

Trust Board Paper Y

To:	Trust Board						
From:	John Adler, Chief Executive						
Date:	30 th May 2013						
CQC regulation:	As applicable						
Title:	Stage 1 (HDD1) review final report						
Author/Responsible Director: Helen Harrison, FT Programme Manager / John Adler, Chief Executive							
Purpose of the Report: This paper sets summarises the key findings of the Stage 1 (HDD1) review carried out by Ernst & Young in January 2013 and the process for monitoring progress against actions to address the recommendations set out in the final report.							
The Report is provided to the Board for:							
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UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

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SUBJECT: Stage 1 (HDD1) review final report

1) Introduction

The Trust Board will be aware that in January 2013, Ernst and Young completed a repeat Stage 1 (HDD1) review. The review, commissioned by the Midlands and East Strategic Health Authority covered:

- A preliminary review of the extent of the analysis supporting the Trust's five year financial forecasts
- A review of the information required for the historical due diligence at Stage 2
- The financial reporting procedures report

Following factual accuracy checks on the draft report, the final report from this Stage 1 review was received by the Trust on 19th April 2013.

2) Key findings

The key findings of the Stage 1 review are:

- The Trust has made progress in developing forecast assumptions since the initial Stage 1 review was carried out in June 2011
- The Trust is in the process of developing it's forecast assumptions
- The Long Term Financial Model (LTFM) will require further development prior to the next stage of the FT application process

3) Next steps

- The recommendations from the Stage 1 review (and associated actions with due dates ranging from within one month to between three and six months) will be captured in the Foundation Trust (FT) Integrated Development plan. The Integrated Development Plan is overseen and reviewed on a monthly basis by the FT Programme Board
- The Stage 2 (HDD2) review is scheduled for March 2014

4) Recommendations

The Trust Board is asked to:

- **Note** the receipt of the Stage 1 review final report from Ernst & Young

- **Note** that actions to address the Stage 1 review recommendations will be tracked through the FT Integrated Development Plan, overseen and reviewed monthly by the FT Programme Board
- **Note** that the Stage 2 review is scheduled to take place in March 2014