

# PAPER

CG 20/2016

(Agenda Item: 6)

# Report to the Meeting of the Council of Governors

**14th September 2016**

**Chief Executive’s Report**

**For Approval**

It has been a particularly eventful quarter with a number of significant developments, both locally and nationally.

***External regulation/inspection/accreditation/learning***

Following the recent publication of aggregate results, the NHS is reported to have ended the financial year 2015-16 with a deficit of £1.85 billion, the largest aggregate deficit in its history. The recent King’s Fund report, [*Deficits in the NHS*](http://www.kingsfund.org.uk/sites/files/kf/field/field_publication_file/Deficits_in_the_NHS_Kings_Fund_July_2016_1.pdf)  reveals evidence of the gap between the quality of care we all want the NHS to provide and the funding available and suggests that this position is unsustainable and cannot be continually passed onto NHS trusts.

Interventions by regulators commenced in quarter to regain control of NHS finances. Efforts to reduce the provider deficit are set to focus on 20-40 trusts where the pay bill either increased substantially last year, or which have planned for growth in 2016/17.

1. **Care Quality Commission Inspection and improvement plans**

Prior to publication of the results, Governors were given advanced notice of the results of our trust’s re-inspection by the Care Quality Commission (CQC) which was good news.

Following the CQC’s visit in June to reassess adult mental health services, the overall rating for each of the three services has been revised to ‘Good’. This means the rating for the trust has also been revised and we are delighted to announce the trust is now overall officially rated by the CQC as providing ‘Good’ care.

This is a tremendous achievement by our staff, who have made further improvements in a short time and I’d especially like to thank our adult mental health staff for their contribution to this.

The inspection has given us external assurance that our on-going work to improve the quality of care for all of our patients is on the right path and we will continue our efforts to make this even better in future.

The recent re-inspection in June looked at our Adult Mental Health Teams, adult acute mental health wards and adult rehabilitation mental health ward, all of which improved their rating from ‘Requires Improvement’ to ‘Good’.

Of 196 CQC inspections of trusts carried out up to August of this year, 62 have been rated good. That represents 60 inspections of community & mental health trusts, of whom 25 have been rated good. We will be marking and celebrating this achievement with staff and patients in a variety of ways in the coming weeks.

1. **NHS Improvement – Annual Plan FY17 submission and financial sustainability.**

The FY17 financial plan, amended to include the allocation of £1.8m from the Sustainable Transformation Fund (**STF**), has been agreed with NHSI who have issued confirmation of how and on what terms this additional funding allocation will be distributed. For OHFT, the funding will be paid quarterly in arrears subject to the achievement of the financial plan within the NHSI control total. The current plan includes an estimated agency staff spend of £11.6m which exceeds the ceiling of £9.1m set by NHSI, although it has been confirmed that this will not be a risk to the receipt of the STF money if we remain within the control total.

The focus on reducing agency staff spend continues with the third wave of the e-rostering system rollout commencing and the recruitment of new staff to the OHFT internal bank. Whilst demand for agency staff remains relatively high, the prices have started to reduce noticeably.

***Local system-wide initiatives/matters***

1. **Finances YTD**

The financial performance for the 4 months to July shows a shortfall to plan of £1.2m largely due to revenue risk in the Oxfordshire CCG contract that is yet to be signed, operational overspends and delayed CIP delivery. All three of these aspects are being worked upon to recover the position as quickly and as much as possible. The contingency reserve remains untouched hence we continue to forecast that the plan will be delivered.

1. **Contract position FY17**

Only one contract remains to be signed, that with Oxfordshire CCG. An interim agreement, which was extended one month to the end of July, was put in place to allow OCCG, OUH and OH to develop an integrated partnership approach, particularly around the frail& elderly urgent care pathway. Unfortunately, agreement could not be reached on an effective partnership approach and OCCG consequently agreed a contract with OUH for £8m more than was anticipated. With OCCG in a tight financial position we are working to finalise our contract in line with our original financial plan assumptions in September.

from 2017/18 onwards it is essential that primary care is fully involved, and discussions with Oxfordshire GP Federations in the City and the north and west have progressed to the point where some formal partnership options can be explored in more detail. This important, not least because the CCG has indicated that it wishes to consider options concerning the long term direction for the delivery of this important element of the transformational change in Oxfordshire, which will be particularly key if consensus on arrangements for 2016/17 is not obtained.

1. **Southern Health NHS Foundation Trust – Learning Disability services**

We are currently working in partnership with Southern Health and other key stakeholders to increase our in depth understanding of the services offered by Southern Health to people with a learning disability and their families in Oxford.

This is an extensive piece of detailed work which will guide our decision making with regard to the potential for transitioning these services into Oxford Health. A detailed decision timeline is being finalised and a separate paper is on the agenda for the Council of Governors’ meeting.

1. **Sustainability and Transformation Plans (STPs)**

The June STP submission was made on 30th June as the basis for a further conversation about concrete options, impact and timelines.

There is still much to do to develop the substance of a pre-consultation business case for the Oxfordshire transformation programme, which is a substantial building block of the STP, in particular around analysis of the emerging models to ensure the options put forward are clinically sustainable, operationally deliverable and financially viable and most specifically in relation to the Urgent & Emergency care, specialist/planned care/diagnostic and primary care workstreams. Once finalised, this business case will be an important document for the Trust, and following the outcome of consultation, will set the strategic priorities for the next few years, so it is in our interests to make sure that the shape of it is right, and as such, we are contributing to it as actively as we can as it develops over the next few weeks.

1. **Electronic Health Record**

A further significant upgrade of Carenotes has been completed.  This now means that both versions of Carenotes in use by the Trust are the latest release of the product.  Work continues with the system supplier to improve overall performance.  Based on new insights about system functionality changes have been introduced to improve the usability of some existing features in Carenotes.  The Trust has met with the system supplier’s senior management team to agree the steps necessary to confirm the roadmap for Carenotes over the coming years. A separate paper is included on the agenda of the Council of Governors’ meeting.

1. **GP Federations – joint working**

Over the next five to ten years, in common with many other cities and counties across England, Oxfordshire’s transformation plans propose that in order for our patients to receive better health outcomes, more care will be delivered by a high quality, responsive, easily accessed primary care led system, and when it is needed specialist care in hospitals will be reliably and consistently excellent and accessible.

To that end, we are progressing conversations with Oxford’s GP Federations to establish opportunities for more formal partnerships and collaborations, and other aspects of this agenda will feature as part of wider consultation and engagement activity in the context of the broader transformation themes.

1. **New Models of Care for Tertiary Mental Health Services**

We received an invitation from Stephen Firn OBE on behalf of NHS England to submit proposals to implement new models of care for low and medium secure adult mental health care and tier 4 CAMHS services, including children’s secure care. I am pleased to confirm that we were successful in our secure mental health care partnership bid.

The NHS Planning Guidance 2016/17-2020/21 identified the opportunity for areas to express an interest in ‘**secondary mental health providers managing care budgets for tertiary mental health services**’. The Five Year Forward View for Mental Health set out the rationale for developing new models of care for mental health:

* Promoting innovation in service commissioning, design and provision that joins up care across in-patient and community pathways (reaching across and beyond the NHS);
* Making measureable improvements to the outcomes for people of all ages and delivering efficiencies on the basis of good quality data;
* Eliminating costly and avoidable out of area placements and providing high quality treatment and care, in the least restrictive setting, close to home.

Oxford Health NHS FT (OHFT) led the successful application to develop a new model of care for low and medium secure adult mental health services in Buckinghamshire, Oxfordshire, Berkshire (East and West), Hampshire and Isle of Wight, Dorset and Milton Keynes. The following providers of specialist mental health care will work as a network to coordinate inpatient and community based services to improve the overall value of care provided:

* Oxford Health NHS FT
* Berkshire Healthcare NHS FT
* Southern Health NHS FT
* Central and North West London NHS FT
* Dorset Healthcare NHS FT
* Solent NHS Trust
* Response (voluntary sector provider promoting independent and community living).

Further discussion will take place with Governors in the private session of September’s meeting.

1. **Collaboration between mental health and community trusts**

As part of the very significant changes occurring across the NHS a number of acute hospitals have recently embarked on the establishment of ‘chains’. The purpose of these arrangements varies, but can include the development of clinical networks, the adoption of common improvement methodologies and standard operating systems, and the sharing of so-called ‘back office functions’.

Mental health and community trusts are more used to operating in networks and as systems as a matter of course, and therefore the ‘chain’ model has already to some extent been anticipated. Nevertheless it is an appropriate time to explore what more may be possible, not least because new projects such as the devolution of commissioning for specialist mental health services effectively reinforce this trend, and recent guidance for STPs encourages more collaboration, especially in support functions. The potential for this to realise savings can sometimes be overstated, but it can improve effectiveness and capability, especially when recruitment to key posts is a challenge – as it is increasingly in this area. If Trusts assume more responsibilities for commissioning services, then existing commissioning functions in CCGs, CSUs and NHS England will need to be brought together closer to the clinical services. Combining support services is much more likely to work where they are related to common goals, activities and processes – so ‘shared services’ which serve very disparate clinical activities can often leave some of them in the back room of the back office.

With this in mind we have started to identify areas of common interest with other Trusts providing similar service profiles. In particular we have a well-established track record of collaboration with Berkshire Healthcare, in large part through the clinical networks operated by the Oxford AHSN. This has already achieved levels of collaborative service improvement activity which ‘chains’ are only just embarking upon. We intend to list current joint activities and identify future areas for collaboration, and believe that it would be beneficial to formalise that at Board level, drawing on the experience of the Birmingham mental health Vanguard.

1. **Temporary closure of Wantage Community Hospital for safety reasons**

Further to the information provided to the last Council of Governors meeting, the Trust has taken the decision to close the inpatient ward at Wantage Community Hospital for safety reasons due to legionella risks.  The midwifery led unit and outpatient physiotherapy service remain open and weekly legionella counts are being taken.

1. **Junior Doctors**

The BMA announced in July that their members had rejected the proposed new contract for junior doctors despite the best efforts of ACAS, NHS Employers and the BMA junior doctors’ committee. A total of 58 per cent of its members voted against the offer agreed at ACAS compared to 42 per cent voting to accept with a turnout of 68 per cent in their referendum.

Since then, it was announced that the BMA intended to call discontinuous industrial action involving a number of 5 day strikes. The BMA subsequently cancelled industrial action from 12 to 16 September after NHS England warned the strike was announced with too little notice.

What happens next is not yet clear, but all are keen to ensure that patients will not be made to suffer any further impact over the rejection of the contract.

1. **Recommendation**

The Council of Governors is invited to note the report and to seek any assurances pertaining to matters arising from it where necessary.

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