

# Building the NHS Trust Development Authority



## DH INFORMATION READER BOX

<b>Policy</b>	Estates
HR/Workforce	Commissioning
Management	IM & T
Planning/Performance	Finance
Clinical	Social Care/Partnership Working

<b>Document purpose</b>	For information
<b>Gateway reference</b>	16924
<b>Title</b>	<i>Building the NHS Trust Development Authority</i>
<b>Author</b>	Provider Development, Department of Health
<b>Publication date</b>	5 January 2012
<b>Target audience</b>	NHS Trust CEs, SHA CEs, NHS Trust Board Chairs
<b>Circulation list</b>	PCT CEs, Foundation Trust CEs, PCT PEC Chairs, Directors of HR, Communications Leads, Trade Unions
<b>Description</b>	From April 2013 the NHS Trust Development Authority (NTDA) will provide governance and oversight of NHS trusts, supporting them to NHS foundation trust status. This document explains the purpose of the NTDA as a special health authority, its process, its people and its relationships with other parts of the NHS.
<b>Cross reference</b>	Dear Colleague letter from Ian Dalton, SRO NTDA; <i>Next Steps to Delivering an All-FT Pipeline</i> (Gateway reference 16902)
<b>Superseded documents</b>	N/A
<b>Action required</b>	N/A
<b>Timing</b>	N/A
<b>Contact details</b>	Elizabeth Dimond Provider Development Department of Health Room 210 Richmond House 79 Whitehall London SW1A 2NS 020 210 2747 <a href="http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH131776">www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH131776</a>
<b>For recipient's use</b>	

# Building the NHS Trust Development Authority



## Contents

<b>Foreword by Sir David Nicholson</b>	<b>5</b>
<b>Introduction</b>	<b>6</b>
<b>Our purpose</b>	<b>8</b>
Role of the NHS Trust Development Authority	8
Performance management	9
Developing NHS trusts	9
Values and culture of the NHS Trust Development Authority	10
Relationships	10
<b>Our people</b>	<b>13</b>
Transition HR	14
Responsibilities and accountabilities: transitional management arrangements, 2012–13	15
Responsibilities and accountabilities post-April 2013	15
High-level structure	16
<b>Our processes</b>	<b>18</b>
Operating model	18
Governance system	20
A four-stage journey from now to April 2013	22
Key milestones	23
How will we measure ourselves: what does success look like?	23
Next steps	23
<b>Annexes</b>	
Annex A: Critical path	24
Annex B: List of NHS trusts (as of 5 January 2012)	25



## Foreword by Sir David Nicholson

The NHS Trust Development Authority (NTDA) will play a vital part in laying the foundations for the new health and social care system. From April 2013, it will provide essential governance and oversight of those NHS trusts that are not yet foundation trusts, to support them in delivering the vision of a fully autonomous provider landscape ensuring high-quality services for patients throughout the country.

The NTDA will work with some of the most challenged NHS providers in the country, supporting them in their journey to NHS foundation trust status. It will work closely with the whole of the new NHS to ensure that innovation and the very best of clinical practice are brought to bear on the most complex problems.

It will work with local communities and their representatives to make the case for change when service reconfiguration is needed to deliver sustainable services.

It is clear that there is a thirst for information about the new organisations described in the White Paper *Equity and Excellence: Liberating the NHS* proposals. This document describes the important opportunity that the NTDA offers to support NHS trusts to make a significant difference in their performance for the benefit of patients throughout the country and the potential employment opportunities for talented staff.

I am acutely aware of the need to build an effective organisation that supports and develops NHS trusts but is not afraid to intervene if communities are not getting the quality of service they deserve. We need to use the next 15 months to make sure that we have the right people, processes and tools in place to maintain and build on the momentum established by the strategic health authorities (SHAs) and the trusts themselves. This will help to promote a smooth transfer of functions to the NTDA from SHAs and the Department of Health (DH) in April 2013.

November 2011 saw the inaugural meeting of the Provider Development Steering Group. Sir Peter Carr chairs this group working with Ian Dalton, the senior responsible officer for this work, representatives of the clustered SHAs, DH staff and other stakeholders to establish the NTDA. This will include planning for transition and ensuring that the organisation is fit for purpose, that it delivers value for money and, above all, that it is ready for the challenge.

I look forward to working with the NTDA, both in its build phase and in the future, as a partner of the NHS Commissioning Board.

Sir David Nicholson KCB CBE  
NHS Chief Executive



## Introduction

The Government has set out a clear vision for a modernised NHS, which completes the separation of commissioning and provision of services. Central to this vision is a **new provider landscape**, with foundation trusts (FTs) at its heart.

FTs are sustainable, autonomous providers with greater freedom to innovate, to design and to deliver services to local communities. Helping NHS trusts to make the transition to FT status is key to creating an environment in which adaptable, sustainable organisations deliver high-quality care and collaborate with NHS and other partners to provide integrated care designed around patients' needs.

The Government's vision of care delivered in an all-FT landscape means that NHS trusts must become authorised as an FT or merge with an existing FT or move forward in another organisational form. There is a strong expectation that the majority of NHS trusts will achieve FT status by April 2014 and that only by exceptional agreement, made after close scrutiny of financial and clinical feasibility, will they be allowed to continue in existence past this date.

Supporting the progress of NHS trusts through the process of applying for FT status is often referred to as managing the FT pipeline.

As of January 2012 there are 112 NHS trusts in the FT pipeline, providing £30.8 billion of NHS services.

Of course, FT status is not an end in itself. Delivering the FT pipeline is the crucial process by which we can drive up the quality of care and make sure that the services we offer patients are robust and of the best quality.

The pathway to achieving FT status and the benefits this brings to patients and communities should not be underestimated. In doing so, NHS trusts examine their leadership, financial sustainability, quality of service and plans for continuous improvement. It is a mechanism designed to bring all provider services, in all parts of the country, up to a standard of excellence.

As part of the transition to the new system, a new national body will be established. Subject to Parliamentary approval, the NHS Trust Development Authority (NTDA) will be legally established in June 2012 as a special health authority.

Initially, it will be set up with limited functions relating to preparing to take on its substantive functions. It will then have its first substantive functions conferred on it in October 2012 in relation to the making of appointments of chairs and non-executive members of NHS trusts and trustees for certain NHS bodies; it will

have all its planned substantive functions conferred on it by April 2013 – that is, functions relating to NHS trust performance management currently undertaken by the clustered strategic health authorities (SHAs).

The NTDA will have responsibility for up to 450 public appointments to NHS trusts.

In the interim period between the clustering of the SHAs – which are currently responsible for the FT pipeline – and the point at which the NTDA will take on its substantive functions in relation to performance managing NHS trusts, an enhanced provider development team in the Department of Health (DH) will be established to ensure continuity of functions and staff during this important time. The four SHA clusters will also work with DH to introduce a single operating model to support and assure aspirant FTs in their applications for FT status, which can then move seamlessly into the NTDA.

As with all new arm's-length bodies (ALBs), the NTDA will be subject to a review of the continued need for it to remain in existence, and this is likely to take place in 2016.

As part of the build of the organisation, equality and diversity will be analysed to ensure that there are no unintended adverse effects on either services or staff. The organisation will play an important role in advancing equality and diversity and in reducing inequalities in the service. The NTDA will provide leadership to promote compliance with the public sector equality duty (Equality Act 2010) among all NHS trusts.

The People Transition Policy (PTP) for the NTDA, which sets out the overall rules and human resources (HR) processes for staff who will work for the NTDA, will be published early in 2012. This document is for staff in the NHS, DH and its ALBs who may be affected by the changes and those whose current function will transfer to the NTDA. It will also be of interest to those staff who might wish to work in the NTDA. It will make clear the crucial role that the NTDA will have within the new system and explain the plans to develop the NTDA – its culture and leadership – as well as the processes to bring the right people and skills into the organisation.



## 1 Our purpose

This document sets out initial proposals about how the NTDA will operate and how it will be organised. It sets out:

- the role of the NTDA in the reformed NHS; its statutory basis, culture and values; and its key relationships;
- the NTDA's core operating model and how this will be developed; and
- initial proposals for how it could be structured and organised in order to fulfil its role effectively.

The proposals remain subject to Parliamentary approval of the statutory instruments that will establish the NTDA. However, we want to give a clear sense of direction to DH, NHS and ALB staff who will work with and within the NTDA.

The NTDA will be at the heart of building a system with autonomous, locally accountable organisations that are financially and clinically sustainable for the longer term. The board of this new organisation will also ensure that its operations are in proper alignment with other parts of the system – the regulators, aspirant FTs and the NHS Commissioning Board.

### Role of the NHS Trust Development Authority

The NTDA will provide governance and accountability for NHS trusts in England and delivery of the FT pipeline.

It will bring together a number of functions that are currently carried out within DH, by SHA clusters and by the Appointments Commission. It will have the core objective of supporting NHS trusts and ensuring that services to patients are of the highest possible quality. In particular, these include:

- performance management of NHS trusts;
- management of the FT pipeline;
- assurance of clinical quality, governance and risk in NHS trusts; and
- appointments to NHS trusts, for example of chairs and non-executive members, and appointments of trustees for NHS charities where the Secretary of State has a power to appoint.

The NTDA will be responsible for making Secretary of State appointments to NHS charities. These trustees hold NHS property and are responsible for £2 billion of NHS assets.





## Performance management

Until the final NHS trust application for FT status has been authorised by Monitor – the independent regulator of FTs – the NTDA will remain responsible for oversight of the performance of NHS trusts.

It will be responsible for the performance management of NHS trusts, by working with them on issues such as waiting times, healthcare-associated infection rates and other issues that really matter to patients. It will help to reduce unacceptable and unjustified variations in clinical quality and safety. Together with the Care Quality Commission, the NHS Commissioning Board and local clinical commissioning groups (CCGs), the NTDA will help to drive up the quality of care provided by NHS trusts.

## Developing NHS trusts

Unlike the regulatory bodies such as Monitor or the Care Quality Commission, the NTDA will be directly involved in developing NHS trusts.

NHS trusts will need strong leadership from their boards, who will be prepared to ask probing questions, challenge mindsets, take difficult decisions and work collaboratively across care pathways and beyond organisational boundaries.

To date, 50 per cent of the NHS trusts whose applications for FT status are rejected by Monitor are rejected because they do not have sufficiently robust governance. Stronger governance means stronger organisations.

Through the application of standardised support and development tools, such as the Board Governance Assurance Framework, the NTDA will make sure that we have the very best boards leading our NHS trusts into an all-FT environment.

Inevitably, there is often a focus on the immediate issues because of the relentless pressure to deliver the many challenges facing NHS bodies, including financial savings and the need to achieve FT status. Short-term solutions attempting to preserve individual organisations are as inappropriate and old fashioned as they are unsustainable. They will compromise the system's ability to deliver the transformational change required to bring about longer-term sustainable improvements in quality and productivity.

The NTDA will work with NHS trusts to develop sustainable solutions to organisational challenges which have, in some cases, been allowed to continue for many years.

Where national issues, which cannot be resolved by NHS trusts, either alone or as part of their health community, arise, the NTDA will assist by investigating the extent of the issues and, where appropriate, implementing national solutions. Intractable legacy debt and the impact of liquidity are areas where the NTDA can provide leadership and help to identify and enable sustainable solutions.

NHS trusts have 38 private finance initiative schemes between them.

## Values and culture of the NHS Trust Development Authority

From the outset, the NTDA will create a clear set of values and a distinct culture in line with the guiding principles set out in the NHS Constitution.

The NTDA will secure the confidence of patients, the public and NHS staff by being an organisation that demonstrates effectiveness and efficiency in the performance management of NHS trusts as they work towards FT status or another organisational form. The board will ensure that the NTDA's core values are embodied in all its actions. The NTDA will:

- safeguard patients;
- be independent and fair;
- promote equality and diversity, and reduce inequalities;
- focus on the quality of care in NHS trusts;
- ensure value for money;
- secure good governance in NHS trusts;
- have robust systems in place to challenge poor delivery of services and to coordinate and align remedial action; and
- support NHS trusts in their bid for FT status.

## Relationships

Once fully established, the NTDA will be accountable to DH and its Ministers, through a senior DH sponsor. It will have functions delegated to it by the Secretary of State by way of directions and will be subject to the Secretary of State's power to direct it about the exercise of those functions.

It will also be accountable to DH for the quality of its outcomes and for financial performance through a Framework Agreement signed by the senior DH sponsor and the chief executive of the NTDA. This will be underpinned by annual objectives and business plans.

The NTDA will have a number of powers in relation to NHS trusts delegated to it by the Secretary of State. In particular, it will be accountable for effective and appropriate monitoring of risk in NHS trusts and will intervene where necessary. It will manage the process of Secretary of State appointments to NHS trusts and certain NHS charities, following the proposed abolition of the Appointments Commission in October 2012.

The NTDA will make recommendations to the Secretary of State on a number of issues, such as when an NHS trust is ready to enter the Monitor application process, acquisitions and mergers, and the suitability of candidates for appointments to NHS trusts and certain NHS charities for which the Secretary of State is responsible.

In carrying out these statutory functions, the NTDA will need to develop its ability to respond to changing environments. For example, there may be implications for performance management and NHS trusts that stem from the outcome of the Mid-Staffordshire Trust public inquiry into the events at Mid Staffordshire NHS Foundation Trust.

It is important that commissioners are fully engaged in the provider development agenda to ensure effective partnership with current and future FTs beyond short-term contractual arrangements. The NTDA will work with the NHS Commissioning Board and clinical commissioning groups to ensure commissioner support for NHS trusts. It will also ensure that provider planning and performance meet commissioners' expectations and intentions. It will develop mechanisms to enable commissioners to input into performance management, particularly around clinical quality.

The NTDA will need to work closely with Monitor, in its current and future form, to ensure that its work with NHS trusts reflects Monitor's requirements.

The organisation will also work with the Foundation Trust Network to support the development programme for NHS trusts. This will include networking events, sharing good practice and lessons learned.

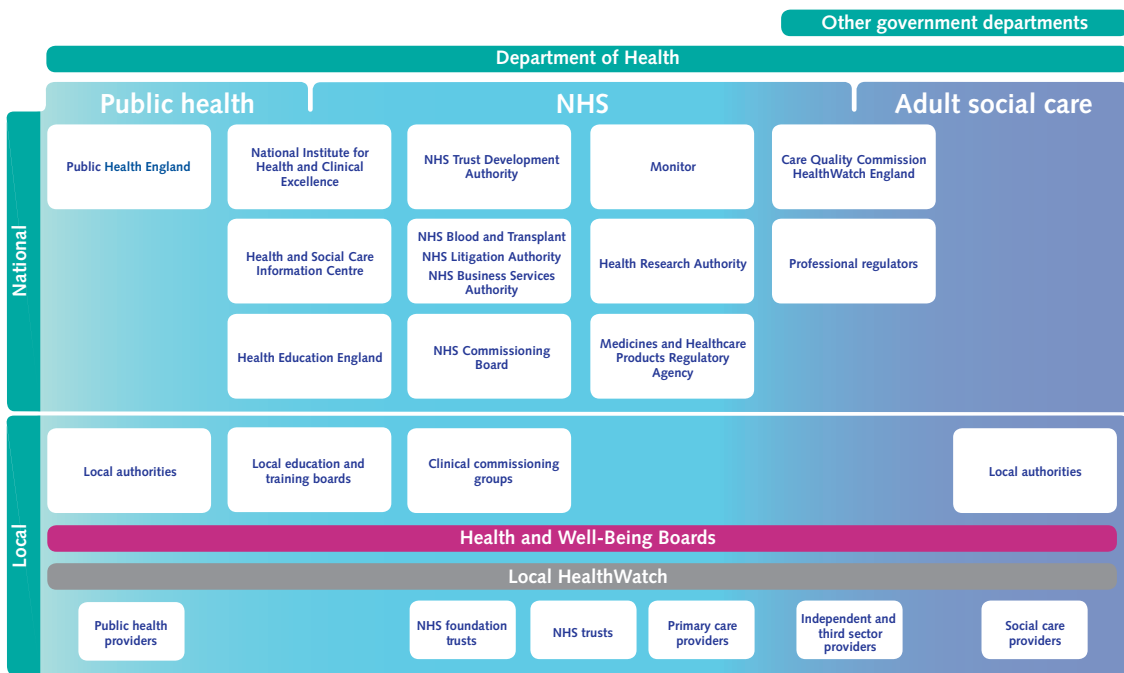
The NTDA will need to work closely with the Care Quality Commission (CQC) on the quality aspects of applications for FT status and to assure its performance management of NHS trusts reflects any concerns that the CQC may have relating to quality.

In developing its role and relationship with other bodies, the NTDA will contribute to and be informed by the work being carried out by the National Quality Board (NQB). This will define and clarify the rules and responsibilities that organisations

will have in relation to maintaining and improving quality from April 2013 onwards. The NQB work to clarify the Early Warning System is essential, so that the NHS is absolutely clear about respective roles and responsibilities for identifying and responding to serious quality failures.

Alignment between the different national organisations will be more important than ever in the new system.

### System overview; April 2013





## 2 Our people

The NTDA will be an exciting, challenging and innovative place to work, supporting NHS trusts through a period of change and maintaining the increasing momentum along the FT pipeline.

As the NTDA will work with the most challenged organisations, it needs people who relish change management and who recognise the opportunities this brings for developing their own skills. Working for the NTDA will offer people the chance to work on innovative solutions at both policy and operational level. The NTDA will work with its partners to deliver the best possible service for patients.

It will need a dedicated, professional and committed workforce working collaboratively and flexibly with all parts of the system in the interests of patients.

To ensure that a successful all-FT landscape is developed, creating strong clinically and financially stable organisations, the NTDA will recruit for a wide range of posts within it. Recruiting people with skills in the following areas:

- provider performance management;
- change management;
- financial monitoring and assessment;
- mergers and acquisitions and other key interventions;
- clinical and corporate governance;
- HR and workforce;
- communications;
- patient experience;
- public finance;
- turnaround;
- operations management;
- key account management; and
- peer review

will be central to achieving the objectives of the NDTA.

The NTDA will need to have:

- good quality management information;
- good insight and analysis to ensure that it directs its resources wisely;

- high-quality, credible managers who can support NHS trusts through change programmes; and
- people who understand the human dynamics of change as well as the processes.

Most of all it will need people who are prepared to get on and deliver the vision for the service, working closely with the NHS trusts themselves.

While many staff will join the organisation from SHA clusters, DH and the Appointments Commission, there will be opportunities for many others who are currently working directly in provider organisations or commissioning roles. The passion and experience that such staff bring to their roles will be in high demand within the NTDA as it is established over the coming year. As an NHS organisation, the NTDA will offer NHS terms and conditions.

There are 68 acute trusts, 8 ambulance trusts, 17 mental health trusts and 19 community services trusts in the FT pipeline.

## Transition HR

The establishment of the NTDA is just one of the many changes taking place in the NHS. These changes involve the creation of new bodies, the conferring of new and existing functions to these new bodies, the abolition of existing NHS bodies, transfer of functions between these two groups and the introduction of new activities. The changes affect staff across the system – working in SHAs, primary care trusts (PCTs), DH and its ALBs.

The NTDA, like other new bodies, will apply the principles and guidance set out within its PTP. The PTP will adhere to the requirements set out in the HR transition framework and will be developed in collaboration with the HR Transition Partnership Forum, comprising employers and trade union representatives from the NHS, DH and ALBs.

DH will continue to work in partnership with staff and their trade union representatives as plans for the NTDA progress, including consulting at a local level as appropriate. It is anticipated that the NTDA PTP will be published early in 2012.

DH will ensure that equality and diversity is integral to all HR practices, and that the principles of fairness are followed throughout the recruitment process and into the organisation. All appointments will comply with the Equality Act 2010 and it will be a priority to ensure that the proportion of people with protected characteristics is not reduced.

## Responsibilities and accountabilities: transitional management arrangements, 2012–13

Sir Peter Carr, Chair of the former NHS North East SHA and Vice Chair of the clustered NHS North of England SHA, will lead a national steering group, which will be responsible for the establishment of the NTDA and for developing a standard operating model to streamline the process for supporting NHS trusts in their journey to FT status.

Ministers have supported the move to strengthen the central DH team during transition to provide leadership and grip on the functions that will transfer to the NTDA, including the appointment of a senior responsible officer (SRO) for the function. Ian Dalton CBE, Managing Director of Provider Development at DH, has been appointed to the role. This is in addition to his role as Chief Executive of the new NHS North of England SHA cluster. Ian will be supported in his SRO role by Matthew Kershaw, Director of Provider Delivery.

As SRO, Ian will be accountable to DH for the establishment of the NTDA through Sir David Nicholson, the NHS Chief Executive. This is in Sir David's role as the SRO in charge of the overall NHS transition programme.

Subject to Parliamentary approval of the establishment of the NTDA, the chair (designate) of the NTDA will be appointed in early 2012. This will be followed by the appointment of the chief executive in the summer of 2012.

The chief executive of the NTDA and their team will work with the chief executives of SHA clusters to secure capability and capacity within the provider development teams in the SHAs and into the NTDA.

The DH team will also include expertise in nursing, medicine, delivery and finance. It will work with the NHS Future System Executive to ensure alignment within the new architecture of the NHS, as well as to build on existing work to develop consistent tools for performance management and approaches to FT applications that can be taken forward into the NTDA as part of the single operating model.

## Responsibilities and accountabilities post-April 2013

The NTDA, once established, will be accountable to the Secretary of State, via the SRO, as it will be subject to the Secretary of State's power of direction. The NTDA chief executive and senior DH sponsor will sign a Framework Agreement underpinned by annual objectives and an agreed business plan.

DH is currently designing a performance assurance framework, which is likely to draw on lessons learned from the SHA assurance process and may include processes such as 360-degree feedback.

## High-level structure

Subject to Parliamentary approval of the Establishment Order and Regulations of the special health authority, the NTDA will be required to have a chair and five non-executive directors. Their key purpose will be to ensure effective governance, to hold the board's executive members to account and to play a significant role in the assurance of the assessment of aspirant FT boards.

The chief executive of the NTDA will provide overall strategic leadership for the organisation and the NHS trust community in England. They will also build leadership and a profile for the NTDA to create a clear understanding of its role and to ensure that there is continued progress along the FT pipeline.

The NTDA board structure includes five director portfolios:

- nursing director;
- medical director;
- finance director;
- chief operating officer/deputy chief executive; and
- director of policy and corporate affairs.

The NTDA will be a small organisation with approximately 150 staff, with core services such as HR, payroll, IT, estates, etc. provided through shared service contracts outside of these numbers. Final structures and numbers of staff will be dependent on organisation design and operational models.

Each NHS trust has signed a Tripartite Formal Agreement (TFA) as a public commitment to the steps it will take towards becoming an FT, part of an FT, or another organisational form.

The NTDA will have bases in Leeds and London and a regional presence that reflects the geographic spread of work in the FT pipeline. Detailed analysis of the TFA projections suggests a greater weight of work in London and the Midlands than in the North and South (see annex B for the list of NHS trusts which make up the FT pipeline).





It is important that the NTDA operates as a single national organisation and treats all NHS trusts in the same way despite their diverse range of functions. To achieve this, the NTDA will develop a consistent and innovative approach to staff development which will include:

- recruitment;
- induction;
- career planning; and
- communications.



### 3 Our processes

The plans to establish the NTDA and complete the FT pipeline fall into four broad, inter-related areas, with the goal of smooth transition to the end state in April 2013:

1. Planning the establishment of the NTDA.
2. Business preparation, including transitional governance and leadership.
3. Working with and through SHA clusters to ensure readiness for full operational transfer.
4. Developing a fully staffed and operational organisation.

The underlying principles informing the approach to transition are:

- the need to maintain a grip on the system through clear accountability arrangements for delivering quality, safety and financial control;
- to ensure that proposals deliver all statutory functions, make best use of technology and are strong on the use of outsourcing and shared services;
- to ensure that DH and the NTDA's transition plans are sufficiently flexible to respond to further developments; and
- to ensure that there are sufficient levels of appropriately skilled staff.

#### Operating model

The development of a single operating model to support changes in the governance of the NHS is crucial to help maintain momentum within the provider landscape. This will start with the management of the FT pipeline from January 2012 and increasingly include the performance management of aspirant FTs working with the established performance management leads.

An essential part of the preparation for smooth transition to the NTDA will be moving from the current position regarding operating models and overall governance of the pipeline and performance management to a way forward that supports the move from the clustered SHAs to the end state with the NTDA.

In October 2011, the SHA clusters and enhanced DH provider development team started a project to introduce a single operating model for the FT pipeline. Phase one will be from January 2012. Phase two will see additional single models developed for other areas such as performance management and governance. This will help to create a virtual single operating model ahead of the NTDA assuming its full responsibilities in 2013.

The key milestones during transition are as follows:

- Ten SHAs move to four SHA clusters in October 2011.
- Provider development steering group chair is in post in November 2011.
- SHA clusters are accountable until April 2013 for NHS trust performance management.
- An enhanced DH provider delivery team with nursing, medical, finance and development leads and an overall director is developed from December 2011.
- Single operating model phase one begins in January 2012.
- The NTDA is established in June 2012 to take on planning and preparatory functions.
- Appointments Commission functions transfer to the NTDA in October 2012.
- The NTDA takes on its full substantive functions and is fully accountable by April 2013.

The need to start to move to a single system by January 2012 is crucial; however, it is also imperative that the accountabilities for each role remain absolutely clear for the duration of the transition to the end state. In this way, any risk of confused responsibilities can be mitigated and the momentum that all parts of the system have worked so hard to create is maintained.

The NTDA will consider:

- the timing of the reviews and content of the analyses required for trust-submitted integrated business plans (IBPs) and long-term financial models (LTFMs);
- the performance monitoring and management processes to support successful achievement of actions codified in the TFAs;
- the process for quality assessments;
- the process for ensuring that equality and diversity is embedded in NHS trusts and that trusts are taking action to reduce inequalities;
- the tools to support the assessment and assurance of board capacity and capability;
- the board-to-board processes to prepare organisations for Monitor assessments;

- the content of SHA submissions to the DH technical and application committees as key stages towards Secretary of State approval for trusts to proceed to Monitor;
- the accountability frameworks underpinning performance management of NHS trusts by SHAs that set out expectations in terms of delivery;
- the broader work on intervention, merger and acquisition activity and other more strategic roles of provider development locally;
- the contribution of SHA teams to the national products supporting the FT pipeline, including PFIs, legacy debt and leadership; and
- elements supporting ongoing management and oversight of remaining NHS trusts in business-as-usual terms – including performance management, financial management, quality oversight and governance.

Alongside the single operating model for the management of the FT pipeline, the NTDA will also work with SHAs to ensure that cost improvement programmes and long-term financial plans are agreed with nursing and medical directors, involve patients in their design and include in-built assurances of patient safety and quality. A single national process is being developed so that all SHAs and subsequently the NTDA take a consistent approach to quality assurance of cost improvement plans. This will be part of a broader common operating model for quality and safety that is being developed by the National Quality Team.

## Governance system

While the concept of a single management team is crucial, it is also imperative that the accountabilities during the transition are absolutely clear.

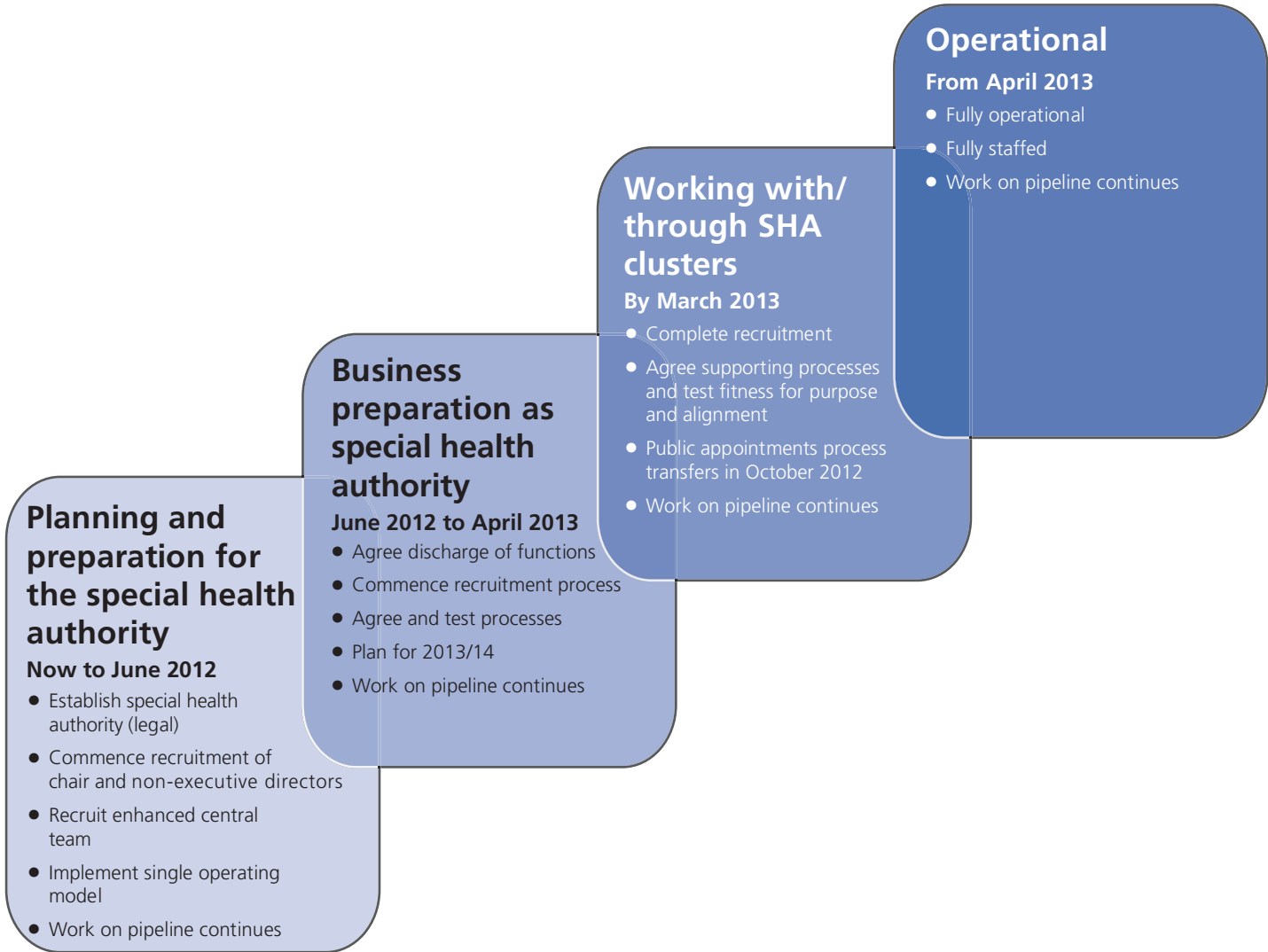
The SHA clusters will remain fully accountable for the general performance of the NHS trusts in their geographical area and for progress against TFAs. Matthew Kershaw, the national Director of Provider Delivery, and Ian Dalton CBE, SRO for Provider Development, will fulfil a coordinating and oversight role for the SHA directors on an ongoing basis. They will not have line management responsibility during the transition, but their role is essential to ensure oversight of governance and that a focus is maintained on the overall work during this time. This will include existing elements of DH's current roles in monitoring finance, performance and operations and implementation of the Quality, Innovation, Productivity and Prevention (QIPP) agenda. It will also facilitate a smooth transition to the end state of an NTDA exercising all of its planned substantive functions.



Likewise, the existing DH team will continue to provide an essential element of the model which supports Ministers on FT and NHS trust queries and manages the process of Secretary of State approval to proceed to Monitor.

During transition, these roles will remain as they are now, although the process of Secretary of State approval is being reviewed and improved to ensure that it is an integral element of the single operating model. The two processes remain in the transition phase, so SHA sign-off and Secretary of State approval are seen as two steps of the same overall process. Effort is not wasted and additional time and resources can be used to progress organisations along the pipeline.

## A four-stage journey from now to April 2013



## Key milestones

The recruitment of the designate chair and designate non-executive directors will begin in 2012.

It is intended that the Establishment Order and Regulations governing the NTDA will be laid before Parliament before Easter in 2012. These actions will enable the board to focus on business preparation and recruitment once it is established during the remaining part of 2012 and 2013.

The publication of the PTP will be a crucial vehicle for the NTDA to secure the talent it needs from DH, the NHS and ALBs. This will be issued early in 2012 so that NHS and DH staff can understand the exciting employment options it will offer.

The first operational function to transfer will be the appointment of chairs and non-executives to NHS trusts and trustees for certain NHS bodies from the Appointments Commission. The Commission will, subject to Parliamentary approval, be abolished by October 2012, and the relevant staff and functions would transfer to the NTDA at that point.

## How we will measure ourselves: what does success look like?

The NTDA's legacy will be part of its core vision. The goal is to achieve an equitable, sustainable provider landscape that provides services of high quality for patients and communities throughout the country.

One of the key priorities for the NTDA will be to ensure that all NHS trusts have equality and diversity embedded in their organisations when they reach FT status and that they are reducing inequalities in the communities they serve.

## Next steps

This document has described the purpose, people and processes needed to establish the NTDA. The next steps will be to develop how we implement this in practice. While the details remain to be finalised, we will consider a wide range of issues, including the role of the NTDA in the NHS trust annual planning cycle, capital investment and control totals. We will also need to work with the other emerging ALBs to ensure that the NTDA plays its full part in building the new system.

What is already clear is that the NTDA will have a crucial role in delivering the new provider landscape that is central to improving patient care.



## Annex A: Critical path

February 2012:	Response to the Section 28 consultation letter published
Spring 2012:	People Transition Policy published
Spring 2012:	Designate chair and designate non-executive directors for the NTDA appointed
Spring 2012:	Recruitment process for NTDA senior staff begins
June 2012:	The NTDA established legally as a special health authority
June 2012:	Chief executive of the NTDA in post
July 2012:	First board meeting
October 2012:	Appointments Commission functions transfer to the NTDA
April 2013:	NTDA fully operational





## Annex B: List of NHS trusts (as of 5 January 2012)

The trusts' Tripartite Formal Agreements can be accessed via <http://healthandcare.dh.gov.uk/foundation-trusts-tripartite-formal-agreements/>

Avon and Wiltshire Mental Health Partnership NHS Trust  
Barking, Havering and Redbridge University Hospitals NHS Trust  
Barnet and Chase Farm Hospitals NHS Trust  
Barnet, Enfield and Haringey Mental Health NHS Trust  
Barts and The London NHS Trust  
Bedford Hospital NHS Trust  
Birmingham Community Healthcare NHS Trust  
Bradford District Care Trust  
Bridgewater Community Healthcare NHS Trust  
Brighton and Sussex University Hospitals NHS Trust  
Buckinghamshire Healthcare NHS Trust  
Cambridgeshire Community Services NHS Trust  
Central London Community Healthcare NHS Trust  
Coventry and Warwickshire Partnership NHS Trust  
Croydon Health Services NHS Trust  
Dartford and Gravesham NHS Trust  
Derbyshire Community Health Services NHS Trust  
Devon Partnership NHS Trust  
Dudley and Walsall Mental Health Partnership NHS Trust  
Ealing Hospital NHS Trust  
East and North Hertfordshire NHS Trust  
East Cheshire NHS Trust  
East Lancashire Hospitals NHS Trust  
East Midlands Ambulance Service NHS Trust  
East of England Ambulance Service NHS Trust  
East Sussex Healthcare NHS Trust  
Epsom and St Helier University Hospitals NHS Trust  
George Eliot Hospital NHS Trust  
Great Ormond Street Hospital for Children NHS Trust  
Great Western Ambulance Service NHS Trust  
Hertfordshire Community NHS Trust  
Hinchingbrooke Health Care NHS Trust  
Hounslow and Richmond Community Healthcare NHS Trust  
Hull and East Yorkshire Hospitals NHS Trust



Imperial College Healthcare NHS Trust  
Isle of Wight NHS Primary Care Trust  
Kent and Medway NHS and Social Care Partnership Trust  
Kent Community Health NHS Trust  
Kingston Hospital NHS Trust  
Leeds Community Healthcare NHS Trust  
Leicestershire Partnership NHS Trust  
Lewisham Healthcare NHS Trust  
Lincolnshire Community Health Services NHS Trust  
Liverpool Community Health NHS Trust  
London Ambulance Service NHS Trust  
Maidstone and Tunbridge Wells NHS Trust  
Manchester Mental Health and Social Care Trust  
Mersey Care NHS Trust  
Mid Essex Hospital Services NHS Trust  
Newham University Hospital NHS Trust  
Norfolk Community Health and Care NHS Trust  
North Bristol NHS Trust  
North Cumbria University Hospitals NHS Trust  
North Middlesex University Hospital NHS Trust  
North Staffordshire Combined Healthcare NHS Trust  
North West Ambulance Service NHS Trust  
Northampton General Hospital NHS Trust  
Northern Devon Healthcare NHS Trust  
Nottingham University Hospitals NHS Trust  
Nottinghamshire Healthcare NHS Trust  
Oxford Learning Disability NHS Trust  
Oxford Radcliffe Hospitals NHS Trust  
Plymouth Hospitals NHS Trust  
Portsmouth Hospitals NHS Trust  
Royal Cornwall Hospitals NHS Trust  
Royal Free Hampstead NHS Trust  
Royal National Orthopaedic Hospital NHS Trust  
Royal United Hospital Bath NHS Trust  
Sandwell and West Birmingham Hospitals NHS Trust  
Scarborough and North East Yorkshire Healthcare NHS Trust

Shropshire Community Health NHS Trust  
Solent NHS Trust  
South Central Ambulance Service NHS Trust  
South London Healthcare NHS Trust  
South West London and St George's Mental Health NHS Trust  
Southport and Ormskirk Hospital NHS Trust  
St George's Healthcare NHS Trust  
St Helens and Knowsley Teaching Hospitals NHS Trust  
Staffordshire and Stoke on Trent Partnership NHS Trust  
Suffolk Mental Health Partnership NHS Trust  
Surrey and Sussex Healthcare NHS Trust  
Sussex Community NHS Trust  
The Ipswich Hospital NHS Trust  
The Leeds Teaching Hospitals NHS Trust  
The Mid Yorkshire Hospitals NHS Trust  
The North West London Hospitals NHS Trust  
The Pennine Acute Hospitals NHS Trust  
The Princess Alexandra Hospital NHS Trust  
The Royal Liverpool and Broadgreen University Hospitals NHS Trust  
The Royal Wolverhampton Hospitals NHS Trust  
The Shrewsbury and Telford Hospital NHS Trust  
The Whittington Hospital NHS Trust  
Torbay Care Trust  
Trafford Healthcare NHS Trust  
United Lincolnshire Hospitals NHS Trust  
University Hospital of North Staffordshire Hospital NHS Trust  
University Hospitals Coventry and Warwickshire NHS Trust  
University Hospitals of Leicester NHS Trust  
Walsall Healthcare NHS Trust  
West Hertfordshire Hospitals NHS Trust  
West London Mental Health NHS Trust  
West Middlesex University Hospital NHS Trust  
West Midlands Ambulance Service NHS Trust  
Western Sussex Hospitals NHS Trust  
Weston Area Health NHS Trust  
Whipps Cross University Hospital NHS Trust



Winchester and Eastleigh Healthcare NHS Trust  
Wirral Community NHS Trust  
Worcestershire Acute Hospitals NHS Trust  
Worcestershire Health and Care NHS Trust  
Wye Valley NHS Trust  
Yorkshire Ambulance Service NHS Trust