

**TRUST BOARD**

<b>Date of Meeting:</b> 26/3/2013	<b>Agenda Item No:</b> 6.4	<b>Enclosure:</b> 14
<b>Intended Outcome:</b>		
<b>For noting</b>	<b>For information</b>	<b>For decision</b> ✓
<b>Title of Report:</b> Acquisition Process		
<b>Aims:</b>  To update Board members on progress achieved in relation to the acquisition process.		
<b>Executive Summary:</b>  This report updates Board Members on a number of items relating to the acquisition process, as follows:  <ul style="list-style-type: none"> <li>▪ Key milestones</li> <li>▪ Convergence criteria</li> <li>▪ Revised interim management arrangements</li> <li>▪ Governor appointments</li> </ul>		
<b>Specific implications and links to the Trust's Strategic Aims:</b>		
Ensure we provide high quality, safe and effective care for all our patients including meeting essential standards of safety and quality as set out by the CQC		✓
Develop a viable integrated clinical strategy for secondary care services which is sustainable and affordable		✓
Develop a new healthcare facility in West Cumbria that is fit for the 21st century		
Achieve sustainable financial balance through the delivery of the Trust's internal Cost Improvement Programme, securing a viable contract income from our GP commissioners and contributing to the system wide cost reductions		✓
To develop and implement a successful merger or acquisition plan that enables the Trust to become part of an existing NHS Foundation Trust		✓
<b>Recommendations:</b>  The Board is requested to approve this report.		
<b>Prepared by:</b> Ann Farrar Interim Chief Executive	<b>Presented by:</b> Ann Farrar Interim Chief Executive	

**ACQUISITION PROCESS  
MARCH 2013**

**1. KEY MILESTONES**

Following a recent meeting of the first Transaction Oversight Committee, the following key milestones were outlined by the Committee and agreed:

Ref	Key Milestone	Lead	Timeframe
1	Revise Interim Management Arrangements	NCUH	End March
2	Agree transitional financial support	TDA	End March
3	Treasury Business Case	DH	End April
4	Business Transfer Agreement Agreed & Signed	NHFT/NCUH/TDA	End May
5	Monitor Submission by NHFT	NHFT	End May
6	Develop Final DH Business Case	TDA	1 July
7	Monitor Decision	Monitor	End August
8	NHFT Board to Approve Acquisition	NHFT	September
9	DH Review & Secretary of State Approval	TDA	August/September
10	Acquisition Date	N/A	30 September

The Board will be kept updated as to the progress and achievement of these important milestones.

**2. CONVERGENCE CRITERIA**

As part of the acquisition process, both Trusts are required to agree a form of Convergence Criteria in which to bring the two Trusts together as the process works towards its completion. These criteria will be approved by the Trust Development Authority for the two Trusts to progress.

A series of priorities have been identified, which specific indicators, key leads for delivery and timescales identified for each. This may need to be tabled on the day, if not agreed this week.

The priorities identified, are as follows:

- Governance and Leadership
- Benefits Realisation
- Quality, Service Performance and Quality Governance
- Financial Delivery 2012/13
- Financial Delivery 2013/14
- Estates
- Governors' Body and Constitution

North Cumbria will be held to account by the Trust Development Authority, via the Transaction Oversight Committee.

### 3. **REVISED INTERIM MANAGEMENT ARRANGEMENTS**

The Trust, Northumbria Healthcare and the TDA are in the process of revising the interim management arrangements, with the overall intention of having a simpler and more flexible agreement with reduced reserved matters. It is expected that a revised draft will be available for the Board to review on 26 March. The TDA have kindly agreed to appoint an individual to act as an adviser to the Trust Chairman in relation to acquisition matters rather than the Trust having to appoint an acquisition director, and this is much appreciated.

### 4. **GOVERNOR APPOINTMENTS**

Appointments have now been made for the majority of our Shadow Governors, who take up these exciting roles from 1 April 2013.

The Shadow Governors appointed to date are:

Shadow Patient Governors:
Miss Carolyn Johnson Mr Stan Lightfoot
Shadow Public Governors:
Ms Anne Robinson – Copeland Mr Alan Alexander – Copeland Mrs Vikki Brett – Copeland Mrs Margaret Halstead – Copeland Mr James Taylor - Copeland Mr Keith Fitton – Allerdale Mr Richard Gildert – Allerdale Reverence Elizabeth Jackson – Allerdale Mrs Janet King – Allerdale Mr John Robson – Allerdale Mrs Anne Callagher – Carlisle Mr John Corson – Carlisle

Miss Louise Dias – Carlisle Mr Eric Martlew – Carlisle Mr William Reid – Carlisle Mrs Dorothy Weir – Carlisle Mr Brian Huddleston – Eden Reverend Rachel Stavert – Eden Mr Soonu Verghese – Eden Dr Neal Watkinson - Eden
Shadow Staff Governors
Kirsty Robinson – CIC Mary Carruthers – CIC Anne Gadsden – CIC Elizabeth Hodgson – CIC Metta Palipane – CIC
Shadow Co-opted Governors
Councillor Duncan Fairbairn, Cumbria County Council Councillor James Airey, Cumbria County Council Mrs Carol Davies, North West Ambulance Dr Robin Talbot, University of Cumbria

There remains one Staff Governor vacancy for the Cumberland Infirmary and four vacancies for West Cumberland Hospital, but we hope to appoint to these positions shortly.

My office is in the process of arranging regular monthly meetings with our Shadow Staff Governors from 1 April, as well as regular public, patient and co-opted Governor meetings. As part of their induction process, the Chairman and I are meeting with the Shadow Public Governors on 21/22 March.

## 5. **SUMMARY**

Overall, the acquisition process is progressing well and Board members will be kept up to date on key milestones achieved.

Ann Farrar  
Interim Chief Executive  
March 2013