

## Foundation Trust Programme Update

<b>Agenda Item:</b>	17	<b>Reference:</b>	WCT14/15-081
<b>Meeting Name:</b>	Trust Board	<b>Meeting Date:</b>	7 July 2014
<b>Lead Director:</b>	Steve Wilson		
<b>Job Title:</b>	Director of Finance and Development		

<b>Link to Business Plan:</b>			
<b>Has an Equality Impact Assessment (EQIA) been undertaken &amp; attached?</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
<b>Have the Public &amp; Stakeholders been consulted?</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
<b>To Approve</b> <input type="checkbox"/>	<b>To Note</b> <input type="checkbox"/>	<b>To Assure</b> <input checked="" type="checkbox"/>	

<b>Financial Implications:</b> <i>E.g. What is the Impact on the Trust? Does it provide Value for Money? All costs should be clearly explained in the section below.</i>			
Dependant on achieving Foundation Trust status.			
<b>Overall Cost / Pressure:</b>	n/a	<b>Overall Income:</b>	n/a
<b>Additional Funding Required:</b>	n/a	<b>Funding Already Ring Fenced:</b>	n/a

<b>Identified Risks:</b>
Ability to deliver the organisational change to meet NHS policy within the financial envelope and timescales set by Department of Health.

<b>Assurance to Board:</b>
Programme management arrangements, overall timetable and risks to achieving FT status determined, as set out in this paper.

<b>Publish on Website:</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<b>Private Business:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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Report History		
Submitted to	Date	Brief Summary of Outcome
		Regular report submitted each month

# Wirral Community NHS Trust

## Foundation Trust Programme - Update

### Purpose

1. The purpose of this paper is to provide an update with regard to the Trust's progress with its application for Foundation Trust status.

### General Programme Update

2. The programme plan and associated actions are on track to support continued delivery to the anticipated timetable.
3. The trust submitted its five year Integrated Business Plan, long term financial model and associated strategies to the TDA in line with the national deadline of 20 June 2014.
4. The trust has been formally notified of a CQC Chief inspector of Hospitals visit which is due to commence on the 1 September 2014. The first tranche of information has been submitted to the CQC in advance of their visit.
5. The trust has been put forward by the TDA to Monitor to undertake a Quality Governance Assurance Framework (QGAF) review under the new approach to QGAF. This involves the external review during the TDA phase of an FT application being undertaken by Monitor rather than an independent body. This ensures consistency with the review when entering the Monitor phase of an FT application.

### Work stream Updates

#### Business Planning Work stream

6. The Trust has submitted its five year business plans to the TDA in line with the national deadline of 20 June.
7. Plans were submitted in the form of an updated Integrated Business Plan (IBP) and Long Term Financial Model (LTFM). These are the seventh version of the trust's documents and set out plans and financial expectation for 2014-2019.
8. The formal submission comprised the following document
  - i) Integrated Business Plan 2014 – 2019
  - ii) Base Case Long Term Financial Model (LTFM)
  - iii) Downside LTFM
  - iv) Mitigated Downside LTFM
  - v) Summary of five year plans
  - vi) Activity plans
  - vii) Five year Workforce Plans
9. The submissions show the clear alignment of trust plans with the wider health and social care economy and demonstrate the delivery of high quality, safe, effective and responsive services which are financially sustainable.
10. The submitted documents demonstrate the case for foundation trust status.

#### Quality Work stream

11. There has been significant progress in the quality work stream with developments in two key areas.

12. The trust has received formal notification of an inspection under the CQC Chief Inspector of Hospitals inspection regime commencing on 1 September 2014.
13. This is a highly significant event in its own right and something we welcome as an opportunity to demonstrate the high quality care we provide. It is also a significant part of the foundation trust application process as both the TDA and Monitor will not approve FT applications at either of their final approval stages without satisfactory sign off as good or outstanding by the CQC under the new regime.
14. We have commenced engagement with the CQC and begun some of the information exchange which is required in advance of the inspection.
15. We have also commenced our preparation for the inspection with will review the trust's services against the five CQC domains of:
  - Safe
  - Effective
  - Caring
  - Responsive
  - Well Led
16. In addition to the preparation for the Chief Inspector of Hospitals inspection the trust has been proposed, by the TDA, to work with Monitor on a review of our Quality Governance Assurance Framework or QGAF. This work will involve Monitor reviewing the trust's evidence for our assessment of our QGAF score.
17. Monitor will commence the review at the start of July with a review of documentary evidence and will follow up with a series of interviews and observations during July and August.
18. The review is expected to last for two months and will culminate in Monitor submitting their assessment of the trust's QGAF score. This will then ensure consistency as we move from the TDA phase of our FT application to the Monitor phase.
19. We will keep the board updated on developments with both the CQC inspection and the Monitor QGAF review.

### **Finance & Performance Work stream**

20. As described above the trust's five year financial plans have been submitted to the TDA. These consist of base case financial plans, the testing of the sensitivity of those plans and associated assumptions to risks, and the plans to mitigate risks.
21. These plans show, subject to the delivery of challenging CIP savings each year of 4% - 5%, the Trust maintains a financial surplus of more than 1 %, a healthy case position and a continuity of services risk rating of 4 for each of the 5 years of the planning period.
22. The plans are sensitive to assumptions on the delivery of CIP, the annual NHS tariff deflator and pay inflation, however the assumption made in the plans are robust and prudent.
23. Under a so called "Downside" scenario the trust would be able to maintain its surplus, cash balance and risk rating through the delivery of identified mitigating actions.

### **TDA Reporting**

24. The Trust has submitted its second set of monthly TDA monitoring returns for 2014/15. These were agreed at the June Finance and Performance Committee and relate to the month of May.
25. The Finance and Performance Committee and Quality and Governance Committee have reviewed the relevant elements of the self-certification statements and have recorded their assurance on the submitted position of compliance with all indicators.

**Board Action**

26. The Trust Board is asked to note and to be assured on the progress made by the Trust in its FT application process and assure itself that the actions identified are consistent with existing timeframes.

**Steve Wilson**

Director of Finance and Development