

Whittington Health Trust Board

2 April 2014

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| Title: | Chief Executive's Report to the Board | | | | | | |
| Agenda item: | 14/066 | | Paper | | | 3 | |
| Action requested: | <i>For discussion</i> | | | | | | |
| Executive Summary: | <p>Headlines:</p> <ol style="list-style-type: none"> 1. Month 11 financial position 2. Opening of Ambulatory Care Centre 3. Performance of KPIs for 2013/14 4. CQC intelligent monitoring report 5. Board Assurance Framework (BAF) update 6. Heads of Terms agreed for 2014/15 7. NHS Pay Award 2014/15 and 2015/16 8. Budget 2014 increases pension costs 9. ORC Staff Engagement Survey results 10. Education and training issues 11. Prosecution for alleged FGM 12. Annual staff excellence awards 13. Resignation of Medical Director 14. Resignation of the CEO and interim CEO | | | | | | |
| Summary of recommendations: | The Board is recommended to discuss the report. | | | | | | |
| Fit with WH strategy: | This report provides an update on key issues that could affect the achievement of Whittington Health strategy. | | | | | | |
| Reference to related / other documents: | Financial report, BAF | | | | | | |
| Reference to corporate risks on the BAF: | | | | | | | |
| Date paper completed: | 26 March 2014 | | | | | | |
| Author name and title: | Dr Yi Mien Koh Chief Executive | | Director name and title: | | Dr Yi Mien Koh Chief Executive | | |
| Date paper seen by EC | n/a | Equality Impact Assessment | n/a | Financial impact assessment | Yes | Quality impact assessment | Yes |



Chief Executive's Report to the Board

2 April 2014

The purpose of this report is to update the Board on local, regional and national policy changes that will affect the organisation and set out the key issues facing the Trust.

1. Month 11 financial position

The month 11 financial position was consistent with previous months. We reported a small surplus of £50k in the month, maintaining our break even position for the year to date.

The position was helped by additional income from winter pressure, emergency re-admission and further income negotiated with commissioners, without the need for further use of reserves. Further in-year savings are being delivered with the aim of improving the recurrent revenue position.

I would like to thank all staff involved for their efforts in resolving contractual issues and endeavouring to control costs. We remain in a position to deliver our forecast break even at year-end and we continue to work to improve the recurrent revenue position.

2. Opening of Ambulatory Care Centre

We are opening our new £3m ambulatory care centre on 31 March offering patients of all ages greater opportunity to have same day treatment. The new centre brings together our adult and children same day emergency care for the first time in a dedicated centre. For adults the centre will have five times more space with 17 treatment spaces. The centre will treat paediatrics from 7 April with children being able to be observed for longer periods of time than in our emergency department. The centre provides a one-stop consultant led diagnostic service giving patients easy access to consultants and specialist staff in one place. Since we started ambulatory care years ago, the Trust has been viewed as a beacon of good practice successfully demonstrating a new way of providing high-quality emergency care designed around the needs of patients.

3. Performance of key targets for 2013/14

I am delighted to report that, year to date, the trust has achieved the A&E 4 hour target for 2013/14, achieving the 95 percent in week commencing 17 March. The trust has also met the waiting times targets for admitted and non admitted patients. I would like to thank Lee Martin and the Operations team for their hard work and commitment to ensure the trust meets the critical national care standards for the year while also improving the patient experience.

4. CQC intelligent monitoring report

The Care Quality Commission (CQC) published its latest intelligent monitoring report on 13 March. The report categorizes Trusts into 6 risk bands, with Band 1 being of most concern and Band 6 considered the least risky. In the previous report published in October 2013, Whittington Hospital was put in Band 4. In this latest report we are in Band 6. I would like to thank all of our hardworking staff for this excellent achievement which is also the result of having a patient safety and risk aware culture.

5. Board Assurance Framework (BAF) update

The BAF sets out the key risks that may threaten the achievement of the Trust's strategic objectives and provides assurance to the Board that they are effectively managed. The BAF was discussed by the Audit and Risk Committee on 27 March. It identifies the following top three risks:

- a) **Financial sustainability** - While we are forecasting achieving breakeven for 2013/14, only half of this year's Cost Improvement Programme (CIP) target of £15 million was achieved. The trust needs to identify sufficient CIPs and put in place processes to translate ideas and visions in 2014/15 in order to deliver the CIPs and planned productivity improvements in year and in future years.
- b) **Operational performance** – Year to date, the trust has achieved the A&E 4 hour target and waiting time targets for admitted and non admitted patients. Going forward, the trust has to deliver new commissioning standards and CCG service change and savings (QIPP) targets, at the same time maintaining the CQC essential targets in a financially challenged climate.
- c) **Leadership** - There are significant leadership challenges in driving change and performance improvement in terms of capacity and capability. The trust will need to move quickly to recruit permanent directors who can take the trust forward to Foundation Trust status.

6. Heads of Terms agreed for 2014/15

I am delighted that the trust has agreed the Heads of Terms for 2014/15 with our lead commissioners ahead of the deadline. The contract is based on Payment by Results (PbR) for hospital based services, and on block for community services. The budget profile is based on outturn for acute, with a small percentage growth for community. I have signed the contract on behalf of the trust on 20 March. Both the CCGs and the trust will now work through the fine details in April. I would like to thank Simon Wombwell and Simon Currie for their hard work and expertise.

7. NHS Pay Award 2014/15 and 2015/16

The Government responded to the NHS Pay Review Body (NHSPRB) and Doctors' and Dentists' Review Body (DDRB) on 13 March with a **two year** pay award for NHS staff. The main details are as follows:

- a) All Agenda for Change staff and employed doctors and dentists who are not eligible to receive incremental pay, will be given a 1 per cent non-consolidated payment in April 2014/15.
- b) Other staff eligible for incremental progression will receive the pay increment without the 1 per cent inflation uplift.
- c) The 1 per cent increase will be non-consolidated and non-pensionable and apply with effect from 1 April 2014.
- d) The same approach will apply in 2015/16. Staff who are not eligible to receive incremental pay will receive a **non-consolidated** payment of 2 per cent of pay (equivalent to an additional 1 per cent non-consolidated in each of the two years concerned), while other staff receive incremental progression.
- e) The Government stated that if the NHS trade unions were prepared to agree to an incremental progression freeze for one year in 2015/16, then they would be prepared to consolidate the pay award.

Unions are considering their responses to the pay deal which is likely to have an adverse impact on morale.

8. Budget 2014 and pension costs

The 2014 Budget announced on 19 March will increase employer contribution to the NHS Pensions Scheme from 14 per cent to 14.3 percent of wages. We estimate that this will lead to an increase in employer costs of around £500k for the trust from April 2015. The increase comes on top of an expected increase in employer national insurance contribution by 2 percent from April 2016, adding further cost pressures.

9. ORC Staff Engagement Survey results

The Trust commissioned ORC International to carry out a staff engagement survey between November 2013 and January 2014. In total, 1626 staff completed the survey, which represents a 40 percent response rate. The survey found that the basics for building staff engagement are in place but identified the following development areas:

- Improving leader visibility and communication with staff

- Clarifying the future direction of the trust
- Changing management behaviours to inspire and motivate staff
- Increasing staff commitment by seeking and acting on feedback where staff have reported excessive workload.

The findings are consistent with the results of the NHS Annual Staff Survey 2013. An action plan will be developed to address the areas for development.

10. Education and training issues

As a trust with a national reputation in educating and training tomorrow's clinicians, executives are considering a number of HE NCEL policy issues:

- a) Reduction in the tariffs, of at least 50 percent, for training non medical staff
- b) Expansion in the number of Emergency Medicine training posts
- c) Broadening the foundation training programme to include community placements.

On the last point, the Postgraduate Medical Dean wrote to all NCEL CEOs on 21 March asking that

At least 80 per cent of foundation doctors should undertake a community placement or an integrated placement from August 2015.

All foundation doctors should undertake a community placement or an integrated placement from August 2017. It should be noted that both community and integrated placements are based in a community setting, and that an acute-based community-facing placement is not a substitute.

This has implications for all teaching organisations. Whittington Health is in an ideal position to offer the new community placements.

11. Prosecution for alleged Female Genital Mutilation (FGM)

The Trust was in the headlines on 21 March after the Crown Prosecution Service (CPS) announced that it will be prosecuting one of our doctors under the Female Genital Mutilation (FGM) Act. We had no advance warning of the announcement.

The alleged incident happened in November 2012 following a patient giving birth in our maternity unit and concerns were raised by our clinicians. The Trust took these concerns very seriously and we immediately launched our own investigation. We reported the concerns to the police. The Trust also

referred the matter to the London Deanery (now Health Education North Central and East London) which is the appropriate training authority.

Many staff have expressed concerns, not least regarding the impact of the media focus for the Trust. I have written to all staff and executive directors and I have also met with staff. I would like to reassure the board that this is a unique case and, to the extent that it is able to do so, the Trust will provide support to all concerned.

12. Annual staff excellence awards

The winners of the 2013 Staff Excellence Awards were announced on 27 March. They were selected by a panel made up of board members and governors. All are outstanding role models. They are as follows:

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| Team (non clinical) of the year | Occupational Health Team |
| Unit of the year | Thorogood Ward |
| Leadership team of the year | Smoking CQUIN Team |
| Clinical team of the year | Haringey Learning Disabilities Partnership |
| Employee of the year | Helen Ormiston |
| Clinician of the year | Suzanne Roberts |
| Customer care award | Dr Pauline Leonard |
| People's choice award | Rachel Wale |
| People's choice team award | Decontamination Team |
| CEO Award | Pharmacy Distribution Team |

13. Resignation of Medical Director

Dr Martin Kuper has resigned as Medical Director of Whittington Health . He has been offered the post of Medical Director of the Homerton Hospital NHS FT. Interim arrangements will be announced in due course.

14. Resignation of the CEO, interim CEO and deputy CEO

This is my last report to the board. I have resigned from my post, and will step down on 31 March. Simon Pleydell will be interim CEO from 1 April while the trust recruits a new CEO. Siobhan Harrington will return from her secondment (as programme director for the BEH Strategy implementation) as Deputy CEO on 1 April.

I would like to end by thanking our hard working staff for their energies and commitment. It has been an honour to lead such a dedicated and professional group of people whose enthusiasm and care have encouraged and inspired me every day. I know that I will continue to hear in the future of the exceptional care provided to our patients, service users and our community by the remarkable people of Whittington Health.