

3. Findings

3.1. The trust's response to this investigation

18. Our perception from interviews is that Board members were often defensive, with some individuals being evasive in their responses to questions. While we acknowledge that these behaviours can stem from an investigation process, we have not experienced this degree of defensiveness from other investigations.
19. There was little evidence from interviews that individuals acknowledged that the trust may have made mistakes and that there were opportunities to learn from these to prevent similar issues from happening in the future. It is important that the trust recognises the areas for improvement from this report and acts appropriately to ensure that they are addressed. The trust's response to this report will help us assess the Board's ability to acknowledge and act to address its weaknesses.

3.2. Control total decision

Process and quality of information

20. The primary forum for discussion of control total acceptance or rejection was the extraordinary Finance and Investment Committee (FIC) in November 2016, to which the entire Board was invited to attend. All voting Board members were present at this meeting.
21. A detailed paper was prepared for the FIC by the finance team to support discussion of the draft 2017/18 plan and to inform the decision on accepting or rejecting the control total.
22. In our view, the paper was generally of a good quality and set out in sufficient detail the key risks associated with submitting a financial plan that met the control total. In particular, the narrative stated that the trust was 'struggling to understand' the STP assumptions and how the savings would be achieved. It is clear from the narrative that the totality of all the required savings represented 8.6% of the trust's cost base, and that achievement of savings would necessitate moving to best in class for length of stay (from 8.1 to 4.7 days), with the closure of seven wards. The paper also noted the likelihood of overlap between the internal trust CIP schemes and STP workstreams. The paper did not cite the fact that management had disagreed with elements of the STP's financial assumptions. We note that this was presented to the Board in the October 2016 seminar, but it should also have been included for the extraordinary FIC meeting.
23. The assumptions outlined above were clearly material risks, and is not clear from the paper that there were any mitigations to them at the time. For two of the highest risk areas – clinical transformation and collaborative productivity – the paper did not set out what next steps the trust would take in order to gain the necessary assurances that the schemes would deliver in 2017/18. This was a