

UNDERTAKINGS

NHS TRUST :

George Eliot Hospital NHS Trust
College Street
Nuneaton
CV10 7DJ

DECISION:

On the basis of the grounds set out below and pursuant to the powers exercisable by NHS Improvement under or by virtue of the National Health Service Act 2006 and the TDA Directions, NHS Improvement has decided to accept undertakings from the Trust.

DEFINITIONS:

In this document:

“the conditions of the Licence” means the conditions of the licence issued by Monitor under Chapter 3 of Part 3 of the Health and Social Care Act 2012 in respect of which NHS Improvement has deemed it appropriate for NHS trusts to comply with equivalent conditions, pursuant to paragraph 6(c) of the TDA Directions;

“NHS Improvement” means the National Health Service Trust Development Authority;

“TDA Directions” means the National Health Service Trust Development Authority Directions and Revocations and the Revocation of the Imperial College Healthcare National Health Service Trust Directions 2016.**GROUND:**

1. The Trust

The Trust is an NHS trust all or most of whose hospitals, facilities and establishment are situated in England.

2. Issues and need for action

2.1.NHS Improvement has reasonable grounds to suspect that the Trust has provided and is providing health care services for the purposes of the health service in England while failing to comply with the following conditions of the Licence:: FT4(5)(a) to (e), and FT4(6)(a) to (f).

2.2. In particular:

Operational performance

2.2.1. The Trust has not met the Referral to Treatment standard (RTT) in the last 12 months. In April 2017 there was a significant deterioration in Trust performance due to the addition of a large number of open pathways on to the Trust's Patient Tracking List (PTL). This was the result of a data quality issue whereby large numbers of open pathways were erroneously excluded from the PTL during the introduction of the Trust's new Lorenzo Patient Administration System. Since then the Trust's total incomplete backlog has risen from 641 to 2122 patients. During the same period the Trust's total waiting list has increased from 5920 to 12316 patients. The Trust has yet to describe the true nature of their PTL or to describe how and when they plan to return to achievement of the 92% Constitutional Standard.

Financial Issues

2.2.2. For 2017/2018 the Trust has a deficit control total of £13.21m. The Trust's planned turnover for 2017-2018 is £141.41m. The planned deficit is therefore 9.34% of turnover.

2.3. These failings by the Trust demonstrate a failure of governance arrangements including, in particular failure to establish and effectively implement systems or processes:

- (a) to ensure compliance with the Trust's duty to operate efficiently, economically and effectively;
- (b) for timely and effective scrutiny and oversight by the Board of the Trust's operations;
- (c) to ensure compliance with healthcare standards binding on the Trust;
- (d) to ensure that the Trust's services are safe and of sufficient quality.

2.4. Need for action:

NHS Improvement believes that the action, which the Trust has undertaken to take pursuant to these undertakings, is action required to secure that the failures to comply with the relevant requirements of the conditions of the Licence do not continue or recur.

UNDERTAKINGS

NHS Improvement has agreed to accept, and the Trust has agreed to give, the following undertakings.

1. Operational performance

- 1.1. The Trust will take all reasonable steps to recover operational performance to meet national standards.
- 1.2. The Trust will ensure that there is a robust elective care performance plan (the "performance plan") in place which has been agreed with NHS Improvement (timescales to be agreed). This plan will return the Trust to compliance with the national constitutional standard that patients receiving elective care under the auspices of the Referral to Treatment rules, will receive their first definitive treatment within 18 weeks of referral.
- 1.3. The performance plan will, in particular:
 - 1.3.1. include the actions required to meet the requirements of paragraph 1.2, with appropriate timescales, key performance indicators and resourcing;
 - 1.3.2. describe the key risks to meeting the requirements of paragraph 1.2 and mitigating actions being taken;
 - 1.3.3. be based on realistic assumptions, particularly by ensuring that numbers used in the plan are fully validated and that productivity assumptions are realistic and deliverable.
 - 1.3.4. reflect collaborative working with key system partners and other stakeholders, particularly commissioners and referrers in primary care.
 - 1.3.5. set out the key performance indicators which the Trust will use to measure progress;
 - 1.3.6. set out the governance approach to overseeing implementation of the plan
 - 1.3.7. The Performance Plan will be developed and implemented based on a timeframe to be agreed by NHSI.
- 1.4. The Trust will keep the performance plan and its delivery under review and provide appropriate assurance to its Board regarding progress towards meeting the requirements of paragraph 1.2, such assurance to be provided to NHS Improvement on request. Where matters are identified which materially affect the Trust's ability to meet the requirements of paragraph 1.2, whether identified by the Trust or another party, the Trust will notify NHS Improvement as soon as practicable and update and resubmit the performance plan within a timeframe to be agreed with NHS Improvement.

2. Strategic Finance Plan

Financial improvement plan

2.1. The Trust will set out in writing and submit to NHS Improvement, by a date to be agreed by NHS Improvement, a plan with key milestones to progress its strategic direction. This plan should include:

- 2.1.1. a robust understanding of the underlying causes of the Trust's financial position including the identification of any services driving losses that need to be addressed to ensure the Trust's financial sustainability.
- 2.1.2. any current issues (such as the requirement to deliver seven day services) that impact on the Trust's ability to deliver.
- 2.1.3. issues of service fragility, either current or medium to long term, that require strategic planning now.
- 2.1.4. any changes that are planned under the auspices of the STP that will play into the long term financial sustainability of the Trust.
- 2.1.5. The diagnostic piece and analysis of sustainability will be developed on a timeline to be agreed between NHSI and the Trust.

3. Funding conditions and spending approvals

- 3.1. Where interim support financing or planned term support financing is provided by the Secretary of State for Health to the Trust under Schedule 5 to the National Health Service Act 2006, the Trust will comply with any terms and conditions which attach to the financing.
- 3.2. Where the Trust receives payments from the Sustainability and Transformation Fund, the Trust will comply with any terms or conditions which attach to the payments.
- 3.3. The Trust will comply with any spending approvals processes that are deemed necessary by NHS Improvement.

4. Leadership and governance

- 4.1. The Trust will co-operate with any leadership and governance review commissioned by NHS Improvement.
- 4.2. The Trust must ensure that it has in place:

- 3.2.1. sufficient and effective Board, management and clinical leadership capacity and capability; and
- 3.2.2. appropriate governance systems and processes, to enable it to address the issues specified in paragraphs 1 - 3 effectively.

5. Programme management

- 5.1. The Trust will implement sufficient programme management and governance arrangements to enable delivery of these undertakings.
- 5.2. Such programme management and governance arrangements must enable the board to:
 - 5.2.1. obtain clear oversight over the process in delivering these undertakings;
 - 5.2.2. obtain an understanding of the risks to the successful achievement of the undertakings and ensure appropriate mitigation; and
 - 5.2.3. hold individuals to account for the delivery of the undertakings.

6. Access

- 6.1. The Trust will provide to NHS Improvement direct access to its advisors, programme leads and the Trust's board members as needed in relation to the matters covered by these undertakings.

7. Meetings and reports

- 7.1. The Trust will:
 - 7.1.1. attend meetings or, if NHS Improvement stipulates, conference calls, at such times and places, and with such attendees, as may be required by NHS Improvement; and
 - 7.1.2. provide such reports in relation to the matters covered by these undertakings as NHS Improvement may require.

Any failure to comply with the above undertakings may result in NHS Improvement taking further formal action. This could include giving directions to the trust under section 8 of the National Health Service Act 2006.

THE TRUST


Signed (Chair or Chief Executive of Trust)

A handwritten signature in cursive script that reads "Kath Kelly". The signature is written in dark ink and is underlined with a single horizontal stroke.

Dated: 28 March 2018

NHS IMPROVEMENT

Signed (Member of the Regional Provider Support Group – Midlands and East)

Dated 
5/11/18

A handwritten signature in cursive script that reads "D. Bynott". The signature is written in dark ink and is positioned to the right of the word "Dated". Below the signature, the date "5/11/18" is written in a simple, hand-drawn style.