

APPENDIX A

VARIATION TO ENFORCEMENT UNDERTAKINGS

LICENSEE:

Blackpool Teaching Hospitals NHS Foundation Trust (“the Licensee”)
Whinney Heys Road
Blackpool
FY3 8NR

BACKGROUND:

NHS England accepted replacement enforcement undertakings from the Licensee on 10 June 2024 in response to the Licensee's financial position at that time and quality issues. A review of the Licensee's progress in addressing the Financial elements of the Undertakings has been completed, resulting in a revision to the existing undertakings that reflects the Licensee's current position.

VARIATION:

The Licensee and NHS England have agreed the following variations to the terms of the Enforcement Undertakings accepted from the Licensee by NHS England on 10 June 2024:

New licence conditions are inserted into the 'Breaches' table as follows:

NHS2(5)(g)	<p>The Licensee shall establish and effectively implement systems and/or processes:</p> <p>(g) to generate and monitor delivery of business plans (including any changes to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery.</p>
------------	--

New sub-paragraphs are inserted in the 'Grounds' Finance section as follows:

"4.1.4 the Licensee did not deliver the 2023/24 Financial Plan and reported an annual deficit of £7.7m for 2023/24.

4.1.5 the Licensee is significantly adrift from plan at Month 8 2024/25 by £ 10.3 m.

4.1.6 the Licensee has a significant increasing underlying deficit of concern for 2024/25. The 2024/25 planned deficit is £21.9m. At Month 8, the year-to-date deficit (excluding deficit support funding) is £42.6m and the projected forecast outturn deficit is £59.6m

4.1.7 the scale of the Licensee's financial deficit and the variance in relation to annual financial planning indicates serious concerns regarding effective decision-making and control and that further action is required by the Licensee to address its financial position"

In paragraph 2 'Financial Planning' of the 'Undertakings' section, the following text is deleted:

2. Financial Planning

2.1 The Licensee will take all reasonable steps to achieve financial balance by the 2024/25 financial year.

2.2 The Licensee will deliver the Licensee's 2023/24 Financial Plan unless otherwise agreed.

2.3 Within the timeframe set by NHS England, the Licensee will submit a Financial Plan for 2024/25 that achieves financial balance. The Plan should be consistent with the medium-term system plan currently in production, which sets out a trajectory for the Integrated Care System to achieve underlying financial balance by 2026/27.

2.4 The Licensee will keep the Financial Plans and their delivery under review. Where matters are identified which materially affect the Licensee's ability to meet the requirements of paragraph 2.1, whether identified by the Licensee or another party, the Licensee will notify NHS England as soon as practicable and update and resubmit the Financial Plan within a timeframe to be agreed with NHS England.

2.5 The Licensee will take all reasonable steps to deliver the balanced plan for 2024/25, including but not limited to compliance with any half year milestones.

In paragraph 2 'Financial Planning' of the 'Undertakings' section, the following text is inserted:

2. Financial Planning

2.1 Within a timeframe set by NHS England, the Licensee will agree a 2025/26 Financial Plan with NHS England.

2.2 The Licensee will deliver a quarter-on-quarter run rate improvement from Quarter 4 2024/25 and throughout 2025/26.

2.3 The Licensee will comply with all documented actions required by the System Financial Turnaround Director through the Improvement and Assurance Group (IAG).

After paragraph 2 ‘Financial Planning’ of the ‘Undertakings’ section, the following new undertakings are inserted as paragraphs 1A and 1 B:

"2A. Leadership and Governance

- a. The Licensee will co-operate and engage as required with the "Governance and Leadership Review" initiated by NHS England and led by an NHS England appointed Improvement Director.
- b. The Licensee will inform NHS England prior to recruitment to executive board level posts and will (a) share the relevant person specifications with NHS England in draft for NHS England's comment. (b) provide a timetable for the appointment, and (c) ensure that there is NHS England representation on the interview panel.

2B. Recovery Support Programme

- a. The Licensee will evidence all reasonable steps have been taken to meet the Recovery Support Programme (RSP) Exit Criteria as set out and agreed by the IAG, in accordance with the timescales agreed by the IAG.
- b. The Licensee will carry out a review of progress against the RSP Exit Criteria and report to the IAG, in accordance with the timescales agreed by the IAG.
- c. In line with the IAG Terms of Reference and the requirements of the System Oversight Framework segmentation, the Licensee will cooperate fully with NHS England, health sector stakeholders and any external agencies or individuals appointed to work with or support the Licensee to address the concerns which these undertakings seek to address."

In paragraph 3 'Distressed Funding' of the Undertakings section, insert:

"c. The Licensee will comply with any spending approvals processes that are deemed necessary by NHS England"

In paragraph 4 'Reporting' of the 'Undertakings' section, the following text is deleted:

4. Reporting

- a. *The Licensee will provide regular reports to NHS England on its progress in meeting the undertakings set out above and will attend meetings, or, if NHS England stipulates, conference calls, as required, to discuss its progress in meeting those undertakings. These meetings will take place once a month unless NHS England otherwise stipulates, at a time and place to be specified by NHS England and with attendees specified by NHS England.*
- b. *The Licensee will provide NHS England with the assurance relied on by its Board in relation to its progress in delivering these undertakings, upon request.*
- c. *The Licensee will comply with any additional reporting or information requests made by NHS England.*

In paragraph 4 'Reporting' of the 'Undertakings' section, the following text is inserted:

4. Reporting

- a. *The Licensee will provide regular reports to NHS England through the IAG on its progress in meeting the undertakings set out above.*
- c. *The Licensee will attend monthly IAG meetings, or, if NHS England stipulates, conference calls, as required, to discuss its progress in meeting those undertakings. IAG meetings will be led by the System Financial Turnaround Director, with attendees specified by NHS England.*
- d. *The Licensee will provide NHS England with the assurance relied on by its Board in relation to its progress in delivering these undertakings, upon request.*

- e. *The Licensee will comply with any additional reporting or information requests made by NHS England.*

These variations are agreed pursuant to paragraph 11 of Schedule 11 to the Health and Social Care Act 2012 (variation of terms).

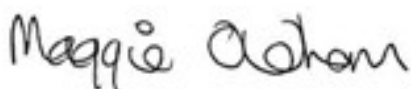
All other terms of the original Enforcement Undertakings accepted from the Licensee by NHS England on 10 June 2024 remain unchanged.

Signed on behalf of the Licensee

Name: Maggie Oldham

Position: Chief Executive Officer

Signature:

A handwritten signature in dark ink that reads 'Maggie Oldham'.

Date: 05.03.25

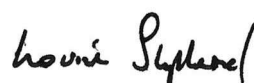
Signed on behalf of NHS

England Name: Louise Shepherd

Position: North West Regional

Director

Signature:

A handwritten signature in dark ink that reads 'Louise Shepherd'.

Date: 13.03.2025