

Report of Bradford Teaching Hospitals NHS Foundation Trust (BTHFT) to the meeting of the Health and Social Care Overview & Scrutiny Committee to be held on 22 March 2018

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Subject: Bradford Teaching Hospitals NHS Foundation Trust Position Statement – Creation of an Alternative Delivery Model (ADM) for Estates and Facilities Services.

Summary statement:

Bradford Teaching Hospitals has a duty to evaluate all opportunities that could secure improvements in value for money and cost effectiveness whilst at the same time ensuring sustainable and high quality services for its patients. Bradford Teaching Hospitals NHS Foundation Trust has an ambitious clinical strategy that will need to be complemented by a sustainable financial plan.

In its endeavours to remain financially viable and to be able to continue to deliver high quality services, the Foundation Trust is exploring the option to safely create an Alternative Delivery Model (ADM) to deliver Estates and Facilities services. The evaluation to date has been undertaken in conjunction with the other West Yorkshire Association of Acute Trusts (WYAAT) (with the exception of Airedale Foundation Trust and Harrogate and District Foundation Trust who have progressed independently from WYAAT), with the initial case for change receiving chair and chief executive approval in 2017.

The Board of Directors for Bradford Teaching Hospitals NHS Foundation Trust received an update to the evaluation at its January 2018 meeting, where further information was requested to ensure the appropriate amount of due diligence can be evidenced to inform the right decision for Bradford Teaching Hospitals NHS Foundation Trust and the population it serves.

Portfolio:

Health and Wellbeing

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1. **Background**

- 1.1 In light of the economic challenge faced, and the drive to continuously improve the quality and safety of the services it provides, Bradford Teaching Hospitals NHS Foundation Trust (BTHFT), as part of the WYAAT grouping, is undertaking an evaluation to assess the feasibility/viability of creating an Alternative Delivery Model (ADM) to provide Estates and Facilities services to the Trust. The case for change produced by WYAAT emphasises the opportunity of future collaboration, with the aspiration being the creation of a joint West Yorkshire ADM with the preferred model being a Wholly Owned Subsidiary (WoS).
- 1.2 A number of ADMs either exist or are being created across the public sector, with around 40 already in place across the National Health Service. Each ADM aligns to the mission, vision, objectives and values of the originating organisation (which in this instance would be BTHFT) and as such the criteria for evaluating the feasibility will be unique to each instigating organisation.

2. **Report issues**

- 2.1 At its meeting on 8 March 2018, the Board of Directors of BTHFT discussed alternative delivery models for its estates and facilities services. The conclusion of this discussion was an agreement to work to develop a Full Business Case (FBC) for consideration at the Board's July 2018 meeting, but only on the basis that all suitable delivery models will be looked at.
- 2.2 The Board of Directors' meeting in July 2018 will be the point at which the Board makes a definitive decision, whether or not to move to a different delivery model from the current arrangements, and if the decision is to move to an ADM, the preferred model will be agreed.
- 2.3 When it considers the FBC in July 2018, the Board will need to understand the costs, risks, and benefits (financial and non-financial) of any proposed approach.
- 2.4 The Board has stated that it requires there to be meaningful engagement with staff side representatives which would inform the development of the FBC.

3. **Recommendations**

- 3.1 At this stage the members are asked to note that Bradford Teaching Hospitals NHS Foundation Trust intends to complete a full evaluation and present a comprehensive business case to its Board of Directors in July 2018 where a definitive decision will be taken.