

Stronger together – our ambition to become one Trust Frequently Asked Questions (FAQs)

1. Is this a genuine merger or a takeover?

It is a merger. We would like to formally merge our two Trusts and work together as 'one' to provide long term operational and financial sustainability and maximise the benefits of becoming one bigger, stronger NHS organisation for the future.

2. Why do we need to merge?

We know that there is increasing financial and operational challenges on the NHS both locally and nationally. It was because of these challenges that our two Trusts began to formally work together in 2016. Our strategic alliance has brought a number of benefits and both Trust Boards feel strongly that a formal merger is in the best interests of patients, staff and the public.

3. Does this mean one of our main hospitals will close?

No. Both of our hospitals in South Tyneside and Sunderland will continue to exist and continue to play pivotal roles providing services for patients both now and in the future.

4. Have you looked at options other than a merger?

Yes, other options were considered by both Trust Boards in April 2018 including:

- strengthening the current Healthcare Group arrangements but continuing to operate as two separate statutory organisations
- a formal acquisition whereby one Foundation Trust would acquire the other Foundation Trust

A full and formal merger of the two Foundation Trusts was considered to be the best option by both Boards and this is what we are now progressing.

5. What are the benefits of a merger?

Both Trusts have already seen a number of benefits by working together as South Tyneside and Sunderland Healthcare Group. A formal merger would build on this and help us deliver many more positive changes to benefit patients as well as staff:

- Removing unnecessary organisational boundaries and creating standardised ways of working to deliver excellent patient care and experience
- Greater opportunities to continuously improve quality with shared learning and greater access to a wealth of expertise and knowledge across both Trusts
- Closer integration of services with work towards a single clinical operating model already underway through the Path to Excellence programme
- Much greater resilience in service provision, particularly during times of heightened demand
- Improved recruitment and more attractive opportunities for new graduates and trainees coming into the NHS who want to work in big organisations

- More opportunities for research and innovation and ability to expand our clinical trials and attract more investment into the local NHS for research
- Opportunities to expand services and access to care for patients particularly in South Tyneside
- Greater staff satisfaction by providing more varied career opportunities and improving work / life balance
- Greater opportunity to remove existing duplication and waste, save money and improve on our overall financial position for both Trusts

6. What would happen if we don't merge?

We could still continue to work together as the South Tyneside and Sunderland Healthcare Group, however all the benefits outlined above would not be achieved to their full potential.

7. What would any new organisation be called?

We anticipate the future statutory organisation name would evolve naturally from the existing 'South Tyneside and Sunderland Healthcare Group' and this would be included in the full business case. All of our hospital and community sites would continue to operate as they do now and use the same names which our patients, staff and members of the public associate with i.e. South Tyneside District Hospital, Sunderland Royal Hospital and Sunderland Eye Infirmary.

8. Will staff have a new employer?

Yes, if a merger takes place then all staff currently employed by South Tyneside NHS Foundation Trust or City Hospitals Sunderland NHS Foundation Trust will be employed by a new statutory NHS organisation.

9. What would the potential merger mean for staff?

As we work through the merger process over the next year, we will need to carefully consider the process for staff moving into any potential new Trust. This work would follow the usual HR process with full open and transparent consultation with staff and full involvement of union representatives.

10. Will all staff have to follow the same policies and procedures?

This work has started as part of our strategic alliance and we already have many joint policies and procedures in place for both Trusts which would transfer into a newly merged organisation. Over time, we will need to make sure that all policies and procedures are standardised.

11. Will the merger mean staff have to relocate or work across both hospital sites?

No, the merger is a corporate rather than clinical process and is about organisational form. Staff will continue to work in their roles as they do now and should experience minimal change as a result of the merger, other than having a new employer if and when the merger takes place. Through our Path to Excellence work, many colleagues are already working across both hospital sites and we would absolutely support this and encourage this to continue, especially as we work through Phase Two of the clinical service reviews to create bigger, more resilient teams. Any changes to working patterns and work bases as a result of the clinical service reviews would of course need to be considered and discussed with colleagues as part of usual HR consultation process. 3

12. What would happen to those staff working as part of an NHS Subsidiary company?

Staff who work at City Hospitals Independent Commercial Enterprises LTD (CHoICE) would continue to be employed by CHoICE which would transfer into any newly merged organisation. Similarly, staff who work at Haven Court in South Tyneside and who are employed by South Tyneside Integrated Care Limited (STICL) would continue to be employed by STICL which would transfer into any newly merged organisation.

Subsidiary companies have been very successful across the NHS in helping to improve quality for patients and maximise value for money for the taxpayer and are 100% owned by the NHS with any profits reinvested directly into patient care. It should be noted that discussions about a potential subsidiary company for estates and facilities staff at South Tyneside have been on hold since April 2018 in light of the potential merger. Whilst we would still like to explore these opportunities in South Tyneside in the future, these conversations are now on hold whilst the merger process takes place.

13. Where are we up to in the merger process?

Our strategic case was submitted to NHS Improvement in May 2018 and we received feedback at the end of July 2018. We are now working towards a full business case submission by the beginning of December 2018. The full business case submission will include feedback from our staff and stakeholders about their views on the potential merger.

14. What happens after that?

Between December 2018 and March 2019, NHS Improvement will have the opportunity to review our full business case. Provided we meet all of the necessary approvals from our regulators and receive an adequate risk rating for the proposed merger, our newly merged Trust could become operational from April 2019 subject to approval from each Trust Board and each Council of Governors.

15. Who has to approve a merger?

Ultimately it is the responsibility of each individual Trust Board and their respective Council of Governors to approve the formal merger of our two Trusts.

16. What date is the merger expected to take place?

We are working towards a timeline that would see our newly merged Trust come into operation from 1 April 2019. After this date, there will still be an ongoing process to help bring both Trusts together and streamline our processes and procedures and this will be monitored through a 'post transaction implementation plan' during the first weeks, months and years of our new Trust.

17. What would happen to our Trust Governors?

Our Council of Governors for both Trusts are fully engaged in the merger process and will have an important role in making sure that we are openly engaging and communicating about our desire to merge, that the Boards of both Trusts undertake appropriate 'due diligence' and that we are actively seeking feedback from staff and stakeholders. For any newly merged organisation there would be one Council of Governors only and this process to appoint a new Council of Governors would begin after any new Trust is formed.

18. What does due diligence mean?

This is a detailed process which involves gathering and reviewing information about each individual Trust to help each organisation understand the key benefits and risks of the proposed merger.

19. Have we looked at other Trust mergers and how successful or not they have been?

Yes, this has formed part of our strategic case and as we develop our full business case we will be looking in further detail at learning from elsewhere to ensure we take on board things that have worked well and any lessons learnt when things have not worked so well. There are a number of areas of good practice that NHS Improvement has already highlighted as key to success and these include detailed planning for 'post-merger' operational delivery, the vital role of clinical leadership, as well as clear and ongoing staff engagement.

20. How much will the merger process cost?

There are very detailed legal and due diligence processes we must follow in order to ensure that all risks and benefits have been appropriately and independently assessed, considered and mitigated before any potential merger takes place. We expect the cost for this work will be around £1 million however the potential financial benefits of the proposed merger significantly outweigh this.

21. What will be the financial benefits of any merger?

Our strategic case identifies initial anticipated savings of over £8million in the first five years as a result of a merger and ongoing financial benefits through much improved streamlined processes and reduced duplication. This figure increases to anticipated savings of over £30million in the first five years if we did not merge and both Foundation Trusts continued to exist without any strategic alliance in place.

We anticipate further financial benefits, for example, a greater ability to attract more permanent staff into a bigger organisation and thereby reduce our high costs on temporary staff and a greater ability to attract more capital funding and investment for research by coming together as one.

22. Is this just a cost saving exercise?

No. There are clear immediate cost savings to be made by creating one newly merged Trust, but this is about creating a long-term sustainable future for both Trusts that allows us to offer high quality, safe care for our patients.

23. Where would the CEO and Executive Team be based?

Our Chief Executive and Executive Team already work across South Tyneside and Sunderland sites and this would continue.

24. Do we have to consider patient choice and competition?

The Competition and Markets Authority (CMA) is responsible for reviewing the market competition implications of any merger between two organisations in any sector in the UK economy, including the merger of two NHS Foundation Trusts. We have already engaged the CMA in early conversations about the potential merger between our two Trusts and they have confirmed that they do not foresee any adverse impacts as a result of us coming together as one.

25. What do our local CCGs and other partners think?

Our two local CCGs have already expressed their full support for the proposed merger. We are now actively seeking the views of other key partners such as our local authority colleagues, Healthwatch and other NHS organisations, as well as the views of our staff, patients and the public.

26. How does this link with the Path to Excellence clinical service reviews?

The Path to Excellence clinical service reviews will continue as planned with extensive work already underway on Phase Two (the final phase) of the programme. The merger is completely separate to this work and is about a change to organisational form rather than any changes in service delivery for patients.

27. Is this just a way of taking all hospital services to Sunderland?

No. Clinical service reviews in a range of areas are currently taking place through the Path to Excellence programme and this is completely separate to our work to formally merge both Trusts. Any proposed future changes to hospital services will form part of a formal public consultation process in due course. We are very clear that both hospitals will continue to play key roles in the future, regardless of whether or not a merger takes place.

28. How could a merger help improve internal efficiency?

As two separate statutory bodies, we currently have many different systems and processes in place. Although we are working to integrate and streamline our business infrastructure as part of our strategic alliance, a formal merger would allow this work to accelerate at pace, making it much easier for our teams to work together seamlessly through more efficient ways of working. For example, a merger would allow a single Trust intranet to be developed to help share policies and procedures, single ways of ordering supplies and single points of contact to make it easier to access various parts of the organisation.

29. How are you engaging with staff, patients and stakeholders?

We are very keen to hear the views of colleagues, patients, local people and stakeholders. A comprehensive communications and engagement strategy has been prepared alongside our 'strategic ambition document' and this will ensure regular updates are provided on progress and make sure we actively seek peoples' view to help shape our full business case.

30. How can I have my say?

We want to capture the views of our staff, patients, the public and other stakeholders to help us shape the full business case for the potential merger. There will be a number of ways to get involved and give feedback:

- Visit www.stft.nhs.uk/together or www.chsft.nhs.uk/together to read our Stronger Together 'strategic ambition document', watch our 'Stronger Together' animation and submit online feedback
- Attend one of public engagement or staff drop-in events which will be publicised widely and promoted on the above webpages or on the internal Trust intranets
- Submit your views anonymously via the 'Stronger Together' feedback boxes which will be available in main reception areas across all of our sites
- Email your views and any questions or concerns to Trustcomms@stft.nhs.uk / CHSComms@chsft.nhs.uk
- Write to our Chief Executive at either of the addresses below:

Harton Wing
South Tyneside District Hospital
Harton Lane
South Shields
Tyne and Wear
NE34 0PL

Trust Headquarters
Sunderland Royal Hospital
Kayll Road
Sunderland
Tyne & Wear
SR4 7TP

31. How can you assure us that feedback will be considered?

We are committed to ensuring that the merger process is transparent and reflects the views of our staff, patients, the public and our stakeholders. It is in all of our best interests to make sure everyone is engaged in the process and that views are captured and considered as part of our full business case submission.

32. Will there be changes to car parking as a result of the merger?

Both Trusts are currently taking steps to introduce a new 'pay on exit' system for patients and visitors which aim to improve experience and make it easier for people to pay for their parking when visiting our sites. This work is ongoing over the summer and we anticipate these improvements will be implemented in the early Autumn. Staff should continue to pay for car parking in the same way they currently do and claim mileage in the usual way for any travel undertaken for business reasons.

33. Will provision for travel between the hospital sites be considered?

Yes. We know that travel and transport will be a core concern for our staff, patients and the public and this will be considered as part of the full business planning process.