

Trust Board Meeting: Wednesday 12 March 2014
TB2014.40

Title	Foundation Trust Update
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Status	For Information
History	The Trust Board received an update on progress with the NHS Foundation Trust application at each meeting.

Board Lead(s)	Andrew Stevens, Director of Planning and Information			
Key purpose	Strategy	Assurance	Policy	Performance

Executive Summary

1. The Trust's application to operate as an NHS Foundation Trust continues to be assessed by the NHS Trust Development Authority (TDA).
2. This paper provides an update on the updating of the Trust's Integrated Business Plan and associated material which forms part of its FT application.
3. It notes that performance against a number of national access standards has led the TDA to raise its level of concern at the Trust's performance, though at this stage without making any changes to the Trust's application timetable.
4. Potential delay to the Trust Board's meeting with the TDA Board as a result of the scheduling of the Care Quality Commission's Quality Summit is advised.
Recommendations The Trust Board is asked to: <ol style="list-style-type: none">a. Note the Trust's rating by the TDA as 'Concern requiring investigation' based on performance against a number of national access standards.b. Note progress to update the IBP.c. Agree to delegate authority to the Chairman and Chief Executive to submit the Trust's FT application following the Foundation Trust Programme Board meeting on 26 March.d. Agree the updated Governance Rationale.

Foundation Trust update

1. Purpose

This paper provides an update on the Trust's application for authorisation as an NHS Foundation Trust (FT) and on activities conducted since January as part of the FT Programme.

2. Foundation Trust application

- 2.1. The Trust remains on track to submit an updated Foundation Trust application to the NHS Trust Development Authority (TDA) on 1 April 2014.
- 2.2. This application will include an updated Integrated Business Plan (IBP), supported by an updated Long Term Financial Model (LTFM).
- 2.3. The updated IBP and LTFM will be based upon contract offers made to key commissioners during February.
- 2.4. The development of contract offers to include the necessary activity to address access standards has introduced some delay to the financial modelling required. As a result, Board members have been advised that a final draft IBP will be available for consideration prior to a meeting of the Foundation Trust Programme Board on 26 March, to which all Board members have been invited.
- 2.5. The Board is therefore asked to delegate authority to the Chairman and Chief Executive to submit the Trust's FT application following a meeting of the FT Programme Board on 26 March.
- 2.6. The Trust's FT application will then be brought to the Board's meeting in May.

3. Scrutiny and oversight

- 3.1. Monthly meetings continue with the Trust Development Authority.
- 3.2. January's FT Update paper to the Board noted that concern existed at OUH's performance against national access standards including A&E waits, diagnostic waits, elective waits and cancer waits.
- 3.3. January 2014's meeting with the TDA focused on these areas. The meeting noted that Trust-wide standards for 18-week Referral To Treatment (RTT) would be missed during January - March 2014, but OUH confirmed that it planned to deliver all RTT standards at Trust level from April 2014.
- 3.4. The Trust also confirmed that it expected to deliver the national standard for diagnostic waits from April 2014.
- 3.5. Discussion took place of TDA involvement in Oxfordshire meetings on winter pressures, delayed transfers and emergency care. The TDA undertook to consider how best to support a system-wide response to a need for escalation, with OUH keen to see action taken to improve the ability of community health and social care services in Oxfordshire to 'flex' in response to peaks of demand.

- 3.6. Prompted by recognition that bed availability for non-elective patients is compromised by the scale of delayed transfers, resolution of this issue is expected in order to demonstrate that the Trust can meet national standards for emergency care waits on a sustainable basis.
- 3.7. The *Accountability Framework for NHS Trust Boards*, published by the TDA in April 2013, sets out five 'levels of escalation' as shown below. During February 2014, the Chief Executive was advised by the TDA's Portfolio Director that the Trust is now rated as 'Concern requiring investigation.'

	Description	Actions, eg.
No identified concerns	<ul style="list-style-type: none"> On plan for quality and finance; or Minor variances from plan with confidence of recovery 	<ul style="list-style-type: none"> Business as usual monitoring meetings focussed on delivering sustainability
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Emerging concern	<ul style="list-style-type: none"> Material variances from plan on either quality or finance with robust recovery plans in place 	<ul style="list-style-type: none"> Monitor progress Identify improvement support Interaction led by Head of Delivery and Development
↓		
Concern requiring investigation	<ul style="list-style-type: none"> Material variances across several areas Lack of confidence in recovery plans 	<ul style="list-style-type: none"> Review recovery plan Close liaison with commissioners Interaction led by Portfolio Director
↓		
Material issue	<ul style="list-style-type: none"> Material variances across large number of areas/system-wide with significant impact on patients Performance continuing to deteriorate 	<ul style="list-style-type: none"> Commission independent investigation Risk summit Interaction led by Director of Delivery and Development
↓		
Formal action required	<ul style="list-style-type: none"> Material issue as above with failure to achieve improvement 	<ul style="list-style-type: none"> Identify which formal action using TDA powers are appropriate including review of leadership, unsustainable provider regime Interaction led by Chief Executive

- 3.8. At this stage, there is no suggestion that the Trust should not proceed with its FT application to the timetable already agreed, but the Trust can expect detailed review of its plans to recover performance and of progress against them.

4. Application timetable

- 4.1. The Care Quality Commission's Quality Summit is expected to take place in May, following the inspection by the Chief Inspector of Hospitals in February. As a result, the Board's meeting with the TDA Board, planned for early May, may be delayed slightly to allow it to follow the Quality Summit.
- 4.2. The Trust will continue to progress the work required to enable it to be ready to progress its application as quickly as possible.

5. Integrated Business Plan

- 5.1. The revised IBP will reflect changes in services and performance since July 2013 and incorporate feedback from the TDA since then as well as use contract offers made to commissioners in February 2014 as the basis for activity, income and workforce plans. Other main changes are to:
- 5.1.1. Update the Trust's strategy to reflect work on service integration with Oxford Health NHS Foundation Trust.
- 5.1.2. Include in the Trust's strategy a description of a service transformation programme and of continuing major investment to improve the availability and use of care information.
- 5.1.3. Update description of service developments to reflect the agreement of an Outline Business Case for a radiotherapy satellite unit at Great Western Hospital, Swindon and to describe progress towards re-procurement of the Trust's Electronic Patient Record system, the development of radiotherapy services in Milton Keynes and the redevelopment of operating theatres, critical care and high dependency facilities at the John Radcliffe Hospital.
- 5.1.4. Reflect the updated capital programme to be considered by the Board at its March meeting, including response to known backlog maintenance requirements and financing requirements.

6. Other elements of the application

- 6.1. Supporting strategies to be submitted as part of the FT application are shown below, with the dates of the Board meetings at which they were agreed. A revised Workforce Strategy is to be considered by the Board at this meeting.

	Board agreement
Quality Strategy	September 2013
Membership Strategy	January 2014
Estates Strategy	November 2012
IM&T Strategy	July 2012
Workforce Strategy	As agreed in March 2014

- 6.2. The Trust must also submit its draft Constitution (as agreed at its January 2014 meeting) and an associated Governance Rationale.
- 6.3. At its January meeting, the Board agreed to treat volunteers as members of the Trust's public constituency, making changes to the draft Constitution to achieve this. The revised draft Constitution is published on the Trust's website.¹ The Governance Rationale previously agreed in June 2013 has been updated to include this change and is attached for approval.

7. Recommendations

The Board is asked to:

- 7.1. **Note** the Trust's rating by the TDA as 'Concern requiring investigation' based on performance against a number of national access standards.
- 7.2. **Note** progress to update the IBP.
- 7.3. **Agree** to delegate authority to the Chairman and Chief Executive to submit the Trust's FT application following the Foundation Trust Programme Board meeting on 26 March.
- 7.4. **Agree** the updated Governance Rationale (Appendix 1 to this paper) as described in paragraph 6.3.

Andrew Stevens
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Report prepared by:
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March 2014

¹ Available at: <http://www.ouh.nhs.uk/foundation-trust/governors/documents/ft-draft-constitution.pdf>