

To:	Trust Board
From:	Jim Birrell, Interim Chief Executive
Date:	27 September 2012
CQC regulation:	As applicable

Title:	Foundation Trust (FT) Application Update										
Author/Responsible Director:	Helen Harrison – FT Programme Manager / Jim Birrell, Interim Chief Executive										
Purpose of the Report:	To provide an update on UHL's Foundation Trust (FT) application process, and progress against the timetable set out in the Trust's Tripartite Formal Agreement.										
The Report is provided to the Board for:	<table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 25%;">Decision</td> <td style="width: 25%;"><input type="checkbox"/></td> <td style="width: 25%;">Discussion</td> <td style="width: 25%;"><input type="checkbox"/></td> </tr> <tr> <td>Assurance</td> <td>X</td> <td>Endorsement</td> <td><input type="checkbox"/></td> </tr> </table>			Decision	<input type="checkbox"/>	Discussion	<input type="checkbox"/>	Assurance	X	Endorsement	<input type="checkbox"/>
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Summary / Key Points:	<p>UHL's FT application timetable is set out in a Tripartite Formal Agreement (TFA), which was signed off by the Trust, the Strategic Health Authority and our commissioners in March 2012 and by the Department of Health (DoH) in July 2012.</p> <p>Whilst the Trust is reporting red against five of the TFA milestones, and amber against one, all are reported to be recoverable within the Trusts overall FT application trajectory.</p>										
Recommendations:	<p>The Trust Board is asked to:</p> <ul style="list-style-type: none"> Note the Trust's current status against the key milestones set out in the TFA. 										
Previously considered at another corporate UHL Committee?	No										
Strategic Risk Register	Performance KPIs year to date										
Yes											
Resource Implications (eg Financial, HR)	Yes										
Assurance Implications	Yes										
Patient and Public Involvement (PPI) Implications	The Trust will be consulting on the principle of FT status, the benefits, the issues, the governance arrangements and the Trust's vision and values. The Integrated Business Plan and Long Term Financial Model will be subject to future										

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engagement activity with key stakeholders.
Equality Impact None
Information exempt from Disclosure None
Requirement for further review ? FT application updates will be presented to the Trust Board on a monthly basis.

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REPORT TO: Trust Board
DATE: 27th September 2012
REPORT FROM: Jim Birrell, Interim Chief Executive
SUBJECT: **Foundation Trust Application Update**

1) **Background**

This paper provides an update on UHL's Foundation Trust (FT) application process, and progress against the timetable set out in the Trust's Tripartite Formal Agreement.

2) **UHL's FT timetable**

UHL's FT application timetable is set out in a Tripartite Formal Agreement (TFA), which was signed off by the Trust, the Strategic Health Authority and our commissioners in March 2012 and by the Department of Health (DoH) in July 2012.

Key points to note from the timetable are:

- The date when UHL's FT application will be submitted to the DoH is 1st of August 2013. This would result in a potential FT authorisation date of 1st April 2014
- The Trust will need to complete a self assessment against both the Quality Governance Framework (QGF) and the Board Governance Assurance Framework (BGAF)
- Both of these self-assessments will need to be subject to an independent third party review
- A **first draft** IBP / LTFM will need to be submitted to the SHA by 31st October 2012
- A **second draft** IBP / LTFM will need to be submitted to the SHA by the end of November 2012. This will inform the UHL / SHA Readiness Review meeting, which in turn informs the SHA's decision to progress the Trust to the FT assurance and sign off stage
- The Readiness Review Meeting is scheduled to take place in December 2012
- The reports from the independent third party reviews form part of the readiness review documentation. Other documentation needed for the readiness review includes:
 - A full draft IBP and LTFM, including cost improvement plans (CIPs) and downside modelling
 - Our clinical strategy
 - Our enabling strategies (Estates, Workforce, IT, R&D and Membership)
 - Our final draft public consultation document
 - Self certifications
 - FT programme risk register including board Assurance Framework

- A **final** IBP / LTFM will need to be submitted to the SHA in July 2013 prior to the UHL / SHA Board to Board and final review before an application to become an FT is submitted to the DoH

3) Progress against UHL's TFA

Achievement against the key milestones set out in UHLs TFA is reported to the SHA on a monthly basis through the Provider Management Regime Submission and is also reported in the Trusts monthly Quality and Performance Report. As reported in the month 5 Quality and Performance Report UHL's progress against the key milestones identified in the TFA is as follows:

Date	TFA Milestone	RAG
April - August 2012	1) Engagement with stakeholders on principles underpinning LLR Reconfiguration Programme.	Fully achieved in time.
April - September 2012	2) Development of LLR Clinical Strategy and Site and Service Reconfiguration Proposals.	On track to deliver. The LLR Better Care Together Programme will be holding two workshops in September (27th) and October (11th) to bring together the LLR Clinical Strategy and future scenarios and site reconfiguration proposals which will stem from it. These workshops will take place in parallel to the development of the Trust's first draft IBP and LTFM by the end of October 2012.
July 2012	3) Complete financial assessment of target health system model	Not fully achieved The deadline for the completion of the LLR financial and economic modelling is now November 2012, the outputs from which will be reflected in subsequent versions of UHL's IBP and LTFM.
June 2012 and quarterly thereafter	4) Achievement of 2012/13 financial plan	Not fully achieved. The YTD position is £5.7m deficit which is £6.0m adverse to our Plan of £0.3m surplus. The Trust is still forecasting to deliver the £46k year end surplus.
June 2012	5) Complete Quality Governance Framework and Board Governance Assurance Framework self assessments	Not fully achieved. Commissioned external consultancy to support the Trust in completion of the BGAF developmnet model and self assessment.
July 2012	6) Confirm specific LLR reconfiguration priorities over a 3 year time horizon	Fully achieved on time. Further priorities or a revisit of current priorities could be required post Milestone 2 and 3 work has been completed.
September 2012	7) Draft pre-consultation Business Case considered by Trust Boards	Will not be delivered on time. This milestone is dependant upon milestones 2 and 3. The timescale for delivery of milestone 7 is predicated on the outputs from these milestones. It is envisaged that the delivery date for milestone 7 will be 31st October 2012.
1 st October 2012	8) Pre-consultation Business Case and timelines for LLR	Will not be delivered on time. Due to its dependency with milestone 7,

Date	TFA Milestone	RAG
	service reconfigurations finalised.	achievement of milestone 8 is anticipated to be completed by 30th November 2012.
1 st October 2012	9) UHL Clinical Strategy developed and preferred options costed.	On track to deliver.
31 st October 2012	10) Submit early draft IBP / LTFM to the SHA.	On track to deliver.
October 2012	11) 3 rd party review of self assessment against the Quality Governance Framework and Board Governance Assurance Framework.	On track to deliver.
October – December 2012	12) Formal Consultation on LLR Reconfiguration Proposals	Risk to delivery within timescale. Formal consultation anticipated to commence in December 2012/January 2013. Milestone 12 is predicated on achievement of milestone 8.
October 2012	13) SHA Board and Committee observation	On track to deliver.
1 st December 2012	14) Submit FT Application documents (including a draft IBP / LTFM) to the SHA	On track to deliver.
Mid December 2012	15) Readiness review meeting held	On track to deliver.
January 2013	16) HDD1 review	On track to deliver.
March – May 2013	17) Public consultation on FT Application	On track to deliver.
May 2013	18) HDD2 Review	On track to deliver.
2 nd July 2013	19) Final submission of FT Documentation to inform SHA sign off of FT application	On track to deliver.
July 2013	20) SHA / Trust Board to Board	On track to deliver.
1 st August 2013	21) Submit FT Application to the DoH	On track to deliver.

It should be noted that whilst the Trust is reporting red against five of the TFA milestones, and amber against one, all are reported to be recoverable within the Trust's overall FT application trajectory.

4) Governance arrangements for the planning process

The Trust Board will be aware that the FT timeline is challenging and that significant pace and grip will be required to deliver against this timeline. An FT Programme Board has been established. The Programme Board, which meets weekly is chaired by the Chief Executive. The Programme Board is responsible, through the Chief Executive, for reporting on progress against the FT programme to the Trust Board and for ensuring that the FT Programme remains on track to deliver.

5) **Recommendations**

The Trust Board is asked to:

- Note the Trust's current status against the key milestones set out in the TFA.