Sherwood Forest Hospitals NHS
NHS Foundation Trust

Report to meeting of:	Board of Directors
Date of meeting:	30 April 2012
Title of paper:	Chief Executive's Report
Time required on agenda:	10 minutes

Executive Summary:

This paper gives the Board an update on some of the key areas of activity that could impact upon the strategic development of the organisation. It also provides a brief outline of the operational environment and activity since the last Board meeting.

Particularly of note is the achievement of over two years without a hospital acquired MRSA bacteraemia, making the Trust one of the best performing hospitals in the NHS.

We continue to focus on improving our compliance with the Care Quality Commission, with significant actions in place to ensure that we are delivering high quality care to our patients.

Excellent performance has been delivered in A&E with the 95% target being delivered despite significant increases in A&E attendances.

The Trust delivered all of its financial targets for the year, with a small surplus.

A significant amount of preparation for 2012/13 has taken place, focusing on improving services through engagement with stakeholders, including staff, Governors, members, patients, commissioners and CCGs.

Next Steps:

The Board are asked to note the contents of the report and the progress made.

Submitting Director:	Martin Wakeley, Chief Executive
Action required:	For information

Trust Board of Directors Meeting

30 April 2012

CHIEF EXECUTIVE'S REPORT

Introduction

This paper gives the Board an update on some of the key areas of activity that couldimpact upon the strategic development of the organisation. It also provides a brief outline of the operational environment and activity since the last Board meeting.

1. OPERATIONAL UPDATE

End of year report

The Trust set itself an ambitious agenda of improvement as reported through its objectives shared with stakeholders in its Quality Report for 2011/2012. Performance against all targets will be reported in our annual review which will be completed before the end of May but key items of note include:-

Hospital acquired infection

The Trust has now gone for over 2 years without a hospital acquired MRSA making it one of the best performing hospitals in the NHS.

With respect to C-Difficile our ambition was to reduce our C-Difficile number to 43 for the year. We finished the year at 45 which was a 17% reduction on the previous year and with an infection rate of 0.14 per 10,000 bed days still placed the Trust in the upper quartile of comparable hospitals nationally. We remain however committed to being one of the best performing Trusts in the country and have strengthened our capacity and capability further and have set an internal target of 36 for 2012/2013 in order to deliver on our ambitions.

Care Quality Compliance

We recognise the importance of delivering high quality care in a consistent fashion to our patients and our responsibilities for ensuring that we remain fully compliant with the terms of our authorisation, which includes registration with the Care Quality Compliance **(**CQC). The Trust has been visited by the CQC twice in the last 12 months and following their final visit in October 2011 there remains concerns about our compliance with respect to outcomes 2 & 21.

In response to this the Trust Board has commissioned external assistance to support the Executive team to improve performance against not only those outcomes highlighted by the CQC but to strengthen compliance against all CQC outcomes. This has culminated in additional investments being made in operational management support in key clinical areas in addition to higher levels of clinical audit and scrutiny being applied to ensure that patients receive the standards of care that we expect.

The CQC have been invited back to assess the Trust at the end of April 2012.

Parliamentary and Health Service Ombudsman – Outcome of Complaints Investigation

Between 14 and 15 August 2010, a patient was admitted to the Emergency Department, transferred to the Surgical Assessment Unit, where the patient subsequently died. The cause of death:

- Cardiac Arrest
- Hypovolaemia
- Intra abdominal Haemorrhage

Followingthe complainant referring the case to the Ombudsman and having considered all the evidence, the Parliamentary Health Service Ombudsman (PHSO) identified:

1) The care and treatment provided to the patient was so poor that it constitutes service failure. As a consequence there may have been a lost opportunity to provide emergency surgical intervention which may have saved the patient's life
2) The Trust response to the complainant was not customer focused, open and accountable

On the 29 March 2012, the Trust received a formal notification that the complaint had been upheld by the PHSO.

In recognition of this, the Trust is required to:

- write to the complainant before 28th April 2012to provide and open and honest acknowledgment of the service failure and maladministration identified, with an apology for the impact of these failings;

- In conjunction with the written response, pay a financial redress of £2,000 to the complainant in recognition of the injustices that the Trust's failings have caused ; an d

- Within 3 months, prepare an action plan with evidence of learning and actions to avoid a reoccurrence of these failings. This is currently in progress and will be shared with both the complainant and the PHSO to demonstrate lessons learnt.

Operational Performance

The Trust was one of only a small number of Hospitals across the East Midlands region to achieve all national performance targets across the year. Of particular note was the fact that the Trust delivered the A/E 95% target across all 4 quarters and was one of only two hospitals in the East Midlands to achieve this target, this despite increases in A/E attendances and an overall increase in patient admissions and acuity.

Financial Performance

The Trust delivered all of its financial targets for the year reporting a year end surplus of £5.3m.

However whilst financial performance for the year was better than planned this positive outturn has been supported by some one- off benefits (such as a PFI financial settlement) and a revaluation of our assets resulting in a technical adjustment of over £10m. The underlying financial position still causes concern and the pressure on 12/13 remains high particularly as a consequence of some Cost Improvement initiatives not delivering the level of recurrent savings that had been anticipated. (Further financial detail is provided in a separate paper under agenda item C

In summary the Trust finished 2011/2012 having delivered many of the objectives that it had set itself but recognising that its ambitions are to deliver higher quality care and to increasingly improve its financial position in order to make resources available for investment in patient care. Our Annual plan for 2012/2013 will detail the extent of our ambition.

Preparing for 2012/2013

In preparing for 2012/2013 there has been a real focus on how we can improve our services through engagement with our many stakeholders. We have spent considerable energy working with our staff. Governors, members, patients and commissioners alongside the many other organisations that we work with to deliver our care.

Working with our commissioners

We have worked extremely closely with the newly created Clinical Commissioning Groups (CCGs) who will be taking over responsibility for commissioning local services from PCTs from 2013 to ensure that there is a real emphasis towards the development of local services for patients that reflect their existing and future needs. We have completed this work and have been successful in securing a contract for 2012/2013 that we believe provides a stable financial and clinical foundation from which to further develop local services in all of our locations. As part of this exercise we have invigorated clinical engagement to ensure that plans are driven through those people who provide the services and to ensure that there is a mutual focus on the quality of our services whilst ensuring that they are affordable to commissioners

Full details of our contractual arrangements will be reflected in our Annual plan for 2012/2013

Developing our Plans

We are in the process of producing our Annual Plan and our Quality Report for 2012/2013, both of which will be considered by the Trust Board and Council of Governors during May in support of our 31st May submission to Monitor. Both reflect our vision and objectives for the next few years incorporating challenging targets for further improving the quality of our services whilst ensuring that we have the available resources for investment.

Our plans reflect changes to the regulatory landscape, particularly in relation to the revised Monitor Compliance Framework for 2012 of which the major changes relate to:-

- A/E performance is now measured by site
- A/E performance across the whole year period and not just by quarter
- Financial efficiency metrics with particular reference to how PFI liabilities are present within the FRR calculation

In response to these changes and others included within the NHS commissioning contract we have reviewed our risk profile with changes reflected within our Board Assurance Framework.

Local Issues

The Trust has been recognised as a level 2 trauma centre, the first in the region which means that it is able to receive critically ill patients as part of the major trauma network that has NUH recognised as the major trauma centre for the region.

A summary of the Consultants recruited in the last three months is detailed in Appendix **A**.

2. EXTERNAL ENVIRONMENT

The Health & Social Care Bill

The Health & Social Care Bill received Royal Assent on 27 March 2012 to become the Social Care Act (2012). At the heart of the reforms are two simple principles. First, patients should have more control over the care they receive. Second, those responsible for patient care – i.e. doctors, nurses and others – should have the freedom to lead an NHS that delivers continually improving care to its patients.

Clinical Commissioning Groups

There are four authorisation timeline waves for Clinical Commissioning Groups (CCGs), beginning in June, July, September and October 2012. CCGs will confirm which application wave they wish to join by the end of April 2012 and the NationalCommissioning Board will confirm the authorisation pipeline in May 2012.

The next steps in the national timeline for CCG authorisation is as follows:

- April – August 2012: CCGs confirm commissioning support services, 360 degreeassessments to capture partners' views and CCGs begin to apply for establishmentand authorisation
- October 2012 – January 2013: National Commissioning Board authorisation decisionswill be made

Each CCG will be required to have its own constitution, financial management arrangements compliant with national requirements, a draft Joint Strategic Needs Assessment, a Joint Health and Wellbeing Strategy, an Organisational Development Plan, an SLA with their commissioning support organisation, draft commissioning intentions for 2013/14 and a 360° stakeholder survey report as part of the application for establishment submitted to the National Commissioning Board.

The aim will be to be authorised with as few caveats as possible. If conditions to authorisation are applied the commissioning function may be undertaken by another CCG or an organisation appointed by the National Commissioning Board.

Pensions Update

The issue of NHS and wider public sector pension reform is not yet resolved and further industrial action remains a risk. The Secretary of State has made a final offer which Trade Unions (TUs) are now responding to, or balloting upon. Unison has a ballot open that will close on 27 April 2012. The Royal College of Midwives is also consulting on the offer, as are other NHS unions. The Royal College of Nursing has decided not to consider any kind of industrial action for now following a February ballot on pensions (when 62% voted against and 32% for the offer) but will discuss next steps with other TUs after their ballots have concluded.

The British Medical Association is running a ballot between 14 and 29 May 2012 on industrial action, which it says would involve the withdrawal of all but urgent and emergency care.

Unite has rejected the final offer on pensions and announced on 17 April 2012 that it will hold a further day of industrial action on 10 May 2012. It has called on other public sector TUs to join this

action. Outside of the NHS, the PCS is also taking action on this day affecting benefits and immigration offices. It is possible that Unison and other health unions (other than the BMA) could also take action, provided they could give the proper 7 days' advance notice of numbers involved. The Trust will operate its contingency plans in discussion with our local TU representatives appropriate to any action notified.

Appendix A – Chief Executive's Report – Consultant List

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NHS Foundation Trust

Below is a summary of the Consultants the Trust has recruited since January 2012

Name	Specialty	Commencement Date
Dr Rumana Rashid	Consultant Haematologist	Commenced 4th January 2012
Dr Sarveson Rajkumar	Consultant Gastroenterologist	Commenced 9th January 2012
Dr Sennimalai Sankar	Consultant Cardiologist	Commenced 1st March 2012
Dr Maria Al-Deiri	Consultant Haematologist	Commenced 19th March 2012
Mr Rajasekhar Chilamkurthi	Consultant T&O	Commenced 27th March 2012
Dr Zaman	Acute Care Physician	Commencing July 2012
Dr Wright	Acute Care Physician	Commencing August 2012
Dr Woodward	Acute Care Physician	Commencing August 2012
Dr Lillie	Acute Care Physician	Commencing Oct/Nov 2012

Martin Wakeley
Chief Executive