

## Board of Directors (Public)

Item 12

## Board Report

**Subject:** CEO's Report  
**Date of meeting:** Tuesday 27<sup>th</sup> January 2015  
**Prepared by:** Executive Team  
**Presented by:** Jane Tomkinson, Chief Executive

Data Quality Rating	BAF Ref	Impact on BAF Risk rating
Bronze	1-9	None

### 1. Introduction

The purpose of the CEO's Report is to inform the Board of ongoing strategic and operational issues, regulatory updates and formal notification of top risks as listed on the Trust's risk register.

### 2. Strategic Partnerships Update

Name of local Trust	Opportunity/Discussions	Progress
Wirral University Teaching Hospital	Joint posts to support Cardiology at Arrowe Park. Possible options around LHCH@ model and Cardiology GPSI posts in the future. Also reviewing options to provide imaging Cardiology support at Arrowe Park.	PCI Consultant post – Dr Ali started in November as a joint appointment. Meeting held in November to discuss progress and further development opportunities. We are also delivering sessions for stress echo with one of our new imaging cardiologists.
Southport and Ormskirk Hospital NHS Trust	Opportunities to support the Southport Cardiology Service including discussions on rapid access chest pain and providing stress echo sessions.	Initial meeting has been held and some opportunities for developments discussed. A further meeting is arranged to discuss progress. LHCH currently provide an EP clinic on a monthly basis.
St Helens and Knowsley Teaching Hospital NHS Trust	Joint posts	We are currently out to advert for a joint PCI post with interviews later this month. There are further discussions to be held regarding further development opportunities.

Warrington and Halton Hospitals NHSFT	Discussions regarding Warrington setting up a local PCI service are on hold in anticipation of the specialist commissioner review of cardiac services in the North West.	We are currently awaiting the review report to be published which is anticipated in January 2015.
Aintree University Hospital NHSFT	Joint posts, new models of care.	Initial meeting held with Aintree and a further meeting is planned. This also links into the on-going work as part of the Healthy Liverpool Cardiology group. We currently provide an EPS clinic at Aintree.
Alder Hey Children's Hospital	Partnership opportunity with Alder Hey to provide a "Liverpool" model of care for ACHD patients. This partnership would also include the Liverpool Women's Hospital and RLBUTH.	The service model is currently being developed and we have a project board and working group structure in place. The next national update meeting is 3 <sup>rd</sup> February 2015 in London. We are planning an external "peer" review of our proposals with the ACHD Cardiologists from Birmingham.
Royal Liverpool and Broadgreen University Hospital NHS Trust – Upper GI Service Transfer	To deliver the LHCH@ model of care for our patients at the Royal campus.	Any transfer of services is currently on hold awaiting specialist commissioner approval to proceed.

### 3. Regulatory Updates

**CQC** -earliest planned inspection will be from July 2015 but preparatory work continues, initial engagement meeting 19<sup>th</sup> January 2015 did not highlight any areas of concern.

#### **Monitor –**

- i) 2015/16 Planning guidance published and process for review and risk assessment of 2015/16 plans by Monitor – requirement to submit high level summary of 2015/16 annual plan on 27<sup>th</sup> February 2015 and detailed operational (one year financials only) plan by 10<sup>th</sup> April 2015. Monitor will assess whether Trusts' plans provide for resilience and sustainability.
- ii) The Annual Reporting Manual for 2014/15 has been published – a workplan to support compilation of the annual report and accounts is being compiled.
- iii) Monitor is consulting on updates to the Risk Assessment Framework in respect of ;
  - Introduction of access targets for mental health services as proxies for governance (not applicable to LHCH)
  - Introduction of access and outcome measures for providers of high secure and medium secure mental health services as proxies for governance (not applicable to LHCH)
  - Renaming 'quality governance' indicators 'organisational health indicators'
  - Introduction of additional triggers for investigating financial risk at a provider to help ensure early identification and intervention for continuity of services risks

- Monitor in their consultation propose introducing an override mechanism that will allow them to investigate where a Trust's liquidity or capital service capacity represents a significant financial risk. Currently, where a trust has a liquidity risk rating of 4 and a capital servicing capacity of 1, its overall continuity of service risk rating is 3, they may ask for additional information on a monthly basis, but are unlikely to investigate the Trust unless the continuity of service risk rating dropped to 2. However, under the proposed changes, a Trust with a capital servicing capacity or liquidity rating of 1 would be considered a material financial risk in its own right and could trigger an investigation, even if the Trust's overall risk rating were 3. As with all other triggers for investigation in the RAF, this trigger would highlight a concern Monitor may wish to investigate, it does not mean they will automatically investigate or take regulatory action.

- iv) Update on payment system / tariff:-High level impact assessment has been circulated to colleagues with an overall activity price change coming in at -3.5%.This reflects a policy directive to reallocate resource out of both admitted patient care and outpatient procedure components and redirect into A&E and outpatient attendances. The Trust will actively negotiate with commissioners to reallocate the A&E component back into admitted patient care for LHCH.

#### 4. Top Operational Risks

The Trust currently has five red rated risks on its corporate risk register. These have been reviewed by the Risk Management & Corporate Governance Committee and the Operations Board.

Risk	Current Risk Score	Mitigation
If the shortfall in junior doctor staffing is not mitigated with an alternative, then patient care will be suboptimal.	9	Steering Group plan to provide alternative safe cover.
The systems used to manage referrals, both in technical terms OnBase – and administration systems require enhancement to avoid the potential for referrals to be missed.	9	New quality assurance process implemented for admin function. Weekly validation and referrals.
Failure to deliver cost improvement plan.	6	Enhanced monitoring and revised plans; in year slippage mitigated by high activity related income.
If we fail to recruit to the required numbers of staff due to staff turnover within Cedar Ward then services and RTT may be affected.	6	Active recruitment campaign: <ul style="list-style-type: none"> <li>• Reassignment of staff</li> <li>• Bank and agency</li> </ul>
No agreed standard for the review of diagnostics before patients being listed for surgery.	6	Best practice reconfirmed by Deputy MD monitoring of alerts.

Over the coming few months, the Trust will implement a 5x5 risk management matrix which will provide more sensitivity to our risk ratings.

#### 5. Pathfinder Mutuals in Health

LHCH is one of 9 Trusts taking part in the Pathfinder Mutuals in Health Programme sponsored by Cabinet Office and Department of Health to explore whether a Mutuals model would lead to improved patient care through greater staff engagement and ownership. This is an exploratory piece of work looking at the feasibility of implementing such a model within an acute hospital setting. The Trust has been allocated KPMG as its specialist support during the project. This is being funded by the Cabinet Office

The initial meeting took place on the 8th January with KPMG and the project team at LHCH. The project team includes Debbie Herring (Executive Sponsor) Dr Marga Perez-Casal (Project Lead) and Dr Jay Wright (Clinical Lead).

The focus was the project plan and to agree on the support required to ensure the delivery of an outline business case to Cabinet Office by the deadline of 31st March.

The Project has been divided into three phases, initiation (January), feasibility (February), and deliverables (March).

A first steering group meeting followed on the 14th January. The meeting focused on the clarification of the project, discussion on the potential organisational models for mutuality (whole trust, service line spin out, FT plus), and a decision on which model was best to research. All members attending agreed that the whole Trust model was the one to consider as well as the FT plus model and the possibilities within the existing FT constitution. A number of criteria were agreed for the assessment of the models. These are based around financial viability, marketing and commercial strategy, quality and innovation, and culture and HR.

Focus was given to the importance of staff and stakeholder engagement throughout the project. A communication plan has been agreed and is being rolled out and an intranet page has been created.

The project remains a research piece committed to advise national policy and to inform LHCH about the implications of mutual status.

## **6. Industrial Action Update**

NHS trade unions have announced plans to escalate their campaign of industrial action during January and February 2015 as part of the national pay dispute. UNISON, Unite and GMB will be calling on their NHS members in England to take strike action on Thursday 29 January for twelve hours between 9am-9pm. The Society of Radiographers will call for strike action between 8am and 2pm on this date. This will be followed by a period of working to rule until 24 February. With regard to the Ambulance Service, Unison are calling for strike action between 12 noon and midnight on 29<sup>th</sup> January and GMB is considering a 2 day strike in the ambulance service on 29 and 30 January. A further strike on Wednesday 25 February (24 hours) is also planned.

Emergency planning is underway in preparation for the 29<sup>th</sup> January. Managers have been talking to their staff to gauge the level of support and early indications are that we will see at least the same level of support for this action as we did in October and November, despite this being for a longer period and staff losing more pay. Each area is managing the impact at local level. Some examples are:

- Audit half a day for SACC and C&CM, this will mean reduced outpatient activity with afternoon clinics only.
- Community services will run as normal
- Therapies will cover service
- SACC exploring numbers of urgent cases for the afternoon
- CCM one PCI lab operational for the morning one PCI lab for the afternoon 1 ACS lab operational at 2
- SACC/CCM wards no foreseeable concerns
- Radiology CT – MR emergencies only. Existing appointments re-scheduled.
- Risk – radiology: Voluntary overtime ban in place.
- Pathology services – routine work outside of ITU/POCCU affected
- Switchboard – Exemptions required and requested for 2 staff
- Pharmacy services – reduced service for OPD, delay for pharmacist interventions on wards
- Porter / Domestic services lower cover in evening.

There is a general agreement with the Unions that they will support requirements for staffing levels to be those that would normally apply on a Bank Holiday.

## **7. EPR Review**

Following a quotation process using a national framework approach the Trust has selected Atos to undertake a review of EPR at LHCH. An initial first stage meeting with the Trust was held on the 20<sup>th</sup> January to agree timelines for review and key outputs in line with the review terms of reference which Atos successfully responded to.

## **8. Recommendations**

The Board of Directors is asked to note the report.