

TRUST BOARD PUBLIC– JULY 2013

Agenda Item Number: 126/13  
Enclosure Number: (2)

<b>Subject:</b>	Report from the Chief Executive
<b>Prepared by / Sponsored by / Presented by</b>	Ursula Ward, Chief Executive
<b>Purpose of paper</b>	To updated the Board on national and local items of interest.
<b>Key points for Trust Board members</b> <i>Briefly summarise in bullet point format the main points and key issues that the Trust Board members should focus on including conclusions and proposals</i>	Note contents of the report
<b>Options and decisions required</b> <i>Clearly identify options that are to be considered and any decisions required</i>	None required, for information
<b>Next steps / future actions:</b> <i>Clearly identify what will follow the Trust Board's discussion</i>	None
<b>Consideration of legal issues (including Equality Impact Assessment)?</b>	Considered, none apparent
<b>Consideration of Public and Patient Involvement and Communications Implications?</b>	None

<b>Links to Portsmouth Hospitals NHS Trust Board Strategic Aims, Assurance Framework/Corporate Risk Register</b>	
<b>Strategic Aim</b>	Strategic aim 5: Develop sufficient financial strengths to adapt to change and invest in the future.
<b>BAF/Corporate Risk Register Reference (if applicable)</b>	N/A
<b>Risk Description</b>	N/A
<b>CQC Reference</b>	N/A

<b>Committees/Meetings at which paper has been approved:</b>	<b>Date</b>
None	

**Chief Executive's Report**

**Board of Directors – 25 July 2013**

**1. Public Spending Round – 2013**

- This is the first Spending Round since October 2010 and sets the level of Government spending from April 2015-16.
- Labour has already announced it will work within Chancellor Osborne's spending constraints if they win the next election.
- Overall:
  - Health spending will increase by 0.1% year on year over 2014-15 and 2015-16
  - £3.8 billion will be put into a pooled budget for health and social care
  - The government will reduce public spending overall by £11.5 billion in 2015-16
  - The Chancellor's three 'guiding principles' of the Spending Round 2013 – Reform, Growth and Fairness
- NHS budget overall The government states it has protected spending on health in real terms during a period when the NHS has exceeding its targets on waiting times for inpatient and outpatient care.

	Baseline 2014-15 £billion	Plans 2015-16 £billion	% Year on year real growth
NHS (Health) Department Programme and Administrative Budget	108.3	110.4	0.1
NHS (Health) Department Capital Budget (Capital DEL)	4.6	4.7	0.1

Key Elements:

***Health and Social Care***

- £3.8 billion put in to a pooled budget for health and social care to integrate locally; and £200 million for local authorities from the NHS in 2014-15 'to ensure change can start immediately through investment in new systems and new ways of working'.
- Making £335 million available to local authorities in 2015-16 so that they can prepare for reforms to the system of social care funding.

***Procurement***

- Greater resources for frontline services as a result of a 10% real terms cut to administrative budgets and plans for up to £1 billion savings from an overhaul of NHS procurement. The DH will publish plans in the summer for an overhaul of NHS procurement.

***Public sector pay***

- Pay increases to be limited to 1% in 2015-16, as already announced in the budget. Automatic pay progression will be abolished for civil servants, with consultation on to extend this for teachers, health service, police and prison staff. Most health staff will be subject to local performance standards which will link progression pay more closely to performance, not time served, and the Government will seek further reforms.

***Other health related proposals***

- Providing £2 billion additional funding through the NHS for local health and care services to meet the needs of older and disabled people. The government states this is

a deliberate choice at a time of spending restraint to target resources on the needs of people with disabilities.

- The shared pool of health and social care funding will also include £350 million of capital funding which will be available for projects to improve integration locally including IT funding to facilitate secure sharing of patient data between the NHS and local authorities and to improve facilities for disabled people.
- Local government has also been fully funded for the costs arising from the closure of the Independent Living Fund as the support offered by the fund becomes part of the social care system.
- The NHS will expand access to talking therapies and improve its response to mental health crises.

### ***General themes of the spending round***

- Public sector workforce. Total public sector workforce will be cut by a further 144,000 by 2015-16.
- Local government. DCLG budget cut by 10%. Troubled families programme extended with a further £200 million investment. Funding for councils to extend the council tax freeze for a further 2 years.
- Fire and rescue. A £45 million capital fund for the Fire and Rescue Service alongside a £30 million resource fund from the local government settlement to encourage a greater collaboration between the Fire Service and other emergency services.
- Welfare. A significant reform package, with £350 million savings and an overall welfare cap. Measures include weekly visits to Jobcentres for half of all jobseekers, requiring lone parents to prepare for work once their youngest child is three, and requiring non-English speakers to learn English.
- Winter fuel payments. These will no longer be paid to pensioners living in a European country with an average winter temperature higher than the UK.
- Efficiency savings. The government will deliver £5 billion in further efficiency savings, including more efficiency in procurement by centralising the purchase of common goods and services through the Government Procurement Service.
- Taxation. HMRC will increase revenue by tackling tax avoidance and evasion
- Science. Resource funding for science in cash terms is maintained at £4.6 billion in 2015.
- Medical training and research. These budgets remain in the Business Department, despite speculation they would be transferred to the DH.
- Education. 180 new free schools and major reform of apprenticeships.
- Competition. The budget of the new Competition and Markets Authority (CMA) will increase by £16 million in 2015-16.
- Police. Increased efficiency through greater collaboration across and the beyond the police.

## **2. Monitor to look at whether GP services operate in the best interests of patients**

- Monitor is to examine the commissioning and provision of GP services in England to see if there are barriers preventing patients from securing access to the best possible care.
- Monitor is particularly keen to receive evidence on:
  - Patients' ability to access GP services, including their ability to switch practices
  - The ability for new or existing providers of GP services to develop the scope of the NHS services they offer, including in new locations
  - New models of primary care that local health communities are planning or considering and the potential barriers to these being implemented
- This is not a formal investigation under Monitor's enforcement powers, nor is it a review of the quality of individual GP practices in England. Under its primary duty to protect

and promote the interests of patients Monitor wants to increase its understanding of this important part of the health sector at a time when it is operating under increased pressures.

### **3. Monitor and NHS England seek views on first National Tariff for NHS services**

- National prices for hospital services will be broadly set at present levels next year while a new payment system for NHS-funded healthcare providers is established. Rules for making local payments will also remain largely unchanged.
- This commitment to maintain stability for 2014/15 subject to inflation and efficiency gains is made jointly by Monitor, the sector regulator, and NHS England, the commissioning board, who are together taking over the payment system from the Department of Health.
- Ahead of a formal consultation in the autumn, both organisations are seeking views from providers and commissioners about the key principles underpinning the new National Tariff that comes into effect in April 2014.
- Key elements of the proposals include:
  - Prices for 2014/15 will be substantially the same as for 2013/14, apart from the addition of a handful of changes to ensure prices remain clinically relevant. There will be an uplift for inflation but this will be offset by a target for efficiency improvements among providers of between 3% and 4.5%
  - Rules for local payment, including local variations to national prices and local price-setting of services without national prices, will be reviewed. The National Tariff rules should allow flexibility for service redesign and innovation, particularly around models of integrated care that will benefit patients
  - Local modifications to national prices may be agreed by Monitor in very limited circumstances where it would be uneconomic for a provider to supply services at national prices
  - Monitor will enforce the National Tariff for NHS foundation trusts and other providers through the licensing regime, and separately for commissioners (including NHS England as a specialist commissioner). Monitor will also advise the NHS Trust Development Authority on breaches by NHS trusts.

### **4. 7 Day service**

- The NHS Services, Seven Days a Week Forum set up by NHS England earlier this year has reached a crucial stage in its work as it gathers evidence into how the NHS could move towards offering patients better, safer and high quality health care every day of the week.
- Five work streams established by the Forum are investigating the benefits of providing 7 Day services across the country, as well as collating information on the challenges that such a transformation would inevitably throw up. Finance and work force issues are being examined very closely, as these are key to helping commissioners and providers work together to improve outcomes for patients at weekends.
- Other workstreams are considering clinical standards , commissioning levers and future provider/service models.
- The Forum is being headed by Professor Sir Bruce Keogh, NHS England's National Medical Director,
- Some Trusts are already developing their own local solutions to problems caused by the five-day service model, with seven day services increasingly being recognised as part of a wider solution to improve efficiency. But NHS England first made its high level commitment to a move towards 7 Day services explicit in its "Everyone Counts" planning document published last December, with the Forum first meeting in February.
- The goals and objectives of the Forum are to identify how there might be better access to routine services seven days a week. The team is first focusing on improving diagnostics and urgent and emergency care.

- The Forum is due to report its findings in the autumn, which will include the consequences of the non-availability of clinical services across the seven day week and provide proposals for improvements to any shortcomings.

## **5. 6Cs Live! Communication hub launched on the 65th Anniversary of the NHS**

- Care, Compassion, Competence, Communication, Courage and Commitment, are values essential to compassionate care. The 6Cs Live! Communication hub will offer support and help to staff to deliver the six areas of action by signposting to evidence based tools and techniques as well as examples of how colleagues from across the country have delivered improvement in these areas.
- The 6Cs were initially highlighted in NHS England's Compassion in Practice strategy, launched by Jane Cummings Chief Nursing Officer last December. The online interactive hub enabling nurses, midwives and care staff to share best practice, experience and ideas in one central location. Nurses, midwives and care staff are encouraged to sign up and create their profile to make the most of this opportunity and start sharing their experiences.

## **6. Government Consultation on the Mandate Refresh for 2014-15**

- The Mandate from Government was published in November 2012 and sets the objectives for NHS England for the period April 2013 to March 2015. It is now due for annual refresh for 2014-15 and DH has launched a 12 week consultation from 5 July 2013 on the proposed changes to the Mandate, with an aim to publish the final Mandate by mid/late October in time for the planning round.

## **7. Two NHS Trusts' FT applications**

- Two NHS Trusts were given the green light to proceed on their journey toward foundation trust status at the NHS Trust Development Authority (TDA) Board:
  - Bridgewater Community Healthcare NHS Trust
  - Solent NHS Trust

## **8. More Care, Less Pathway: A Review of The Liverpool Care Pathway**

- Baroness Neuberger 's review team published a report today, that found:
  - when operated by well-trained, well-resourced and sensitive clinical teams the LCP does help patients have a dignified and pain-free death.
  - But its findings included too many cases of poor practice, poor quality care of the individual, with families and carers not being properly engaged in the patient's care.
  - Because of these failings in its use, the Review has recommended it should be phased out.
- Today, the Government has published an initial response to the Review, which includes a series of actions for the health and care system, including that:
  - all NHS hospitals should immediately undertake clinical reviews of all care given to dying patients. Led by senior clinicians, these reviews will ensure the care all patients are receiving is appropriate;
  - all NHS hospitals should ensure that arrangements are put in place as soon as possible so that now and in the future every patient has a named senior clinician responsible for their care in their final hours and days of life;

- NHS England should work with CCGs to bring about an immediate end to local financial incentives for hospitals to promote a certain type of care for dying patients, including the LCP;
- the LCP is phased out over the next 6-12 months and replaced with an individual approach to end of life care for each patient, which will include a personalised end of life care plan backed up by condition-specific good practice guidance, agreed with a named senior clinician; and
- the CQC will undertake a thematic review into end of life care and the three new Chief Inspectors – of Hospitals, Social Care and General Practice – will consider end of life care issues as they develop their new approaches to inspections.
- In addition, greater assurance will be given to families that their complaints or concerns are being properly listened to. From now on, anyone with worries about how their loved one has been treated at the end of their life will have access to an independent assessment of their case. To support this independent assessment, the Government will make available a list of experts to provide local support for patients if needed.
- All NHS hospitals will be asked to appoint a Board member with responsibility for overseeing any complaints about end of life care and for reviewing how end of life care is provided.

## **9. New proposals to ensure care and compassion in the NHS and in social care**

- The independent Cavendish Review, carried out in the wake of the Francis Inquiry into Mid-Staffordshire NHS Foundation Trust, makes a number of recommendations on how the training and support of healthcare assistants who work in hospitals and social care support workers who are employed in care homes and people's own homes can be strengthened to ensure they provide care to the highest standard.
- The recommendations it makes include:
  - Common training standards across health and social care, along with a new 'Certificate of Fundamental Care', written in language that is meaningful to patients and the public. For the first time, this would link healthcare assistant training to nurse training.
  - The opportunity for talented care workers to progress into nursing and social care through the creation of a 'Higher Certificate of Fundamental Care'. This will ensure they have a route to progress in their careers and an opportunity to use their vocational experience of working as healthcare assistant to enter the nursing profession.
  - HEE, with Skills for Health and Skills for Care, should develop proposals for a rigorous system of quality assurance for training and qualifications, which links to funding outcomes, so that money is not wasted on ineffective courses.
  - Healthcare assistants should be allowed to use the title 'Nursing Assistant' on completion of the Certificate of Fundamental Care to improve clarity and communication between staff and patients, enhance the status of support workers and reduce the number of job titles - which currently stands at more than 60.
  - The Nursing and Midwifery Council should make caring experience a prerequisite to starting a nursing degree and review the contribution of vocational experience towards degrees.
  - Trusts should empower Directors of Nursing to take full responsibility for the recruitment, training and management of Healthcare Assistants. Employers should also be supported to test the values, attitudes and aptitude of future staff for caring at the recruitment stage.
  - The legal processes for challenging poor performance should be reviewed so that employers can be more effective in identifying and removing any unsatisfactory staff.

## 10. Professor Sir Bruce Keogh review into the Quality of Care and Treatment provided by 14 Trusts in England

- Report published 16 July 2013. Overall findings:
  - Sir Bruce judged that none of the 14 hospitals are providing consistently high quality care to patients, with some very concerning examples of poor practice
  - The report suggests excess death numbers meaningless on their own. The report points that mortality rates in all NHS hospitals have been falling for the past 10 years, with overall mortality down by an estimated 30%.
  - Two eminent doctors and academics – Lord Ara Darzi from Imperial College and Nick Black, professor of health services research at the London School of Hygiene and Tropical Medicine – will lead a team that will review hundreds of case notes from the trusts to find out the true extent of avoidable deaths.
  - The report identifies patterns across many of the Trusts reviewed, including:
    - professional and geographic isolation;
    - failure to act on data or information that showed cause for concern;
    - the absence of a culture of openness;
    - a lack of willingness to learn from mistakes;
    - a lack of ambition; and
    - ineffectual governance and assurance processes.
  - In some cases, Trust boards were shockingly unaware of problems discovered by the review teams in their own hospitals.
  - 11 of the 14 hospitals will be placed into special measures for fundamental breaches of care. In addition, the NHS Trust Development Agency and Monitor have today placed all 14 trusts on notice to fulfil all the recommendations made by the review.
  - All will be inspected again within the next 12 months by the new Chief Inspector of Hospitals, Professor Sir Mike Richards, who starts work today.
  - Those hospitals in special measures are as follows:
    - **Tameside Hospital NHS Foundation Trust** - where patients spoke of being left on unmonitored trolleys for excessive periods and where the panel found a general culture of “accepting sub-optimal care”.
    - **North Cumbria University Hospitals NHS Trust** - where the panel found evidence of poor maintenance in two operating theatres, which were closed immediately.
    - **Burton Hospitals NHS Foundation Trust** - where the panel found evidence of staff working for 12 days in a row without a break.
    - **North Lincolnshire and Goole NHS Foundation Trust** - where the panel identified serious concerns in relation to out-of-hours stroke services at Diana, Princess of Wales hospital. The panel also witnessed a patient who was inappropriately exposed where there were both male and female patients present.
    - **United Lincolnshire Hospitals NHS Trust** - where there were a staggering 12 ‘never events’ in just 3 years and the panel had serious concerns about the way ‘Do Not Attempt Resuscitation’ forms were being completed.
    - **Sherwood Forest Hospitals NHS Foundation Trust** - where patients told of being unaware of who was caring for them, of buzzers going unanswered and poor attention being paid to oral hygiene.

- **East Lancashire NHS Trust** - where the panel highlighted issues of poor governance, inadequate staffing levels and high mortality rates at weekends. Patients and their families complained of a lack of compassion and being talked down to by medical staff whenever they expressed concerns.
  - **Basildon and Thurrock University Hospitals NHS Foundation Trust** - where there were 7 'never events' in 3 years and concerns over infection control and overnight staffing levels.
  - **George Eliot Hospital NHS Trust** - where the panel identified low levels of clinical cover - especially out of hours, a growing incidence of bed sores and too many unnecessary shifting of patients between wards.
  - **Medway NHS Foundation Trust** - where a public consultation heard stories of poor communication with patients, poor management of deteriorating patients, inappropriate referrals and medical interventions, delayed discharges and long A & E waiting times.
  - **Buckinghamshire Healthcare NHS Trust** - where the panel found significant shortcomings in the quality of nursing care relating to patient medication, nutrition and observations, and heard complaints from families about the way patients with dementia were treated.
- For these 11 Trusts, special measures will mean that:
    - Each hospital will be required to implement the recommendations of the Keogh review, with external teams sent in to help them do this. Their progress will be tracked and made public;
    - The TDA or Monitor will assess the quality of leadership at each hospital, requiring the removal of any senior managers unable to lead the improvements required; and
    - Each hospital will be partnered with high-performing NHS organisations to provide mentorship and guidance in improving the quality and safety of care.
  - 3 of the 14 hospitals are not going into special measures. They are:
    - Colchester Hospital University NHS Foundation Trust,
    - The Dudley Group NHS Foundation Trust; and
    - Blackpool Teaching Hospitals NHS Foundation Trust.

Whilst there were still concerns about the quality of care provided, Monitor has confidence that the leadership teams in place can deliver the recommendations of the Keogh review and will hold them to account for doing so.