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**EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST****REPORT TO:** BOARD OF DIRECTORS**DATE:** 26 JUNE 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:

- **Executive Summary**
- **Key messages from Monitor**
- **Trust Developments / initiatives**
- **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.

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## CHIEF EXECUTIVE'S REPORT

### 1 EXECUTIVE SUMMARY

#### 1.1 Cultural change programme

The cultural change programme continues to be a priority for the trust and remains critical in ensuring that the trust is a great place to work and that we can recruit to the large number of vacancies we currently have. Recruitment remains a significant challenge for us as it does across the NHS and getting out of Special Measures will also contribute to making us a more attractive employer. The training programme for people managers has started and the second medical engagement workshop is scheduled for the 2 July. There has also been a number of management actions that have been aimed at tackling poor behaviour in individuals reinforcing the zero tolerance the board has for bullying and harassment.

#### 1.2 CQC

Preparation continues for the July CQC inspection as part of the long term 'improvement programme', including the production of a staff handbook, the development of our 'improvement hubs' and significant activity by the site improvement teams. Please be clear, the CQC inspection in July is not the end but the beginning of a long term journey of improvement for all the trust's hospitals.

#### 1.3 Quality

I am pleased to report in May 2015 we achieved over 98% for harm free care. In particular, QEQM reported 99% and William Harvey Hospital achieved 99.3%.

No deep pressure ulcers were reported in May 2015, this being the second consecutive month. There had also been a decrease in the number of falls reported.

The Friends and Family Test reported an increase in the number of patients recommending the Trust.

Full details of performance against all quality metrics can be found in the Clinical Quality and Patient Safety report.

#### 1.4 Strategy - 'delivering our future'

The trust's 'improvement programme' whilst initially aimed at addressing the issues brought into focus by the CQC, also has to encompass ensuring we tackle head on the other challenges we and the rest of the NHS face, including the shortage of clinical workforce that is leading to difficulties in delivering safe and effective emergency care; demographic challenges eg the growing elderly population; the opportunities presented by the changing world of technology, pharmaceuticals and emerging new models of healthcare including developing a truly seven day service. All of these issues will require more fundamental change in the way we deliver healthcare across east Kent if patients are to continue to receive the very best in healthcare. The board will be aware that the strategic work programme has continued to attract media and political interest.

The executive team are developing a structured work programme for consideration by the board that will take us through the coming months to the point where we will undertake a full public consultation on proposed changes in the new calendar year. The medical engagement workshop mentioned above will focus on the development of strategic options as will a chief executive led strategy board that will include the

trust's senior clinical leaders. Importantly, we have commenced a programme of public engagement, supported by Healthwatch, to ensure the public have an opportunity to understand the case for change and shape potential options. We have also been working with our commissioners on how the strategic work programme can ensure that we take a wider whole systems approach to the challenges and opportunities the NHS in East Kent faces.

## **1.5 Finance**

Like many parts of the NHS the board recognises that we face very tough financial challenges with the trust moving into deficit last year for the first time since 2006 and deficits forecasts for this and future years. This challenge has been discussed at the recent Chief Executive staff forums. Over the coming weeks a three to four year financial recovery plan will be developed based on a current review of the existing 2015/16 plan including a review of the proposed cost improvement plans (CIPs) and the outcome of this review will be reported to the board at its July meeting, however the challenge we face is likely to be significantly greater than first forecasted. The month two financial results are cause for serious concern and means that improving our financial performance requires increased capacity and capability over and above the existing 'business as usual' capacity the trust currently can deploy and the Chief Executive and Finance Director are considering this with Monitor. We have increased our focus on our high agency/locum spend and an action plan has now been established that complies with the recent guidance issued by the Department of Health (see 4.2). Patients will remain central to our financial recovery remembering that getting things right for our patients and improving quality reduces cost for example reducing agency/locum usage both improves quality and reduces costs. The board should not under estimate that this will be challenging for the organisation but for our hospitals to be able to invest and develop in the future we need to return to financial strength as soon as possible.

## **1.6 Performance**

As can be seen from the performance report our A&E waiting time performance remains a challenge. We have now received the recommendations following the ESIST review and these have been included in the existing whole system recovery plan. We have also strengthen management and clinical service transformation capacity and made changes to the acute physician model at the William Harvey (see 5.4).

Full details of performance against all national standards can be found in the Key National Performance Targets report.

## **1.7 Monitor Performance review meeting**

A performance review with monitor took place on 17 June and a verbal update will be given at the board.

## **1.8 New Buckland Hospital Dover**

Staff began moving in to the new Buckland hospital on Saturday 6<sup>th</sup> June and all staff that currently offer service in the old building and at Deal Hospital, have now moved in to the new building. The building has been delivered to an extremely high specification and offers the Trust a unique opportunity to deliver high quality services from modern, fit for purpose facilities. Perhaps more importantly the Trust will be able to challenge current models of care and be at the forefront of delivering new models of care to local people on the south Kent coast. The challenge for the organisation is to focus on service improvement and redesign and utilise to capacity this exciting new

opportunity. The original business case describes these opportunities and quantifies the quality and efficiency benefits, now is the time to focus on delivery.

The press and general media covered the opening of the new hospital extensively including “walk throughs” and interviews with trust staff and the local MP on 12<sup>th</sup> June. A more formal opening date will be set in the future, once services have bedded in.

## **4 KEY MESSAGES FROM MONITOR**

### **4.1 Business Plan 2015/16**

Monitor has published its business plan which outlines what they plan to do over the next 12 months to make the health sector work better for patients. The plan focuses on their role in working with you to address short-term operational improvement and longer-term sustainability.

<https://www.gov.uk/government/publications/nhs-foundation-trust-bulletin-may-2015/ft-bulletin-may-2015>

### **4.2 Managing Agency Spend**

The increasing use of temporary nursing staff presents a challenge for many foundation trusts and other providers of NHS services. Monitor's Agency Intensive Support Team is part of our new Provider Sustainability Directorate, and is dedicated to helping with this challenge by offering NHS foundation trusts effective support.

Monitor is also [supporting workshops run by the NHS Commercial Alliance](#) during June and July to provide information about a new staffing toolkit. The workshops and toolkit will provide practical advice, guidance and templates that you could use to help manage typical temporary staffing challenges.

*The Trust's Director of Human Resources attended a workshop in June and a representative is attending in July. An action plan has now been established and will be monitored via the Financial Recovery Group and Strategic Workforce Committee.*

### **4.3 The Better Care Exchange**

This is a new online platform where Trusts can find information, collaborate and share learning with others around the country on how to support integrated care.

*The Trust has a number of representatives registered on this exchange. The aim is to share best practice, success and support one another's progress across local health and care economies.*

### **4.4 Secretary of State Update**

Following his reappointment, the Secretary of State has written a message to all NHS Staff. He has identified his biggest priority to transform care outside hospitals with a mission to step change in services offered through GP surgeries, community care and social care. His full statement can be read by accessing the link below:

<https://www.gov.uk/government/news/health-secretary-jeremy-hunt-on-his-reappointment>

### **4.5 In Year Reporting 2015/16**

Changes have been made to the quarterly return template:

- to better understand pay costs, we will now be asking you to submit greater detail on your staff costs and whole-time equivalents (this information needs to be in the same format that you use under the workforce tab of your annual planning forms)
- there will be new targets for foundation trusts providing mental health services from Q3 (see [page 51 of our risk assessment framework](#)); the new template reflects these changes and we would encourage you to start including these in your returns from Q1.

Monitor is also including further validation checks within the quarterly template.

#### **4.6 2014/15 PLICS data collection**

Monitor's Pricing Director at Monitor, has invited finance directors from acute foundation trusts to participate in the 2014/15 voluntary patient level information cost data collection.

*The Trust has signed up to this programme and has done so for the last two years.*

Full details of the Trusts can be found on Monitor's website:

<https://www.gov.uk/government/publications/approved-costing-guidance/take-part-in-the-plics-collection-for-201415?truncate=false>

#### **4.7 18 Week Referral to Treatment Waiting Time Targets**

Sir Bruce found that the 18 week RTT standard was being measured in three conflicting ways through admitted, non-admitted and incomplete standards, and that using these three measures results in perverse incentives. The admitted and non-admitted standards essentially penalise providers for treating patients who have waited more than 18 weeks, whereas the incomplete standard, introduced in 2012, incentivises hospitals to treat patients who have been waiting the longest.

Simon Stevens has accepted Sir Bruce's proposal to abolish the admitted and non-admitted measures as soon as practically possible, using only the incomplete standard as a measure.

*The Trust will implement any changes in response to this.*

### **5 TRUST DEVELOPMENTS**

#### **5.1 Ward Staffing Investment**

Following the evaluation of our staffing levels the Executive Management Team have approved the investment into the following ward areas: Cambridge J; Deal; Kings C1; and Cambridge L. This demonstrates the Trust's commitment to ensuring safe staffing levels on our wards. Recruitment has started and the additional funding will be drawn down when you have recruited to the posts.

The benefits expected include a reduction in the use of NHSP and agency which will be expected to be achieved from when the new starters are in post.

The investment will also enable workforce re-profiling on three of the wards (Cambridge L, Cambridge J and Kings C1) where each ward will support two HCAs through the two year Foundation Degree from September 2016. In September 2018 this will allow role substitution of 6.0 wte band 5 vacant posts for band 4 Associate Practitioner posts and savings realisation. Salary support of £4,821 per annum is received from HEKSS for each trainee for the duration of the programme.

## **5.2 Dementia Awareness Week**

Staff across the Trust have been taking part in activities as part of Dementia Awareness Week this week and raising money for East Kent Hospitals Charity Dementia Appeal. Throughout the trust, staff have also been updating their information boards to help raise awareness, and talking to patients, families and their carers about dementia.

## **5.3 Window display competition for local schools**

The Trust has invited local school pupils in Thanet to participate in our forthcoming window display rejuvenation programme for the Accident and Emergency Department at Queen Elizabeth the Queen Mother Hospital. Every local primary and junior school in the Thanet area had been asked to run an in-school art competition and send in the winning piece of artwork which will be displayed on our window area. Schools are asked to base their competitions on one of the themes: places of interest in Thanet; or caring in the hospital. At the time of writing the report, the competition had closed but winners had not yet been unveiled.

## **5.4 New Acute Medical Model**

The Urgent Care and Long Term Conditions Division re-launched the new acute medical model on the William Harvey Hospital site which has been evaluated from 4<sup>th</sup> June until the 15<sup>th</sup> June. Similar acute medical models have proved successful in other Trusts in reducing hospital admissions, facilitating early discharge and improving patient flow through the emergency department, CDU and the medical wards. So far there have been positive results at the William Harvey Hospital.

Implementation of the model essentially means dedicated Acute Consultant Physicians and the Acute Nurse Consultant leading acute medical care on CDU and the ambulatory care unit. The model was initially piloted in October last year. The main change this year lies in the fact that the Acute Physicians rather than Specialist Consultants will assume responsibility for all patients between 8 am and 2pm. As part of the trial period we will be evaluating patient flow, length of stay and admission avoidance. The results of the evaluation will lead to further refinement of the model to ensure that we maximise efficiency and effectiveness now and in future.

During the period that the model is being implemented, we will also be focusing on collaborating as a team to improve the care journey for patients from 'presentation at ED to discharge home' across the Division.

## **5.5 Southern Acute Cluster Programme: Patient IT Systems**

In collaboration with Maidstone and Tunbridge Wells NHS Trust (MTW), East Kent Hospitals University Foundation Trust (EKHUFT) has been successful in a bid for £6m of external funding for a new PAS and a new Maternity system.

After a long process of working with NHS England and performing a high profile procurement process, we are pleased to announce that contracts have now been signed with Allscripts for our new PAS which is called "Oasis".

## **5.6 Queens Award for Voluntary Service to League of Friends of the Kent and Canterbury Hospital**

The League of Friends of the Kent & Canterbury Hospital has been awarded the prestigious Queen's Award for Voluntary service for 2015.

The Queen's Award for Voluntary Service is an annual award made to recognise and reward excellence in voluntary activities carried out by groups of volunteers who regularly devote their time to helping others in the community, improving the quality of life of others and for providing an outstanding service. The award was launched in 2002 as part of celebrations for The Queen's Golden Jubilee and is the MBE for volunteer groups.

## **5.7 Apprenticeships**

The Trust is to be featured by the National Apprenticeship Service as a case study for our excellent work with apprentices.

Pathology services employed its first cohort of ten apprentices in 2013, finishing in May 2015, with nine out of ten moving onto full time jobs. The next cohort is currently being recruited. For the quality of its apprenticeships, the Trust was named as Highly Commended in the South East regional finals of the National Apprenticeship Awards 2014, for the Macro Employer of the Year category.

Two apprentices to the Trust won awards at Canterbury College recently: 'Outstanding Apprentice of the Year' for the Business Faculty and 'Outstanding Apprentice of the Year' for the Science and Maths Faculty. One of these apprentices has since become a permanent member of staff.

## **5.8 Oncology Referrals**

We are introducing a change to our oncology referrals in July to improve our service to our patients. Referrals will be done internally first, before being forwarded to Maidstone & Tunbridge Wells NHS Trust as currently.

The internal referral will enable us to provide significant improvements for our patients by allowing us to monitor their progress through the pathway. This means:

- real-time information on where patients are in their oncology treatment
- updated information on PAS so consultants/secretaries can view and track
- we can monitor our waiting list and benchmark with our own KPIs

## **5.9 Dieticians' Week – w/c 15 June 2015**

The aim of the week is to demonstrate the value of dietetics and the work that they do to improve the health of patients and staff. Events which took place during this week included:

Offering staff the opportunity to have a 20 minute consultation with a Dietitian.

A number of snack stations were established where dieticians were giving out water and healthy snacks to staff from Serco and local suppliers to encourage healthy eating at work. In addition hospital food tasting sessions were held providing staff with the opportunity to try the food that patients eat.

Dieticians also met with a Carers group to explain the meal service in EKHUFT and what we do to support patients whilst in hospital. Dieticians will also continue to assess inpatients with pressure ulcers to promote wound healing and will also be agreeing a process so that moving forward all inpatients with dementia have a nutritional assessment.



## 6. PUBLICATIONS

### **Five Year Forward View: A Time to Deliver**

Time to Deliver is primarily a tool for NHS managers. It looks at the progress made to date towards delivering the Five Year Forward View, and sets out the next steps needed to achieve shared ambitions. The paper kick-starts a period of engagement with the NHS, patients and other partners on how to respond to the long-term challenges and close the health and wellbeing gap; the care and quality gap; and the funding and efficiency gap.

<http://www.england.nhs.uk/2015/06/04/time-to-deliver/>

### **Consultation on updates to the Risk Assessment Framework**

Monitor is proposing a number of measures to strengthen our regulatory regime with the aim of helping foundation trusts live within their means and support improvements in financial efficiency across the sector.

These measures include proposed changes to:

- the risk assessment framework
- the NHS foundation trust accounting officer memorandum described in this consultation document

Monitor is proposing changes to enable regulatory action to be taken earlier if a foundation trust is in deficit, failing to deliver its financial plan, or not providing value for money.

### **Guidance on the consultancy spending approval process**

Monitor have published guidance on the consultancy spending approval process which applies from 2 June 2015. This applies to all future contracts, including those where contractual negotiations are in progress. Foundation trusts receiving interim support from the Department of Health and foundation trusts that are in breach of their licence for financial reasons are required to secure advance approval from Monitor before:

- signing new contracts for consultancy projects over £50,000
- extending or varying existing contracts or incurring additional expenditure to which they are not already committed (where the total contract value exceeds £50,000)

### **Five Year Forward View: The success regime – A whole systems intervention**

The publication sets out the challenges facing the health and care system over the next 5 years, characterised by three gaps which must be closed:

- The health and wellbeing gap
- The care and quality gap
- The funding and efficiency gap

The 'Success Regime' is aimed at providing increased support and direction to the most challenged systems in order to secure improvement in 3 main areas:

- short-term improvement against agreed quality, performance or financial metrics
- medium and longer-term transformation, including the application of new care models where applicable
- developing leadership capacity and capability across the health system

**Performance of the foundation trust sector, Q4 2014/15**

The final performance report for 2014/15 shows that foundation trusts are treating more patients than ever before and that this unprecedented demand has prevented the sector as a whole from meeting national waiting times standards. As a result of considerable financial pressure, the sector has also ended the year in deficit for the first time. A copy of the document can be accessed on Monitor's website:

<https://www.gov.uk/government/publications/nhs-foundation-trust-bulletin-3-june-2015/ft-bulletin-3-june-2015>

Chris Bown  
**Chief Executive**