

**Report to the Meeting of the**

BOD 124(i)/2018

(Agenda item: 4)

# Oxford Health NHS Foundation Trust

# Board of Directors

**31st October, 2018**

**Chief Executive’s Report**

**For Discussion**

**Overview**

NHS wide planning is anticipating that the coming winter could be even tougher than the last for trusts, staff and patients, with challenges likely to be even more severe than the last, when the problems were compounded by cold weather and the worst flu strain in seven years. The plan is to break what has been described by commentators as “the recurring cycle of winter crises.” The context in which the local system enters this winter is increasingly difficult following significant operational challenges during the heatwave over the summer, growing pressures on the health and care workforce and the period of sustained, financial constraint. I reported last month on the detailed winter planning for our system.  
  
As included in earlier reports to the Board, work is currently underway to design the long-term NHS plan which will address the future direction for the provider sector around planning, efficiencies, performance targets, and service transformation.

During the month, I attended with the Chairman NHS Provider’s annual conference and exhibition. The conference opened with an assessment of the state of the sector from NHS Providers chief executive Chris Hopson, we also heard from Simon Stevens, chief executive, NHS England, on the key priorities for the service over the next decade, Andy Burnham, the Mayor of Greater Manchester Combined Authority, on how they are making integrated care a reality in Greater Manchester, and from health and social care secretary Matt Hancock in conversation with Chris Hopson. You can see a full round up of both [day one](https://protect-eu.mimecast.com/s/JZ0ICpZMvhlvNqUP4zY0N?domain=nhsproviders.cmail20.com) and [day two](https://protect-eu.mimecast.com/s/zWjuCqQN0T4zPnuZ69YsH?domain=nhsproviders.cmail20.com) of the conference.

Since my September update to Board, the FY19 contract with Buckinghamshire CCG has been signed but it remains the case that other major contracts have not, with the latest position on our three main contracts as follows:

Oxfordshire CCG – the finances have been finalised at a level significantly below the plan. The performance targets are being reset, based upon what can be delivered for the level of funding. The contract is now being finalised in will take into account the steps necessary to address the outcomes of the review into the level of investment in mental health services in Oxfordshire, currently being undertaken by Trevor Shipman. This review has been formally presented to the CEOs of OHFT and OCCG on 18 September and to the subsequent NHS England and Improvement at the Oxfordshire quarterly assurance meeting. Once the next steps are established and agreed the contract can be amended accordingly and signed.

In the meanwhile there have been discussions with OCCG, Oxfordshire County Council, Oxford University Hospitals NHS FT and the BOB STP, about the direction of travel for the Oxfordshire system in the light of current national guidance on the development of integrated care. An important aspect of this will be the basis on which contracts are concluded for the forthcoming financial year, the extent to which PbR still plays any part, and the relationship between cost, demand, capacity and financial risk sharing across the system as a whole. This is clearly of particular significance for the way in which the issues relating to mental health funding in Oxfordshire are addressed. Additionally we are awaiting further guidance on how provider deficits will be handled nationally, but the only information available to date relates to the way in which acute provider deficits will be addressed through the tariff; there is no detail on how, or indeed whether, mental health and community provider deficits will be the recipient of any relief as yet.

NHSE Specialised Services – the contract and finances are agreed and will be signed once evidence of meeting the Mental Health Investment Standard has been provided to OHFT which remains outstanding. This is an NHS England expectation of all commissioners, including NHSE Specialist Commissioning.

Detailed work is progressing with regard to our financial recovery plan and its implementation and attention is directed specifically on the key areas causing the most significant variance from plan, covered in more detail through financial reporting.

**Local issues**

1. **Financial Performance FY19**

The detail of our financial performance is routinely included in the finance report, but the headline result for the period to the end of September 2018 is an Income & Expenditure deficit of £5.9m, which is £3.5m adverse to plan. After adjusting for items excluded from measuring performance against the Trust’s Control Total (mainly excluding Provider Sustainability Funding) the underlying performance is a deficit of £6.3m, which is £2.9m adverse to the Trust’s Control Total at month 5. The underlying position at month 6 year to date excluding a one-off technical gain, in relation to a reduction in the Trust’s PFI liability, is £3.6m adverse to plan.

The main reasons for the adverse position continue to be operational pressures created by high levels of demand and activity in the Adult directorate, resulting in mental health Out of Area Treatments and increased residential care placements, and also in Oxfordshire CAMHS services and lower than planned additional income from commissioners in largely relation to Mental Health Five Year Forward View and core service sustainability investment. Based on these results and the expected continued pressures in mental health and expected system pressures of the winter, we have established a Financial Recovery Plan to contain the costs where possible and have provided a revised forecast outturn position to NHSI. The revised forecast is for a deficit of £8.0m which is £9.9m worse than plan of which £2.3m is due to none achievement of PSF funding as a result of failing to achieve the Control Total.

The scale of the deficit, in light of the overall efficient performance of OHFT, is largely as a result of under investment in mental health services which is currently under review with Oxfordshire CCG.

1. **Workforce: Recruitment and Retention**

Our taskforce continues to bring additional focus and impetus to this important area for the Trust and its services, and below are some of the key developments since my last report.

* We are continuing to grow our Bank at a very good rate – both with people who only want to work on the Bank and people who already have a substantive contract with us. We are confident that this will eventually bring down agency spend, though the figures for recent months continue to be very high, driven by increased activity rather than by more vacancies.
* NHSI continue to monitor our agency spend closely and held a review meeting recently with the HR Director and Head of Staffing Solutions and their feedback is that we are doing the right things.
* The annual campaign to encourage NHS staff to have the flu jab is underway and we have an innovative promotional video involving staff; we have a few more peer vaccinators than in previous years; we have produced “myth-buster” posters; we are running clinics at all key sites and we are asking people to consent to us sharing the fact that they’ve had the jab with their line manager in order that managers can be aware of who has not, and can remind them. The campaign is off to a good start.
* The staff engagement survey is also underway and we have completed various pieces of communication to encourage colleagues to have their say.
* Three powerful Linking Leaders conferences were held on the topic of disability equality, including case studies, legal obligations, best practice guidance and discussions. Over 200 leaders attended and the feedback was positive.
* We are continuing to plan our approach to Brexit and how to reassure our staff who originate from an EU country and help them understand the process they will need to follow to ensure they have the right to remain in the UK.

1. **Winter preparedness**

The concerted effort by all parties to ensure that we have as robust plans as possible for next winter have continued across this month.

We have continued with a number of steps that we all think will make a significant difference:

* We have maintained a weekly review of ‘stranded’ and ‘super stranded’ patients (i.e. those who have been in a hospital bed for more than 7 and 21 days respectively).  Each patient’s situation is reviewed by a senior multi-disciplinary team from OUH, Oxford Health and adult social care.  Everything possible is considered to return the patient to their usual place of residence, or seek a new long-term home for them when necessary.  This has proved extremely fruitful both in terms of reducing demand for beds but also in fostering more effective working relationships which are truly patient-centred. As we move into winter we will enhance our approach to stranded patients with twice weekly reviews.
* We have undertaken an analysis of projected weekly demand and capacity throughout the winter period and then carefully designed and are implementing a range of measures to meet this gap.  As part of this a more collaborative arrangement has been agreed for post-acute reablement services in which Oxford Health will now support OUH to deliver this pathway for certain postcodes within the county:  If successful then this can be further expanded at a later date, subject to recruitment.

1. **Wantage Community Hospital**

I reported the outcome of the discussion at the last Board meeting on the question we had been specifically asked to consider by the Oxfordshire HOSC relating to proceeding immediately with the renewal of the plumbing at Wantage Community Hospital back to a meeting with representatives of the HOSC. They thanked us for having considered the matter swiftly, and understood our concern that it made little sense to expend significant sums of public money replacing a plumbing system which might subsequently require significant changes just at the point that a process of consultation and engagement on what those potential changes might be was about to start. I confirmed that the Trust remained committed to funding plumbing replacement at Wantage to serve whatever service requirements warranted at Wantage, including a return to the status quo ante, if that was what emerged from the process of consultation. There will be further discussions with HOSC next month about the course of the consultation process (led by the CCG), and I will report back to the next Board meeting about the outcome of those and any further implications they may have for the Trust.

**Research & Development (R&D)**

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

A routine update on matters concerning our AHSN is given below:

* A unique free support programme which aims to improve sleep without pills is under way across the Thames Valley. Innovate UK is funding the first large-scale NHS rollout of direct access digital medicine which is being coordinated by the Oxford AHSN and backed by NHS England. All adults living in Berkshire, Buckinghamshire, Milton Keynes and Oxfordshire have free access to Sleepio which is a self-help programme based on Cognitive Behavioural Therapy (CBT). More here: [bit.ly/SleepiOx](https://protect-eu.mimecast.com/s/wOahCgpzjsVNGgh7-icX?domain=bit.ly)
* A regional initiative developed by the Oxford Patient Safety Collaborative (PSC) was one of 15 projects nationwide to win £30,000 from the Q Exchange following a vote by Q members. The Oxford project - known as the Starling Collaborative - focuses on people who frequently attend emergency departments with mental health needs. It will assess interventions and share best practice to understand patient flow and improve care across five trusts. Further information: [eileen.dudley@oxfordahsn.org](mailto:eileen.dudley@oxfordahsn.org)
* The Oxford PSC has a small fund to support big ideas to improve safety culture. Apply by 18 November. More here: [bit.ly/2yqUde7](https://protect-eu.mimecast.com/s/Y_J-CjYDmHpAR6UjDClm?domain=bit.ly)
* The Oxford AHSN has published its latest quarterly progress report (covering July-September 2018). More here: [bit.ly/Yr6Q2](https://protect-eu.mimecast.com/s/zFGCClRGoIgkX9tjZOba?domain=bit.ly)
* The Oxford PSC supported a regional ‘Reporting Excellence’ event on 15 October. More information here: [www.oxfordahsn.org/news-and-events/events/learning-from-excellence-and-promoting-positive-practice/](https://protect-eu.mimecast.com/s/gpBXCnRKqIMxmytKnENA?domain=oxfordahsn.org)

1. **CEO Stakeholder meetings and 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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| * Oxford Quarterly System Assurance * HOSC/Wantage Expectations meeting * MSC Away day * STP Chief Executive * Health & Wellbeing Board Workshop * NHS Providers Conference * Annual meeting – Faculty of General Adult Psychiatry of the RCP * ICS Partnership Board  - McKinsey development session | * STP/ICS development programme Workshop: Supporting Aspiring ICS Programmes * NIHR ARC Independent selection panel * Oxon Integrated System Delivery Board * Oxford AHSN Board * Long Term Plan engagement event * Oxford ICS Discussion/workshop-with McKinsey * CQC Well Led Inspection Pennine Care NHS FT * Thames Valley and Surrey LHCRE Programme Board |

1. **National and Regional issues and transformation developments**

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

* 1. **CQC Review of Oxfordshire System 2018**

As referred to in my last report, Care Quality Commission inspectors are on 6-7 November 2018 conducting a two-day follow-up review of the Oxfordshire health and adult social care system, involving all providers and commissioners. This comes in the wake of their November 2017 CQC Local System Review, which focussed on how well the whole system worked together, particularly regarding the care and movement of older people across different settings, and looking at any areas for improvement. The CQC published a report of their findings in February 2018.

The CQC has been sent a detailed update on progress with our action plan and information requested as part of the follow up review. At this stage we do not have a final schedule outlining who inspectors will speak to during their follow up visit but it is likely to involve interviews with senior managers, particularly those named in the action plan. It may also involve focus groups with staff members and visits to hospitals and care providers.

* 1. **System Integration**

As previously stated, the major focus of the BoB STP will for some time continue to be on the development of plans to enable Oxfordshire to move towards becoming an Integrated Care System, (or its equivalent, since the ICS nomenclature is now used principally in relation to STPs themselves) along the lines of Buckinghamshire and West Berkshire.

Health economies have been asked to create five-year plans by autumn 2019, to set out how they will improve services and achieve financial sustainability. In a letter to local leaders this month, NHS England and NHS Improvement stated "sustainability and transformation partnerships" and "integrated care systems" will be expected to develop and agree their plans during the first half of 2019-20. The intension is to give sufficient time to consider the outputs of the NHS long term plan in late autumn and the spending review 2019 capital settlement (in the spring); and to engage with patients, the public and local stakeholders before finalising strategic plans. We are being asked to state within a set of parameters to be determined, how we will run local NHS systems using the resources available. Plans will need to be developed with the proper engagement of all parts of our local system to provide robust and credible solutions for the challenges we will face over the next five years.

1. **Consultant appointments**

There have not been any consultant appointments accepted since the last Board of Directors’ meeting.

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