

Report to:	Board of Directors				
Date of Meeting:	27 April 2016				
Report Title:	Report of the Chief Executive				
Status:	For information	Discussion	Assurance	Approval	Regulatory requirement
Mark relevant box with X	X	X	X		
Prepared by:	Jane Downes, Company Secretary				
Executive Sponsor (presenting):	Bridget Fletcher, Chief Executive				
Appendices (list if applicable):	Appendix 1: National Developments Summary (for information)				
Purpose of the Report					
<p>The purpose of the Chief Executive's report is threefold, namely:</p> <ul style="list-style-type: none"> to highlight key national and local health economy developments that are of strategic relevance to the Foundation Trust and which the Board needs to be aware of; to bring together key messages from the Board papers into a single, high level assurance narrative; and to update the Board on key strategic and operational developments that the Executive Team are leading. <p>This report covers developments that have happened since the March Board of Directors' meeting.</p>					
Key points for discussion					
<p>As can be seen by the summary reports, due to purdah, local and national activity is reduced.</p> <p>National Significant national developments this month include:</p> <ul style="list-style-type: none"> Further reduction of agency price caps with effect from 1 April 2016 Junior Doctor industrial action Publication of the national tariff 2016/17 <p>Local health and care economy In addition to collaborating on new models of care, we are continuing to work with health and care partners regarding stepping up activities to meet the challenges ahead including developing sustainability and transformation plans that will secure funding required to deliver long-term plans. This needs to be seen within the context of place based commissioning – i.e. Accountable Care Systems and Organisations.</p> <p>Airedale For the Trust, key points to note from this month's Board pack include:</p> <ul style="list-style-type: none"> Learning from this month's patient story on how we can improve care for dementia patients Forecast year-end plan at month 12 Positive results from the Annual Staff Survey Report Significant assurance given by the Trust's internal auditor on compliance with the Information Governance Toolkit 					
Recommendation:					
The Board is asked to receive and note the Chief Executive's update report and attachments.					

1. NATIONAL DEVELOPMENTS AND PUBLICATIONS

Details of the main developments and publications during April are summarised in **Appendix 1**.

National developments of note to draw the Board's attention include:

- **Junior Doctors Industrial Action**
The industrial action scheduled for 26 April will change from 48-hour emergency care only to a full withdrawal of labour by junior doctors between the hours of 8am and 5pm on Tuesday 26 and Wednesday 27 April. Other doctors and staff will continue to provide care during this time. The Foundation Trust has put in place arrangements to ensure the impact for patients is kept to a minimum.
- **National Tariff 2016/17**
NHS Improvement have published the 2016/17 national tariff which comes into effect on 1 April.
- **Reduction of price caps on 1 April 2016**
The agency price caps were reduced further on 1 April 2016 requiring all agency procurement for all staff to be via approved frameworks. Expenditure ceilings were also extended to all agency staffing. NHS Improvement have published the complete rules for Trust's and Foundation Trust's on agency expenditure which supersede all previous guidance.

Directors continue to review the implications of national developments which particularly affect Airedale and the local health and care system.

2. LOCAL HEALTH ECONOMY DEVELOPMENTS

2.1 Sustainability and Transformation Funding

NHS Improvement has published the "sustainability and transformation funding" allocations for every provider for 2016-17, [along with a methodology for how the numbers were calculated](#).

2.2 Sustainability and Transformation Plans 2016-2021 (STP)

The foundation trust is continuing to work with local partners to agree the local STP Plan for Bradford and Airedale and the West Yorkshire STP.

2.3 New Models of Care Update

The Trust continues to be involved in a significant number of new care model programme developments both locally and across West Yorkshire, including:

- Airedale & Partners Enhanced Health in Care Homes Vanguard
- Airedale, Wharfedale & Craven CCG Pioneer including complex care proof of concept development the CCG has agreed to award the proof of concept leadership to the Airedale Provider Partnership – an alliance comprising Yordale's GP Federation, BDCT and Airedale FT
- West Yorkshire Urgent Care Vanguard

Vanguard programmes will be informed of the outcome of the value propositions for the next tranche of national funding in April.

2.6 Partnership Developments

Throughout April, Directors have continued work to develop and strengthen partnerships with key stakeholders across the local and wider West Yorkshire health and care economies. This includes building better relationships with local GP practices, groups of practices and Primary Care Federations, local providers, the local authority and providers across the West Yorkshire.

2.7 Leadership developments

- Sir David Dalton appointed Interim Chief Executive of Pennine Acute Hospitals Trust and retains his role at Salford Royal FT.
- Mark Youlton replaces Dr Mike Ions, Chief Clinical Officer as Chief Officer at East Lancashire CCG effective from 1 April 2016.

3. AIREDALE FOUNDATION TRUST UPDATE

3.1 Right Care: Improving Patient Experience

Patient Story: improving care for patients with dementia

This month's patient story focusses on caring for patients in hospital with dementia. The story will be presented by Sandra Kelly an ex-employee of the Foundation Trust – who will share the inpatient experience of her mother. Sandra has since worked closely with the hospital since to inform us of the problems she encountered and now volunteers as a Dementia Friends champion in Keighley The Non-Executive Directors.

'Freedom to Speak Up' Guardian

The Director of Nursing will provide the Board with a verbal report on the main developments since publication on establishing the Freedom to Speak Up Guardian and a role specification to assist Trusts in identifying suitable skilled candidates.

3.2 Right Care: Improving Quality and Safety

Scrutiny of mortality and avoidable mortality

This month's Board pack includes the second mortality report from the Executive Medical Director, Karl Mainprize, as mandated in the letter presented to the January Board from the Medical Director and Director of Patient Safety of NHSE. The data shows the number of observed deaths, the predicted expected deaths and the SHMI for each coded condition.

Clinical Improvement Metrics Report

This report informs the Board of the wards progression against a wider range of clinical metrics that were agreed for the wards which received the investment. The Board will wish to review the metrics to ascertain whether the investment is having a positive impact on both patients and staff.

3.3 Right Care Today: 2015/16 Annual Plan Operational Delivery

Safe Staffing

This month's Board pack includes the nursing and midwifery staffing exception report for April 2016 in response to the publication of Hard Truths: Putting Patients First (Department of Health, 2014). The aim of the report is to inform the Board about nursing and midwifery staffing capacity and capability in relation to agreed establishments and to provide assurance that concerns and potentially unsafe staffing levels are escalated and dealt with promptly.

Annual Staff Survey Report

The results of the Annual Staff Survey are included in the Board pack. Overall the results are encouraging with improvements across a range of the key staff experience indicators and in comparison with other trust's. It is also encouraging to see improvements in the areas of focus and action since the 2014 survey relating to health and well-being, line management and senior management communication with staff. There was one area where staff experience deteriorated since the last survey – the percentage of staff reporting the first incident of harassment, bullying and abuse.

It is clear from the 2015 survey that there are differences in staff experience relating to work area, occupational group and demographics that need to be addressed if the Foundation Trust is to achieve its ambitions in relation to people management.

The Board will want to seek assurance that the areas of focus and next steps as outlined in the report are appropriate and timely.

Month 12 financial and service performance headlines

Financial performance

The overall financial position at the end of March showed:

- An underlying deficit of £997k against a planned deficit of £1,206k, £208k better than plan;
- EBITDA is £719k worse than plan. This position delivers a FSRR rating of 3 against a plan of 3;
- PbR Income is £830k above plan;
- CIP is £861k worse than forecast due to supporting additional capacity in relation to Winter earlier in the financial year, and higher than planned agency costs;
- Within the position is a 30% non-elective threshold abatement equating to £499k; and
- The Trust has had an impairment of £1.5m in year which will lead to an overall reported deficit of £2,059k.

Performance Standards

The Board will see from the performance report that our Monitor Risk Assessment Framework Governance indicative rating outturned at Green for Quarter 4 due to the improved A&E 4 hour standard in March.

The total number of clostridium difficile infections year to date as at 20 April 2016 is 16 cases. This is set against the national target of 6 and de minimis of 12 applied in the Risk Assessment Framework. In line with updated national guidance, individual cases can now be reviewed with commissioners and if determined by the CCG that the infection was unavoidable, an adjustment can be made so that this does not count against the foundation trust's annual target. Of the 16 cases to date, 5 have been deemed avoidable (and therefore count against the annual threshold) with 2 cases yet to be reviewed.

All other national standards were achieved or were within de minimis limits.

The current position remains tight for a number of areas:

- We are continuing to declare risks on the clostridium difficile and A&E 4 hour standards due to the low threshold and continuing pressures noted in the performance report;
- As highlighted in 2016/17 planning guidance, the RTT operational standards, A&E and reporting arrangements for cancer, will continue to be nationally mandated priorities in the years ahead; and
- In line with the national requirements for improving and sustaining cancer performance, this report now includes details of our 62 day cancer standard position by individual site and other required national indicators.

Further details of the financial and performance position at the end of March are included in the Director of Finance report.

Annual Information Governance Services Report

This month's Board pack includes an update on; the information governance programme, confirming the results of the Toolkit assessment for 2015/16 and internal audit outcome; an overview of the arrangements in place to manage information risks and improve compliance in the year ahead; and a progress summary of the activities undertaken by the information service in-year.

The Foundation Trust has successfully maintained a satisfactory (pass) compliance with a positive increase in score from the previous year.

3.4 Right Care Tomorrow: Looking Ahead to 2016/17 and Beyond

Annual Plan 2016/17

In the private Board meeting Andrew Copley, Director of Finance, will bring the Board up to date with latest information.

3.5 Gateway letters:

Gateway letters received during April include:

- PHE Gateway 2015-700 Point Prevalence Survey 2016
- PHE Gateway 2016-005 Antimicrobial Resistance & Antimicrobial Stewardship CQUIN 2016/17

3.6 CQC Inspection

Since the CQC carried out its inspection of the foundation trust in March, almost 200 information requests have been received to date requiring a further 700 documents to be forwarded to the CQC. The CQC final report is expected to be published around June 2016.

3.7 Good News

Good news to bring to the attention of the Board this month includes:

CHKS Patient Safety Award

The Foundation Trust has been shortlisted for the CHKS Patient Safety Award in the CHKS Top Hospitals Awards 2016 – one of only five acute trusts across the UK to have excelled in a range of patient safety indicators.

Manorlands Hospice Charity – 2016 Award Winner

Airedale Foundation Trust has been given a Bronze award in recognition of the donations by staff during the year through the Pennies from Heaven scheme to the Manorlands Hospice.

Staff Reward and Recognition:

Pride of Airedale Awards have been given to:

Individual Awards presented to:

- Gill Tillotson (Senior Sister, Neonatal Unit)

Instant Awards presented to:

- Nick Bergin (Senior Dietician, Critical Care)

Appendix 1

National Developments Summary

1 Significant developments

Reduction of price caps on 1 April 2016

The agency price caps were reduced further on 1 April 2016 requiring all agency procurement for all staff to be via approved frameworks. Expenditure ceilings were also extended to all agency staffing. NHS Improvement have published the compete rules for Trust's and Foundation Trust's on agency expenditure which supersede all previous guidance.

National Tariff 2016/17

NHS Improvement have published the 2016/17 national tariff which comes into effect on 1 April 2016.

Sustainability and Transformation Plan

NHS England has confirmed the individuals who will lead five year transformation programmes for NHS services in 41 areas of England. [Eight of the leaders had already been named](#), including two local authority chief executives, and the updated list includes one further council executive, the director of adult social care at Nottinghamshire County Council. The leaders of three geographic "footprints" – Norfolk and Waveney, Cornwall and the Isles of Scilly, and Coast, Humber and Vale – have still not been confirmed.

2 Government and Department of Health (DH) Developments

Junior Doctors Terms and Conditions published

On 31 March the terms and conditions of service (TCS) and pay circular for the new 2016 doctors in training contract, effective from August 2016 were published. The TCS set out the details of the contractual terms that will ensure safe working hours for doctors in training, alongside an improved system of pay and reward. The TCS have been reviewed by the Secretary of State for Health in line with the various statutory duties that he had and, in particular, his Public Sector Equality Duty. All junior doctors will be sent a link to the TCS document and the Department of Health will publish the details of the [Secretary of State's consideration](#).

Health and Social Care Information Centre - change of name

From July 2016, the Health and Social Care Information Centre (HSCIC) will change its name to NHS Digital, building on the role it plays in directly supporting the NHS and social care services. Noel Gordon has been appointed as the new Chair for NHS Digital by the Secretary of State.

HSCIC, now NHS Digital, is the national provider of information, data and IT systems for commissioners, analysts and clinicians in health and social care

3 NHS England (NHS E) Developments

Following a [public consultation on the draft policy](#) in November last year, NHS Improvement and NHS England have published a [single national integrated whistleblowing policy](#) to help standardise the way NHS organisations should support staff who raise concerns.

Recommended by Sir Robert Francis in his [Freedom to Speak Up review](#), this new policy contributes to the need to develop a more open and supportive culture that encourages staff to raise any issues of patient care quality or safety.

The new policy will ensure:

- NHS organisations encourage staff to speak up and set out the steps they will take to get to the bottom of any concerns;
- organisations will each appoint their own Whistleblowing Guardian, an independent and impartial source of advice to staff at any stage of raising a concern;
- any concerns not resolved quickly through line managers are investigated;
- investigations will be evidence-based and led by someone suitably independent in the organisation, producing a report which focuses on learning lessons and improving care;
- whistleblowers will be kept informed of the investigation's progress; and
- high level findings are provided to the organisation's Board and the policy will be annually reviewed and improved.

NHS England sets core digital targets to hit by 2018

NHS England has set out 10 core digital targets local areas must be able to “demonstrate substantive delivery” on by March 2018. The targets are included in draft guidance setting out the criteria for local digital roadmaps. The guidance says what local areas must do to get their roadmaps signed off, but does not set out the criteria for allocating funding, which will come from the £1.8bn the Health Secretary announced last month was earmarked to “create a paper free NHS”.

Conflicts of Interest Policy

NHS England unveiled a comprehensive package of measures aimed at clamping down on conflicts of interest to ensure that the NHS is one of the leading healthcare organisations in the world in tackling such issues. The plans are designed to bring a stronger, more consistent approach to managing potential and existing conflicts of interest across the NHS, meaning patients and the public can have full confidence in how NHS funding is invested.

The measures announced include:

- Revised guidance for CCGs on managing conflicts of interest. The guidance includes a number of strengthened measures, including publically available registers of gifts and hospitality and increasing the number of lay members on CCG governing bodies to support conflict of interest management and provide extra scrutiny.
- A cross-NHS task and finish group, chaired by Sir Malcolm Grant, will be established to develop a full set of rules that can be adopted right across the healthcare system. This will involve new proposals to ensure hospitals, their clinicians, and procurement staff are free from unmanaged conflicts of interest, particularly in respect of drugs and devices paid for by the NHS, including those billed as high-cost “pass through” items to NHS England. It will also help support the shared Carter “rational procurement” agenda.
- A new requirement on providers in the 2016/17 NHS Standard Contract to maintain and publish a register of gifts, hospitality and conflicts of interest. In line with best practice, this move will ensure that there is greater transparency in place.
- NHS England's internal conflict of interest policy will be revised to include more stringent safeguards on the role of interest groups, lobbyists, and commercial organisations in specialised commissioning.

NHS England has also published an assessment report to review how conflicts of interest are currently being managed and how the existing statutory guidance for CCGs was being implemented. The report has helped to identify examples of good practice, but also areas for improvement and it is these findings that have shaped the revised CCG guidance.

NHS England will work with other national organisations on the revised guidance for CCGs in April, with a view to publishing later in the year. The task and finish group will develop proposals for public consultation in the summer.

Vanguard Transformation Funding

NHS England released comprehensive details of how its £200m transformation fund for 2015/16 was allocated to vanguards, and spent by national teams. The data shows that a total of £132.6m of the fund went to vanguards, and the rest was spent on national programmes or funded the central support team for new care models. Vanguards spent £111.1m of their own money on their new care models, with primary and acute care system sites more than matching the transformation funding they received. Only one vanguard received very little transformation funding. It is understood that a lack of support from the provider's commissioners could have been a factor in the decision by the national bodies not to invest in the site.

NHS England Performance

The NHS in England recorded its worst ever performance for the second successive month in February. Official figures show that hospital A&E departments kept 224,116 patients waiting more than the maximum four hours to be admitted, transferred or discharged, compared with 212,136 in January and 131,248 in February last year. There was a modest improvement in cancer waiting time statistics, but the largest number of patients ever – 263,580 – are waiting longer than the supposed maximum of 18 weeks to have planned care in hospital, such as a hernia or cataract operation. The 10 NHS regional ambulance services also struggled. The proportion arriving to Red 2 calls, which cover less serious but still potentially life-threatening illnesses, within eight minutes was 60.3%, the lowest since records began in June 2012 and well below the 75% target. Some 68% of Red 1 'life-threatening' calls received a response within eight minutes, when the target is also 75%. In addition, the NHS's 111 phone line left record numbers of patients waiting for a call back. Around 65% of callers waited more than ten minutes to be contacted by a nurse, doctor or other specialist.

4 NHS Improvement (Monitor/TDA) Developments

NHS Improvement Governance Framework

From 1 April 2016, Monitor and TDA will come together (with four other teams from other bodies – the Patient Safety Domain and Advancing Change Team from NHS England, the National Reporting and Learning System and Intensive Support teams from NHS Interim Management and Support) will come together to form NHS Improvement. As there will be no legislative changes to facilitate this, the two organisations will continue to exist as two separate legal entities. For this reason, each organisation will continue to have their own boards, however these two boards will have identical membership and will meet as one board (regulations were passed in October 2015 to enable joint non-executive positions, meaning that non-executives are appointed to both boards). The Board will establish four committees: audit & risk assurance, nomination and remuneration; appointments and remuneration (to consider external matters for NHS trusts); and, technology and data assurance. Monitor and the TDA will continue to publish separate as well as joint aggregated annual report and accounts.

Economic assumptions 2016/17 to 2020/21

This document sets out NHS Improvement's latest assumptions for NHS provider inflation over the period 2016/17 to 2020/21. It is recommended that providers apply these assumptions when undertaking planning and forecasting activities, while also taking account of local circumstances, opportunities and pressures.

2016/17 national tariff payment system

This guidance contains a set of prices and rules to help providers of NHS care and commissioners provide best value to their patients. This year's national tariff aims to give providers of NHS services the space to restore financial balance and support providers and commissioners to make ambitious longer term plans for their local health economies.

Freedom to Speak Up:National Whistleblowing Policy

On 1 April, as part of the launch of NHS Improvement, came publication of new NHS-wide policy to support concerns raising in the NHS, as part of the government's response to the recommendations of the Freedom To Speak Up review led by Sir Robert Francis. All NHS organisations are required to adopt the policy as a minimum standard (either sitting alongside or be integrated with existing local policies as appropriate) by 31 March 2017.

5 Care Quality Commission Developments

Bringing the CQC's Comprehensive Inspections within Scope of its Fee Raising Power

The DH consulted on a proposal to extend the CQC's fee raising power to cover all aspects of its comprehensive inspection programme. In a separate consultation, the CQC asked whether it should move to a position of full cost recovery over two years or four years. The government has since announced that it will give the CQC powers to press ahead with the fee increases.

The Foundation Trust has been notified of the fee increase, which for 2016/17 will see the annual fee increase by c.70%.

CQC Hospitals Inspections Programme

The CQC completed its programme of comprehensive inspections of all NHS acute hospitals by 31 March as planned. The reports of the most recent inspections, along with ratings, will be published over the next few months.

Western Sussex Hospitals Foundation Trust recently became the third acute trust in England to be rated "outstanding" by the Care Quality Commission.

CQC to carry out inspections of how trusts learn from deaths

The CQC will implement recommendations following events at Southern Health by investigating how all acute, community and mental health trusts learn from the deaths of patients. The CQC announced it will write to all the trusts asking how many patients in contact with their services have died, how they decide which of these should be investigated and how they carry out the investigations.

The regulator will also seek to find out how trusts involve families and how they learn from the results, with a particular focus on the deaths of patients with learning disabilities and mental health problems. They will then conduct phone interviews with 30 trusts and visit 12.

6 Appointments and People Moves

NHS Information Board

Public Health England chief knowledge officer John Newton is to take interim charge of the National Information Board from outgoing chair Tim Kelsey.

NHS Improvement

Former Department of Health finance chief Richard Douglas has been named as a non-executive director at NHS Improvement. The board will be chaired by former Monitor and TDA chair Ed Smith.

Joining them on the board are the following non-executive directors:

- Bath University vice chancellor Professor Dame Glynis Breakwell;
- former ambulance chief and Monitor non-executive director Sigurd Reinton;
- former English National Ballet director and former TDA non-executive director Caroline Thomson;
- former TDA non-executive Sarah Harkness, who has a background in corporate finance; and
- Laura Carstensen, commissioner at the Equality and Human Rights Commission, Cooperative Bank non-executive director and former lawyer.

Lord Carter and Lord Darzi had already been named as non-executive directors.

7 Publications

The following documents have been published since the last report:

Kings Fund: *Get well soon: reimagining place-based health*

This report, by the Place-Based Health Commission chaired by Lord Victor Adebowole, argues that the NHS must construct a 15 year plan to shift money out of hospitals and into investment in communities. It demonstrates that the health service in its current form is not sustainable, and sets out a new plan for shifting the system to focus on preventing illness, shorten stays in hospitals and help people live independently for longer.

Kings Fund: *Health matters: midlife approaches to reduce dementia risk*

This resource provides information on approaches to reducing the prevalence and incidence of dementia. It outlines key statistics about the characteristics of the population with dementia and the risk factors leading to dementia. Finally, it outlines the role that CCGs and local authorities can take in the prevention of dementia.

Royal College of Physicians (RCP)

End of life care audit - dying in hospital: national report for England 2016

This report shows that there has been steady progress in the care of dying people since the previous audit carried out in 2013 and published in 2014. This is the first audit to be carried out since the official withdrawal of the Liverpool Care Pathway. Whilst it shows documented improvements in patient experience and quality of care, it highlights room for improvement in the provision of palliative care services on a 24/7 basis.

Health Foundation:

Fit for purpose: workforce policy in the English NHS

This report gives an overview of the components of workforce policy in the English NHS and the bodies which shape it. It argues that government and national leaders need a radical new approach to inspire an NHS workforce that is too often stressed, stretched and disaffected.

8 In the News

NHS pilot to reward hospital for not admitting patients

An idea to "reward" hospitals for not admitting patients is being piloted at Yeovil Hospital in Somerset. Incentive payments will be paid where "preventable admissions" are reduced, or different trusts work together well, or patient services are improved. It is part of an NHS "Test and Learn" pilot focusing on care of patients with multiple, long-term health problems.

NHS Property Services Company

From April, NHS Property Services tenants will be charged a rent based on the property's market value, assessed by an independent surveyor. Also to be charged will be a service charge and a separate fee for facilities management. The Department of Health has said it will mitigate the effects of any increases in 2016-17.

EU Regulations - Vanguard

Vanguards have requested clarity over whether they are obliged to use public tenders to establish new care models, amid fears that new EU regulations this month could leave commissioners open to legal challenge. The Public Contracts Regulations 2015 take effect for the NHS on 18 April. The risk is that they could disrupt the vanguard new care models programme by dramatically increasing the risk of legal challenge where a non-competitive process is used.

Home Care Market Development

The Northern Devon Healthcare Trust is to become the first health service organisation to enter the home care market. It follows a successful bid for a new service contract from Devon County Council and two clinical commissioning groups – Northern, Eastern and Western Devon CCG and South Devon and Torbay CCG.

9 Consultations

Department of Health: Pharmacy dispensing models and displaying prices on medicines

This consultation seeks views on proposed changes to the Human Medicines Regulations and the Medicines Act. The closing date for comments is 17 May 2016.

NHSE: Specialised services clinical commissioning policies and service specification

This public consultation proposes a number of new products for specialised services, (including service specifications and clinical commissioning policies). The closing date for comments was 20 April 2016.