

**Trust Board Meeting: Wednesday 9 July 2014**

TB2014.79

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| <b>Title</b> | <b>Foundation Trust update</b> |
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| <b>Status</b>  | For information  |
| <b>History</b> | Regular updates to the Board. Previous Foundation Trust application made in July 2013. |

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|----------------------|--|-----------|--------|-------------|
| <b>Board Lead(s)</b> | Andrew Stevens, Director of Planning and Information |           |        |             |
| <b>Key purpose</b>   | <b>Strategy</b>                                      | Assurance | Policy | Performance |

## Executive Summary

1. This paper provides an update on the Trust's application for authorisation as an NHS Foundation Trust (FT).
2. The outcome of a meeting with members of the NHS Trust Development Authority's Board to consider the Trust's application is described.
3. The anticipated timetable for assessment is also described, as is continuing work with the TDA on the Trust's plans to meet national access standards.

## Recommendations

4. The Board is asked to **note**:
  - a. the outcome of the meeting with TDA Board members on 9 June;
  - b. expectations for delivery of national performance standards to inform the TDA's Board meeting in September;
  - c. the updates made to the Integrated Business Plan; and
  - d. preparation 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. Foundation Trust application

- 2.1. The Trust's application for authorisation as an NHS Foundation Trust was sent to the NHS Trust Development Authority (TDA) on 11 April.
- 2.2. Assessment by the TDA, in accordance with its *2014/15 Accountability Framework for NHS trust boards*, led to a meeting between members of the Trust's Board and of the TDA on 9 June.
- 2.3. At this meeting, the Trust and its staff were congratulated on achieving a 'Good' rating from the Chief Inspector of Hospitals following inspection of its four sites in February. The Trust's strong financial position and work with commissioners to agree contracts for the current year and plans for the future were also commended.
- 2.4. The main risk to the Trust's FT application was recognised to be the delivery of services in accordance with some national waiting time standards, notably waits of within four hours in its Emergency Departments and waits of within 18 weeks for planned care.
- 2.5. The TDA's Chief Executive, David Flory, has since written to the Trust to confirm that its Foundation Trust application will be submitted to the Board of the TDA at its meeting on 18 September "with a recommendation for [OUH] to proceed to the next stage of consideration by Monitor." This recommendation is subject to the Trust "being on track to deliver sustainable performance against the key national service standards" in July-September 2014. This letter is attached as Appendix 1.
- 2.6. Plans are in place to address deficits in performance against national waiting time standards in four areas, all of which are being kept under review through regular monitoring by the Trust Management Executive and Board. Monthly review meetings with the South of England Regional team will provide assurance on progress to the TDA.
- 2.7. The commitments given by the Trust to achieve sustainable delivery of these standards are set out in the table below.

| Standard   | Delivery date                    |
|--|----------------------------------|
| 1. Referral to Treatment Time (RTT) Non-admitted, Trust-wide | June 2014<br>(achieved May 2014) |
| 2. RTT Incomplete, Trust-wide                                | July 2014<br>(achieved May 2014) |
| 3. RTT Admitted, Trust-wide                                  | July 2014                        |

| Standard                                 | Delivery date |
|--|---------------|
| 4. Cancer 31 day subsequent radiotherapy | July 2014     |
| 5. A&E <4 hour waits                     | August 2014   |
| 6. Cancer 62 day waits                   | August 2014   |
| 7. Diagnostics: waits of <6 weeks        | August 2014   |

### 3. Integrated Business Plan

- 3.1. Board members will be aware that since the activity and financial assumptions which formed the basis of the FT application in April were set in February 2014, agreement of contracts with commissioners has required the Financial Plans and Risk chapters of the Integrated Business Plan to be updated to reflect agreed income and activity levels for 2014/15 and to incorporate the Trust's audited accounts for 2013/14.
- 3.2. These updated chapters were used by the TDA in assessing the Trust's FT application. The rest of the IBP has been updated to use figures throughout from the updated financial model. The Board is asked to **note** this update.
- 3.3. The current IBP is available for download from the Trust's website at <http://www.ouh.nhs.uk/about/publications/>

### 4. Application timetable

- 4.1. The TDA has written to Monitor to ask it to bring forward its assessment of the Trust's arrangements for quality governance, as considered by the Board in May 2014 (Paper [TB2014.61](#)). This assessment, which could begin before the TDA's Board considers referring the Trust's application on to Monitor, would allow the Monitor assessment phase to be shortened.
- 4.2. The Monitor phase of assessment will test the Trust's plans and functioning against the three standards framed in legislation – that the Trust is well-governed, legally constituted and financially viable. The Monitor phase is described by the FT regulator as taking 4-6 months.
- 4.3. The Foundation Trust Programme Board has considered what the timetable for assessment by Monitor could look like. At this stage, it appears likely that full assessment 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.
- 4.4. In preparation for this, action is being taken to prepare for some elements of the Monitor phase.
- 4.5. 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 of the TDA's Board meeting in September is known. This will include further information sessions for potential public and staff governors in the autumn.

4.6. 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 HDD 3), the Trust's internal auditors have been commissioned to carry out a 'mock' HDD3. This will include interviews with Board members in July. The Director of Finance and Procurement will brief Board members accordingly.

## 5. **Recommendations**

The Board is asked to **note**:

- 5.1. the outcome of the meeting with TDA on 9 June;
- 5.2. expectations for delivery of national performance standards to inform the TDA's Board meeting in September;
- 5.3. the updates made to the Integrated Business Plan;
- 5.4. preparation for the Monitor phase of assessment.

**Andrew Stevens**  
**Director of Planning and Information**

Report prepared by:  
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Foundation Trust Programme Director

**27 June, 2014**