

Extraordinary Public Trust Board Meeting
17.05 – 18.55
2 December 2010
NOC Lecture Theatre

MINUTES

Present:

Name	Initials	Title
Christopher Goard	CG	Chair
Jan Fowler	JFo	Chief Executive Officer
Tony Berendt	TB	Executive Medical Director
Sara Randall	SR	Executive Director of Operations and Performance
Jennifer Howells	JH	Executive Director of Finance and Business Development
Beverley Edgar	BE	Executive Director of Workforce and Organisational Development
Michael Rogerson	RG	Non Executive Director
Angela Coulter	ACo	Non Executive Director
Dale Haddon	DH	Non Executive Director
Andrew Carr	ACa	Non Executive Director
Sue Dopson	SD	Board Advisor

In attendance: Caroline Sykes – Minutes

Kerri Haynes – NOC	Megan Turmezei – ORH	Andrew Stevens – ORH
Catherine Old	Fraser Old	Sue Woollacott – NOC Network
Lesley Warner – NOC	Melanie Proudfoot – NOC	Ann Lawrence – NOC
Tony Hudgell – NOC	Tomasz Szczerski	NOC
Jeanette Franklin – NOC Appeal	Richard Douglas – NOC Appeal	Nikkie Foster – NOC
Laura Graham – NOC	Matthew Lawrence – NOC	Jane Edwards – NOC
Kevin Davis – NOC	Claire White – NOC	Evana Cook – NOC
Daniel Croft – NOC	Christine Skeldon - NOC	

Summary of key points/items approved

Key Point 1: Presentation on Business Case for Integration received and debated.

Key Point 2: Stakeholder Consultation/Engagement process noted.

Key Point 3:

Item No.	Action
10/11.82	Welcome and Introduction Visitors were welcomed to the meeting and the protocol for the meeting explained. It was NOTED that the Board would be reviewing the progress to date of the development of proposals for merger between the Oxford Radcliffe Hospitals (ORH) Trust and the Nuffield Orthopaedic Centre NHS Trust, and that the ORH Board had met earlier in the day to do the same. Andrew Stevens, Director of Strategy and Planning, and Megan Turmezei, Associate Director of Governance, from the ORH were welcomed to the meeting.
10/11.83	Declaration of Conflicts of Interest It was RECORDED that TB held an Honorary Contract with the ORH.
10/11.84	Integration of the NOC and the ORH A presentation on the development of the Business Case for Merger, Clinical

Vision and Stakeholder Engagement was given which covered the following points:

- Background to the Board decision taken in September 2010 supporting the intention to merge with the ORH.
- The formation of a Joint Integration Steering Group and the membership and remit of the group.
- Progress of the Steering Group to date and work identified for the future.
- Confirmation from Department of Health that the transaction would be classed a 'Statutory Merger' resulting in the dissolution of the Nuffield Orthopaedic Centre (NOC) and the transfer of assets and liabilities to the ORH.
- Timeline for the merger detailing plans for the finalisation and sign-off of the Full Business Case by both Trust Boards, South Central Strategic Health Authority (SHA) and the Department of Health (DoH) Transaction Board; the Co-operation and Competition Panel (CCP) Review; and continuous engagement with key stakeholders, including a TUPE consultation for NOC staff.
- The strategic case for merger and the opportunities it would provide, including the strengthening of a future Foundation Trust application for the new organisation.
- The work of the Clinical workstream and the opportunities identified for the improvement of patient pathways, increasing patient safety, staff development and a digital vision.
- The financial and economic opportunities both in the short and medium term including future usage of the estate.
- Next steps for both Trusts in finalising the Business Case, completion of the benefits realisation plans, undertaking the necessary Due Diligence and the signing-off of a 'Heads of Terms' agreement.
- That a formal public consultation exercise was not legally required as the merger would not involve changing services but that the NOC Board had requested a minimum 2 month informal consultation / engagement period with key stakeholders. In addition the requirement to engage with LINKS was noted.
- The objectives of the engagement process were explained to ensure transparency and to ensure timely information was available to stakeholders about decisions. Details of the range of engagement activities were provided.
- Concerns raised by stakeholders were listed for the Board to **NOTE**.
- That the consultation/engagement would continue as the Trusts moved forward with the integration process.

Following the presentation, the Board was asked to approve the following:

- Through the Steering Group, to **AGREE** and implement plans for the specification and securing of resources to support the due diligence for the individual organisations;
- Through the Steering Group to **AGREE** plans to support the integration process (upon agreement of the Final Business Case) and to make plans that can support the development and achievement of Foundation Trust status;
- Through the Steering Group, develop a Heads of Terms agreement and to delegate authority to the Chair and CEO to sign-off this agreement;
- To **NOTE** the continued development of the Business Case and to **ENDORSE** the vision and rationale for the integration, as being in the best interest of both organisations, and the patients and populations served;
- To **CONSIDER** the Final Business Case at a Board meeting to be held in public

- at a time to be agreed.
- To continue to seek the views of key external and internal stakeholders on the integration proposals and, in particular, on the vision for integration.

10/11.85 Board Debate on Integration (Item3)

Business Case Development Process

It was **NOTED** that the Board had seen an early draft of the Business Case and had the opportunity to raise issues, which had since been dealt with. It was therefore **CONFIRMED** that the Board was assured that the process for the development of the Business Case was robust.

Finalisation of the Business Case

The Board **NOTED** that the Final Business Case was scheduled to be submitted to the NOC Public Board Meeting in February 2011 pending finalisation of the case and completion of Due Diligence.

Timescales

It was **NOTED** that all three strands of the timescale – Business Case finalisation, CCP review and Consultation/Engagement would run in parallel to achieve the proposed integration date of beginning July 2011. Clarification was sought as to whether, if the CCP decided not to initiate a second phase review, the integration date might be brought forward. It was **NOTED** that the transaction date would likely remain as beginning of July due to the requirements of the SHA to approve the Business Case and then approval from the DoH Transaction Board.

Heads of Terms

It was **CLARIFIED** that the Heads of Terms agreement, whilst not legally binding, demonstrated a commitment between the two Trusts to achieve the objectives set out within it, and a framework for negotiation and discussion to finalise outstanding issues. It was **REPORTED** that the Heads of Terms agreement was expected to provide sufficient commitment for the CCP to commence their review. It was **NOTED** that the Heads of Terms agreement had been scoped and discussed with both Trust's legal advisors in anticipation of sign-off in the week commencing 6 December 2011. It was **CONFIRMED** that if substantial issues arose with the agreement, these would be shared with the Board.

Clinical/Academic Vision

Discussion took place about the benefits of merger upon medical teaching, training and research. It was **NOTED** that the opportunities provided through closer alignment of clinical services would improve teaching for both undergraduate and post-graduate students and facilitate better delivery of training.

Governance in the new organisation

It was **NOTED** that this was an area of concern for the Board and that the understanding of governance structures in the newly reorganised ORH structure was at present insufficient. It was **AGREED** that the Board would require further clarity on the governance arrangements for a semi-autonomous division. Discussion took place about the development of the governance structure and sharing of NOC best practices with the ORH. It was **NOTED** that there should be clear ORH processes in place demonstrating that the commitment to learning from NOC governance practices to ensure that best practices are carried forward into the new organisation.

Name of new organisation

Discussion took place about the new name for the enlarged organisation. There was unanimous **AGREEMENT** from the Board that this was a crucial requirement for this to be agreed as part of the Heads of Terms to ensure staff engagement and future cultural change.

10/11.86 Board debate on Consultation and Engagement (Item 4)

TUPE consultation with staff

The application and requirements of a TUPE consultation for staff were explained. It was **NOTED** that the Integration Steering Group had agreed a set of principles supportive to TUPE which were designed to ensure fair treatment of staff and mitigate the risk to staff upon transfer to the new organisation.

Discussion took place about the impact of the merger on corporate functions. It was **NOTED** that an agreement had been reached to ensure that neither trust would take action in the interim which would increase the risk for staff. It was **CONFIRMED** that the integration plans were being shared regularly with staffside to facilitate discussion about the implications for the workforce.

Access to Services

It was **NOTED** that a key concern of external stakeholders was continued access to the services provided by the NOC. Discussion took place about the improved patient opportunities to services that would result from the merger.

Future Staff and Stakeholder Engagement

Discussion took place about the importance of continuing the engagement process, particularly following the finalisation of the Business Case and, upon Board agreement, planning for implementation. Key issues **NOTED** were the need for open communication channels via Executives/Managers in both Trusts, need for stakeholder events, the impact of the name change on the cultural change for the new organisation. It was **NOTED** that formal consultation with LINKs was required. JF to action.

JF

10/11.87 Decisions Made

- The Board unanimously **AGREED** for the Steering Group to implement plans for the specification and securing of resources to support the due diligence for the individual organisations;
- The Board unanimously **AGREED** for the Steering Group to develop plans to support the integration process (upon agreement of the Final Business Case) and to make plans that can support the development and achievement of Foundation Trust status.
- The Board unanimously **AGREED** to support the development of a Heads of Terms agreement and to delegate authority to the Chair and CEO to sign-off this agreement;
- The Board **NOTED** the continued development of the Business Case and unanimously **ENDORSED** the vision and rationale for the integration, as being in the best interest of both organisations, and the patients and populations served;
- The Board unanimously **AGREED** to consider the Final Business Case at a Board meeting to be held in public at a time to be agreed.
- The Board unanimously **AGREED** to continue to seek the views of key external and internal stakeholders on the integration proposals and, in particular, on the vision for integration.

10/11.88 Questions to the Board

The Board took questions from the floor relating to the specific impact of the merger on corporate staff, the safeguarding of specialist services and the publication of Board papers.

10/11.89 Date of Next Public Board Meeting

It was **NOTED** that the next Public Board meeting would take place on Monday 6 December 2010 at 14.00 in the Trust Boardroom.

The meeting closed at 18.55.



Signed:

Christopher Goard, Chair