

COUNCIL OF GOVERNORS: 6 February 2016

Report Title: Chief Executive Report to Council of Governors

Report From: Dr Ros Tolcher, Chief Executive

1. Purpose

This paper summarises the key strategic matters impacting on HDFT at present and presents an update on operational and quality performance

2. Strategic matters

2.1 Five Year Forward View in to Action: Monitor and NHS England jointly published planning guidance at the end of December which outlined the approach to be taken in relation to delivering the forward view. Two separate but connected plans are required:

- A one year Operational Plan for 2016/17
- A five year Sustainability and Transformation Plan (STP)

Local health and social care systems were asked to agree 'transformation footprints' – or 'place' by the end of January. While guidance stated that this should be based on patient flows rather than existing commissioning footprints, CCGs were told that they must only sit within one 'place' and there is a strong push from the centre for larger, rather than smaller scale footprints. Each 'place' will develop an STP for implementing the Five Year Forward Plan.

The CCGs in West Yorkshire, plus Harrogate CCG are working together as part of the Healthy Futures Programme and together these will operate as a West Yorks 'place', formalising the establishment of the Healthy Futures Board. It is proposed that the transformation element of local plans will be based on six smaller, local footprints. Each STP will describe the interdependencies across the six Health and Wellbeing or Local Transformation Boards and how they will align under the Healthy Futures. It is recognised that there are co-dependencies between local STP footprints and the wider West Yorkshire delivery of joint commissioning.

For HDFT, this means that the transformation footprint for STP purposes will be the Harrogate and Rural District CCG area which mirrors our Vanguard geography.

Whatever the outcome of the National sign off process, we will need to be involved in a number of STP's, including Leeds, West Yorkshire, North

Yorkshire and Durham, Darlington and Middlesbrough, where we are a provider of services to the relevant populations.

The Planning Guidance also includes nine national 'must-dos' for 2016/17, which are:

- Develop a high quality and agreed STP (as above)
- Aggregate financial balance
- Develop a plan to address the sustainability and quality of general practice
- Deliver access standards for A&E and ambulance waits
- Deliver 18 weeks standard
- Deliver cancer standards
- Achieve two new mental health access standards
- Deliver actions to transform care for people with learning difficulties
- Develop and implement an affordable plan for quality improvements, and participate in publication of avoidable mortality rates

2.2 Finances: In a welcome development, the government has announced that Sustainability and Transformation (S&T) funding will be available in for 2016/17 and 2017/18. For 2016/17 only, this funding has been allocated to individual acute providers along with a control total to achieve, which will ensure that the provider sector returns to financial balance. For HDFT, we have been allocated **£4.6m for 2016/17**, with the following caveats:

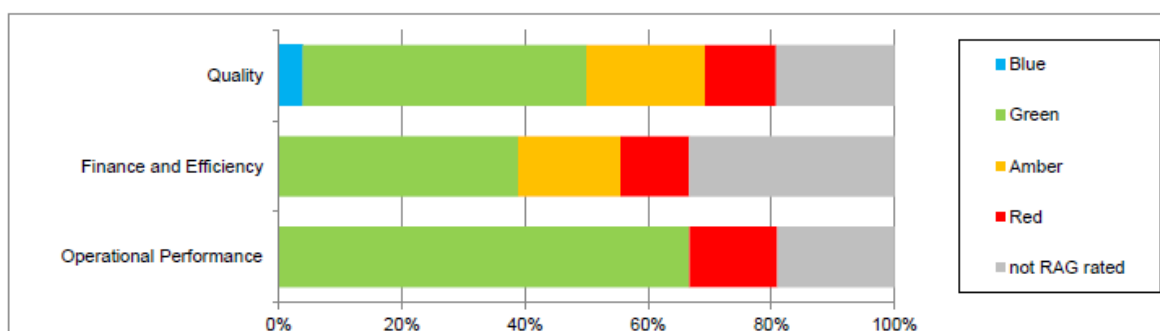
- We agree to a control total of delivering a surplus of £6.8m
- We agree to compliance with the Agency Cap rules, and work to deliver the Carter Review savings
- We deliver the access standards relating to 18 weeks, A&E and ambulance waits
- We produce an agreed STP

In order to comply with the control total, the Trust will need to deliver an underlying surplus of £2.2m, continue to achieve the key standards, and not spend any of the £4.6m of additional funding. The injection of cash will strengthen our financial risk rating and will enable us to plan for investment in later years.

The Board of Directors at its meeting on 27 January agreed to accept the offer of Transitional Funding and committed to achieving the required actions.

3. Operational performance and quality

The HDFT Integrated Performance Report is available in full alongside other Board papers via the public website. The high level summary of RAG ratings across our headline indicators is copied below:



- The Trust continues to perform well on **access and waiting times** with all cancer pathway targets, referral to treatment time targets and emergency department access targets above the required standard and above national averages.
- Some of the GP out of Hours National Quality requirements (NQR) metrics are red-rated. The underlying issues are multifaceted and the directorate has been asked to provide a more detailed statement on risks and issues at a future meeting. Audit of safety and quality for people using the GP OOH service has not identified any concerns.
- **Finances:** The Trust reported a deficit in December of £253k, £354k behind plan. This was before the consolidation of charitable funds. The year to date deficit therefore increased to £689k. Our forecast out turn for yearend remains a modest surplus.
- **Safe staffing.** The highest scoring risk for HDFT at present is our ability to recruit sufficient nursing staff to ensure safe levels of staffing. This is subject to intense focus at present with a range of measures in place to assure safe care.
- **Mobilisation of new 0-19 Universal Childrens Services** in Durham, Darlington and Middlesbrough. These services transfer to HDFT from 1 April 2016. Approximately 475 staff will TUPE in to the Trust. A comprehensive mobilisation plan is in place. A number of staff engagement events have taken place and we are in close liaison with the current providers and commissioners in order to ensure a safe transition for services and positive experience for staff affected by change.
- **Repatriation of gynaecological oncology services from Leeds.** The Trust is continuing to work collaboratively with colleagues in Leeds and York to secure a sustainable workforce which will enable chemotherapy services for gynaecological cancers to be delivered locally. A further attempt to recruit consultant oncologists to support the alliance is underway with a closing date for applications of 20 March. There are three posts, one of which will be for HDFT. Successful recruitment to these posts would allow the new service to commence towards the end of the year. As previously reported, use of locum medical staff for this type of service would not offer the continuity of care necessary for this type of service.

4. Partnership working

- **New Care Models (Vanguard Project) update.** The first of our pilot sites went live this week. The integrated team, made up of all the partners in the project covers the Knaresborough, Boroughbridge and Green Hammerton area. Fysche Hall, Iles Lane, Knaresborough will house the team covering the Knaresborough locality. New space in Boroughbridge is being prepared at Church Lane Surgery to maintain the current district nursing team (already based at the surgery) and provide facilities for the expanded team.

Work continues to prepare an updated Value Proposition, due for submission on the 8th February. Content that adds detail to the financial request and illustrates our ambition is being used to produce an ‘interactive’ submission. This will allow NHS England to see how the individual aspects of our plan have an impact on our community and demonstrate how the model will be sustained. A number of community engagement events are planned as part of the communication and engagement strategy.

5. Governance and assurance

- **Quarterly Governance Statement to Monitor:** the Board of Directors approved a self-assessment of ‘Green’ for submission to Monitor for Q3.
- **Well Led Review of Governance.** Foundation Trusts are required to seek third party assurance in the form as a Well Led Review every three years. The Trust commissioned Deloitte to undertake this review during Q3 and we have now received their final report and signed off an action plan to address the area for improvement. This was a positive process which both provided assurance that the Trust is well led and offered areas for development which will stretch us further. A summary of the ratings is provided below. This shows our initial self-assessment, the final rating and the peer group average for Deloitte.

Key findings were as follows:

Strengths	Suggestions for further development
<ul style="list-style-type: none"> • No material areas of concern • The Trust’s self-assessment demonstrates a positive level of self-awareness • A Board which is composed of high calibre individuals • We observed insightful challenge • Robust succession planning • The fostering of a positive culture 	<ul style="list-style-type: none"> • More explicit monitoring of strategic objectives • Re-stating the roles of the Board committees • Clarify and standardise subcommittee reporting • Increase the opportunities for engagement with staff working in community services.

Summary ratings from Well Led Review 2015:

Monitor Domain		Detailed Criteria	Trust self-assessment rating	Deloitte rating	Deloitte client base average rating
Strategy and planning	1A	Does the Board have a credible strategy and robust plan to deliver?			
	1B	Is the Board aware of potential risks to the quality, sustainability and delivery of services?			
Capability and culture	2A	Does the Board have the skills and capability to lead the organisation?			
	2B	Does the Board shape an open, transparent, and quality focussed culture?			
	2C	Does the Board support continuous learning and development across the organisation?			
Process and structures	3A	Are there clear roles and accountability in relation to Board and quality governance?			
	3B	Are there clearly defined processes for escalating and resolving issues and managing performance?			
	3C	Are stakeholders actively engaged on quality, financial and operational performance?			
Measurement	4A	Is appropriate information on organisational and operational performance being analysed and challenged?			
	4B	Is the Board assured of the robustness of information?			

- **2015 Picker National Inpatients Survey.** This was published this month. Compared to the 81 other Picker trusts, we were significantly BETTER than average on 18 questions, significantly WORSE than average on 1 question (Overall: not asked to give views on quality of care. our score 735, national average 69%), and the scores were average on the remaining 46 questions. Compared to the 2014 survey, we performed significantly WORSE on 1 question (not offered a choice of food. The score deteriorated from 17% in 2014 to 22% in 2015. National average is 20%). The scores show no significant difference on 61 questions.
- **Care Quality Commission Inspection.** A verbal update on the CQC currently underway will be given.