

Health and Well-being and Adult Social Care Scrutiny Board

Leeds Teaching Hospitals NHS Trust

Update of progress towards foundation trust status

13 March 2014

Introduction

1. In April 2013, the Trust moved under the oversight of the NHS Trust Development Authority (TDA) and is accountable to it, as it prepares for authorisation as a Foundation Trust.
2. In May 2013, the TDA identified sufficient concerns to merit rating the Trust as having 'material issues' with an escalation score of '4' (on a scale of 1 to 5 where 5 is the highest level of concern). The current rating continues to be '4'.
3. The Trust and TDA agreed a recovery plan in June 2013. Progress against this has been monitored throughout the year.
4. To achieve Foundation Trust status, the Trust will need to demonstrate that it has the leadership and governance to ensure continued delivery of high quality care within an organisation that has a strategy that is clinically and financially sustainable.
5. An agreed date for the Trust's formal application to become a Foundation Trust has not yet been agreed with the TDA. A key determinant will be the financial strategy.

Recovery plan

6. The key elements of the recovery plan are:
 - § A&E: delivery and maintenance of the 95% standard for patients seen within 4 hours
 - § referral to treatment (RTT): delivery of the 18 week standard for patients requiring admission for elective surgery
 - § actions resulting from the NHS England Risk Summit on Paediatric Heart Surgery
 - § a sustainable financial plan which is materially commissioner supported
 - § leadership capacity.
7. The Trust committed to delivering the A&E standard from the beginning of June 2013. This was achieved and has been consistently maintained until February 2014 when a combination of factors (high demand, shortage of nurse staffing, Nora virus) compromised delivery for a period of several weeks. Performance is now back in line with the standard.
8. The Trust developed an action plan aiming to deliver the 18 week standard by January 2014. Unfortunately this trajectory has not been achieved and a revised target date has been set for June 2014. The TDA has challenged and received assurance that this plan is robust. The Trust Board has also received independent assurance from the NHS intensive support team that the plan is based on best practice process and guidance to ensure delivery is sustainable.

9. The NHS England Risk Summit on Paediatric Heart Surgery was triggered by concerns raised over mortality data. The TDA was assigned specific responsibility for oversight on two elements of the resulting action plan: review and revision of the Trust's approach to complaints; and Information Governance. The Trust Board approved a new Complaints Policy in November and has demonstrated to the TDA that the Information Governance structures and processes have been reviewed and strengthened.
10. The Trust was required to submit a robust financial plan that provided sufficient levels of efficiency and surplus in accordance with TDA guidance. The plan submitted in April 2013 failed to do so. Subsequent assessment of the Trust's financial position demonstrated that it has a significant financial challenge. The Trust is working with the TDA on a turnaround plan that will deliver financial viability over a period of two to three years. The scale of the challenge is now better understood and mechanisms are being put in place to meet the challenge.
11. A year ago, the Trust had a number of vacancies at Executive level and had implemented internal reorganisation of management structures to strengthen clinical leadership. The TDA identified leadership capacity as a significant risk. Immediate action was taken to appoint an interim Chief Executive and interim Director of Recovery. Substantive appointments have followed with the recruitment of Julian Hartley as Chief Executive, Tony Whitfield as Finance Director and Simon Neville as Director of Strategy and Planning (to start in May 2014). Tony and Simon have been recruited from one of the country's highest performing foundation trusts. Further senior management appointments have been made to strengthen internal capability and capacity.

Progress to Foundation Trust Status

12. On the 17th March, the Care Quality Commission (CQC) will conduct an inspection of the Trust in accordance with the new approach set out by the Chief Inspector of Hospitals. This is a significant milestone in the Trust's preparation, the outcome being an objective assessment to the public and stakeholders of the quality of care delivered. For the Trust to progress with an FT application, it will need a rating of 'Outstanding' or 'Good'.
13. The Trust will submit a Board approved two year plan to the TDA on the 5th April, followed by a five year plan on the 20 June. These documents will provide assurance on the Trust Board's strategic thinking and preparation for Foundation Trust status.
14. The Trust will continue to develop its plans and embed the necessary strengthening of governance arrangements under the oversight and support of the TDA.
15. The expected date for application to become a Foundation Trust has not yet been agreed, a key determinant being the agreement of a robust financial strategy.

Conclusions

16. The Trust is in a period of change following renewal of executive and senior leadership. Good progress has been achieved in addressing the concerns that triggered the TDA's rating of 'material issues'. However, this rating still applies due to on-going issues particularly related to delivery of the RTT standard and the financial strategy.
17. The Trust is progressing towards Foundation Trust status, with the support of the TDA. However, the timescales are still subject to further agreement.