

Trust Board meeting 20 November 2008

TB2008.83

Subject	Foundation Trust - update on progress			
Purpose of paper	To update the Trust Board on current progress on the FT application process and associated activities.			
Board Lead(s)	Mr Andrew Stevens, Director of Planning & Information			
Background papers (if any)	FT Consultation Document Integrated Business Plan			
Action/decision required	To note issues on which further work is being done over the coming months as the work progresses particularly in relation to the governance arrangements for the FT and AHSC			
Key purpose	<u>Strategy</u>	<u>Assurance</u>	Policy	Performance
Strategic Goal(s)	To be hospitals of choice (SG1) To be world-leading teaching hospitals and an AHSC (SG2) To achieve financial sustainability and long-term growth (SG3) To be an excellent employer (SG4)			
Strategic Objective(s)	All but in particular SO8 - To develop the Trust's role as an academic health sciences centre of international standing. SO9 - To maximise the Trust's contribution to the health and wellbeing of the local community.			
Links to: Board Assurance Framework/ Trust Key Risks/Annual Health Check element(s)	Yes - failure to achieve FT status is included within the BAF and the Trust Key Risks.			
Also considered by	FT Steering Group			
Resource and financial impact	Not applicable directly although project support is now in place to support aspects of this work.			
Consideration of legal/equality/diversity/engagement	Consultation process was demonstrably inclusive and			

issues	resulted in a significant number of responses.
Acronyms and abbreviations used	FT - Foundation Trust; AHSC - Academic Health Sciences Centre

Foundation Trust - update on progress

1. Work has continued on the FT application process and, as a result of a number of key factors, the work has now been extended. Three key factors are now being addressed.
 - 1.1. Application process for Academic Health Science Centre (AHSC) status and related matters of governance;
 - 1.2. PCT related issues including joint work on financial sustainability and clinical engagement;
 - 1.3. Integrated Business Plan (IBP).

AHSC

2. The timetable for the application and designation process has been published and ORH is now working closely with the University of Oxford, the Nuffield Orthopaedic Centre, the SHA, the PCT and the Mental Health Trust. A new group, with an independent chair, has been formed to address the work plan and technical issues regarding the AHSC application and the development of proposals for an Academic Foundation Trust (AFT). This work is being facilitated by McKinseys and a detailed project structure is now in place with representatives from all parties actively involved.
3. The governance arrangements for the Board of Directors and the Members' Council of the AFT will be finalised through this process and specifically with the University of Oxford. Discussions are being held with Monitor, the Independent Regulator, to ensure that the submission of the ORH's proposed constitution and related documents is not delayed.
4. Individual elements of the application will require agreement by the individual bodies and it is expected that these will be brought to Boards/Council during December of this year.

PCT issues

5. As a result of the matters raised by the PCT and the Local Medical Committee, a series of discussions has led to agreement on the further work now needed on key elements of the Integrated Business Plan and long term financial model (LTFM). This further work will focus on financial sustainability in the Oxfordshire local health economy and on strategic fit.
6. Considerable clinical engagement takes place between GPs in Oxfordshire and the ORH; work has also been agreed to enhance this further through a series of meetings between GPs and ORH consultant staff.
7. The PCT is also actively involved in the work to develop the application for accreditation as an AHSC as described above.

IBP

8. The IBP was last reviewed in May/June of this year and inevitably a number of changes have arisen since, for example, the outcome of the Historical Due Diligence (HDD) review, and other reviews and work instigated by ORH. In addition, the LTFM has now been embedded within the routine work of ORH and its development is supporting the SLA process for the coming year with commissioners.
9. The project structure for the FT application has been reviewed and resources have now been reorganised to ensure that key areas of activity can be addressed in parallel and in co-ordination with the AHSC accreditation process and the PCT work described above.
10. The project plan is to be updated and the timetable revised. The IBP will be reviewed and updated, particularly to take account of the actions now underway following the HDD and other reviews mentioned above. In particular, attention is being paid to the risk, governance and workforce chapters of the IBP, its appendices including the constitution. In addition, work continues to support the Board and preparation for the Board to Board meeting with the SHA, anticipated early in the New Year.
11. The newly appointed Director of HR and the FT Secretary will be actively involved in this work.
12. Good progress continues to be made in key aspects of FT requirements. For example:
 - 12.1. The membership target for November has been exceeded (at over 4,000) and it is expected that a further 2,000 public members will have joined by the time elections can be held (after approved by the Secretary of State).
 - 12.2. Three very well received training events have been held for those ORH public members who have indicated their interest in election to the Members' Council, and further events are planned for December and January across Oxfordshire. These events are expected to be very well attended. Dates will be circulated to Board members.
 - 12.3. The final stages of the selection of the company to provide election services (in line with Monitor's model election rules) are being reached so the elections can be well prepared for and that the expertise of the chosen supplier can support training events and membership development and communications. We anticipate being able to have elections in the early spring.
 - 12.4. Staff engagement events are now being planned (including leaders' briefings and CE meet the people sessions). These events will include updates on the AHSC process and specifically on the election process and the importance of staff members on the Council.
 - 12.5. A detailed communications plan is being prepared for both the coming three months and for the longer term. The plan will cover both AHSC and AFT development, progress and key time lines.

Recommendation

13. The Board is asked to note the above report and to receive further reports in January 2009 together with specific proposals in relation to each of the three key areas of work.

Megan Turmezei
Assistant Director of Governance
November 2008