

THE NEWCASTLE UPON TYNE HOSPITALS NHS FOUNDATION TRUST

COUNCIL OF GOVERNORS

EXECUTIVE REPORT – CURRENT ISSUES

1. Finance and Overall Trading Position (Month 2)

The Finance Director shall reflect upon trend, with an apparent slow start to the year; and upon phasing against Financial Plan. See attached dashboards.

2. Patient Care Performance

The attached dashboards are self-explanatory. New Healthcare Commission targets were published end June and the Nursing & Patient Services Director shall advise of those issues that are of relevance.

3. Healthcare Acquired Infection

Addressed under 4(iii) and in addition the following is to be noted:

- (i) Monitor has called representatives of the Board to a meeting on 16th July to further address the outcome of the DH Surveillance Team visit and our ability to sustain compliance. Other FTs in the region (i.e. Sunderland; Gateshead; Northumbria; Durham and Darlington; and North Tees & Hartlepool) are undergoing similar scrutiny.
- (ii) An update on the *Ward Accreditation Programme* shall be provided by the Nursing & Patient Services Director.
- (iii) Healthcare Commission advised on 30th May 2008 of a breach of the Hygiene Code ie. *Sub duty 4d* arising out of the inspection visit on 21st February 2008. The claim made was a failure to ensure that schedules of cleaning frequencies are publicly available in all ward areas. The Assessor and the Expert Adviser who participated in the scrutiny did not find such a failure but apparently subsequent quality assurance at a central level determined there was a shortcoming! The veracity of this finding has been challenged.

4. Transforming Newcastle Hospitals (TNH) Investment Programme

The new buildings at Freeman Hospital i.e. Renal Services Centre and the Northern Centre for Cancer Care have reached practical completion stage with handover from the building contractor. The Royal Victoria Infirmary new build is on time and to cost. Governors will be aware of the extensive press and media publicity campaign culminating in Kevin Keegan unveiling the outcome of the name for the new Children's Hospital i.e. Great North Children's Hospital.

An update will be given at the meeting.

5. **IM&T Strategic Partner – Developing the Newcastle ‘E-Record’**

The 18 month implementation programme is rapidly approach the conclusion of the “proof of principle” phase and progress to date continues to be in accordance with expectations.

6. **Redevelopment of the Newcastle General Hospital site**

An update will be given at the meeting.

7. **The Sir Bobby Robson Foundation**

The fundraising continues and there is every expectation £1 million will be raised. Fitting out of the Trials Unit within the new Cancer Centre will be underway in the coming weeks.

8. **Key Impact Documents from Government/Regulators**

(i) **“*Is the treatment working? Progress with the NHS system reform programme*” published jointly by the Audit Commission and the Healthcare Commission: June 2008.**

The main finding of the report is that “*NHS system reforms have improved management of the health service but need more time to deliver significant benefits for patients*”.

The research found that some of the reforms were beginning to work, particularly those focused on encouraging better financial management and a more business-like approach among NHS organisations providing care, through Payment by Results and setting up foundation trusts. There was also evidence that competition, or the possibility of it, to provide NHS care from a range of independent organisations had led to improved services in some areas. There was evidence, too, that general standards were improving across the NHS.

However, some of the changes, particularly those most noticeable to patients such as choice, needed more time to deliver significant results. There has been limited progress moving care out of hospitals and closer to home. Evidence was found that patient choice can work but, to drive improvement, the choices offered to patients for treatment needed to be realistic and supported by more timely and accurate information than was currently provided.

The report recommended that further nationally imposed structural changes should be avoided as progress to date has been hampered by two major reorganisations since the reforms were introduced. Other factors include an “under-developed capacity to commission patient services” and weaknesses in the systems to support and monitor improvements.

(ii) **“*Developing the role of Governors*” published by Monitor: June 2008**

Based upon the survey of Governors conducted by Ipsos MORI on behalf of Monitor in October 2007, the report summarises the research and feedback from four regional events held in January 2008 at which Governors and Trust officers were

briefed and gave feedback. The full report has now been received and will be tabled at the meeting.

Variability of engagement of Governors was pronounced and did not necessarily relate to either the duration of establishment of each Foundation Trust or the number of Governors. One in six were dissatisfied with the level of contact with their respective Board of Directors. Four in five were clear about their roles and responsibilities but only about half had actively exercised their statutory powers.

Opportunities for improvement and development were identified. It is worth noting that Newcastle Hospitals appear to be “ahead of the curve” in many respects, largely through the close engagement of Executive Directors with Governors and through the continuing work of the Governors’ Future Development Group.

(iii) “Survey of NHS Foundation Trust Governors” published by Monitor: June 2008

Linked to the report described above, the survey results are analysed in detail in this document.

(iv) “Implementing the white paper *Trust, assurance and safety: enhancing confidence in healthcare professional regulators*” - final report and Department of Health response to recommendations: published 2nd June 2008

In May 2007, Lord Hunt asked Niall Dickson, Chief Executive of the Kings Fund, to chair one of the seven working groups to take forward key recommendations in the White Paper “Trust, Assurance and Safety”. This group was asked to examine those aspects of the White Paper concerned with enhancing public confidence in the regulators of healthcare professionals. The document contains the working group's report and the DoH response to the recommendations. In essence, DoH accepts almost all of the 60 recommendations made.

(v) “Caring for vulnerable babies: the reorganisation of neonatal services in England”- published by the Public Accounts Committee: published 12th May 2008.

The report addressed the ability of the system to meet increased demand for neonatal services, the benefits of networking neonatal units, recruitment and training of staff and the impact on health inequalities.

Conclusions and recommendations included:

- networks have helped improve communication and co-ordination between units and have made progress in reducing the number of times babies have to be transferred long distance to obtain the necessary level of care.
- there has been less progress on a key review recommendation for networks to re-designate units to ensure that the supply of intensive, intermediate, and special care matches demand.
- the NHS still has limited data on patient outcomes, other than mortality rates, which show unexplained variations between networks.

- constraints in capacity mean that the Department of Health is still struggling to meet the demand for neonatal services, and problems over recruiting, retaining and training the staff required to deliver the service remains a major challenge.

The Board of Directors would wish to express confidence that the Newcastle based facilities are satisfactory but shall continue to need incremental investment to robustly sustain best possible standards.

(vi) The Annual Health Check 2008/09 – Assessing and Rating the NHS published by Healthcare Commission: June 2008.

The 2008/09 assessment cycle will be the fourth year and arising out of consultation the Healthcare Commission shall:

- Meet (i) requests for “overall stability” in the Annual Health Check, (ii) ensure processes are more efficient and (iii) work with “other” regulators to reduce duplication.
- Ensure what is measured will be tailored to specific types of healthcare and focus upon the outcomes that the best performing Trusts aim to achieve.
- In the case of Primary Care Trusts bring about a distinction between commissioning and providing activities.
- Focus on assessing patient pathways and services through a programme of reviews and benchmark indicators.
- Ensure that approach taken is aligned with Government priorities include Lord Darzi’s review.

The results of the 2007/08 Annual Health Check will be reported in October 2008. It is envisaged more Trusts will be rated ‘*excellent*’ and ‘*good*’ and fewer as ‘*weak*’.

The Care Quality Commission will come into being in April 2009 and subsequently publish the 2008/09 Annual Health Check as well as imposing “registration requirements” on all healthcare providers.

(vii) NHS North East Business Plan 2008/09.

A new format business plan is seen as the “start of a longer term annual planning cycle that will set our business priorities” and “provides our organisation with a framework to deliver what is required over the next year and provides a platform to make sure we are prepared for business in 2009/10”.

Eight strategic themes are highlighted:

- Commissioning
- Systems Management
- Strategic Planning
- Leadership
- Improvement
- Performance
- Reputations

- SHA Management

together with four further areas referred to as *business critical enablers* i.e.

- Workforce Development
- National Programme for Information Technology
- Knowledge Management
- Communications

(viii) NHS Resilience and Business Continuity Management Guidance: published by Department of Health June 2008.

Prepared by the Emergency Preparedness Division, this provides a set of interim strategic national guidance arising out of the NHS Resilience Project.

With increased risks and an ever changing NHS, there is a need to ensure resilience to cope with disruptive challenges. In recent times, a number of incidents such as bombings, extensive flooding and consequent loss of power, water and telephony have drawn attention to the importance of resilience planning.

It is essential that the Trust is as well prepared as it can be to respond effectively to major emergency incidents and mitigate the risks to public and patients.

All NHS organisations are expected to prepare, maintain and review Business Continuity Plans based on the principle of being able to maintain critical services for a period of seven days.

The requirements of the Civil Contingencies Act 2004 are of fundamental importance and whilst further guidance is anticipated across a range of issues, the Board is taking stock of current systems, practice and state of preparedness.

A briefing will be presented to the next meeting of the Council of Governors.

(ix) High Quality Care for All

NHS Next Stage Review Final Report: June 2008.

Known as the Darzi review and heralded in May 2008 by Lord Darzi with the following statements on a document entitled 'Leading Local Change':

"This new approach will ensure that the right changes happen for the right reasons, based on what is clinically best for patients. The process of change we have put in place will ensure that these pledges are acted on, with frontline clinicians as their guardians.

It will not be a grand plan or a national blueprint. It will instead respond to the challenges set by clinicians and other health and social care professionals in each NHS region and set out how we can enable nationally what the NHS

aspires to locally. Together, we can make world-class quality of care a reality for all”.

In essence the final report is perhaps in reality a ‘blueprint’ with some eight distinct sections encompassing:

- 1 Change – locally-led, patient-centred and clinically driven**
A nationwide process – the core of the NHS Next Stage Review
- 2 Changes in healthcare and society**
The challenges facing the NHS in the 21st century
- 3 High quality care for patients and the public**
An NHS that works in partnership to prevent ill health, providing care that is personal, effective and safe.
- 4 Quality at the heart of everything we do**
High quality care throughout the NHS
- 5 Freedom to focus on quality**
Putting frontline staff in control
- 6 High quality work in the NHS**
Supporting NHS staff to deliver high quality care
- 7 The first NHS Constitution**
Secured today for future generations
- 8 Implementation**
Maintaining the momentum

The covering Summary letter by Lord Darzi – *Our NHS – Secured today for future generations* is of distinct interest to inform the way forward and is enclosed with the Agenda papers. Also the proposed Constitution, whilst a short declaratory and not a legal document, shall need to be addressed by the Council of Governors as part of the public consultation. Further information in this regard will be tabled at the meeting and to complement a succinct overview presentation under Agenda Item 4(ii).

Complementary to the Darzi review documentation, a plethora of related material is beginning to flow, for example ‘*A High Quality Workforce*’ and ‘*Health Information Review*’ published by the Department of Health in recent days as well as the North East SHA better health – fairer health agenda – ‘*Our vision, our future, our North East NHS*’ that was launched in parallel with and is complementary to the Darzi review.

Governors may wish to consider how from the perspective of the Council, these set of policy changes should be further addressed in the coming months.

9. Expressions of Interest for the provision of 'Primary Medical Care and related services' in Newcastle upon Tyne and Greater Tyneside

Progress to date in terms of partnering arrangements for bids and preferred locations shall be advised of at the meeting.

**Sir Leonard Fenwick CBE
Chief Executive
10th July 2008**