

EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST**REPORT TO:** BOARD OF DIRECTORS MEETING – 27 JUNE 2014**SUBJECT:** CHIEF EXECUTIVE'S REPORT**REPORT FROM:** CHIEF EXECUTIVE**PURPOSE:** Information**CONTEXT / REVIEW HISTORY / STAKEHOLDER ENGAGEMENT**

The monthly report from the Chief Executive will provide the Board of Directors with key issues related to:

- Recent DH/Monitor bulletins/DH newsletters/CQC briefings
- Kent Pathology Partnership Update
- Duties of directors and financial sustainability
- CQC Visit
- Latest Publications
- Consultations

IMPACT ON TRUST'S STRATEGIC OBJECTIVES:

Compliance with notifications from regulatory bodies and policy changes all contribute towards achievement of strategic objectives.

FINANCIAL IMPLICATIONS: Nil**LEGAL IMPLICATIONS / IMPACT ON THE PUBLIC SECTOR EQUALITY DUTY:**

Nil

PROFESSIONAL ADVICE TAKEN ON ANY NOVEL OR CONTENTIOUS ISSUES:

Nil

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. KEY ITEMS FROM RECENT MONITOR/DH BULLETINS/NEWSLETTERS****FT Bulletin – 23 May 2014**

- Chief Nursing Officer, NHS England, wrote to NHS providers on 16 May setting out arrangements to publish staffing data for nursing, midwifery and care staff. The final date for providing data so it can be accessed by the public was 10 June.
- To reduce the risk of foundation trusts being held to different performance standards by commissioners and regulators, Monitor has clarified the standards they use as part of their assessment of governance at foundation trusts. Some foundation trusts, particularly tertiary providers, have had a historical dispensation to apply a lower threshold when considering compliance with some cancer standards for the purposes of reporting to us. This dispensation is not recognised by any other national body or the NHS constitution. Therefore from Q1 2014/15 onwards we will no longer apply any dispensations on achieving cancer standards. From Q1 2014/15 onwards, foundation trusts are required to submit data against cancer targets which reflects their submission to the Department of Health via the Open Exeter system. All foundation trusts involved in local breach re-allocations should also submit data that shows their position after the application of any local agreements. For the purposes of declaring a target “achieved” or “not met” trusts should reflect their position after the application of any local breach re-allocation agreements.
- To reduce the number of separate returns required from trusts during the year, from Q1 14/15 onwards Monitor’s quarterly reporting template will include a section to allow Trusts to reforecast their capital expenditure for the remainder of the year. Trusts will only need to complete the capital expenditure reforecast section before submission of the quarterly return if there is significant (by 15%) overspend or under spend of year to date planned capital expenditure at Q1, Q2 or Q3. Otherwise, please leave the capital expenditure reforecast section blank.
- Like government departments and most arm’s length bodies, Monitor is required to move its website content to GOV.UK and close down our current website. From the 28 May 2014, our new web address will be www.gov.uk/monitor.

2. KENT PATHOLOGY PARTNERSHIP UPDATE

The eight workstreams have been active in moving forward the Kent Pathology Partnership project.

- Orders placed for hardware. Interfaces being designed. Data transfer element being discussed. DART OCM (at EK) training being rolled out to those GP’s that are not requesting electronically. CCG are fully on board and supportive.
- Procurement of the MSC - the Pre Qualifying Questionnaire (PQQ), Memorandum of Information (MOI), and the PQQ evaluation document completed. Advert has been placed. Specification work about to begin.
- Legal arrangements – both Trusts working with Beachcroft in completing this ready for July Boards.
- Workforce – TUPE documentation ready – awaiting the completion of the legal arrangements. Recruitment of Managing Director post continues. KPP Project Manager appointed – starts 16-6-14.
- Finance work stream developing systems and processes to manage KPP financial requirements.
- Architects appointed. Senior scientific and clinical teams involved with initial design stages at both Trusts to develop first draft.
- Implementation groups have started with Microbiology and Cellular Pathology. Molecular Pathology has just started. Gap analysis for Histopathology underway. Blood Science is further downstream.

- Quality and Governance - the KPP Risk Register has been populated. Detailed work regarding the Website starts 12-6-14. Discussions around Qpulse have started.

3. DUTIES OF DIRECTORS TO PROVIDE FINANCIALLY SUSTAINABLE HEALTH AND CARE SYSTEMS

Attached at Appendix A is a briefing produced in partnership with Mills and Reeve LLP on the duties of directors to provide financially sustainable health and care systems.

4. CQC VISIT

The CQC's draft report following their visit to the Trust in early March 2014 was received by the Trust on 10 June 2014.

From the date of receipt, the Trust has 10 days to respond to any factual inaccuracies. A Summit will be organised by the CQC when the final report will be shared with the Trust and key stakeholders. After this date, the final report will be published by the CQC.

5. QUARTER 4 – CONFIRMED POSITION

Monitor has written to the Trust to confirm their review of our two year operating plans and quarter 4 submission has now been completed. Based on this work, Monitor will be publishing the following forecast risk ratings on their website in June 2014:

	Q4 13/14 (actual)	Q1 14/15 (plan)	Q2 14/15 (plan)	Q3 14/15 (plan)	Q4 14/15 (plan)
Continuity of Services Risk Rating	4	4	4	4	4

Governance Risk Rating	Green
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Monitor recognised that the Trust breached its annual *C.difficile* target in Q3 2013/14. Monitor wrote to the Trust on 5 March 2014 to confirm that it would not be opening an investigation at this stage and has confirmed this position remains unchanged at quarter 4. Should any other relevant circumstances arise, Monitor will consider what if any further regulatory action may be appropriate. They have indicated they would expect the Trust to achieve sustainable compliance with the target from Q1 2014/15.

The Trust did not achieve the 62-day performance target for cancer patients referred by the NHS Screening Service for the second consecutive quarter in Q4. While this has not yet triggered regulatory action Monitor has indicated it will consider taking action if the Trust does not achieve the target in Q1.

Monitor recognised that the Trust had not received the CQC report following their visit to the Trust in March 2014 at the time of submission. Once the report has been received Monitor has asked to be informed of progress in the development and agreement of action plans, any formal representations made to the CQC as part of this process and its reassessment of the impact new actions have on existing quality and improvement and financial plans.

6. PUBLICATIONS

MONITOR'S LATEST PUBLICATIONS:

Well-led framework for governance reviews: guidance for NHS foundation trusts

In Monitor's 'Risk assessment framework' they set out their expectation that NHS foundation trusts carry out an external review of governance every three years. The 'Well-led framework for governance reviews' aims to support foundation trusts in gaining assurance that they are well led, to help Trusts continue to meet patients' needs and expectations in a sustainable manner under challenging circumstances. The document takes into account responses to Monitor's consultation on governance reviews (from January to March 2014).

Special measures explained

Monitor's guide to special measures - developed with the Care Quality Commission and NHS Trust Development Authority - describes how the special measures programme works for NHS trusts and foundation trusts.

Monitor's new approach to transactions: consultation responses and next steps

In January this year Monitor consulted the sector on a number of proposed changes to both how they work with NHS foundation trusts planning transactions and their approach to transactions generally. The published document summarises the proposed changes, the feedback we received on them and the next steps.

The asset register and disposal of assets: guidance for providers of commissioner requested services

The document provides guidance on what comprise 'relevant assets' and on the principles in establishing and maintaining the register of relevant assets. It also outlines Monitor's approach to disposals of commissioner requested services assets when a provider has been notified that it is at risk of not being a going concern.

Monitor and NHS TDA publish year end reports

In the last fortnight, year end reports from both Monitor and the NHS Trust Development Authority have been published. The report from monitor shows NHS foundation trusts are acting to tackle the failures of care highlighted by the Francis Report and Keogh Review, while the TDA's report notes that the NHS trust sector has generally performed well in maintaining key operation standards, and has made a stronger start to delivery in 2014/15 than in the previous year.

OTHER PUBLICATIONS:

FTN Publication: Seizing the opportunity: ten new perspectives from healthcare leaders

Reflecting on ten years of foundation trusts. The tenth anniversary of the creation of the first foundation trusts is a great time to reflect on the achievements of the FT movement and to consider how this model of delivering health and care should develop in future.

Stuart Bain
Chief Executive