

The acquisition is continuing to progress in line with the key milestones. The PTIP will be reviewed in the private Board session with the aim of providing the Board statement required by Monitor. The Trust is awaiting the outcome of the Northumbria review of the FBC for the redevelopment of West Cumberland Hospital with the agreement that both organisations will work together to ensure the timescales for the development are met. Work will continue to finalise the BTA and interim management arrangements.

Specific implications and links to the Trust's Strategic Aims:

Ensure we provide high quality, safe and effective care for all our patients including meeting essential standards of safety and quality as set out by the CQC	
Develop a viable integrated clinical strategy for secondary care services which is sustainable and affordable	
Develop a new healthcare facility in West Cumbria that is fit for the 21st century	
Achieve sustainable financial balance through the delivery of the Trust's internal Cost Improvement Programme, securing a viable contract income from our GP commissioners and contributing to the system wide cost reductions	
To develop and implement a successful merger or acquisition plan that enables the Trust to become part of an existing NHS Foundation Trust	✓

Recommendations:

1. To note the above progress

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