

BOD 26/2017

(Agenda item: 5)

# Report to the Meeting of the

# Oxford Health NHS Foundation Trust

# Board of Directors

**29th March, 2017**

**Chief Executive’s Report**

**For Discussion**

The main focus of activity since the last report nationally has been the budget and implementation plans for delivery of STPs. In Oxfordshire the public consultation about the first phase of the transformation process has continued and the OCCG are planning to attend our March meeting and the Governor’s seminar to discuss phase 2.

**Local issues**

1. **Business planning – Operational Plans FY18 to FY19**

Future reporting on this matter will now be through routine quarterly updates on progress with implementation of the Trust’s plan.

1. **Annual Plan FY17**

 The financial result for the eleven month period to the end of February is an Income & Expenditure deficit of £0.1m which is a shortfall to plan of £1.8m, largely due to operational overspends and delayed CIP delivery.  All of these aspects continue to be worked upon.

A total of £2.0m of the £4.3m Contingency Reserve has been released into the year-to-date position to cover operational pressures at the half-way point in the year, and at this stage it is assumed that the remaining £2.3m of Contingency Reserves will be sufficient to cover any shortfall and as such the full year forecast remains in line with plan.

The Trust is working hard to address agency costs but spend remains more than 50% above the ceiling set by NHSI resulting in additional scrutiny and a maximum financial Use of Resources risk rating of 3 (where 1 is least risk and 4 is highest risk). Given that Oxford Health’s plan for FY17 exceeds the agreed control total by £974k, achievement of the planned deficit of £0.6m should enable the Trust to achieve commensurate additional STF income, which would be paid to the Trust in April 2017.

1. **FY18 – contract/risk share governance**

In Oxfordshire during the 2017/18 contract negotiations a contract gap of £18m was identified, consisting of £16m on the OUH/OCCG contract and £2m on the OH/OCCG contract, mainly arising from potential differences in activity levels. A risk share was agreed to address that gap with the risk being 40% with OCCG, 40% with OUH and 20% with OH. A series of schemes were identified to mitigate that risk totalling £28m if fully achieved, and work has commenced to progress them, led by Jason Dorsett, CFO of OUH and Hannah Mills from OCCG. Dominic Hardisty, COO, is taking the lead in implementation of the mitigation schemes for OH. It has recently become apparent that the activity gap on acute contracting might potentially exceed the £16m anticipated following discussion between OUH and regulators about RTT trajectories and other target driven activity. There has however been no formal confirmation of that so far, and discussions have not concluded.

I have reiterated the agreement between the Oxfordshire CEOs that there can be no increase in the quantum of the risk share without the agreement of all the parties to it, and in the event any further expansion of that risk share were to be proposed, bringing the OH exposure above £3.6m, I would bring that back to the Board. Nevertheless if an additional financial gap does materialise, irrespective of whether it is within the scope of the risk share or without it, there will be an impact on the overall financial position of the Oxfordshire system, and so it is an issue of central concern for the Trust either way. The Chairman has already written to the Chairs of OUH and OCCG seeking non-executive oversight of the mitigation arrangements to reinforce CE supervision, but further escalation will be required in the event that the £18m previously estimated as the total system risk changes materially. Mike McEnaney has already discussed the emergence of this potential issue with NHS Improvement, who are, of course, involved in the discussions with OUH.

1. **CQC Inspection and improvement plans**

We have during March received the formal draft report from the CQC with regard to the inspection in November of our GP Out of Hours services. The Trust is in accordance with process, finalising it response to the draft in terms of its factual accuracy which will be returned to the CQC within the required timeframe. Following this, we will receive and publish the final report and rating.

1. **National Speak up Guardian Visit to the Trust**

The Trust invited colleagues from the Office of the National Freedom to Speak Up Guardian to visit on 14th March. Unfortunately the Guardian herself, Dr Henrietta Hughes, was unable to attend at the last minute. It was useful to be able to have feedback on the impact of the Guardian role after almost a year since implementation, and to hear about other models of good practice. The Trust Guardian, Mike Foster, will follow up on the points raised.

1. **Electronic Health Record** (**EHR**)

Since the last update, work has continued to improve the functionality of the Child Health module, and significant progress has been made. The second beta test of the upgrade (5.7) has been delayed to 3-19th April; dates for deployment of this upgrade have been requested.

Discussions regarding Carenotes with Community Services and Community Hospitals have been held. The EHR team have developed a proposal around generic Community Careplans (Management Plans) and Assessments – Risk, Patient, OT, Medical and Physio for Community Services. There is also on-going work specifically for Community Hospitals in terms of the Admission Pack and Delayed Discharge information.

The Clinical Transformation Team working to achieve the right level of clinical engagement for each work package, ensuring all relevant services are represented and that the clinicians involved have time and motivation to provide the necessary support.

As reported a couple of months ago, the Trust was invited by NHS England to submit a proposal to become a Global Digital Exemplar (GDE) for mental health and receive up to £5million of funding for digital health initiatives.  NHS England is yet to announce successful Trusts.

1. **Southern Health – Learning Disability (LD) services**

With regard to LD community services transition, OCCG service contract negotiations are underway with an anticipated sign off date at the end of March for services to commence in July. The Trust has been clear for six months about the financial implications of correctly funding the service, but final resolution with OCCG has yet to be concluded.

As previously advised, to support the request from NHS England to determine whether Oxford Health would consider taking responsibility for the provision of the Evenlode unit we have set out the basis on which we consider the transfer of the service could take place, including the need to develop a low secure component to the clinical pathway to facilitate discharge and flow.

I have confirmed to the Board previously that we have made clear to NHS England, NHS Improvement and Southern Health that we consider it necessary that the Slade site, which has historically been associated with the Oxfordshire Learning Disability services (and which was transferred to Southern Health from the Ridgeway Trust when it took on the service in 2012) should be transferred to Oxford Health if we are to be able to take on the operation of the Evenlode Unit. Indications now are that this element of the proposal is close to agreement, and so focus is now on concluding financial assumptions with NHS England specialist commissioning. Southern Health will continue to operate Evenlode after 31st March 2017 pending agreement on a date for the service to transfer.

1. **BRC Launch**

As Board members will be aware, we are planning the official launch of our new NIHR Oxford Health Biomedical Research Centre at **2pm on Friday 31 March 2017** and we are delighted that Nicola Blackwood, MP will open it for us in her capacity as Parliamentary Under-Secretary of State for Public Health and Innovation.

The new Oxford Health BRC has been set up to address the challenges of mental health and dementia, both major causes of disability worldwide, by bringing together Oxford Health NHS Foundation Trust and the University of Oxford in a powerful partnership to develop new insights, innovative diagnostics and treatments to benefit patients here and globally.

Oxford Health BRC builds on our strong track record in working together to develop new treatments and procedures, many widely implemented in the NHS and elsewhere. We aim to bring the best science to complex problems, with research informed by and contributing to quality clinical care.

1. **Academic Health Science Centre (AHSC) – creation of a legal entity**

There are no specific matters for Board to note this month following the detailed report provided to the February Board and being unable to attend in March, Glenn Wells will attend a future meeting.

1. **Academic Health Science Network (AHSN)**

As part of more regular updates on matters concerning our AHSN, the latest information is outlined below:

As previously reported, Oxford Health will once again host a ‘partner showcase’ with the Oxford AHSN in May following a similar successful event in May 2016. This will take place at Unipart on 18 May. Latest information here: <http://www.oxfordahsn.org/news-and-events/events/partner-showcase-oxford-2/> We are also contributing to the equivalent event taking place in High Wycombe on 22 May: <http://www.oxfordahsn.org/news-and-events/events/partner-showcase-high-wycombe/> Event content is being finalised. A further update will be provided next month. Details of all the events will also be added here: <http://www.oxfordahsn.org/our-work/corporate-activities/partner-showcases-2017/>

The Oxford AHSN is also hosting a patient safety conference on 25 May titled ‘From assurance to enquiry: conversations about safety’. Speakers include Dr Suzette Woodward of Sign up to Safety, and James Titcombe, patient safety campaigner. Details here: <http://www.oxfordahsn.org/news-and-events/events/oxford-patient-safety-conference/>

Furthermore, the Oxford AHSN is contributing to a national event bringing together all 15 Patient Safety Collaboratives across England on 23 May.

Latest Oxford AHSN case studies added to the national AHSN Network collection which brings together the best examples of impact and collaboration include ‘Better outcomes for hundreds more people with anxiety and depression’. This focuses on improved recovery rates for psychological therapies services including those run by Oxford Health in Buckinghamshire and Oxfordshire: <http://atlas.ahsnnetwork.com/better-outcomes-for-hundreds-more-people-with-anxiety-and-depression/>

1. **National Issues**

A helpful digest of national and legal issues and guidance emerging since the last report is routinely attached as an appendix.  Key developments worthy of particular reference are as included below.

1. **Budget**

Following delivery of the spring Budget by Chancellor Philip Hammond, there were health specific announcements around capital funding for A&E and STPs and personal injury discount rates. The budget also committed £2bn of additional funding to councils in England over the next three years to spend on adult social care services to help ensure people receive the social care support they need and relieve pressures on the NHS. Detailed discussions are underway locally to agree the most effective way of deploying these resources, bearing in mind particularly the highly competitive local labour market for domiciliary care, which is the most critical bottleneck in the system of provision.

1. **Sustainability and Transformation Plans (STPs) and local transformation processes**

The consultation process for the first phase of Oxfordshire transformation programme continues, and although Oxfordshire CCG is the statutory body responsible for the formal public consultation the Trust has been supporting each event. As previously advised, a decision on the outcome of the consultation will be taken by the CCG Governing Body after the period of 'purdah' for the local elections in May. I have already highlighted at the beginning of this report that the CCG are attending our Board meeting and Council of Governor seminar to discuss phase two which more directly touches the Trust’s services.

With regard to the STP, a stocktake of progress made has continued and the operation of the STP is being more closely aligned with the three local transformation processes in BOB.

1. **5YFV for Mental Health – one year on**

The Legal and Regulatory update in the appendix underlines the importance of the commitments following publication of this report, published a year since inception, and which highlights that local systems see investment in mental health services as a gateway to a more sustainable health and care system.

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

Previous reports have described the mental health care partnership bid following the opportunity to express an interest in secondary mental health providers managing care budgets for tertiary mental health services.

Discussions are continuing to take place with NHS England about the details of the financial assumptions underlying the project and a supporting paper to follow up actions agreed in February with respect to contract variations form part of a paper at this month’s private board. As things stand the final details, particularly for year two of the pilot, have not been agreed, though all parties have agreed that it is essential they are clear for all concerned before agreement. As the pilot is due to commence on 1st April this agreement will need to be finalised in the next few days, though arrangements are in place to take on the operational roles required of the pilot once the financial details have been resolved.

With regard to the wider new care models programme itself, it is delivering a key element of the Five Year Forward View and NHSI are working to support innovative change. The Legal and Regulatory update appended to my report offers an update of how national partners and a number of vanguards are identifying potential issues and developing and testing solutions for providers with a document that NHSI plan to update as matters evolve and we shall look to pick up relevant learning as this develops.

1. **Carter Programme – Community and Mental Health extension**

The programme begins in earnest week commencing 27th March and I will be providing updates on progress and thinking as it develops at regular intervals throughout the review process.

1. **NHSI – Single Oversight Framework: Segmentation**

As reported to Board back in October when the SOF came into existence, NHSI segments trusts according to the level of support each trust needs across the five themes of quality of care, finance and use of resources, operational performance, strategic change and leadership and improvement capability.

From March onwards, once providers have been informed by their regional lead at NHS Improvement, they will update their website as and when individual providers’ segments change in line with support needs. By way of reminder, each trust is segmented into one of four categories, and the Trust has moved from its shadow segment of 1 to segment 2 as was anticipated last year with regard to delivery of our agency targets. The national segmentation profile can be found here:

<https://improvement.nhs.uk/resources/single-oversight-framework-segmentation/>

1. **CEO Stakeholder Meetings & Visits**

Since the last meeting, key stakeholders with whom I have met; visits I have undertaken and meetings that I have attended have included:

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| * Cavendish Square Group
* Oxford City Council, Cllr Bob Price
* Oxfordshire Local Informatics Delivery Group
* Oxfordshire County Council, Adult Social Care, Kate Terroni
* Oxfordshire Clinical Commissioning Group and Oxfordshire MPs meeting
* University of Oxford, Master Planning meeting
* AHSC, Digital Developments
* CEO System Delivery Board
* NHS England, New Care Models, Stephen Firn
* The Informatics Oversight Group
* AHSN Partners Roadshow Planning meeting
 | * Oxfordshire Clinical Commissioning Group Delayed Transfer of Care Summit
* Oxfordshire HOSC
* BOB STP Executive Board
* Thames Valley Forensic Network Steering Group
* Oxfordshire Clinical Commissioning Group and Oxfordshire MPs meeting
* South Central Ambulance Service, Will Hancock, Chief Executive
* Health Minister, Nicola Blackwood MP
* PriceWaterhouse Cooper, Well Led Review
* Oxford Brookes University Launch of the Oxford School of Nursing and Midwifery
* Oxfordshire County Council, Infrastructure and Planning meeting
* Healthy Bucks Leaders
* BOB STP Operational Group
* University of Oxford Fundraising meeting

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1. **Consultant appointments**

There have been no consultant appointments concluded in the period of this report.

1. **Recommendation**

The Board is invited to note the report seeking any necessary assurances arising from it or its appendices.

**Lead Executive Director:** Stuart Bell, Chief Executive