Trust Board Meeting: Wednesday 10 September 2014
TB2014.100

<table>
<thead>
<tr>
<th>Title</th>
<th>Foundation Trust update</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status</td>
<td>For information.</td>
</tr>
<tr>
<td>History</td>
<td>Regular updates to the Board.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Board Lead(s)</th>
<th>Andrew Stevens, Director of Planning and Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key purpose</td>
<td>Strategy</td>
</tr>
</tbody>
</table>
Executive Summary

1. This paper provides an update on the Trust’s application for authorisation as an NHS Foundation Trust (FT).

Recommendations

2. The Board is asked to note:
   a. delivery of national performance standards to inform the NHS Trust Development Authority’s Board meeting in September;
   b. the start of the assessment by Monitor of the Trust’s Quality Governance arrangements; and
   c. preparations for the Monitor phase of assessment.
Foundation Trust update

1. Purpose

This paper provides an update on the Trust’s application for authorisation as an NHS Foundation Trust (FT).

2. NHS Trust Development Authority assessment

2.1. As reported in July, the NTDA’s Chief Executive wrote to the Chairman and Chief Executive to confirm that the Trust’s FT application would be submitted to the Board of the NTDA at its meeting on 18 September “with a recommendation for [OUH] to proceed to the next stage of consideration by Monitor” subject to the Trust “being on track to deliver sustainable performance against the key national service standards” in July-September 2014.

2.2. Progress made against commitments given by the Trust to achieve sustainable delivery of these standards is summarised below.

<table>
<thead>
<tr>
<th>Standard</th>
<th>Delivery date</th>
<th>Progress made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Referral to Treatment Time (RTT) Non-admitted, Trust-wide</td>
<td>June 2014</td>
<td>Achieved May 2014</td>
</tr>
<tr>
<td>RTT Incomplete, Trust-wide</td>
<td>July 2014</td>
<td>Achieved May 2014</td>
</tr>
<tr>
<td>RTT Admitted, Trust-wide</td>
<td>July 2014</td>
<td>Achievement anticipated July 2014</td>
</tr>
<tr>
<td>Cancer 31 day subsequent radiotherapy</td>
<td>July 2014</td>
<td>Achievement anticipated July 2014</td>
</tr>
<tr>
<td>A&amp;E &lt;4 hour waits</td>
<td>August 2014</td>
<td>Achieved</td>
</tr>
<tr>
<td>Cancer 62 day waits</td>
<td>August 2014</td>
<td>Achievement anticipated August 2014</td>
</tr>
<tr>
<td>Diagnostics: waits of &lt;6 weeks</td>
<td>August 2014</td>
<td>Achieved July 2014</td>
</tr>
</tbody>
</table>

2.3. Progress has been kept under review through regular monitoring by the NTDA (with weekly monitoring of A&E performance and some measures of waiting times for planned care) and through monthly meetings with the NTDA’s South of England team.

2.4. August’s meeting constituted a formal Readiness Review at the conclusion of which the NTDA team confirmed that progress was on track and that it was satisfied that it had tested the sustainability of the work done by the Trust to meet these access standards.

2.5. On this basis, a recommendation to the NTDA’s Board in support of the Trust’s FT application is expected.
3. **Monitor assessment**

3.1. As anticipated in Paper TB2014.80, Monitor has begun its review of the Trust's quality governance arrangements.

3.2. The Board Statement and Board Memorandum on quality governance agreed by Board members in July were provided to Monitor in the first days of August, with supporting documentation.

3.3. Meetings began on site at the John Radcliffe Hospital on 3 September and are expected to conclude in early October.

3.4. These meetings include the Chairman, the Chief Executive, the Medical Director (the lead Executive Director for quality), the Chief Nurse, the chairs of the Audit Committee and Quality Committee, and Divisional executive teams.

3.5. Topic-specific meetings will examine clinical incidents and will look at how quality of care is being sustained whilst cost improvement schemes take place.

3.6. Three focus groups are to be held with clinical staff. In response to an invitation to staff in early August, the names of 152 volunteers were provided to Monitor.

3.7. The Monitor assessment team will hold discussions with the Trust’s key commissioners (NHS England and Oxfordshire CCG), with HealthWatch Oxfordshire and with the Quality Surveillance Group convened by NHS England’s Thames Valley Area Team.

3.8. The Trust was also asked to complete an Access and Outcomes Metrics template, showing performance against the key standards in Monitor’s Risk Assessment Framework over a historical two years and for 2014/15. Developed from the Trust’s plans and informed by performance in the first four months of 2014/15, this anticipates that:

- In Quarter 2 (July-September 2014), all standards will be met except for Accident and Emergency 4-hour waits, performance for July having fallen below the standard, and 62-day GP referrals for cancer, achievement of which for July is judged to be at risk.
- For the remainder of the year, all standards in the Risk Assessment Framework will be met.

3.9. Recognising risks to performance against the access standards (which will have been considered by the Board in discussing the Integrated Performance Report), it is therefore envisaged that the Trust will meet Monitor’s standards for authorisation from Quarter 3.

4. **Integrated Business Plan**

4.1. The Foundation Trust Programme Board has agreed a timetable for completing an updated Long Term Financial Model (LTFM) and Integrated Business Plan (IBP).

4.2. The LTFM will be updated to include trading results from Month 5 (August 2014) and related updates will be made to the IBP. The Finance and Performance
Committee will be asked to consider and agree an updated financial plan and assumptions at its October meeting.

4.3. It is then planned that the updated IBP and LTFM be considered and approved by the Board prior to their being submitted to Monitor at the beginning of November 2014.

5. **Board Governance Memorandum**

5.1. The Board Governance Memorandum (BGM) forms another required part of the assessment. It is designed to mirror the self-certification process used by Monitor.

5.2. The Trust submitted BGM evidence on 31 July 2012. This was reviewed by the independent review team from Ernst and Young LLP and a final report was issued to the Trust on 18 October 2012.

5.3. Since then, actions to address areas of non-compliance have been monitored by the Foundation Trust Programme Board and the Trust Management Executive and updates have been provided to the Board.

5.4. During Quarter 2 of 2014/15 the Assurance Team has undertaken a full review of the statements and evidence in the self-assessment documentation required for the BGM. This has been summarised into an executive exception report, which along with the updated BGM is to be reviewed in detail by the Audit Committee at its meeting on 17 September 2014.

5.5. Following this meeting it is planned that the BGM is reviewed in detail by the Board at its next Seminar on 24 September 2014, taking assurance from members of the Audit Committee.

5.6. It is then planned that the final BGM be considered and approved by the Board prior to its being submitted to Monitor at the beginning of November 2014.

6. **Application timetable**

6.1. The Foundation Trust Programme Board has considered what the timetable for assessment by Monitor could be. Subject to Monitor’s assessment of the Quality Governance Framework, it appears likely that full assessment of the Trust's FT application could begin at the start of November and lead to Monitor’s Board considering the Trust’s application at its meetings in February or March 2015. This could allow an authorisation date of 1 April 2015.

6.2. Action is being taken to be ready for this timetable.

6.3. Membership recruitment continues and is reported in an update on the Membership Strategy to this Board meeting.

6.4. The Trust’s electoral services provider, UK Engage, has been contacted to enable preparations to be made for elections to the Council of Governors and to have a timetable ready to start once the outcome is known of the TDA’s Board meeting in September. This will include further information sessions for potential public and staff governors in the autumn.
6.5. The Chief Executive has written to organisations named in the Trust’s agreed draft Constitution as nominating to seats on the Council of Governors to ask that they give consideration to how they will nominate once a planned authorisation date is identified by Monitor.

6.6. In preparation for the independent assessment to be carried out for Monitor of the Trust’s financial management, cash and capital requirements (known as Historical Due Diligence or HDD3), the Trust’s internal auditors have carried out a preparatory HDD3 review. The Finance and Performance Committee has been kept appraised of progress.

7. **Recommendations**

7.1. The Board is asked to **note**:

- delivery of national performance standards to inform the NHS Trust Development Authority’s Board meeting in September;
- the start of the assessment by Monitor of the Trust’s Quality Governance arrangements; and
- preparations for the Monitor phase of assessment.

Andrew Stevens  
**Director of Planning and Information**

Report prepared by:

Jonathan Horbury  
**Foundation Trust Programme Director**

September 2014