



Haringey Council

Report for:	Health and Wellbeing Board	Item Number:	
Title:	North Middlesex University NHS Trust's Foundation trust Application Update		
Report Authorised by:	Lance McCarthy, Deputy Chief Executive, North Middlesex University NHS Trust		
Lead Officer:	Lance McCarthy, Deputy Chief Executive, North Middlesex University NHS Trust		
Ward(s) affected: All	Report for Key/Non Key Decisions: N/A: For Update and Discussion		

1. Describe the issue under consideration

1.1. This paper updates Haringey's Health and Wellbeing Board on the progress that North Middlesex University Hospital NHS Trust (North Mid) is making with its application to become a Foundation Trust. It specifically details the next steps in the application process, the timetable and the public consultation process

2. Recommendations

2.1. It is recommended that the Health and Wellbeing Board:

- (a) Note the report attached at Appendix 1;
- (b) **NOTE** the progress being made with the North Mid's FT application
- (c) **NOTE** the process of ongoing discussions between North Mid and CCG Chief Officers and Finance Directors to ensure that plans are aligned and enable commissioner support for our application
- (d) **NOTE** the timeline for formal Governing Body support for our application in the late summer / early autumn (September Governing Body meetings)
- (e) **RESPOND** formally as a Health and Wellbeing Board to the public consultation
- (f) **ENCOURAGE** individual responses to the public consultation from colleagues and members of the public



3. Background information

- 3.1. Foundation trusts are independent legal entities that have different governance arrangements to NHS trusts as they are accountable to local people, who can become members and governors.
- 3.2. They devolve decision making from central government to local organisations and communities, are not directed by government – giving them greater freedoms to decide their own strategy and the way services are run.
- 3.3. The North Middlesex University Hospital NHS Trust's Foundation Trust application has not been previously discussed formally by Haringey Health and Wellbeing Board.

4. Comments of the Chief Finance Officer and financial implications

- 4.1. The resource implications will be set out by the North Middlesex Hospital in due course.
- 4.2. There are no direct financial implications for the Council.

5. Comments of the Assistant Director of Corporate Governance and legal implications

- 5.1. The Assistant Director of Corporate Governance has been consulted on this report. There are no specific legal implications.

6. Equalities and Community Cohesion Comments

- 6.1. This is an information report and as such, Policy and Equalities Team have no specific equalities comments to make at this stage.
- 6.2. It would appear from paragraph 6.2 of this report that North Mid have carried out an equality impact assessment and have found that becoming a Foundation Trust would have no negative equality impacts.
- 6.3. **Patient & Public Involvement (PPI):** Details of the 12 week consultation are provided in the following paper. (*Comment from North Middlesex*)
- 6.4. **Equality Analysis:** There are no negative equality impacts on the local population in North Mid either applying for or becoming an FT. A public consultation for 12 weeks is a requirement for a successful application. (*Comment from North Middlesex*)



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7. Policy Implication

- 7.1. The Health and Wellbeing Strategy aims to improve the health and wellbeing of children and adults in our borough and reduce health inequalities between the east and west of the borough.

- 7.2. The North Middlesex University NHS Trust is a provider of healthcare services to the residents of Haringey.



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9. Use of Appendices

9.1. Appendix 1: North Middlesex University Hospital NHS Trust's
Foundation Trust Application Update Report

10. Local Government (Access to Information) Act 1985

N/A



NORTH MIDDLESEX UNIVERSITY HOSPITAL NHS TRUST'S FOUNDATION TRUST APPLICATION UPDATE

1. Background to Foundation Trusts (FTs) and our application to become one

Foundation Trusts (FTs) remain part of the NHS but are authorised and regulated by Monitor. They have a different structure and governance to NHS Trusts in that they are membership organisations with members drawn from the public and staff, who can be elected to be governors on a Council of Governors to which the Board of Directors reports.

There are many benefits to patients, staff and the Trust of becoming an FT, including:

- local ownership – membership and council of governors having a greater say in shaping services and influencing investment decisions
- greater voice for staff – with increased ownership
- improved governance – the application process a catalyst to improve governance and internal systems of control
- greater financial freedoms – enabling longer term planning

North Middlesex University Hospital NHS Trust (North Mid) has recently undergone the biggest transformation in its history. Over £200 million has been spent on new buildings and new services in the past five years and we now provide high quality healthcare for more people than ever before. We are proud of the journey we have been on and with the people who work with us, with our patients and with our local community.

We will continue to grow as we seek to become the healthcare provider of choice in north London and becoming an FT is our next great opportunity and a really important step for all of us. We believe achieving FT status will yield the benefits identified above and also, ultimately, support our continuing development and improvement as an organisation and, as a membership organisation, staff, patients and our local population will have key roles to play in the development of our services.

2. Application Process

FT applications are managed by the NHS Trust Development Authority (NTDA). The process for applications is detailed in their Accountability Framework, revised most recently in April 2014. There are three stages to the NTDA approval process (diagnosis and preparation; development and assurance; approval and referral to Monitor) before a referral to Monitor is made, expected to take approximately 12 months in total. The subsequent Monitor phase is expected to take a further 6 months before authorisation is achieved.



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The format of the application process is very clear and very prescribed including, in the NTDA phase:

- Development of an Integrated Business Plan (IBP) - 10 years for North Mid as we have a PFI building
- Development of a Long Term Financial Model (LTFM) showing financial sustainability (also 10 years)
- Completion of a Board Governance Assurance Memorandum and external review of this
- Completion of a Quality Governance Memorandum and external review of this
- 2 Independent Financial Reviews (IFRs, formerly Historic Due Diligence (HDD)) of our finances
- Observations of Trust Board and key Board sub-committee meetings
- Interviews with all Trust Board members
- 'Good' or 'Outstanding' report from the Chief Inspector of Hospitals / CQC visit
- Commissioner support from key commissioners in the form of a formal letter
- Commissioner interviews
- 12 week public consultation
- Creation and development of a representative membership (c. 4,000 public members and 2,500 staff members)
- Creation of a organisational constitution
- Board to Board meetings with TDA.

The Monitor phase includes:

- Further IFR
- Additional Quality Governance review
- Observations of Trust Board and key Board sub-committee meetings
- Commissioner interviews
- The appoint of 23 (proposed) governors and development of a shadow Council of Governors
- Board to Board meetings with TDA

3. North Mid progress along the pipeline

Good progress is being made with our FT application. We are formally in the middle of the second (development and assurance) of the three NTDA stages.

The key elements to the approval of our application by the NTDA and their referral of it on to Monitor are:

- Complete and comprehensive IBP and LTFM
- 'Good' or 'outstanding' Chief Inspector of Hospitals (CIH) report
- Commissioner letters of support for the application
- Externally assessed IFR2 that doesn't raise any major concerns



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- Completion of a 12 week public consultation and amendments to our plans where relevant
- Successful Board to Board meeting with the NTDA

We are in discussion with the NTDA about some of the specifics of our timeline, including the exact dates of the 3 key meetings with them. These are likely to be:

- Exec to Exec meeting – 2nd July
- Readiness Review (Executive Directors and Chair) – 8 August
- NTDA Board to Board – TBC

We are continuing to progress all elements of our application with these dates whilst confirmation is attained.

3.1 Complete and comprehensive IBP and LTFM

The draft IBP and LTFM continue to be updated as time moves on, particularly as we have just moved in to a new financial year. The key ongoing pieces of work for the forthcoming months include:

- Receipt of and integration of NTDA comments on the first draft version
- Receipt and integrations of CCG comments on the first draft version (see commissioner letters of support section below)
- Continued development of specialty specific development plans supporting the Trust's Service Development Priorities and linking workforce, capital, revenue and estate implications together
- Development of a 10-year QIPP programme, by the end of June
- Updating the downside mitigations
- Refresh of the IBP documentation and all supporting strategies / documents as a result of the above

3.2 'Good' or 'outstanding' Chief Inspector of Hospitals (CIH) report

To progress along the FT timeline our CIH report needs to be rated as either 'good' or 'outstanding'. Anything else will necessitate a halt in our progress along the timeline, realistically for a minimum of 6 months whilst we are able to address any shortfalls sustainably and be re-inspected to provide evidence and assurance of the changes made. Good preparation for the visit taking place from 3rd June to 6th June, is being undertaken.

3.3 Commissioner letters of support for the application

A key requirement for progression of our application is letters of support for it from our key commissioners (those with more than approximately 25% of our activity). For us this is Enfield and Haringey CCGs only.

There are regular fortnightly meetings with the Chief Officers and Finance Directors of the CCGs, Deputy CEO and FD of the Trust and representatives of the NTDA



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and NELCSU to discuss the detail in our IBP and LTFM and the assumptions that underpin them.

There is clearly the need to ensure that our plans are broadly in line with current commissioning intentions, commissioners' 5-year plans and the Better Care Fund developments. It is expected that through these discussions and discussions at relevant Governing Body meetings, seminars and sub-committees (to be determined) that the Haringey CCG and Enfield CCG Governing Bodies will be in a place to formally discuss and support our FT application in their public meetings in the late summer / early autumn (September Governing Body meetings).

3.4 Externally assessed IFR2 that doesn't raise any major concerns

The NTDA phase of the FT application requires two IFR reviews. Part I has been completed and the actions from these are being worked through and addressed in full. The second phase is planned to commence on 16 June and run for approximately 4 weeks, with a full report received by 28 July. The Trust's finance team are working through the detailed information required in advance.

3.5 Completion of a 12 week public consultation and amendments to our plans where relevant

Consultation on our application and proposed governance structure starts on 27 May and will run for 12 weeks. This is a material piece of work engaging with our staff and public members about our plans. We are targeting 750 responses to our proposals, which will be evaluated fully and suitable amendments made to our plans as a result. A consultation document will be posted to all members and we will be running a number of public events in both Haringey and Enfield (dates below) as well as a number of additional staff events. Meetings are also being arranged with all our key stakeholders to discuss the proposals.

It is enormously important for us to hear the view of our members and the public on our proposals for how the Trust will work when it becomes an FT. A formal response from the CCG is required as part of the application process and individual responses from members of the Governing Body and colleagues would be warmly welcomed. Comments can be provided in a variety of ways, including filling out a questionnaire included in the consultation document, or by completing it online at www.NorthMidHaveYourSay.co.uk.

The public events dates are:

- 12th June 2014 - Dugdale Centre, Enfield from 18:30 – 20:30
- 16th June 2014 - Greendale Towers Community Centre, Edmonton from 14:00 – 16:00
- 3rd July 2014 - Haringey Civic Centre, High Road, Wood Green from 14:00 – 16:00
- 17th July 2014 - College of Haringey, Tottenham from 18:30 – 20:30



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3.6 Successful Board to Board meeting with the NTDA

The exact date of the Board to Board meeting with the NTDA is yet to be confirmed but is likely to be in the early autumn 2014.

3.7 Other programmes of work

There are a number of other pieces of work that are currently underway to underpin our application. These include:

- Membership recruitment – we continue to work with Membership Engagement Service to recruit public members. We are targeting 4,000 public members by the end of the autumn and currently have in excess of 3,000. Our Council of Governors will be elected in the most part from our staff and public members so good engagement with them is key to having a well-functioning Council of Governors.
- Member events – to support the engagement of all our members (staff and public) a series of monthly events is being planned from June, covering a range of topics to appeal, over time, to all members. This will be a good opportunity for public members to engage with the Trust and for staff members to understand about areas of the organisation they may not know too much about.