TFA document

Supporting all NHS Trusts to achieve NHS Foundation Trust status by April 2014

Tripartite Formal Agreement between:

- Barts and The London NHS Trust
- NHS London
- Department of Health

Introduction

This tripartite formal agreement (TFA) confirms the commitments being made by the NHS Trust, their Strategic Health Authority (SHA) and the Department of Health (DH) that will enable achievement of NHS Foundation Trust (FT) status before April 2014.

Specifically the TFA confirms the date (Part 1 of the agreement) when the NHS Trust will submit their "FT ready" application to DH to begin their formal assessment towards achievement of FT status.

The organisations signing up to this agreement are confirming their commitment to the actions required by signing in part 2a. The signatories for each organisation are as follows:

NHS Trust – Chief Executive Officer
SHA – Chief Executive Officer
DH – Ian Dalton, Managing Director of Provider Development

Prior to signing, NHS Trust CEOs should have discussed the proposed application date with their Board to confirm support.

In addition the lead commissioner for the Trust will sign to agree support of the process and timescales set out in the agreement.

The information provided in this agreement does not replace the SHA assurance processes that underpin the development of FT applicants. The

agreed actions of all SHAs will be taken over by the National Health Service Trust Development Authority (NTDA)[1] when that takes over the SHA provider development functions.

The objective of the TFA is to identify the key strategic and operational issues facing each NHS Trust (Part 4) and the actions required at local, regional and national level to address these (Parts 5, 6 and 7).

Part 8 of the agreement covers the key milestones that will need to be achieved to enable the FT application to be submitted to the date set out in part 1 of the agreement.

Standards required to achieve FT status

The establishment of a TFA for each NHS Trust does not change, or reduce in any way, the requirements needed to achieve FT status.

That is, the same exacting standards around quality of services, governance and finance will continue to need to be met, at all stages of the process, to achieve FT status. The purpose of the TFA for each NHS Trust is to provide clarity and focus on the issues to be addressed to meet the standards required to achieve FT status. The TFA should align with the local QIPP agenda.

Alongside development activities being undertaken to take forward each NHS Trust to FT status by April 2014, the quality of services will be further strengthened. Achieving FT status and delivering quality services are mutually supportive. The Department of Health is improving its assessment of quality. Monitor has also been reviewing its measurement of quality in their assessment and governance risk ratings. To remove any focus from quality healthcare provision in this interim period would completely undermine the wider objectives of all NHS Trusts achieving FT status, to establish autonomous and sustainable providers best equipped and enabled to provide the best quality services for patients.

[1] NTDA previously known as the Provider Development Authority – the name change is proposed to better reflect their role with NHS Trusts only.

Part 1 - Date when NHS foundation trust application will be submitted to Department of Health

December, 2013

Part 2a - Signatories to agreements

By signing this agreement the following signatories are formally confirming:

- their agreement with the issues identified;
- their agreement with the actions and milestones detailed to support achievement of the date identified in part 1;
- their agreement with the obligations they, and the other signatories, are committing to;

as covered in this agreement.

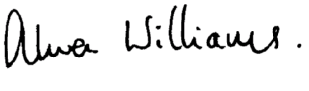
Peter Morris, Chief Executive, Barts and The London NHS Trust	Signature  Date: 28 September 2011

Dame Ruth Carnall, Chief Executive, NHS London	Signature  Date: 28 September 2011

Ian Dalton, Managing Director, Provider Development, Department of Health	 Signature Date: 30 September 2011

Part 2b – Commissioner agreement

In signing, the lead commissioner for the Trust is agreeing to support the process and timescales set out in the agreement.

Alwen Williams, Chief Executive, NHS East London & the City	 Signature Date: 28 September 2011

Part 3 – NHS Trust summary

Short summary of services provided, geographical/demographical information, main commissioners and organisation history.

Required information

Current CQC registration (and any conditions):

The Trust is licensed by the Care Quality Commission (without conditions) and achieved NHSLA level 3 status in late 2010.

Financial data

	2009/10 £000s	**2010/11* £000s**
Total income	707,643	716,314
EBITDA	61,897	45,330
Operating surplus**	11,423	6,012
CIP target	40,000	39,206
CIP achieved recurrent	29,067	33,913
CIP achieved non-recurrent	2,179	1,007

Source: DH FIMS
*Unaudited figures
**Excludes impairments/IFRS adjustments

The NHS Trust's main commissioners

The Trust's major commissioner is the East London & City Sector Acute Commissioning Unit (comprising Tower Hamlets, City & Hackney and Newham PCTs) who represent 48% of the Trust's patient service income. North east London PCTs as a whole represent 66% of the Trust's clinical income, with the remainder from a large number of commissioners across London, East of England and beyond.

Summary of PFI schemes (if material)

The Trust is mid-way through a £1.15 billion PFI redevelopment of its estate that will establish Barts as a major cancer and cardiac centre (bringing together cardiac services from the two current sites) and redevelop the Royal London as inner north east London's major trauma, acute and specialist teaching hospital. The first phase of the Barts redevelopment (the cancer centre) opened in March 2010 and will be followed by the new Cardiac centre in 2014. The new Royal London Hospital will open in early 2012.

The PFI contract covers the construction and subsequent maintenance of the new hospital along with the provision of a number of non-clinical support services. These include a full suite of soft FM "hotel" services such as cleaning and catering as well as the provision of a sterile supplies and managed medical equipment service. When fully operational (2016/17), the income & expenditure impact of the PFI will be £141.9 million (assuming indexation of 3.5% per annum).

Further information

Barts and the London NHS Trust is a large teaching Trust providing services from three hospital sites – the Royal London Hospital in Whitechapel, St Bartholomew's in the City of London and the London Chest Hospital in Bethnal Green.

The Trust has a number of roles – it provides local acute hospital services to the 220,000 residents of Tower Hamlets, specialist and tertiary services to the 1.6 million population in north east London and, with the Barts and The London School of Medicine and Dentistry and other academic partners, has a significant role in education and research. The proposals for acute services agreed as part of 'Health for North East London' confirmed the Trust's role as one of two major acute providers in NE London.

The Royal London Hospital is the main acute site, providing A&E services, maternity, adult and paediatric acute and specialist services. It is the largest of London's four Major Trauma Centres and is the Inner North East London's hyper-acute stroke centre. St Bartholomew's focuses on specialist cancer and cardiac services while the London Chest Hospital also provides cardiothoracic services and houses the North East London Heart Attack Centre.

Key dimensions (August 2011) include:

9700 staff
520,000 outpatient attendances
190,000 A&E attendances
400,000 Community Health Service contacts
93,000 inpatient and day case admissions
64,000 day attendances
4,400 deliveries

Part 4 – Key issues to be addressed by NHS trust

Key issues affecting NHS Trust achieving FT	
Strategic and local health economy issues	
Service reconfigurations	☒
Site reconfigurations and closures	☒
Integration of community services	☒
Not clinically or financially viable in current form	☐
Local health economy sustainability issues	☒
Contracting arrangements	☐
Financial	
Current financial Position	☐
Level of efficiencies	☒
PFI plans and affordability	☒
Other Capital Plans and Estate issues	☒
Loan Debt	☐
Working Capital and Liquidity	☐
Quality and Performance	
QIPP	☒
Quality and clinical governance issues	☐
Service performance issues	☐
Governance and Leadership	
Board capacity and capability, and non-executive support	☐

Please provide any further relevant local information in relation to the key issues to be addressed by the NHS Trust:

Strategic and Local Health Economy Issues

A) Service reconfigurations – The proposals for service change agreed following the Health for North East London review primarily affect outer north east London providers as the major change is to services at King George Hospital. This is the subject of an Independent Reconfiguration Panel (IRP) Review which reported to the Secretary of State in July 2011. Reconfiguration plans that directly impact on Barts and the London include the centralisation of complex vascular surgery and specialist paediatrics to the two major acute providers (BLT and BHRT) and a shift of outpatient and urgent care services to the community. These are being taken forward via the 2011/12 commissioning process.

B) Site reconfigurations and closures – Beyond the agreed proposals that emerged from Health for North East London, the Trust's New Hospitals Programme will result in site reconfiguration and closure. Specifically, the second phase of the Barts redevelopment will bring together cardiac services from the London Chest Hospital and Barts into the new build and will result in the closure of the London Chest Hospital in late 2014. The deployment of the new assets will also involve a range of other service moves between sites.

C) Integration of community services – Barts and the London was selected as preferred provider for Tower Hamlets Community Health Services in November 2010 and the staff and services transferred to BLT on 1 July 2011, adding around £70 million to the Trust's turnover and a more than 1200 wte additional staff to the payroll.

D) Local health economy sustainability issues - the Boards of Barts and the London, Whipps Cross and Newham Trusts agreed in February 2011 to develop plans for a merged

Trust – Barts and East London Healthcare (BELH) - as a means of ensuring that all 3 Trusts are part of an FT. A three way merger will additionally drive significant patient and pathway benefits, spread teaching and research activity and benefits across a wider geography and put in place a provider landscape capable of delivering any further service reconfiguration needed to secure the long term financial sustainability of the local health economy. The Outline Business Case was approved by the Boards of Barts and The London, Whipps Cross University Hospital and Newham University Hospital Trusts in July 2011 and the 3 Trusts and the NHS London Capital Investment Committee agreed the development of a Full Business Case to be submitted to NHS London in December 2012.

Financial Issues

E) Level of efficiencies / QIPP – the combination of commissioning changes (including care closer to home and decommissioning), efficiency requirements, the unitary payment for the new assets and unavoidable cost pressures results in the need to deliver £41m savings in 2011/12. The Trust's vehicle for delivering this is the Performing for Excellence Programme which has reviewed all aspects of expenditure and initiated workforce changes, productivity improvements and non-pay reductions to achieve higher quality care at lower cost.

F) PFI plans and affordability - The FBC for the Trust's new hospitals was predicated on NHS Bank funding to address transitional and double-running costs. Of the £58m outstanding, £24.5m is with NHS London and the remaining £33.5m will need to be identified and secured to ensure the affordability of the PFI plans. Discussions with NHS London have identified that a further £13.4m is available from the NHS Bank in 2011/12. This will leave an unfunded commitment of £20.1 million.

The phased redevelopment of the Trust's assets results in uneven step changes to the unitary payment that will be problematic for the Trust's financial plans. The annual UP (fully indexed) increases as follows:

2010/11 – 2011/12 : £16.6m
2011/12 – 2012/13 : £30.1m
2012/13 – 2013/14 : £4.4m
2013/14 – 2014/15 : £14.9m
2014/15 – 2015/16 : £7.7m
2015/16 - 2016/17 : £5.3m

The scope of services in the PFI results in a high unitary payment (approximately 47% of which reflects the cost of capital, with the remainder reflecting the cost of services). We are exploring options to reduce the UP (including a review of the scope of the PFI and the range of services included) and would strongly support changes to the construction of the national tariff to strip out the costs of capital and ensure comparability across providers (see part 7).

The National PFI Review being undertaken by the Department of Health will assess potential productivity opportunities over the next 4 years. In addition, NHS London's has undertaken an assessment of financial challenges and productivity opportunities by provider, incorporating the impact of commissioner QIPP plans. The outcomes of these reviews will be considered and addressed in the FBC for the BELH merger.

G) Other Capital Plans and Estate issues – Beyond the new assets, the Trust is progressing a number of other property issues through its estates strategy. These include the commercial development of surplus land at both the Royal London and the Barts sites (including a potential joint venture at Barts with the independent sector) and the future use of the London Chest Hospital when services transfer to Barts in 2014.

Part 5 – NHS Trust actions required

Key actions to be taken by NHS Trust to support delivery of date in part 1 of agreement	
Strategic and local health economy issues Integration of community services	☒
Financial Current financial position	☐
CIPs	☒
Other capital and estate Plans	☒
Quality and Performance Local / regional QIPP	☒
Service Performance	☐
Quality and clinical governance	☐
Governance and Leadership Board Development	☐
Other key actions to be taken (please provide detail below)	☐

Describe what actions the Board is taking to assure themselves that they are maintaining and improving quality of care for patients.

The Trust Board regards maintaining and improving the safety and quality of patient care as its top priority. The Board has agreed a Quality Improvement Strategy which is being implemented through the delivery of annual Quality Development Plans, with explicit quality objectives focused on patient safety, clinical outcomes and patient experience. The Board monitors quality and safety performance through a comprehensive Quality and Safety report which is discussed as the first item at each month's Trust Board meeting, and through regular review of an Integrated Performance and Assurance Framework. A committee of the Trust Board, the Quality Assurance Committee which is chaired by a Non Executive Director, monitors, reviews and reports to the Trust Board on the quality of services provided by the Trust. In recent months, the Trust Board has also established regular 'Listening Sessions' which provide an opportunity for the Board to gain direct feedback from staff, patients and stakeholders on various aspects of the quality of care provided to patients. In addition, both Executive and Non Executive members of the Board regularly undertake visits to wards and departments across the hospitals.

Please provide any further relevant local information in relation to the key actions to be taken by the NHS Trust with an identified lead and delivery dates:

Strategic and local health economy issues

A) Integration of Community Health Services – Tower Hamlets Community Health Services transferred to the Trust on 1 July 2011 with an agreed SLA, Business Transfer Agreement and transformation plan. Lead – Director of Strategy, Graham Simpson

B) Merger – develop a business case, secure necessary approvals (including CCP) and complete the merger of Barts and the London, Whipps Cross and Newham NHS Trusts by April 2012.

The Outline Business Case was approved by the Boards of Barts and The London, Whipps Cross University Hospital and Newham University Hospital Trusts in July 2011. The OBC was approved by NHS London Capital Investment Committee on 4th August and the confirmation letter from SHA Chief Executive dated 11th August sets out a number of requirements for the FBC and responds to the issues and conditions relating to the merger raised in the letters from Trusts following Board approval. These relate to efficiency requirements and the identified funding gap, and integration planning and are the subject of continuing discussion between the merger transaction team and NHS London.

Lead - Chief Executive, Peter Morris

Financial Issues

C) QIPP – deliver £41m savings in 2011/12 through the Performing for Excellence Programme, and ensure delivery of all financial targets in 2011/12 and beyond.

An assessment of financial challenges and productivity opportunities, incorporating the impact of commissioner QIPP plans has been undertaken for London's acute NHS Trusts. The Trust has carried out its own long term financial assessment and the QIPP challenge indicated is broadly consistent with NHS London's analysis. The Trust will review the findings of the SHA's assessment and take this into account as the performance, productivity and QIPP plans for the next 3-4 years are refined. The Full Business Case for the BELH merger will align approaches to the QIPP challenge across Barts and The London, Newham and Whipps Cross Trusts.
Lead - Chief Executive, Peter Morris

D) Assess cash/ liquidity issues and scale of funding requirement set out as a collective challenge for the merger, including also articulation of potential solutions. The Outline Business Case for the BELH Merger has identified a funding gap for the new Trust relating to cash / liquidity issues for it to achieve a Monitor FRR of 3. There is a requirement to fill the identified gap, which will be confirmed or revised in the FBC.

Lead – Chief Financial Officer, Sarah Mussenden

E) Capital and Estates – commission and move services into the new Royal London Hospital on time and within budget Lead - Chief Operating Officer, Toby Lewis

Part 6 – SHA actions required

Key actions to be taken by SHA to support delivery of date in part 1 of agreement	
Strategic and local health economy issues Local health economy sustainability issues (including reconfigurations)	☒
Contracting arrangements	☐
Transforming Community Services	☐
Financial CIPs\efficiency	☒
Quality and Performance Regional and local QIPP	☒
Quality and clinical governance	☐
Service Performance	☐
Governance and Leadership Board development activities	☐
Other key actions to be taken (please provide detail below)	☐

Please provide any further relevant local information in relation to the key actions to be taken by the SHA with an identified lead and delivery dates.

Strategic and local health economy issues

Cluster & SHA to work with the DH, commissioners and the 3 Trusts to identify possible sources of funding to facilitate the 3 year transition programme in inner NE London. This will include meeting the transitional costs of the merger (e.g. transaction costs etc) and enabling a realistic QIPP / cost improvement programme as the development and integration of the new organisation proceeds taking into account any issues emerging from the Due and Careful Enquiry exercise. The letters from the 3 Trusts and from NHS London following their consideration of the OBC highlight this as an issue that needs to be resolved This will include commissioning changes, the transitional costs of creating the new Barts and East London Healthcare Trust and, in the absence of a solution to address any potential excess PFI costs beyond that included in tariff (see part 7), a bridging mechanism to support these costs.

Lead - ELCA Cluster Chief Executive & **SHA Director of Finance & Investment & Regional Director of Provider Development**

Financial Issues

SHA to provide support in continuing monitoring of performance against agreed QIPP plans, as well as review of financial performance/ CIP delivery in line with quarterly reporting. **Lead; SHA Director of Finance & Investment**

The SHA is contributing to the national work on PFI and will work with the Trust in resolving the outstanding PFI issues as a result of the national financial review.

SHA to support assessment of cash/ liquidity issues and scale of funding requirement set out as a collective challenge for the merger, including also articulation of potential solutions.
The Outline Business case for the BELH Merger has identified a funding gap for the new

Trust relating to cash / liquidity issues for it to achieve a Monitor FRR of 3. There is a requirement to fill the identified gap, which will be confirmed or revised in the FBC.

- Securing funding to address the cash / liquidity gap identified in the OBC (and to be confirmed or revised in the FBC) to achieve a Monitor FRR of 3. This will include the £26m Challenged Trust Board funding committed to Whipps Cross and Newham Trusts.
- Support in securing the outstanding £20m NHS Bank non-recurrent financial support for the Barts and The London PFI transitional costs
- Jointly working to rapidly secure a solution to the Whipps Cross estate issues

Lead : SHA Director of Finance, October-December, 2011

Barts and the London will also be looking to NHSL and ELCA Cluster to provide support to assist the Trust in achieving the path to merger with Newham and Whipps Cross and a successful FT application for the new organisation in the following ways:

- Managerial capacity and skills (as required) – the timeline for delivering the SOC/OBC/FBC is very tight and at the same time the organisation will need to integrate Tower Hamlets community services and deliver a substantial savings/QIPP plan. SHA Director of Provider Development, review for FBC phase, October-December 2011
- Project resources. Appropriate additional resourcing of the merger programme to meet OBC and FBC timetables. ELCA Chief Executive, review for FBC phase, October-December, 2011
- Capability and capacity to undertake potentially complex stakeholder consultation and other statutory requirements such as CCP – The timeline to merger could easily be delayed by these engagements and other issues. The Trusts will look to the SHA for guidance, specialist advice and practical support to minimise these risks. SHA Directors of Provider Development, Strategy & System Management and Director of Communications, October-November 2011
- Maintaining quality during organisational change – The Trust may need assistance to ensure that safe and effective services that meet National and local targets are maintained during a period of rapid organisational and service change. SHA Medical Director & Directors of Nursing & Performance 2011/12

Part 7 – Supporting activities led by DH

Actions led by DH to support delivery of date in part 1 of agreement	
Strategic and local health economy issues Alternative organisational form options	☐
Financial NHS Trusts with debt	☐
Short/medium term liquidity issues	☐
Current/future PFI schemes	☒
National QIPP work streams	☐
Governance and Leadership Board development activities	☐
Other key actions to be taken (please provide detail below	☐

Please provide any further relevant local information in relation to the key actions to be taken by DH with an identified lead and delivery dates:

Financial Issues

- Resolving the outstanding £20m NHS Bank Funding

- Capital approval and funding for Whipps Cross Hospital, subject to urgent joint work to agree a solution to the Whipps Cross Estate issues

to accommodate service reconfiguration resulting from agreed Health for NE London recommendations.

- A national financial review of Trusts with a PFI hospital is taking place to gain a common understanding of any issues that might be an obstacle to passing the financial elements of the FT assessment process. Some elements contained within the TFA will be subject to the outcome of this review in enabling any issues outlined in this agreement to be resolved. This will be confirmed on a case by case as the PFI work is completed and communicated.

Part 8 – Key milestones to achieve actions identified in parts 5 and 6 to achieve date agreed in part 1

Date	Milestone
July 2011	Board approval of BELH Merger OBC and support to moving to FBC stage
31 July, 2011	Review of finance (CIPs) and quality and performance based on Q1 returns SHA financial challenge and productivity opportunities assessment Confirmation of cash/ liquidity issues and scale of legacy problem for merging Trusts
August 2011	NHS London Capital Investment Committee approval of OBC and support for the development of a Full Business Case.
30 September 2011	Liquidity - complete assessment of cash/ liquidity issues and scale of merger funding requirement together with identification of potential solutions
September – November 2011	FBC to be considered and approved by the Boards of BLT, NUHT and WCUH Trusts
31 October, 2011	Review of finance (CIPs) and quality and performance based on Q2 returns
November 2011	Co-operation and Competition panel response to BELH merger proposal
December 2011	NHS London approval of FBC
January 2012	DH Transaction Board considers BELH FBC
31 January, 2012	Review of finance (CIPs) and quality and performance based on Q3 returns
February 2012	Secretary of State approval
March 2012	Complete commissioning of phase 1 of Royal London Hospital
1 April 2012	Trusts dissolved, BELH established
April 2012 - September 2013	18 months trading
April 2012 – September 2013	Develop IBP/LTFM
July – September2013	Public consultation
July 2013	Historic Due Diligence (HDD) 1
August-September 2013	HDD1 Actions
October-November 2013	Historic Due Diligence (HDD) 2
November-December, 2013	HDD2 actions
December 2013	FT application submission to DH
April 2014	SoS approval
May 2014	Submission to Monitor
June – September, 2014	Monitor assessment process
October, 2014	Working capital review
December, 2014	Target authorisation date

Provide detail of what the milestones will achieve\solve where this is not immediately obvious. For example, Resolves underlying financial problems – explain what the issue is, the proposed solution and persons\organisations responsible for delivery.

Key Trust, SHA and DH actions necessary to achieve this timeline are detailed in parts 5-7 above.

Describe what actions\sanctions the SHA will take where a milestone is likely to be, or has

been missed.

NHS London's monthly performance monitoring process will highlight challenges to FT pipeline milestones with regard to quality, service performance & finance and address these in monthly performance improvement meetings with the trust (and include the Cluster). In addition, NHSL's Provider Development Directorate will link this to a NHSL TFA tracker and where a milestone not related to in year performance is likely to be missed, the Regional Director of Provider Development will hold a review meeting with the Trust Chief Executive. Where required, these meetings will include relevant SHA Directors and be chaired by the SHA Chief Executive. These meetings may also involve the SHA Chair, the Trust Chair or a Board to Board meeting. The outcome of the milestone review meeting will be a recovery plan with escalation to DH where necessary.

Key Milestones will be reviewed every quarter, so ideally milestones may be timed to quarter ends, but not if that is going to cause new problems. The milestones agreed in the above table will be monitored by senior DH and SHA leaders until the NTDA takes over formal responsibility for this delivery. Progress against the milestones agreed will be monitored and managed at least quarterly, and more frequent where necessary as determined by the SHA (or NTDA subsequently). Where milestones are not achieved, the existing SHA escalation processes will be used to performance manage the agreement. (This responsibility will transfer to the NTDA once it formally has the authority)

Part 9 – Key risks to delivery

Risk	Mitigation including named lead
Merger FBC not supported	Revert to stand-alone BLT FT application. Key milestones: ▪ March 2012 : BLT FT process commences ▪ August 2012 : Integrated Business Plan ▪ October – December 2012 : Public consultation ▪ February – June 2013 : HDD 1 and 2 ▪ July – August 2013 : Seek SoS approval ▪ September – December 2013 : Monitor assessment ▪ March 2014 : Target authorisation date Lead - Chief Executive, BLT, Peter Morris
Outstanding PFI issues	The DH is addressing this issue across a number of NHS Trusts with significant PFI schemes. Lead – Chief Financial Officer, Sarah Mussenden
Business case commitment to the outstanding £20m NHS bank funding not being honoured	We believe from NHS London that this amount will be made available from the NHS bank and that DH obligations for this commitment are well recognised. Lead – Chief Financial Officer, Sarah Mussenden
Funding to address cash / liquidity issues and secure a Monitor FRR of 3 (including CTB funding for Whipps Cross and Newham) is not made available at the necessary level.	Ongoing discussions between the Merger Project Executive, INEL and ONEL chief executives and the SHA Directorates of finance and provider development. Shared understanding that the OBC/FBC for the merger will not be approvable without this.
Non-resolution of Whipps Cross estate issues	Requirement and commitment to achieve a satisfactory outcome in time for the FBC confirmed in the letters from the 3 Trusts and from NHS London following their consideration of the OBC highlight
Lack of leadership capacity and capability during 2011/12 to deliver both a complex merger agenda and the operating plans for the 3 organisations.	The project governance arrangements have clearly identified leads for each work stream. The Transition Programme Director and the Project Director are currently developing, with the work stream leads, a resourcing and work plan to ensure that the project can be delivered without compromising operational delivery. Lead - Chief Executive lead for merger, Peter Morris The Commissioners are already proposing to support transitional costs in the 2011/12 contract round in the amount of £3 million support to NUHT. Further costs of £5 million are expected to be incurred. Currently £1.5 million of this sum has been budgeted by the 3 Trusts. The residual risk of £3.5 million would need to be met from other NR sources available in the London Health economy. Additionally, two of the Trusts in the merger have interim Chief Executives in place; NHS London to provide support if required.
Stakeholders do not support/challenge the merger proposal	Ensure strong communication and stakeholder programme throughout the OBC and FBC process Lead - Chief Executive, BLT, Peter Morris