

TRUST BOARD PUBLIC – SEPTEMBER 2016

Agenda Item Number: 115/16
Enclosure Number: (1)

Subject:	Report from the Interim Chief Executive
Prepared by / Sponsored by / Presented by:	Tim Powell, Interim Chief Executive
Purpose of paper	To updated the Board on national and local items of interest.
Key points for Trust Board members	Note contents of the report
Options and decisions required	None required, for information
Next steps / future actions:	None
Consideration of legal issues (including Equality Impact Assessment)?	None
Consideration of Public and Patient Involvement and Communications Implications?	None

Links to Portsmouth Hospitals NHS Trust Board Strategic Aims, Assurance Framework/Corporate Risk Register	
Strategic Aim	<p>Strategic aim 1: Deliver safe, high quality patient centred care</p> <p>Strategic aim 2: Develop a reputation for excellence in innovation, research & development and education in the top 20% of our peers.</p> <p>Strategic aim 3: Become the hospital of choice for general, specialist and selected tertiary services.</p> <p>Strategic aim 4: Staff would recommend the trust as a place to work and a place to receive treatment</p> <p>Strategic aim 5: Develop sufficient financial strengths to adapt to change and invest in the future.</p>
BAF/Corporate Risk Register Reference (if applicable)	N/A
Risk Description	N/A
CQC Reference	N/A

Committees/Meetings at which paper has been approved:	Date
None	

Report of the Chief Executive

Board of Directors – 1 September 2016

1. Supporting Providers to improve A&E performance

Plans are underway to help NHS providers find ways to meet and sustain A&E performance. NHS Improvement, jointly with NHS England, are working to support providers to meet and sustain the national A&E performance standard and be more prepared to face the challenging winter months. They have written to the sector outlining a suite of measures to help improve A&E performance. These include:

- Working with Trusts to support the development of longer term solutions through the STP planning process and the Urgent and Emergency Care Review
- Bolstering the clinically-lead by expanding it from working with 28 to 40 of the most challenged health systems
- Regional teams will also work with providers to adapt national initiatives to meet local circumstances

2. Strengthening Trusts' Financial and Operational Performance for 2016/17

In partnership with NHS England, NHS Improvement unveiled a suite of new measures for providers and commissioners to restore financial discipline and help ensure ongoing financial sustainability for the NHS.

They have placed five challenged NHS providers in financial special measures in order to bring about swift improvement in their finances and, as part of this, each Trust will undergo a rapid review and agree a financial recovery plan. Specialist teams, led by an Improvement Director, will oversee intensive, accelerated action to bring about financial improvement including support from peer providers where appropriate.

In order to leave financial special measures providers will need to demonstrate rapidly that they are returning to financial discipline, which will include developing a robust financial recovery plan.

Once out of financial special measures, they will continue to work extremely closely with each provider to ensure that improvements are lasting and that recovery plans are carried out properly. Providers in financial special measures will be expected to maintain, and where necessary, improve standards of quality during and after their financial recovery.

3. NHS Issued Seven-Point Plan to 'Reset' Finances

Giving Trusts an extra £1.8bn, agreeing 'financial control totals', and introducing new intervention regimes are among measures to stabilise NHS finances set out in a seven-point plan issued by NHS England and NHS Improvement. The Plan, labelled a financial 'reset' outlines action to dramatically cut the annual Trust deficit and sharpen the accountability of Trusts and Clinical Commissioning Groups so they remain in the black.

It includes measures to replace national fines with Trust-specific incentives, publish performance ratings for Clinical Commissioning Groups, and set new controls to cap the cost of interim managers. The plan at a glance includes:

- Allocating an extra £1.8bn to Trusts, with the aim set by NHS Improvement of cutting the combined provider deficit to around £250m in 2016/17. It also has the ambition that, in aggregate, the provider position commences 2017/18 in run-rate balance
- Replacing national fines with Trust-specific incentives linked to agreed organisation specific published performance improvement trajectories, so as to kick-start a multi-year recovery and redesign of A&E and elective care
- Agreeing 'financial control totals' with individual Trusts and Clinical Commissioning Groups, which represent the minimum level of financial performance, against which their Boards, Governing Bodies and Chief Executives must deliver in 2016/17, and for which they will be held directly accountable

- Introducing new intervention regimes of special measures which will be applied to both Trusts and Clinical Commissioning Groups who are not meeting their financial commitments
- Setting new controls to cap the cost of interim managers and to fast track savings from back office, pathology and temporary staffing
- Publishing the 2015/16 performance ratings for Clinical Commissioning Groups
- Launching a two-year NHS planning and contracting round for 2017/18-2018/19, to be completed by December 2016 and linked to agreed Sustainability and Transformation plans.

It represents the financial plans NHS England and NHS Improvement require every Trust and Clinical Commissioning Group to deliver as a minimum.

4. Emergency Care, System Wide Outcome Metrics and Sustainability and Transformation Plan (STPs)

As part of the development of new models of care NHS Improvement are looking to develop local variation templates to support changes to the way emergency care is provided locally. The local variation would support moving towards a payment approach where providers and commissioners would agree an overall level of activity and spend on emergency activity that could be overlaid with a gain and loss share.

Payment would also be linked to achieving system wide quality and outcomes metrics decided locally and aligned with Sustainability and Transformation Plan (STP) objectives.

- To support Clinical Commissioning Groups in commissioning evidence-based services from care homes that help to reduce admissions to hospital
- For mental health services to align incentives between secondary and tertiary services
- For advice and guidance from a consultant to a GP

Any local variation would need to be agreed by providers and commissioners. To assist these local agreements, NHS Improvement will look to develop a template that local organisations could use or adapt based on individual circumstances. More detail of this local variation will be published alongside the statutory consultation.

5. Mental Health Proposals

The Mental Health Network is seeking views on the Tariff engagement document published recently by NHS England and NHS Improvement. The engagement document seeks views on certain proposals by the national bodies for changes to the national tariff, along with other proposals relating to the pricing system. The proposals include four new best practice tariffs, the introduction of new innovation and technology tariff, and changes to local payment rules for mental health.

In particular the policy proposals for the next national tariff are set for two financial years (2017/18 and 2018/19). The feedback received will be used to develop the proposals that they will include in the statutory consultation on the next national tariff. The statutory consultation will take place later this year.

6. Local News

Crisis Care Concordat Mental Health Risk Summit – 15 August 2016

The purpose of the Summit was to identify the most pressing risks currently facing the crisis care system and how organisations could work together to mitigate them. There was an opportunity for all organisations to contribute to the local Mental Health landscape. The Summit was well attended and all organisations committed to develop a mutually agreed action plan across Hampshire.

Team Brief

A copy of Team Brief for July and August is attached for your information.