

South Tees Hospitals

NHS Foundation Trust

Meeting / Committee:	Board of Directors	Meeting Date:	24 February 2015
-----------------------------	--------------------	----------------------	------------------

This paper is for:	Action/Decision	Assurance X	Information
---------------------------	-----------------	----------------	-------------

Title:	Update on enforcement agreed with Monitor
---------------	---

Purpose:	The purpose of this report is to provide a monthly update to the Board of Directors on actions undertaken to comply with the enforcement action agreed with Monitor.
-----------------	--

Summary:	<p>In July 2014 the trust agreed a number of actions with Monitor, the national regulator of NHS Foundation Trusts, to ensure the organisation is compliant with its licence to operate.</p> <p>The actions relate to clostridium difficile, financial sustainability and governance.</p>
-----------------	---

Prepared By:	Caroline Parnell	Presented By:	Prof. Tricia Hart Chief Executive
---------------------	------------------	----------------------	--------------------------------------

Recommendation:	The Board of Directors is asked to note the content of the update.
------------------------	--

Implications	Legal X	Financial	Clinical	Strategic X	Risk & Assurance X
---------------------	------------	-----------	----------	----------------	-----------------------

**UPDATE ON ACTION TO ADDRESS ENFORCEMENT ACTIONS AGREED WITH MONITOR
February 2015**

	Required action	Timescale	Lead	Status/update
	Clostridium difficile			
1	Develop a clostridium difficile action plan to return to compliance with trajectory on a sustainable basis	Completed	R. Holt	Plan updated to include M Wilcox findings. Submitted to Monitor 8/9/14. The plan will be updated following M Wilcox CDI review on the 17 February 2015
2	Get external assurance on the plan and actions with advisor to be agreed with Monitor. Plan to include metrics and KPIs.	Completed	R. Holt	Agreed with Monitor that M Wilcox can act as advisor
3	Implement action plan	Ongoing	R. Holt	Progress against plan tracked via Aspyre system. Monthly reports to Board.
4	Get assurance from external advisor (to be agreed with Monitor) that the plan has been fully implemented.	Completed	R. Holt	Agreed with Monitor that M Wilcox can provide external assurance on implementation. Visiting trust on 17 February

5	Report to Monitor on progress	Monthly	R. Holt	Discussed at monthly meeting with Monitor December 2014 and January 2015. Monthly board reports sent to Monitor. Expect discussion at meeting 3 March 2015
	Financial sustainability			
6	Develop and submit a financial recovery plan that returns the trust to a sustainable COSRR 3 position within three years	30/9/14	C. Newton	Major focus has moved to year two of the recovery plan, building on successful over-delivery of year one.
7	Plan to include analysis of the causes of the deterioration in financial performance in 2013-14 and steps to be taken to address deterioration	30/9/14	C. Newton	Completed
8	Implementation actions in the financial recovery plan	Ongoing	C. Newton	Tracking financial yield from Continuing the Journey work via Transformation Board Regular reports to Transformation Steering Committee Regular reports to Board

9	Appoint a transformation director to support delivery	Completed	D. Jenkins & T. Hart	Siobhan McArdle took up post 2 days a week January 2015. Full time from April 2015
10	Report on implementation of financial recovery plan	Monthly	C. Newton	Starting from 24/10/14 monthly meeting with Monitor
	Board governance			
11	Commission a board governance and leadership review from external advisor (to be agreed with Monitor) focusing on board leadership, effectiveness, capacity and capability, and identify failings that led to financial and operational failures.	Completed	D. Jenkins & T. Hart	Deloitte appointed by panel Draft report received 23 December and circulated to board. Task group reviewed comments 14 January 2015. Points of accuracy and comments discussed with Deloitte 16 January 2015 Report and draft management response discussed 27 January 2015
12	Develop a board governance and leadership action plan agreed with external advisor and Monitor	Completed	D. Jenkins & T. Hart	Management response agreed 12 February 2015 and sent to Monitor

13	Implement board governance and leadership action plan	July 2015	D Jenkins & T Hart	Management response, including timelines agreed 12 February 2015
14	Obtain external assurance that plan has been fully implemented	July/August 2015	D Jenkins & T Hart	Deloitte to review actions
15	Report on implementation of plan	Monthly	D Jenkins & T Hart	Management response to be discussed at PRM on 3 March 2015
	Further governance requirements			
16	Ensure sufficient and effective board management and clinical leadership capacity and capability, as well as appropriate governance systems and processes to comply with enforcement undertakings		D Jenkins & T Hart	McKinsey facilitated away day with newly reconstituted board 18/9/14 OHI survey Senior leaders event 22/10/14 Board development session 13/11/14 Deloitte informal feedback to board 1/12/14 Executive team roles fully appointed to 20/1/15