

CENTRAL MANCHESTER UNIVERSITY HOSPITALS/UNIVERSITY HOSPITAL OF SOUTH MANCHESTER MERGER INQUIRY

Summary of hearing with Salford Royal NHS Foundation Trust held on 20 April 2017

Background

1. Salford Royal NHS Foundation Trust (Salford) is an acute teaching hospital trust covering the City of Salford. It has an approximate turnover of £600 million and employed 7,000 staff. It provides the normal range of district general hospital services and integrated health and social care services.
2. Salford also has a significant portfolio of specialist services that reach across Greater Manchester which include neuroscience, dermatology and IFU, intestinal failure services.
3. Salford is a high performing trust and had received a Care Quality Commission outstanding rating and was accredited by NHS Improvement to run hospital chains.
4. Salford told us its relationships with both Central Manchester University Hospitals NHS Foundation Trust (CMFT) and University Hospitals of South Manchester NHS Foundation Trust (UHSM) are long and deep from a service perspective. The trusts had strong collaboration on certain pathways and specialities where either services were provided to each other to ensure that an integrated pathway was delivered to patients. One example is the collaboration for the establishment of trauma services to meet the needs of the Commissioner.

Choice and competition in the NHS

5. Salford told us that it is rare for them to enter into a competitor process and specialist services very rarely come up for tender.
6. Salford said that it has treated patients from outside of its catchment area for a number of routine elective services. This is mainly driven by patient choice, or by particular clinical relationships. Another option is the Choose and Book System whereby GPs can choose a hospital based on waiting times or reputation. However the local trusts do not actively seek to pull patients from each other's hospitals.

7. Salford said it does not have any free capacity and to its knowledge neither do Central or South Manchester. The emergency demand within the Greater Manchester Conurbation exceeded capacity not only at this moment in time but had done so for a number of months, if not years.
8. Salford said it focuses on patient safety and the patient experience. It does not leverage its reputation to import patients from other areas. If Salford had views and plans around patients' health and would like to develop its services it would contact the commissioners. The commissioners would work through the clinical service strategy for the populations that they served, and see whether that coincided with the views that Salford had for improvement of the quality of services.
9. Salford said it does not directly market to GPs to seek additional referrals. It does, however, engage with Salford GPs on improving quality of care, mainly focused around the integration of care between acute and community services. Where Salford has direct contact with GPs outside of Salford, it is primarily focused on its specialist services in, for example, neurosciences. It has engaged in demand management exercises with GPs across Greater Manchester because it needed to control demand coming into the specialist neurosciences services in a better way, hence for GPs to manage more care within GP practices. The purpose of this work is to ensure patients are treated in the most appropriate setting, not to attract referrals.
10. Salford said that there is a significant flow of patients between the geographic footprint of Pennine Acute to Central Manchester, as Pennine Acute serves the population of North Manchester ie a population within the boundary of the Manchester City footprint. However, the flows between Salford and Pennine Acute were small. There are only ten specialities where there are significant flows of patients. The flows are in fact primarily driven by specialist service provision where there is no competition between the two organisations.
11. Salford said it is looking to strengthen Oldham, Rochdale and Bury hospitals and North Manchester General Hospital because of their current CQC rating which was "inadequate". This rating is unacceptable and Salford aim to increase the rating to "good" within a two-year period, thus strengthening the quality of patient experience, clinical outcomes and staff experience. A stronger set of hospitals would also provide a greater competitive threat to the Manchester single hospital service, as patients choose hospitals with better CQC ratings.

Hospital management

12. Salford said that its costing systems are not particularly accurate in terms of costing down to patient level, and it does not use that information to inform a growth strategy. It does however use the information to target cost improvements.
13. Salford said that it is important to establish resilient services. An example could be that one of its specialities was making a significant deficit because the staffing rotas needed to maintain a 24/7 service and did not have the required critical mass in terms of patient demand to maintain that 24/7 service. Such a situation often triggered Salford to look further afield and to work with commissioners and colleague trusts to try and consolidate services.
14. Salford said it did not regularly monitor the service position of its neighbouring hospitals. However, it does take their presence into account when it wants to make a service change, and has collaborated to integrate its patient pathways with neighbouring hospitals.
15. Salford said it benchmarks itself against its colleagues both locally and internationally.

The merger between CMFT and UHSM

16. Salford said that if the proposed merger were to go ahead the new trust would be able to offer a more attractive proposition to both patients and staff. It felt there was a necessary dynamic for the conurbation as a whole to establish larger organisational entities to take advantage of those economies of scale and those pathways that could benefit patients and staff. Staffing was currently a critical priority for Salford.
17. Salford said the merged trusts would be able to offer better research and education as a larger scale organisation. Higher specialised services attract a higher calibre of staff, especially when a specialised service was academically very active.
18. Salford said it is in favour of the proposed merger between CMFT and UHSM, which is part of the strategy developed as part of the devolution process to increase integration and standardisation in Greater Manchester healthcare. Salford said that the merger would make it easier to achieve the benefits of reconfigurations underway in Greater Manchester.