

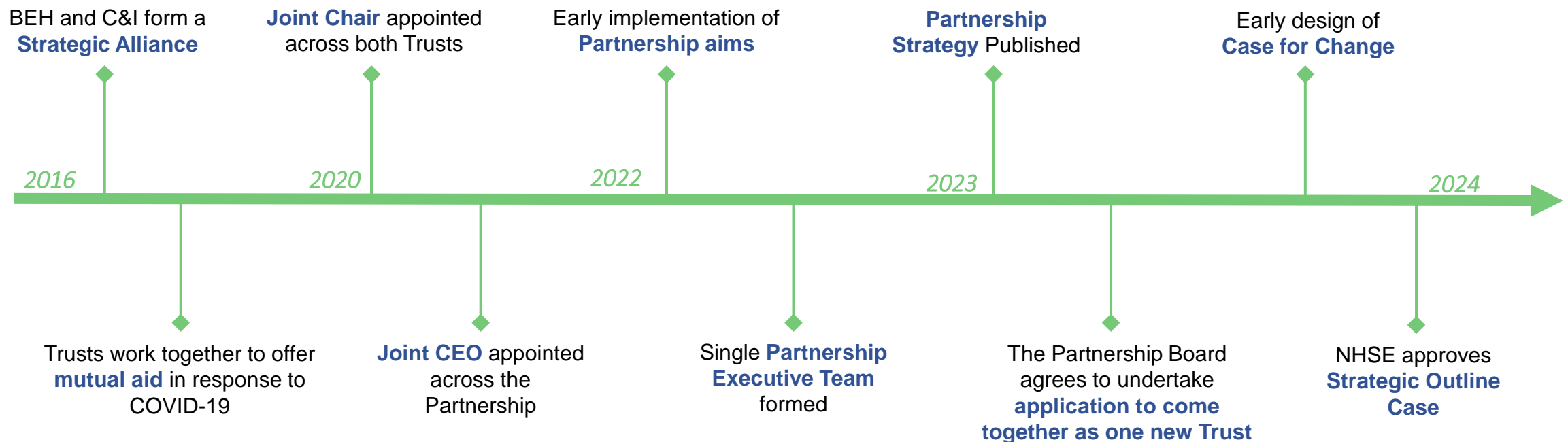
# Our New Trust

*The rationale, the benefits and the journey*

## Our journey so far

- Our two Trusts have a history of partnership working, which led to the development of a new Partnership Strategy in May 2023 and an appraisal of the best options to deliver that Strategy. This resulted in the decision in July 2023 to come together formally
- The Strategic Outline Case, including the Case for Change, was approved by NHS England in December 2023 and since then, we have been developing our formal merger application, which we are here today to review

### Illustrative timeline of our development:



# Case for Change

We believe there is a strong case for our new Trust, as it will allow us to:



**Provide care as close to home as possible**



**Respond to the growing and ageing NCL population**



**Maintain 24/7 services**



**Improve our performance**



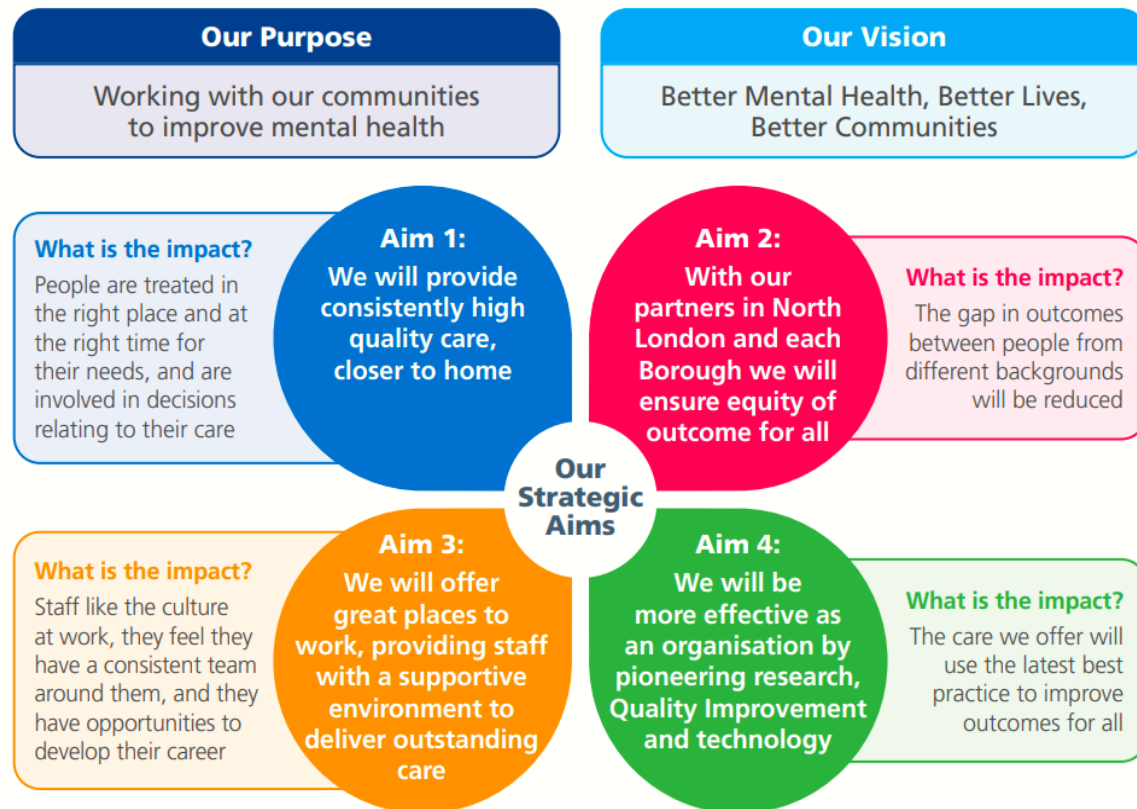
**Address our workforce challenges**



**Be a stronger, single, voice for mental health in NCL**

# Vision for our new Trust

Our aim is to build a new Trust that brings together the best of BEH and C&I and uses our collective capabilities to better support local people and deliver our agreed Strategy, Values and Vision of “Better Mental Health, Better Lives, Better Communities”



## Values and Behaviours

We have developed a joint set of Values and behaviours to guide colleagues and develop the culture of the new Trust

Our Values were developed through consultation with colleagues as part of our People and OD Strategy



# Working 'The North London Way'

Our new Trust will **look and feel different** from the current Partnership in many ways.

We have recently launched '**The North London Way**' - our approach to winning the hearts and minds of our people



Create a **sense of belonging**, which in turn builds ownership for all staff



Focus on communication, creating connections, celebrating successes, and fostering a sense of pride



Create a **new and exciting culture** where people want to join, remain and grow



Take the 'best from both', while weaving in new, innovative elements that sets our future position apart



Create a **comprehensive change programme** for the new Trust



Launch a range of events to build enthusiasm amongst our stakeholders and provide clarity of identity for the new Trust

# Co-designing our new Trust

We have engaged with our service users, carers, staff and partners to inform our plans for the new Trust through developing the Patient Benefits Case

## Clinical and Operational Leads:

Crisis and Emergency	Working Age Adults	Older Adults
 <p>Christopher Fox Operational Lead</p>	 <p>Adele McKay Operational Lead</p>	 <p>Jo Carroll Operational Lead</p>
 <p>Dr James Dove Clinical Lead</p>	 <p>Dr Scott Mackenzie Clinical Lead</p>	 <p>Dr Ruth Allen Clinical Lead</p>
 <p>Dr Rana Rashed Clinical Lead</p>		 <p>Dr Uttara Mandal Clinical Lead</p>

## Process:

- Multiple visits to over 15 service sites
- Directly engaged with over 900 service users, carers, staff members, voluntary sector organisations and ICS colleagues
- Feedback events including meetings with experts by experience, patient groups
- NEDs and Governors engagement



Trent Ward



Psychology, Pharmacy  
and Medics Event

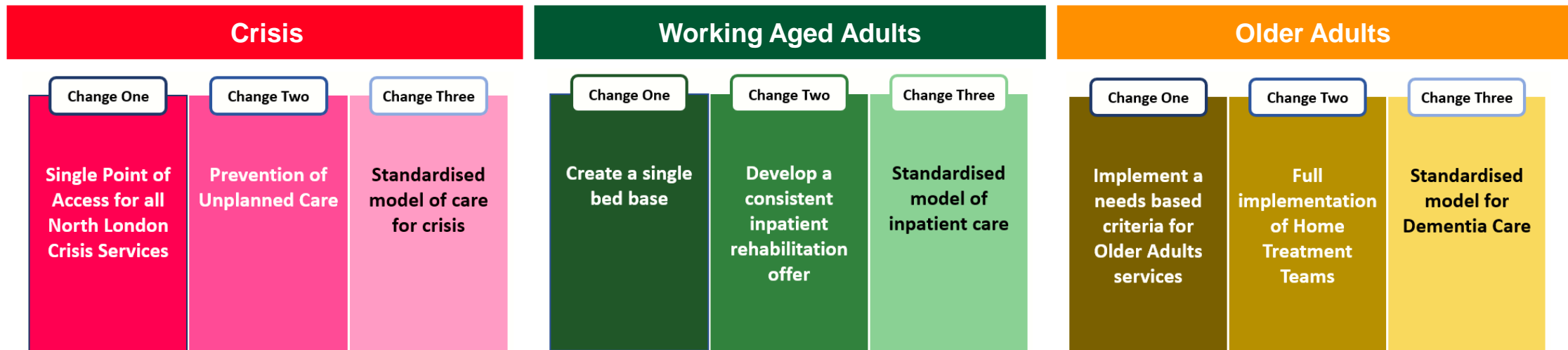


Nursing Event

# Key Benefits

- Integration will support quality of care and patient safety as we will be working at scale across the five boroughs, standardising best practice across NCL
- We will have a single bed base with an ambition to eliminate Out Of Area placements
- Ability to deploy staff with agility to meet changes in demand for our services
- Strengthens our financial position and delivers a 9% return on investment

## Nine key changes that will benefit our patients:



# Financial Case summary

## Individual Trust forecasts without merger:

BEH with Efficiency Gains	2024/25 Plan £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m
Operating Income from Patient Care Activities	408.0	410.2	412.5	414.8
Other Operating Income	8.3	8.4	8.5	8.5
Substantive Staff Cost	(170.5)	(172.2)	(173.8)	(175.4)
Bank, Agency and Other Staff Cost	(39.2)	(42.6)	(43.0)	(43.4)
Other Operating Expenses	(201.7)	(201.4)	(201.1)	(200.7)
<b>Operating Surplus/(Deficit)</b>	4.9	2.5	3.1	3.7
Finance Costs & Other Gains/Losses	(4.9)	(4.9)	(4.9)	(4.9)
<b>Surplus/(Deficit) For the Year</b>	<b>(0.0)</b>	<b>(2.4)</b>	<b>(1.8)</b>	<b>(1.2)</b>
<b>CIP</b>	<b>10.7</b>	<b>4.4</b>	<b>4.4</b>	<b>4.5</b>

C&I with Efficiency Gains	2024/25 Plan £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m
Operating Income from Patient Care Activities	160.4	161.2	162.1	163.0
Other Operating Income	50.1	50.6	51.0	51.4
Substantive Staff Cost	(139.8)	(141.1)	(142.4)	(143.8)
Bank, Agency and Other Staff Cost	(12.3)	(12.5)	(12.6)	(12.7)
Other Operating Expenses	(52.5)	(52.2)	(52.2)	(52.1)
<b>Operating Surplus/(Deficit)</b>	5.9	6.0	5.9	5.8
Finance Costs & Other Gains/Losses	(5.9)	(5.9)	(5.9)	(5.9)
<b>Surplus/(Deficit) For the Year</b>	-	<b>0.1</b>	<b>0.0</b>	<b>(0.1)</b>
<b>CIP</b>	<b>6.5</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>

## New Trust forecast with merger:

Combined with Efficiency Gains with Merger Costs and Synergies	2024/25 Plan £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m
Operating Income from Patient Care Activities	568.3	571.5	574.6	577.8
Other Operating Income	58.4	58.9	59.4	59.9
Substantive Staff Cost	(310.3)	(311.5)	(314.5)	(317.5)
Bank, Agency and Other Staff Cost	(51.5)	(55.1)	(55.6)	(56.1)
Other Operating Expenses	(254.2)	(252.5)	(250.2)	(248.2)
<b>Operating Surplus/(Deficit)</b>	10.8	11.3	13.8	15.9
Finance Costs & Other Gains/Losses	(10.8)	(10.8)	(10.8)	(10.8)
<b>Surplus/(Deficit) For the Year</b>	<b>(0.0)</b>	<b>0.5</b>	<b>3.0</b>	<b>5.1</b>
<b>Total Impact of Benefit Synergies</b>	0.4	4.1	5.4	6.4
<b>Total Impact of Transaction &amp; Integration Costs</b>	<b>(3.2)</b>	<b>(1.2)</b>	<b>(0.6)</b>	-

- On a standalone basis, both Trusts show small surplus or deficit financial positions over the three-year forecast period
- The forecast with the merger results in a surplus across the forecast period, a return on investment of approximately 9%
- Please note this is not a full financial forecast as it does not include unexpected cost pressures arising. It is intended to show the potential impact of merger on the new Trust



# Integration Risk Management

We have taken a proactive approach to risk identification and mitigation:

## Due Diligence process:

- A risk assessment was undertaken with Executives to identify areas that require the most focus
- Low risk areas received light touch due diligence, whereas high-risk areas have been reviewed in much more detail
- The process covered all key lines of enquiry set out in the NHSE Transaction Guidance
- Many risks already known to our Partnership Board
- Managing and mitigating the risks is a core part of our integration planning

## Key risks identified included:

- Staff consultation and TUPE arrangements
- Capital expenditure plans and capital commitments
- Current year financial performance
- Asset register and maintenance records
- View of adequacy of core IT systems
- List of properties and rent agreements
- Hazardous substances

# Transaction Application Process

- NHSE will review the core application documents
- NHSE will also carry out a quality governance review, which will include Board and Committee observation, and interviews
- NHSE will then determine a transaction RAG rating. The rating must be Green or Amber for the transaction to proceed
- Subject to the application satisfying the necessary steps, NHSE will submit the transaction application to the Secretary of State for review and approval

## **Actions requested from the Board:**

- Approval for submission to NHS England of the formal application for merger of BEH and C&I to form a new Trust
- Subject to Board approval, the transaction application will be submitted to NHSE by 3 June 2024