

THE NEWCASTLE UPON TYNE HOSPITALS NHS FOUNDATION TRUST

EXECUTIVE REPORT – CURRENT ISSUES

**1. Finance and Overall Trading Position (Month 10)**

The Finance Director and the Operations Director shall reflect upon a satisfactory position and also highlight year-end forecasts with respective interventions where called for to ensure year-end objectives are met. The Financial Risk Rating is 4.5 and next month shall be in and around 4.3 which is in accordance with Plan.

**2. Patient Care Performance**

The dashboards attached are self explanatory.

In particular, attention is drawn to:

- A & E performance, which fell below the required 98% 4-hour waiting time during two weeks in early January
- Data quality concerns in relation for 18 week Referral to Treatment targets
- MRSA bacteraemias, where the Trust is now [18] above target

The Nursing & Patient Services Director shall provide further insight on these and any other issues where called for.

**3. Healthcare Acquired Infection**

It is to be noted:

- (i) The Healthcare Commission arrived unannounced on Thursday 21<sup>st</sup> February 2008 and two inspectors spent the day at Freeman Hospital addressing management and organisational effectiveness; reviewed the prevailing standards on three wards on level 6 i.e. the medical floor; spent time in conference with the Infection Control team; interviewed the Chief Executive; and gave a brief feedback which reflected more or less no findings of significance. A dossier of documentary evidence was called for and forwarded to the Healthcare Commission. The indication was given that a formal report could be expected within ten days.
- (ii) The Regulator has sought a personal assurance from the Chairman and the Chief Executive that everything possible is being done to reduce the incidence of MRSA bacteraemia. It would appear the Trust in crude incidence terms is presenting third highest incidence of MRSA and all this entails in the Foundation Trust sector hence is contributing to Foundation Trusts overall being a national cluster outlier.

A briefing to advise of the response will be given at the meeting.

#### **4. Monitor – Quarter 3 Assessment**

The current ratings are:

- Financial risk 5
- Governance Amber
- Mandatory services Green

The Amber governance rating is directly attributable to the failure to meet the MRSA target and as a consequence, the Trust is subject to monthly monitoring. There is an expectation from Monitor that there will be compliance in future in this regard and that the Board will be in a position to submit unqualified self-certifications.

Relevant exhibits arising from the Assessment are included under Agenda item 15.

#### **5. Transforming Newcastle Hospitals (TNH) Project**

The TNH project is approaching the third anniversary on site and well over £220 million has now been spent by the contractor. Excellent progress continues to be maintained by the contractor.

At the Royal Victoria Infirmary (RVI) the external cladding to the Children's Hospital is now being installed and the shape and form of this building is now very apparent on Queen Victoria Road. This is proving to be as distinctive and iconic as envisaged.

On the Freeman Hospital site, the new Cancer and Renal Services Centre is now close to completion. Level 1 of the Cancer Centre – which houses the Linear Accelerators - was handed over to the Trust on programme on 11<sup>th</sup> February and the first two Linacs and a CT scanner have now been installed. The next handover date – for the Renal Services Centre – is due on 14<sup>th</sup> April, with occupation expected in May. Further to that the following dates should be noted:

- Northern Centre for Cancer Care (NCCC)

NCCC handover – 7<sup>th</sup> July 2008

Commence Radiotherapy Treatment – August 2008

Open NCCC OPD and Day Case - October 2008

Inpatients move - November 2008

Currently there are a number of engineering commissioning issues in collaboration with the Trust to resolve and the contractor is making every endeavour to overcome these.

- RVI

Projected contract handover dates for the RVI are:

Levels 1-3 - January 2009

Levels 4-6 - May 2009

Children's Hospital - March 2010

The contractor is currently projecting to complete in advance of these dates and discussions are ongoing to ascertain whether or not there is any benefit to the Trust in taking the building early. Notwithstanding these discussions, the earliest date that services will completely move off the NGH site is March 2010.

## **6. IM&T Strategic Partner**

The Strategic Partnership Agreement and Joint Venture Agreement with University of Pittsburgh Medical Center were signed in February 2008. Initial implementation is set to commence at the beginning of April 2008 and progress over an 18 month timescale.

## **7. NHS Litigation Authority – Risk Management Standards Assessments**

Arising from formal inspections of Maternity Services and General Acute Services in January and February 2008 respectively, the Trust has received informal feedback that it shall be awarded **Level 3** rating for the former and **Level 2** for the latter services. While this appears to indicate maintenance of “status quo”, it is in fact a significant achievement, as the 2008 standards are considerably more challenging to attain than those applied at the last inspections, in 2006. The Levels attained were those sought by the Trust.

Note – three Levels can be accorded with Level 3 being the best possible.

## **8. Redevelopment of the Newcastle General Hospital site**

The Detailed and Outline Planning Applications deposited with the Local Planning Authority on 18<sup>th</sup> December 2007 have at the time writing still yet to be registered.

An update will be given at the meeting.

## **9. Secretary of State for Health Visit**

Alan Johnson MP spent the complete morning of Monday 25<sup>th</sup> February 2008 as part of a high profile/media coverage event involving Maternity Services at the Royal Victoria Infirmary. This provided an extensive opportunity to meet with patients, parents and staff alike.

The Chairman will provide further feedback at the meeting.

## **10. Making Experiences Count – ‘Early Adopter’ Programme**

The Trust has been selected by the DH as part of a wider local health and social care economy, to take part in an Early Adopter programme. This is to support the development of the new arrangements for handling complaints across health and social care.

In the White Paper *Our health, our care, our say*, the Government made a commitment to implement a single, comprehensive complaints process across health and social care by 2009, focussed on resolving complaints locally with a more personal and comprehensive approach to handling complaints.

The new arrangements propose local resolution, which must be robust and fit for purpose, and then if the complainant is not satisfied, investigation by Health and/or Local Government Ombudsman. The current roles of the Healthcare Commission and Review Panels will therefore be removed.

To support both the development of the new approach, and the practice and behaviours needed to deliver it successfully, DH are introducing the new arrangements through a programme of “Early Adopters” (EAs). DH have identified 12 Early Adopter “sites” but in essence, these are SHA focussed and the North East site is made up of 4 PCOs; 3 FTs, 2 NHS Trusts; and Newcastle City Council, all in all covering Tyneside and Northumberland. These sites represent a wide variety of local environments, approaches to complaints handling and levels of performance. This first phase of the EA programme will run from 7<sup>th</sup> April to 30<sup>th</sup> September 2008.

DH will be supporting the organisations within each EA site with a range of resources, over the initial 6 months of the programme and including an Early Adopter Field Support Team, who will work with respective organisations to develop and share practice that ensures successful delivery of the new arrangements.

Our commitment was sought on 19<sup>th</sup> February by telephone and with three days only given to confirm participation. A positive response was provided.

## **11. Key Impact Documents from Government/Regulators**

### **(i) Department of Health – Delivery Quality and Value: Consultant Clinical Activity 2006/07**

Published 11<sup>th</sup> February 2008 by the Workforce Directorate.

A tool which is intended to enable Acute Trusts to benchmark Consultant clinical activity in ten specialties.

This release is a follow up to the last years joint DH, Information Centre and York University report which used 2004/05 HES data.

It is intended that within the relevant specialities, the tool can be used to benchmark Consultant clinical caseloads and inform job planning.

The Medical Director will advise further in this respect.

### **(ii) Monitor – Section 44 Private Healthcare provision**

Monitor intends to consult further on this matter as a consequence of the issue of the private patients income ‘cap’ being pursued by UNISON and latterly GMB union. The point at issue relates to the use of “arm’s length” bodies to carry out private patient work and return the income to Foundation Trusts.

### **(iii) Secretary of State response to Aspiring to Excellence: Final Report of the Independent Inquiry into Modernising Medical Careers**

*“I have taken particular note of an important thread running through the findings and recommendations. That is the need for policy development and implementation to be evidence-based, and for change to be implemented only after careful testing and following co-production with professional and other key stakeholders.*

*Many of the report’s recommendations are far-reaching in their implications for the Department of Health (DH) and for the NHS. They require further development and implementation and this will take time, particularly if we are to meet Sir John’s own tests that policy and its further implementation is evidence-based, carefully tested and taken forward with key stakeholders. I am keen that we move forward in the spirit in which the Panel intended”.*

Secretary of State for Health

In making its response, DH has considered how best to move forward on the recommendations. Many recommendations are met with a direct response; others are substantial and require further work to develop them ahead of implementation. In doing this, DH is mindful of the Inquiry’s recommendations around developing sound policy, building on evidence and engagement and the need to test out proposals before rolling them out more generally.

The final report made two new and additional recommendations. One was around the implications of the European Working Time Directive (EWTD) on training; the other proposed establishing a body described as NHS: Medical Education England (NHS: MEE), which would bring together many training and workforce functions. This recommendation is the single most significant addition to the interim report and, as such, required very careful consideration.

Governors will find the attached article published in the Health Service Journal (6<sup>th</sup> March 2008) perhaps best illustrates the outcome.

The Medical Director will give a brief update at the meeting.

#### (iv) **Healthcare Commission – Learning from Investigations**

Published February 2008.

A key aim of the report is to ensure that the wider NHS learns the lessons from the serious breakdowns in healthcare addressed by the Commission under its statutory powers from August 2004 to April 2007. During this period the Commission’s investigation team dealt with more than 200 referrals claiming serious breakdown in healthcare in HS Trusts. Referrals came from a range of sources, including Commission staff; organisations representing patients; members of the public; and Trusts themselves. About one in six cases resulted in some form of intervention including fourteen instances where a full formal investigation was undertaken.

The common themes which emerged were:

- The importance of good leadership and effective management that maintains a focus on clinical quality and safety and create a culture of openness and teamwork.
- Having good governance systems in place to routinely inform Boards of key information on clinical quality and safety and ensure boards discuss and act on this information.
- Never underestimating the management task involved in mergers and restructures.
- Ensuring staff are trained properly for their jobs, particularly in understanding their crucial role in protecting vulnerable adults and children and in infection control.
- Maintaining high standards of care on general wards as well as specialist wards with older patients often being at most risk because of the reliance on good nursing care.

The Complaints & Incidents Panel shall address the report in further detail and a briefing provided for consideration at Members Council.

(v) **Audit Commission – The Right Result - Payment by Results 2003 - 2007**

Published February 2008.

Payment by Results (PbR) one of the key NHS modernisation reforms, has been embedded across the NHS and has helped hospitals to be more business-like, according to the report. The Audit Commission are of the opinion that it should start to deliver significant increases in productivity and efficiency that the policy was designed to achieve. The report concludes that most hospitals have improved financial management and now have a better understanding of how much it costs them to treat patients. In particular, the fear that patient care would suffer because hospitals would be tempted to cut costs at the expense of quality has not materialised.

There are some indications that the NHS is providing care more efficiently. For example, there has been an increase in the number of patients treated as day cases and the length of time patients spend in hospital has fallen. Spurred on by PbR incentives, it is suggested Primary Care Organisations have reduced the number of avoidable admissions to hospitals.

The report also sets out a number of priorities for future development of the policy and the implementation issues that need to be addressed at the national level if PbR is to deliver further improvements. These include recommendations to the Department of Health to review and address the perceived limitations of the Secondary Uses Service; invest in information systems; ensure a consistent approach to contracting across the NHS; and provide clarity around the tariff and exploring the use of separate payment streams in addition to the tariff. From a commissioning perspective, the emphasis is on the PCOs focussing upon demand

management (care and resource utilisation) initiatives including alternatives to “*hospital care*” that offer value for money, are realistic and have strong “*clinical buy-in*”. There is however, scant reference to the consumer but mention is made of Lord Darzi’s vision of fair, personalised and effective care, as reflected in the *NHS Next Stage Review*.

It can be confirmed that the key actions highlighted for providers of acute NHS services to follow through do reflect work in progress as a pro-active Foundation Trust.

(vi) **Safe Births – Everybody’s business – an Independent Inquiry into the safety of Maternity Services in England**

Published March 2008 having been commissioned by the King’s Fund.

The year-long Inquiry was set up in response to growing concerns about the safety of Maternity Services, and it follows recent reports from the Healthcare Commission and the Confidential Enquiry into Maternal and Child Health.

The Inquiry sought to identify the challenges that threaten the safety of maternity services and to outline strategies for overcoming them. It concluded that the overwhelming majority of births in England are safe, despite growing pressures on maternity services. However, it warned that the lack of a systematic approach to ensuring safety across maternity services is creating unnecessary risks. It recommends a range of practical changes which it believes would secure safer births.

Some of these recommendations are directed specifically at Trust Boards. The report recommends that Trusts need to do more to prioritise safety in order to meet their responsibility for safeguarding the patients for whom their staff provide care. It goes on to recommend that Boards should communicate that priority to staff and patients, and make date on the safety of their maternity services publicly available and subject to rather board-level review. Other recommendations in the report relate to improving the effectiveness of training, teamwork and the deployment of staff.

The King’s Fund has agreed to help take the findings and recommendations of the Inquiry forward and will be looking to explore and test out these ideas with Maternity Units interested in driving up safety standards. In this respect, the Newcastle Hospitals has expressed a commitment to collaborate further.

**L R Fenwick  
Chief Executive  
13<sup>th</sup> March 2008**