

THE NEWCASTLE UPON TYNE HOSPITALS NHS FOUNDATION TRUST

EXECUTIVE REPORT – CURRENT ISSUES

**1. Operating and Financial Performance**

The Finance Director and the Chief Operating Officer will present a stable picture but also advise of the requirement for greater than ever corporate level intervention to ensure objectives are met.

In this context Agenda item 6 (ii) refers.

**2. Ensuring the Trust remains a ‘going concern’**

The operating environment continues to be one of distinct uncertainty. As a consequence, every endeavour is being taken to sustain good governance and achieve excellence in all that we do. This task is proving to be challenging to say the least but there remains every confidence that a strong platform can be sustained so that Newcastle Foundation Trust remains in the forecourt in local, regional and national settings.

**3. Healthcare Acquired Infection**

The incidence of C difficile remains a very significant challenge. It does appear that many other Trusts are sustaining reductions over and beyond the ongoing trend in Newcastle. National and local press interest is to be noted.

The Director of Infection, Prevention & Control and the Nursing and Patient Services Director shall present a briefing and determine the actions being taken to address the C difficile issue.

Agenda item 6 (ii) refers.

**4. Walkergate Healthcare & Diagnostic Centre**

Planning permission was granted on 12<sup>th</sup> March 2009. Further business viability assessment, following Board of Directors Investment Committee deliberation has been undertaken and a range of highly competitive tenders are to hand from leading building contractors to undertake the construction.

It is to be noted that NHS North of Tyne have yet to formally indicate support for the scheme and which involves relocation of the Heaton Medical Centre.

An update will be given at the meeting.

Agenda item 4 (ii) refers.

**5. Redevelopment of Newcastle General Hospital site as the Campus for Ageing and Vitality**

Good progress can be advised of and the Outline Planning Application was deposited with the Local Planning Authority on 3<sup>rd</sup> July 2010. The new Application has attracted media attention, local and national.

An update will be given at the meeting with all of the key plans on display.

Agenda item 12 (ii) refers.

**6. “Transforming Community Services”**

Refreshed National Policy is awaited and as a consequence of prevailing uncertainty momentum has been lost from the perspective of the Foundation Trust and also Newcastle City Council.

**7. QIPP (Quality Innovation Productivity and Prevention)**

The NHS North of Tyne are the lead agency in drawing together a compendium of documentation that is intended to be the informed authoritative catalyst of change with the objective of bringing about demonstrable value for money via the reduction of resource and service delivery into settings other than the secondary care environment. This exercise is seen to be the blueprint that facilitates a significant contribution to not only service reconfiguration but the underpinning strategy in dealing with the impact of the economic downturn and public sector funding realignment over the next three years.

It is understood NHS North of Tyne shall be seeking ‘sign up’ by the Foundation Trust to the key elements described under Agenda item 4 (i) and for these then to be submitted to the North East Strategic Health Authority for inclusion in a regional matrix which is subsequently assessed from an overall national performance. This is a dynamic situation with much of the data emerging from what in essence are desktop based assumptions that hence by necessity will demand an evidence sourced reality check.

Agenda item 4 (i) refers.

**8. The Quality Account**

The Director of Quality & Effectiveness and the Medical Director have been pro-active since the previous meeting and to ensure the relevant documentation is compliant with the expectations of Governors, the Board of Directors and Service Commissioners.

Agenda item 8 (iii) refers.

**9. Fresh national direction for Health & Social Care**

It is anticipated that by the time of the Council of Governors meeting, there will be some tangible material to address Government Policy and related

intentions. The new Operating Framework 2010/11 has however been published and the Emergency Budget also served to inform matters.

## **10. Key impact Documents from Government/Regulators/Others**

### **(i) Significant Investment/Disinvestments - Monitor**

Foundation Trusts are seeking guidance in respect of the criteria for significant investments/disinvestments under the *Compliance Framework*. In response Monitor are simply reiterating that the tests are set out in Diagram 11 on page 28 of the *Compliance Framework 2010-11*. However for the avoidance of doubt:

- Being a “large” transaction (e.g. above £100 million) does not automatically make the transaction “significant”, if the acquiring Trust is significantly large; and
- There is no “upper limit” on the size of transaction which can be implemented through the acquisition route. Therefore, acquisition remains an alternative route to statutory merger for Foundation Trust/non Foundation Trust combinations; where a Foundation Trust is acquiring part of the assets and liabilities of another Foundation Trust.

### **(ii) The Role of Boards in Improving Patient Safety – Monitor**

Following four workshops commissioned by Monitor and the Health Foundation, hosted by the Boston Consulting Group, *The Role of the Boards in improving Patient Safety* has been published on the Monitor website. The aim of this publication is to offer guidance to Boards on helping to bring about these improvements and draws on evidence and best practices from UK pilot sites, and also taps the experience of healthcare providers in other developed countries which use similar principles and approaches. The field research and work with the UK pilot sites took place between October 2009 and March 2010.

### **(iii) Laying 2009/10 Annual Reports and Accounts before Parliament**

Chapter 1 (Annex 2) of the *NHS Foundation Trust Annual Reporting Manual 2009-10* describes the process for laying Annual Reports and Accounts before Parliament.

As described in the Manual, each Foundation Trust must send *five* hard copies of their full Annual Report and full Statutory Accounts to the Parliamentary Clerk’s Office for laying. Once laid before Parliament the documents are sent to Monitor – one hard copy and an electronic version. All electronic copies should arrive at Monitor by 20 July 2010. All hard copies must be posted first class before the last post on 20 July 2010.

It is to be noted that Annual Report & Accounts were submitted to Monitor on 8 June 2010 and in accordance with reporting timescales.

Governors will wish to note that as in 2008/09 the Trust shall be publishing a more comprehensive Annual Review which incorporates the statutory Annual Report and Accounts.

**(iv) The Operating Framework for the NHS in England 2010/11- (Department of Health 24 June 2010)**

A revision to the Operating Framework for the NHS in England 2010/11 has been published, setting out changes which need to happen this financial year and those areas where change can be expected in the NHS Operating Framework for 2011/12.

The document centres on five areas: Revision to the Vital Signs and Existing Commitments; New rules on reconfiguration; Future direction and next steps on transforming community services; Finance and efficiencies; and Accelerating development of the payment system.

The revision makes clear that the NHS is expected to deliver against the NHS Operating Framework for 2010/11 (as published in December 2009) in all areas not explicitly mentioned.

**(v) The Spending Challenge – ‘have your say’.**

A major public engagement exercise was launched to help shape the forthcoming Spending Review. NHS staff are hugely involved in this process and the Prime Minister, David Cameron, has written asking them for to share their ideas on how public services can be readdressed to deliver more for less.

An engagement programme (24 June to 9 July) was launched to collect ideas on how the Government can deliver services more effectively while maintaining and improving quality. A website was specifically set up to gather up these ideas, with every serious idea being considered by government departments, the Treasury and by teams at No 10 and the Cabinet Office.

**(vi) The Operating Framework 2010/11 – Department of Health (24 June 2010) - Swine flu Pandemic**

The independent review of the UK swine flu response led by Dame Deidre Hine has been published. As part of the learning from the swine flu process, two operational reports produced by the NHS Resilience team have been highlighted.

NHS Boards are asked to ensure that the recommendations of both these reports, together with local lessons identified from swine flu, are incorporated into organisational plans.

**(vii) Care Quality Commission – NHS performance assessment for 2009/10 (7<sup>th</sup> July 2010)**

The CQC and the Department of Health have addressed the implications of revisions to the NHS Operating Framework for 2010/11 and the 2009/10 periodic review assessment of NHS organisations (known as the 'Annual Health Check').

Ministers have agreed that further work should halt on periodic review of NHS organisations for 2009/10, and do not require CQC to publish performance against indicators that have been taken out for 2010/11.

It is to be noted the CQC will publish benchmarking data for 2009/10 for the indicators in the NHS Operating Framework as existing Commitments, and vital Signs tiers 1 and 2. This data will be published in the Autumn.

The CQC will not publish aggregated scores for Trusts, nor publish data relating to financial performance or World Class Commissioning.

The CQC have expressed appreciation for the huge amount of work that has gone into providing us with this information and will continue to utilise such data in our Quality and Risk Profiles for the NHS and information will be disclosed accordingly to relevant NHS organisation.

**Sir Leonard Fenwick  
Chief Executive**

**9<sup>th</sup> July 2010**