
EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

REPORT TO:	BOARD OF DIRECTORS
DATE:	24 APRIL 2015
SUBJECT:	CHIEF EXECUTIVE'S REPORT
REPORT FROM:	CHIEF EXECUTIVE
PURPOSE:	Information
CONTEXT / REVIEW HISTORY / STAKEHOLDER ENGAGEMENT The Chief Executive provides a monthly report to the Board of Directors providing key updates from within the organisation, Monitor, Department of Health and other key stakeholders.	
SUMMARY The monthly report from the Chief Executive provides the Board of Directors with key issues related to: <ul style="list-style-type: none">- Executive Summary- Key messages from Monitor- Trust Developments / initiatives- Trust Seal Activity- Publications	
RECOMMENDATIONS: The Board of Directors is asked to note the report.	
NEXT STEPS N/A	
IMPACT ON TRUST'S STRATEGIC OBJECTIVES: Compliance with notifications from regulatory bodies and policy changes all contribute towards achievement of strategic objectives.	

LINKS TO THE BOARD ASSURANCE FRAMEWORK:

To enable the Trust to respond in a timely fashion with appropriate information which may affect the Trust's rating with Monitor and the CQC.

IDENTIFIED RISKS AND RISK MANAGEMENT ACTIONS:

None

FINANCIAL AND RESOURCE IMPLICATIONS:

None

LEGAL IMPLICATIONS / IMPACT ON THE PUBLIC SECTOR EQUALITY DUTY:

None.

PROFESSIONAL ADVICE TAKEN ON ANY NOVEL OR CONTENTIOUS ISSUES:

None

BOARD ACTION REQUIRED:

The Board of Directors is asked to note the report.

CONSEQUENCES OF NOT TAKING ACTION:

Failure of the Trust to respond in a timely fashion with appropriate information may affect the Trusts rating with Monitor and the CQC.

CHIEF EXECUTIVE'S REPORT

1 Executive Summary

The following report provides information to the board on recent issues impacting on the NHS which the executive team will consider in relation to the implications for the trust and where relevant provide further information to the Board of Directors. I have provided and will do in subsequent reports, a chief executive commentary on key issues facing the organisation.

At the time of writing I have been with the trust for some four weeks and spent much of that time meeting staff on all the trust's five sites as well as a number of our key stakeholders including governors, members of the local CCGs, local authorities, NHS England and Monitor.

Everyone I met have clearly been passionate about doing their very best for patients no matter what role they have in the health and social care system and often achieving fantastic things in challenging environments. I would like to thank everyone for being so welcoming and importantly candid about the difficulties we face but also the pride staff have in the many excellent services we provide.

Having experienced the commitment of staff at EKHFT I have no doubt that we can address together the significant challenges the trust and indeed the NHS as a whole face over the coming months. There is a real recognition that things need to change if we are to improve the culture of the trust to ensure we are a "great place to work". This means facing head on the poor behaviours that the CQC identified in some areas within the trust and this work has already started as part of the trust's cultural change programme. Being clear about our expectations of our organisational values is also important and work has taken place with our staff to consider what these should be with the next stage of this work being the communication of these values to the 7000 people who work in the trust. We also need to increase staffing levels in areas where this needs to improve - the board has agreed additional funding for this but we still face the recruitment challenges that are being experienced across the NHS, particularly in nursing and some medical specialties.

We are also facing substantial and immediate financial challenges going forward with the trust ending 2014/15 in deficit. This will require us to establish a clear financial recovery plan that improves efficiency, reduces cost whilst also improving service quality. In any such recovery programme patients must remain central to everything we do. A newly established Financial Recovery Steering Group has been established to drive our recovery.

We have to improve our access times for patients experiencing our services, including waiting times in our Emergency Departments and the 18 week referral to treatment times. The reasons for our current access time challenges are multi factorial and action plans are in place requiring internal improvements in patient flow, capacity and demand management and close working with external partners in primary, community and social care.

From my discussions with staff there is also a recognition that change in the way and where we deliver healthcare is essential if services are to remain clinically viable and affordable to the tax payer. Ensuring that services remain clinically viable and affordable means that we will need to develop clear options for the trust's future strategy and we will consult upon these later in the year. The true test is ensuring that there is strategic value for patients in our proposals.

I fully appreciate that the changes we will inevitably need to make over the coming months will require some difficult decisions to be made and this will not be easy and I am sure controversial at times, this however must not stop us doing what is right for our patients.

None of these things will be achievable unless we engage with our staff, commissioners and importantly the wider public and develop an organisation that is truly clinically led. Making sure that this happens is a high priority for me personally and for the board of directors as a whole.

The leadership agenda for ECUHFT going forward will inevitably be demanding but I remain convinced that the trust has a bright future in serving the local population well if we harness the enthusiasm and commitment of all those involved in providing health services in east Kent.

2 KEY MESSAGES FROM MONITOR

National tariff update

A total of 88% of NHS hospitals, community health services and mental health trusts have decided to move to a new Enhanced Tariff Option (ETO) for 2015/16.

Monitor has published a Q&A document with NHS England that provides further information on the following items:

- Enhanced Tariff Option (ETO)
- Default Tariff Rollover (DTR)
- mental health
- marginal rate emergency tariff
- acute specialised services marginal cost arrangements
- standard contract and Commissioning for Quality and Innovation (CQUIN)

A copy of the document can be found at:

<https://www.gov.uk/government/publications/tariff-arrangements-for-your-201516-nhs-activity>

Following changes in the tariff options, an additional APR template will need to be completed by each foundation trust.

Trusts will be required to outline how they have modeled your chosen tariff option (ETO or DTR) in both your draft and final APR financial templates. The final template will need to be submitted as part of the full plan submission in May 2015.

The Trust had 10 days to remodel the projected activity for 15/16 using the 2 new proposed tariffs. The tariff options also varied the marginal rate assumptions and these had to be considered. The impact of the new ETO arrangements was to increase the value of CCG activity whilst decreasing the value of specialist services commissioned by NHS England. The DTR tariff had the opposite effect but also meant the Trust would not be rewarded for its quality improvements via CQUIN payments which, due to the level of improvements achieved by the Trust would result in a 2.5% reduction in income. Monitor also announced the DTR tariff would be changed during the year but no details of the changes were given introducing uncertainty. Overall both tariffs produced similar results but due to the uncertainty of in year changes on the DTR the Trust accepted the ETO tariff despite this still having a significant negative impact on Trust income compared to 14/15.

Revised Planning Timetable

Monitor published a revised timetable which sets out their extended planning, contracting and dispute resolution timetable for 2015/16.

<https://www.gov.uk/nhs-foundation-trusts-planning-and-reporting-requirements>

In addition to the above, Monitor has asked that the following self-certifications are also submitted:

- Self-certification template: General condition 6 of the NHS provider license is due 29 May 2015
- Self-certification template: corporate governance statement, AHSCs and training of governors is due 30 June 2015

New Guidance on applying Consistent Activity Definitions

On 27 February, acute and specialist foundation trusts submitted sets of draft activity data. In many cases Monitor identified differences with commissioner plans, which occur in both the 2014/15 outturn and the 2015/16 forecast. Some providers and commissioners may be applying activity definitions inconsistently. Further guidance has been published within the planning section of Monitor's website.

Year end accounts update

Foundation trusts have now been provided with Foundation Trust Consolidation (FTC) template to return to Monitor with accounts information for the year. Monitor has also issued an optional accounts template for the first time this year, to assist you with year end accounts preparation if you need it. [More information is available on these developments](#), can be found by visiting Monitor's website:

<https://www.gov.uk/government/publications/nhs-foundation-trusts-financial-accounting-guidance>

Quality Accounts requirements for 2014/15

NHS England, Monitor and the NHS Trust Development Authority (TDA) have written to NHS providers confirming the arrangements for quality accounts for 2014/15. The letter confirms that there are no changes to the content requirements of quality accounts compared to 2013/14.

Monitor previously confirmed this for NHS foundation trusts as part of our requirements for quality reports, originally published on 13 February. Foundation Trusts are required to upload their quality account to NHS Choices by 30 June.

The quality account has been drafted and will be finalised once the end of year data validation has been completed. The draft is to be reviewed by Management Board, IAGC and Quality Committee and the expected timelines will be met. The next draft will be shared with stakeholders for their commentary. The external auditors will commence their work as agreed by IAGC and the council of governors have agreed the local indicator of audit - the risk assessment for venous thrombo-embolism as part of this process.

The Quality account is a reflection of the achievements made through year 3 of the quality strategy, which has been reported to the board through the quarterly quality reports. The account will also identify the priorities for 2015/16 and the risks to achievement.

Jimmy Savile Investigations: Reporting requirements for safeguarding actions

Given the severity of the Jimmy Savile investigations, Monitor had stressed it was important to demonstrate improvements made to safeguarding across the system.

Foundation Trusts were asked to read the Lessons Learned report, assess the relevance of its recommendations and take any necessary action to protect patients, staff, visitors and volunteers.

Foundation Trusts are asked to respond by 5pm, Monday 15 June 2015 with an overview of any actions taken.

The NHS Savile Legacy Unit was established in July 2014 as an independent body to provide oversight and assurance of any new NHS investigations into allegations of abuse by Savile. Following publication of the trusts' investigation reports in February, the unit has now closed. Claims will continue to be dealt with by the NHS Litigation Authority.

An assessment against the nine recommendations relevant to the Trust is scheduled for presentation at the Quality Committee in April 2015.

Public Contracts Regulations 2015 and impact on procurement

The Public Contracts Regulations 2015 came into force on 26 February. They introduce a new regime which will apply to regulated procurement processes started after this date with the exception of clinical commissioning.

As part of the new reforms NHS foundation trusts are classed as sub-central authorities and as such are subject to different rules. NHS trusts continue to be classed as 'central government authorities' and this represents no change to their status under previous procurement regulations.

To support the adoption of the new Regulations, the Department of Health will be providing the NHS procurement community with tools, guidance, and templates.

Legal requirement to display CQC ratings from 1 April 2015

The CQC has announced that from 1 April 2015 health and care providers will be expected to prominently display their CQC rating. This will allow patients, service users and family members to make more informed choices about their care. The ratings displayed will be: outstanding; good; requires improvement; or inadequate. **This is a legal requirement and CQC has published this guidance.**

The Trust has complied with this requirement and the CQC ratings for each site is now displayed. To show the public the progress we have made, we will also be displaying posters alongside featuring comments made by patients this year and images of the improvements we have made recently. These will be changed regularly to keep them fresh and up to date. We are keen that the public can see the progress made and that they maintain confidence in our services.

Exploring international acute care models: share your insights

Last year Monitor launched a research project looking at international acute care models to identify alternative methods of care that could be adopted by NHS providers. The findings of the research has now been published with a view to informing and encouraging wider debate.

<https://www.gov.uk/government/publications/exploring-international-acute-care-models>

Interim support funding for Foundation Trusts

In October 2014 the DH published guidance, on its powers to provide financial assistance to foundation trusts and NHS trusts. In the guidance the DH stated that interim support funding, that is short term financial support that can be provided to support the continued delivery of services on a finite basis, may be provided in the form of either loans or public dividend capital (PDC).

The DH has now confirmed its intention to provide interim support funding to foundation trusts, for both capital and revenue purposes, in the form of loans going forward.

3 TRUST DEVELOPMENTS

New Relatives Suite

The Most Reverend and Right Honourable Justin Welby, Archbishop of Canterbury, who is Patron of the League of Friends of the Kent & Canterbury Hospital, opened the Joan Bournier Diamond Jubilee Suite for relatives on 1 April 2015.

The £150,000 Diamond Jubilee Suite will enable relatives of very sick patients a private space to rest and sleep. The suite has two separate relatives' hospitality rooms, a shared kitchen, toilet and shower facilities. Each room has tables, chairs, a television and special reclining chairs for rest and sleep.

The suite was made possible by generous donations to the league particularly a large legacy to the League from the late Joan Bournier, a substantial gift from Jean Macefield Miller, the Nailbourne Group of the League and Central League funding.

National Kidney Study

The renal research team based at the Kent & Canterbury Hospital successfully recruited our 100th patient to the eGFR-C national study. The aim of the study is to assess whether a new test, cystatin C, will improve the measurement of kidney function. This would enable more accurate identification of kidney disease and monitoring of kidney function.

The study will involve a total of 1,320 volunteers with stage 3 chronic kidney disease who are currently being recruited from six centres around the country: Birmingham, East Kent, Derby, Leicester, Salford and London.

The study is being funded by the National Institutes of Health Research Health Technology Assessment programme and is being led in East Kent Hospitals by Dr Edmund Lamb and Dr Paul Stevens.

Anticoagulant Patient Safety Initiative

This initiative is specifically aimed at patients prescribed NOACs for Atrial Fibrillation Stroke Prevention; of which there is an increasing trend since an update to NICE guidance in June 2014.

Historically, anticoagulation with warfarin has been solely managed across the Trust by anticoagulation clinics; however NOACs do not require the same level of clinical

monitoring, and therefore patients do not fit the criteria for referral into this service. As a result, the patient has less regular professional contact, raising concerns regarding their on-going education and lifestyle information needs, potentially impacting upon their safety.

It is also recognised that patients undergoing anticoagulation therapy should be immediately recognisable in emergency situations, in order to ensure safety in any planned healthcare intervention. As such, this identified the need to introduce a patient alert card that is easily recognisable and universal across all NOAC medications.

In response to the safety concerns raised, we have developed a NOAC patient information leaflet to ensure patients receive standardised information in written format that can support verbal information. This leaflet is available on SharePoint (search Oral_anticoagulant_therapy), for both patient education and to support counselling / decision making.

A universal alert card has also been agreed for use within the Trust. In order to ensure a consistent approach in distributing this information to our patients, Trust pharmacy services will provide the card and information for patients during the dispensing process.

4. TRUST SEAL ACTIVITY

In accordance with Standing Orders I am required to submit a report of sealings. Since the previous quarterly report in January 2015, the Trust seal has been affixed to the following:

- Lease – Car park at Kent and Canterbury Hospital
- Helipad Lease at William Harvey Hospital
- Lease relating to Buckland Hospital

5. PUBLICATIONS

Monitor Publications:

Adult Hearing Services

Monitor published a report that looks at how choice can work for patients who require NHS adult hearing services in England. We sought views from the public, patient groups, GPs, commissioners and providers. Our infographic provides a summary of the key findings in the report.

<https://www.gov.uk/government/publications/nhs-adult-hearing-services-in-england-exploring-how-choice-is-working-for-patients>

A new practical guide to representing members' interests

Monitor has published a new guide for governors about representing the interests of foundation trust members. It has been developed jointly by Monitor and GovernWell, in association with our partners: CQC; DH; NHS Providers; and The Independent Panel for Advising Governors.

<https://www.gov.uk/government/publications/nhs-foundation-trust-governors-representing-the-interests-of-members-and-the-public>

Updated Memorandum of Understanding between Monitor and the CQC

Some of the updates to the MoU include:

- how we will work together when trusts are in special measures
- assessing the benefits case for mergers and other competition related queries
- joint registration and licensing

<https://www.gov.uk/government/publications/monitor-and-the-care-quality-commission-memorandum-of-understanding>

Chris Bown
Chief Executive