

**TRUST BOARD**

<b>Date of Meeting:</b> 28/5/2013	<b>Agenda Item No:</b> 6.3	<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 and the key steps based on acquisition by 1 October 2013.		
<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>▪ Business transfer agreement</li> <li>▪ Revised interim management arrangements</li> <li>▪ Governor appointments</li> </ul>		
<b>Specific implications and links to the Trust's Strategic Aims:</b>		
We deliver excellent clinical outcomes along closely integrated pathways		✓
We provide excellent patient-centred services		✓
We deliver excellence in safety, quality and regulatory compliance		✓
We deliver efficient care and work within budgets		✓
<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

<h2 style="margin: 0;">ACQUISITION PROCESS</h2> <h3 style="margin: 0;">MAY 2013</h3>
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## 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	Completed
1	Revise Interim Management Arrangements	NCUH	End March	April
2	Agree transitional financial support	TDA	End March	May
3	Treasury Business Case	DH	End April	
4.	Post Transaction Integration Plan (PTIP) to be considered by the NCUH Board Letter of clinicians to be recommended for approval	CEO, NHCFT CEO, NCUH	Mid May	May
5.	Sign off PTIP by the NCUH Board.	Chairman NCUH	28 <sup>th</sup> May	May
6.	Business Transfer Agreement Agreed & Signed	NHFT/NCUH/ TDA	End May	
7.	Monitor Submission by NHFT	NHFT	2 <sup>nd</sup> June	
8.	Develop Final DH Business Case	TDA	1 July	
9.	Monitor Decision	Monitor	End August	
10.	NHFT Board to Approve Acquisition	NHFT	September	
11.	DH Review & Secretary of State Approval	TDA	Aug/September	
12.	Acquisition Date	N/A	30 September	

The Northumbria Board is still committed to a submission to Monitor on the 2 June.

## 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. There was verbal agreement on the convergence criteria by all parties at the last Transaction Oversight Committee but no minutes have been received by the TDA. A further meeting of the Transaction Oversight Committee is to be held on 24 May where the Criteria is to be agreed and signed off. Appendix 1 confirms the progress with the convergence criteria.

### 3. **BUSINESS TRANSFER AGREEMENT (BTA)**

Last year this document was near completion accepting the financial issues and associated annexes. The Chairman is leading the process to re-refresh the BTA. Once the financials are agreed this will complete this document. The end date is not a high risk.

### 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. There remains one Staff Governor Vacancy for the Cumberland Infirmary and four vacancies for West Cumberland Hospital and two patient vacancies, but we hope to appoint to these positions shortly. Interest has been expressed in all of these and nominations close on 28 May 2013.

Regular monthly meetings with our Shadow Staff Governors have now been arranged on a monthly basis. A development session for all Governors (NHCFT and shadow Governors, NCUH) is to be held on 10 June 2013.

### 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  
May 2013