

## Board of Directors Meeting in Public

<b>Subject:</b>	Chief Executive's Report	<b>Date:</b> 2 April 2020		
<b>Prepared By:</b>	Robin Smith, Acting Head of Communications			
<b>Approved By:</b>	Richard Mitchell, Chief Executive			
<b>Presented By:</b>	Richard Mitchell, Chief Executive			
<b>Purpose</b>				
To update on key events and information from the last month			<b>Approval</b>	
			<b>Assurance</b>	X
			<b>Update</b>	
			<b>Consider</b>	
<b>Strategic Objectives</b>				
<b>To provide outstanding care</b>	<b>To promote and support health and wellbeing</b>	<b>To maximise the potential of our workforce</b>	<b>To continuously learn and improve</b>	<b>To achieve better value</b>
X	X	X	X	X
<b>Overall Level of Assurance</b>				
	<b>Significant</b>	<b>Sufficient</b>	<b>Limited</b>	<b>None</b>
			X	
<b>Risks/Issues</b>				
<b>Financial</b>				
<b>Patient Impact</b>				
<b>Staff Impact</b>				
<b>Services</b>				
<b>Reputational</b>				
<b>Committees/groups where this item has been presented before</b>				
N/a				
<b>Executive Summary</b>				
<p>An update regarding some of the most noteworthy events and items over the past month from the Deputy Chief Executive's perspective:</p> <ul style="list-style-type: none"> <li>• Overall update</li> </ul>				

## **Chief Executive Report – April 2020**

### **Covid-19**

You will be aware of the national and international response to the Covid-19 virus. We have been preparing for this since January and I believe our planning and communication has been strong although more work is required. Due to the rapidly changing nature of the situation, I will provide a detailed verbal update at Board as the situation today (26 March) will be very different to when we meet at Board.

As of 26 March, the numbers of Covid-19 patients at Sherwood are relatively low but this will change. We saw an increase in the number of colleagues self-isolating or symptomatic last week although these numbers have started to reduce. We have increased the number of colleagues working from home and wherever possible we have moved all meetings to online.

We have followed national guidance and paused elective care at Sherwood but we are protecting cancer, emergency and urgent care.

We do not currently have any issues accessing sufficient personal protective equipment.

I am incredibly grateful for the balanced response from colleagues at Sherwood and for the support of our partners.

The next couple of months will be tough, but we will get through this.

### **CQC**

I have received our draft CQC report and have asked them to pause the process so we can complete the factual accuracy once the pressures from Covid-19 have reduced. I am waiting for confirmation they are agreeable to this.

### **Gender Pay Gap**

Our gender pay gap report has been submitted and will be published on our website in line with guidance.

### **BAF**

Our Board Assurance Framework has been reviewed by the lead committees and some of the scores have changed. These will be reported through the quality committee report and I am clear we are keeping our governance documents up to date to reflect the current situation.

## Appendix to CEO Report

### Single Oversight Framework Integrated Monthly Performance Report

**Date** 2<sup>nd</sup> April 2020  
**Authors** Senior Leadership Team

#### Overview

This is our analysis of February. The report reflects the views of all of the executive directors, not just the individual directors with a particular area of responsibility.

**Organisational Health** performance across the period of February saw a small reduction in sickness, along with a further reduction in the utilisation of temporary staff. The Trust experienced a slight increase in the amount of employees leaving the Trust. All indicators performed well against national benchmarks. It is worth noting the likely impact of Covid-19 will have on the Trust's Organisational Health. At the end of February the impact had been minimal, however we know the levels of sickness absence has significantly increased in March and it likely the demand for temporary staff will increase.

February was a busy month with a further growth in the numbers of patients receiving care as well as increased acuity and dependency. Despite this, it was a strong month in terms of **quality and safety** metrics with the exception of the on-going challenges in collection of Dementia screening data and a decrease in the maternity friends and family test performance. Plans are in place to address both exceptions.

The **access standards** continue to be characterised by growing demand and the capacity to meet varies across the key theme areas. In emergency care, performance remains relatively positive, and although below trajectory, the Trust ranks in the top 10 for timeliness of care. For elective care, performance is stable and we have maintained 0 x 52 week waiters and we are seeing a falling waiting list size. For cancer care there remain challenges in the time to diagnosis, most notably due to the imbalance in imaging capacity.

**Financial performance** in February deteriorated by £0.44m to £40.73m deficit for the year to date. This is £1.28m worse than plan. Activity remained at high levels during the month and clinical income was £0.52m above expected levels in February and £6.64m above plan for the year. Costs of maintaining capacity to service this demand continue – pay costs are £0.77m above plan for the month and £5.26m above plan for the year to date. Financial improvement plan delivery in month is £0.94m but remains below plan by £1.4m for the year to date. Of the £10.05m achieved to date, £5.75m is non-recurrent in nature. Continued demand and activity levels and further non recurrent actions are required to ensure delivery of the annual plan and control total at the end of the year.

The **key risks in our BAF** remain static with demand overwhelming capacity, critical shortage of workforce capacity and capability and failure to maintain financial sustainability continuing to be the highest risks. All three of these are described above.

As we have discussed in previous Boards, it is likely Sherwood Forest Hospitals NHS FT, the wider NHS and public services face a challenging future. We have identified four factors (we have removed flu and winter) which may have an impact on us:

1. Pensions – we recognise we have lost capacity as a result of the NHS national pensions challenge. This is impacting on many colleagues, not just consultants. We have taken local action on this and have agreed to continue with these plans until further national guidance is available.
2. Level of activity – as stated above and below, we know the level of activity we are seeing is putting a lot of pressure on the Trust and colleagues who work here.
3. Whilst we exited the EU, we need to continue to monitor how this may impact on the trust and the wider public services.
4. It is clear planning for and caring for Covid-19 patients has been the main focus since we last met as a Board. We will separately update on this in Board today.

## Organisational Health

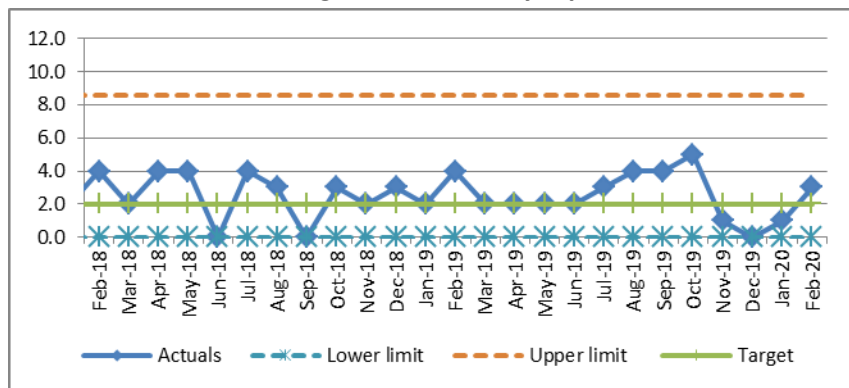
ORGANISATIONAL HEALTH	HR	WTE lost as a % of contracted WTE due to sickness absence within last 12 months	≤3.5%	Mar-19 - Feb-20	4.1%	-		A
		Staff Turnover	≤0.9%	Jan-20	0.6%	0.6%		G
		Proportion of Temporary Staff	7.40%	Jan-20	7.8%	7.8%		A

During February our organisational health performance has seen a small reduction in sickness, this continues to perform well against national peer benchmarks. The utilisation of temporary staff to ensure we maintain staffing levels was slightly lower than last month and reflects our agency staffing costs remaining below plan. The Trust has also experienced a slight increase in the amount of employees leaving the Trust, which remains consistently below the Trusts target.

## Patient Safety, Quality and Experience

QUALITY, SAFETY AND PATIENT EXPERIENCE	Patient Safety	Rolling 12 months HSMR (basket of 56 diagnosis groups)	100	Dec-18 - Nov-19	103.5	-		A
		SHMI	100	Oct-18 - Sep-19	94.8	-		G
		Serious Incidents including Never Events (STEIS reportable) by reported date	2	Feb-20	27	3		R
		Never Events	0	Feb-20	2	0		G
		NHSE/NHSI Improvement Patient Safety Alerts Compliance (Number open beyond deadline)	0	Feb-20	3	0		G
	Quality	Safe Staffing Levels - overall fill rate	80.0%	Jan-20	102.7%	106.1%		G
		Same Sex Accommodation Standards breaches	0	Feb-20	0	0		G
		Clostridium difficile Hospital acquired cases	4	Feb-20	36	5		R
		MRSA bacteremia - Hospital acquired cases	0	Feb-20	0	0		G
		Eligible patients having Venous Thromboembolism (VTE) risk assessment	≥95%	Jan-20	95.8%	96.3%		G
		Eligible patients asked case finding question, or diagnosis of dementia or delirium	≥90%	Jan-20	57.5%	58.3%		R
		Eligible patients having Dementia Diagnostic Assessment	≥90%	Jan-20	99.9%	100.0%		G
		Patients where the dementia outcome was positive or inconclusive, are referred for further diagnostic advice	≥90%	Jan-20	99.6%	100.0%		G
		Number of complaints	≤60	Feb-20	338	25		G
		Recommended Rate: Friends and Family Inpatients	97%	Feb-20	97.4%	97.3%		G
		Recommended Rate: Friends and Family Accident and Emergency	87%	Feb-20	91.8%	93.8%		G
		Recommended Rate: Friends and Family Maternity	96%	Feb-20	93.3%	85.0%		R
		Recommended Rate: Friends and Family Staff	80%	Qtr2 Yr2019/20	81.7%	81.1%		G

### Serious Incidents including Never Events by reported date

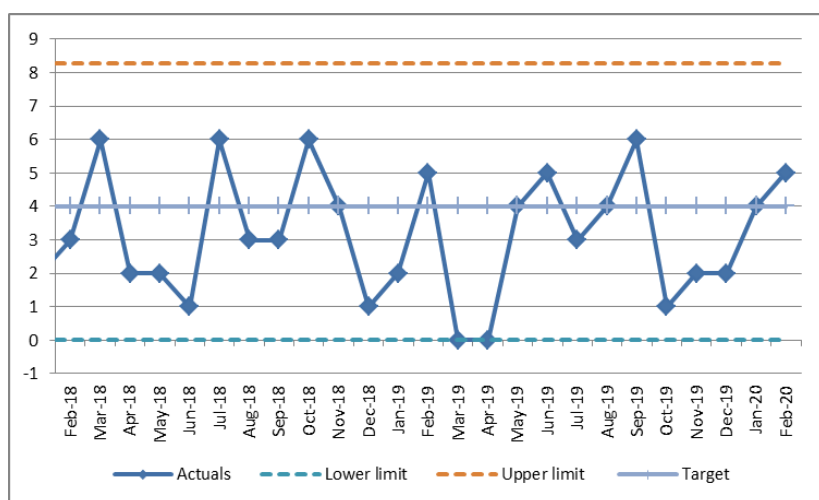


Data Source: Governance Support Unit

During the month of February 2020 there were 3 serious incidents (SIs) recognised and reported on Datix and reported to STEIS. These consisted of a fall from chair to floor, an allegation against a health professional and an inappropriate discharge. The investigations are all currently underway. An incident that was reported in September 2019 was identified as a STEIS reportable incident in February 2020 (taking the total number of SIs in September 2019 to 4). An incident that was reported in October 2019 was identified as a STEIS reportable incident in February 2020 (taking the total number of SIs in October 2019 to 5).

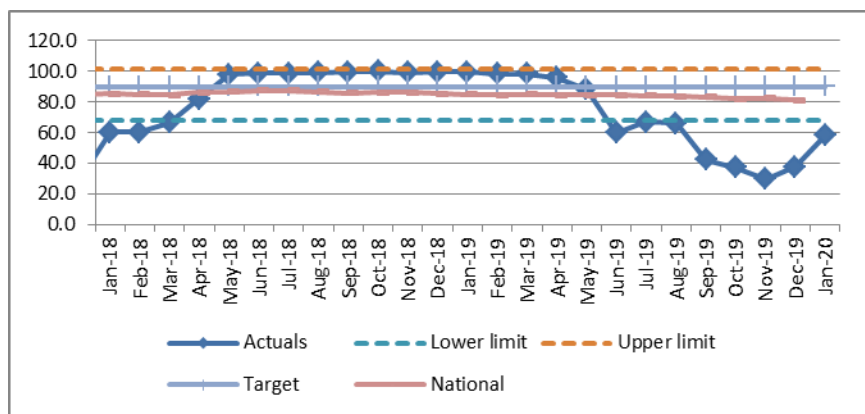
It is worth noting that the incidents reported in September and October relate to the same patient and are being investigated under a single STEIS investigation, however these were 2 separate incidents.

### Clostridium difficile Hospital acquired cases



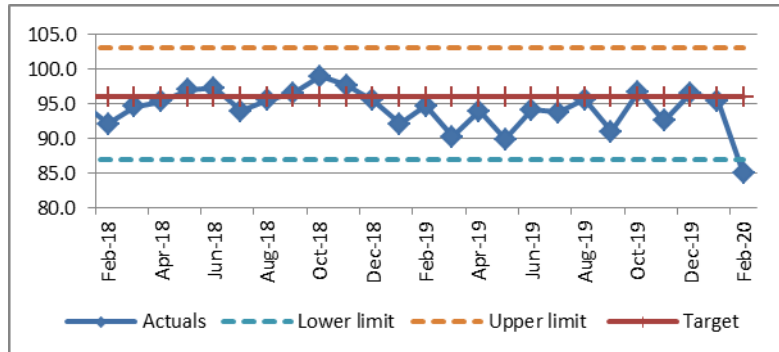
There were five cases of Trust acquired Clostridium Difficile Infection (CDI) in February 2020. None were linked and therefore it is deemed there was no transmission. There was one case of Community Onset Hospital Associated (COHA). This brings the total to 53 cases, compared to 58 last year.

## Eligible patients asked case finding question, or diagnosis of dementia or delirium



Following the exception report completed in December and the agreed actions, we have seen a further increase in compliance with dementia screening for patients on admission. The increase in compliance follows the recruitment of a band 3 health care support worker in January, to both assist with and complete the assessments on Nervecentre. This remains below the required level of compliance of 90%, and it is anticipated that we will not see a return to the baseline rate on the electronic system until it is embedded into the Emergency Department (ED). The previously reported plan to see some changes by the end of quarter one will likely require review, in light of the impact that coronavirus is having within the organisation. We continue to audit 20% of records with an incomplete dementia assessments, this continues to confirm the view that all patients requiring referral to RRLP for screening have their results recorded on Nervecentre.

## Recommended Rate: Friends and Family Maternity



The women's and children's service have successfully addressed the vacancy rate for inpatient and outpatient maternity settings, and have received a number of individual compliments and positive feedback in particular with regard to members of staff going the extra mile to provide high quality care. As previously identified the service are continuing to promote FFT response rate and to manage expectations particularly around waiting times for some of our antenatal clinics, and the provision of overnight accommodation for partners on the maternity ward.

## Operational Performance/ Access

OPERATIONAL STANDARDS	Emergency Access	Emergency access within four hours Total Trust	≥95%	Feb-20	90.2%	89.6%		R
		Number of trolley waits > 12 hours	0	Feb-20	47	1		R
		% of Ambulance handover > 30 minutes	3.4%	Feb-20	8.1%	6.9%		R
		% of Ambulance handover > 60 minutes	0.0%	Feb-20	0.5%	0.5%		R
	Referral to Treatment	18 weeks referral to treatment time - incomplete pathways	≥92%	Feb-20	-	86.2%		R
		Number of cases exceeding 52 weeks referral to treatment	0	Feb-20	-	0		G
	Diagnosics	Diagnostic waiters, 6 weeks and over-DM01	≥99%	Feb-20	-	98.6%		R
	Cancer Access	62 days urgent referral to treatment	≥85%	Jan-20	76.6%	67.7%		R
		62 day referral to treatment from screening	≥90%	Jan-20	79.7%	83.3%		R

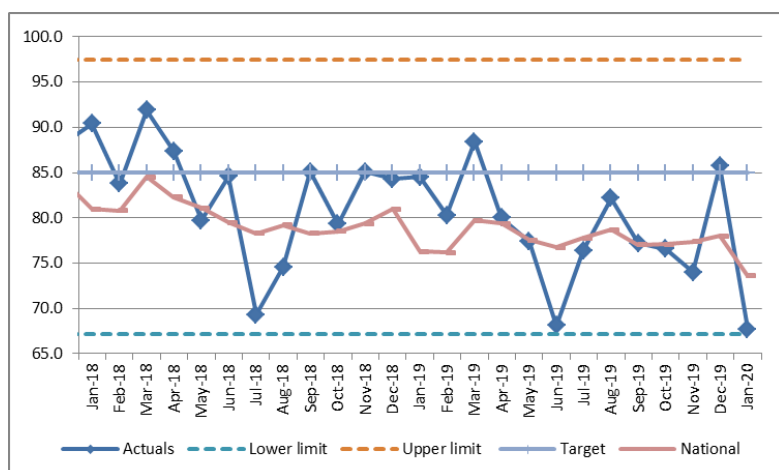
Although there are a number of standards noted as red in the above table, the majority are within the expected ranges as noted on the SPC charts.

Two standards are outside of the expected ranges and these are noted below

### 12 hour wait:

There was one patient who waited 12 hours for a bed from decision to admit during February. This was a psychiatric patient waiting a bed in Derbyshire. A root cause analysis process has been set underway that will need significant input from Derbyshire Mental Health & Community Trust.

### 62 day performance:



Performance of 67.7% for the month of January was based on 26.5 breaches from 82 treatments. The main drivers for the decrease in performance are the effect of patients choosing to delay their treatment over the Christmas and New Year period and a significant increase in skin breaches due to a capacity gap for Plastics.



The key actions for recovery are to:

- systematically reduce the wait (or need) for a 1<sup>st</sup> 2WW appointment, based on demand and capacity modelling and straight to test where clinically appropriate
- reduce the wait for diagnostics, again focussing on straight to test and a forward look at capacity
- reduce process delays by maintaining enhanced oversight in key tumour sites.

The Trust trajectory to reduce the number of patients waiting over 62 days to rule out cancer or for treatment to commence remains on track. At time of writing the number of patients over 62 days has reduced from 104 in early October to 48 by mid-March. The number of patients waiting 104+ days has reduced to 15.

## Financial Summary

<p>X</p> <p>(£1.28m)</p>	<p><b>Control Total Performance</b></p> <ul style="list-style-type: none"> <li>At the end of Month 11 the Trust is reporting a YTD deficit of £40.73m before Provider Sustainability Funding (PSF), Financial Recovery Funding (FRF), Marginal Rate Emergency Tariff (MRET) and Impairments. This is £1.28m worse than YTD plan and is a deterioration of £0.44m in month.</li> <li>PSF of £5.65m, FRF of £13.08m and MRET of £4.94m has been reflected in the position. The ICS has failed its M11 control total and therefore system PSF of £0.62m has been excluded from the YTD position. The forecast also excludes system PSF for Q4 as the ICS forecast outturn deficit exceeds its control total for 2019/20. The Trust PSF and FRF measures are assessed at quarter end and the amounts are dependent on delivery of control totals across the trust and system.</li> <li>The reported control total deficit including PSF, FRF and MRET is £17.63m at the end of M11, which is £1.90m worse than planned. The PSF value excludes additional PSF of £0.57m which relates to 2018/19 but has been received in 2019/20, as this cannot be counted towards control total delivery.</li> </ul>
<p>✓</p> <p>£10.12m</p>	<p><b>Income</b></p> <ul style="list-style-type: none"> <li>Overall income is £0.970m above plan in Month 11 and £10.12m above plan year to date. Clinical income is greater than plan by £0.52m in Month 11 and is over plan by £6.64m YTD, reflecting additional A&amp;E attendances (4.6% above plan YTD) and non-elective emergency (NEL) spells (9.7% above plan YTD).</li> </ul>
<p>X</p> <p>(£11.40m)</p>	<p><b>Expenditure</b></p> <ul style="list-style-type: none"> <li>Overall expenditure is £1.41m above plan in Month 11 and £11.40m above plan year to date.</li> <li>Monthly pay expenditure in Month 11 was £18.09m, £0.77m above plan and over plan by £5.26m year to date.</li> <li>Non-pay costs are above plan by £0.83m in Month 11 and above plan by £6.77m year to date. However, additional YTD expenditure of £5.40m is directly offset in income.</li> </ul>
<p>X</p> <p>(£1.40m)</p>	<p><b>FIP</b></p> <ul style="list-style-type: none"> <li>To February the Financial Improvement Plan (FIP) has delivered savings of £10.05m, £1.40m below plan. Savings of £0.94m were delivered in Month 11, which is marginally above the average over the previous 10 months and below the in month target of £1.35m. The YTD position includes £5.75m of non-recurrent savings.</li> <li>Schemes in delivery are expected to achieve £11.22m and in addition the most likely value of pipeline schemes is £0.36m. The residual FIP risk is therefore £1.22m (against the £12.80m plan). Outpatient transformation savings are now included within the FIP therefore there is no achievement against the outpatient transformation savings plan of £2.63m.</li> </ul>
<p>✓</p> <p>£3.54m</p>	<p><b>Agency Expenditure</b></p> <ul style="list-style-type: none"> <li>Agency expenditure in February was £0.13m lower than the in month ceiling and expenditure is £3.54m below the ceiling year to date.</li> </ul>
<p>✓</p> <p>£0.58m</p>	<p><b>Capital</b></p> <ul style="list-style-type: none"> <li>Expenditure at Month11 is £5.56m, £0.58m below plan. Forecast outturn expenditure is £1.28m above plan due to receipt of extra PDC funding for HSLI Capacity and Flow/Digital £0.75m and the additional expenditure relating to fire safety remedial works at Mansfield Community Hospital offset by a reduction in forecast charitable expenditure.</li> </ul>
<p>✓</p> <p>£0.10m</p>	<p><b>Cash</b></p> <ul style="list-style-type: none"> <li>Closing cash at 29<sup>th</sup> February was £2.63m, £0.10m above plan. This is an increase in cash holding of £1.13m in month due to the receipt of previously borrowed Q3 FRF which will be repaid in April. The cash flow forecast demonstrates that the Trust will have sufficient cash to comply with the minimum cash balance of £1.45m, required under the borrowing agreement.</li> </ul>
<p>✓</p>	<p><b>Forecast</b></p> <ul style="list-style-type: none"> <li>A full forecast was undertaken at the end of Month 11 This indicates that the risk of non-achievement of the 2019/20 control total in the Likely case has increased to £3.06m, £0.36m of pipeline FIP and £2.70m of further actions required, and it can only be delivered though further non recurrent solutions. The actions to identify and achieve these are in place.</li> <li>The underlying recurrent deficit forecast is £12.21m worse than plan mainly due to non-recurrent actions to achieve the control total.</li> </ul>

	February In-Month			Year to Date (YTD)			Annual Plan	Forecast	Forecast Variance
	Plan	Actual	Variance	Plan	Actual	Variance			
	£m	£m	£m	£m	£m	£m			
Income	24.77	25.74	0.97	275.28	285.40	10.12	301.96	313.47	11.52
Expenditure	(28.43)	(29.85)	(1.41)	(314.73)	(326.13)	(11.40)	(343.47)	(354.98)	(11.50)
<b>Surplus/(Deficit) - Control Total Basis excl. PSF, FRF, MRET and Impairment</b>	<b>(3.67)</b>	<b>(4.11)</b>	<b>(0.44)</b>	<b>(39.45)</b>	<b>(40.73)</b>	<b>(1.28)</b>	<b>(41.52)</b>	<b>(41.51)</b>	<b>0.01</b>
Surplus/(Deficit) - Control Total Basis incl. PSF, FRF, MRET and excl. Impairment	(0.74)	(1.32)	(0.58)	(15.73)	(17.63)	(1.90)	(14.87)	(15.61)	(0.74)
Underlying Surplus/(Deficit) - Control Total Basis excl. PSF, FRF, MRET and Impairment	(3.74)	(4.60)	(0.86)	(38.62)	(48.48)	(9.86)	(40.77)	(52.98)	(12.21)
Financial Improvement Programme (FIP)	1.35	0.94	(0.41)	11.45	10.05	(1.40)	12.80	11.58	(1.22)
Capex (including donated)	(1.02)	(1.01)	0.01	(6.15)	(5.56)	0.58	(10.83)	(12.11)	(1.28)
Closing Cash	2.53	2.63	0.10	2.53	2.63	0.10	1.46	1.46	0.00
NHSI Agency Ceiling - Total	(1.50)	(1.37)	0.13	(15.16)	(11.62)	3.54	(16.66)	(12.90)	3.76
<b>NHSI Use of Resources Score</b>									
Capital service cover rating	4	4		4	4		4	4	
Liquidity rating	4	4		4	4		4	4	
I&E margin rating	4	4		4	4		4	4	
I&E margin: distance from financial plan		2			2			1	
Agency rating	1	1		1	1		1	1	
Risk ratings after overrides		3			3			3	