
Meeting: **Bath and North East Somerset Council
Wellbeing Policy and Development Scrutiny Panel**

Date: 19th September 2014

Title: **Royal National Hospital for Rheumatic Diseases NHS FT – Organisational Update**

Purpose: For information

1. Introduction

- 1.1. This paper is an organisational update from the Royal National Hospital for Rheumatic Diseases NHS Foundation Trust (RNHRD) to the B&NES Wellbeing Policy and Development Scrutiny Panel (BWPDSP).

2. Update on Quality

2.1. NHS Staff Survey

The 2013 NHS staff survey results, published in March this year, found the RNHRD to have one of the highest levels of job satisfaction amongst acute specialist trusts. Findings from the survey placed the Trust amongst the best scores nationally in seven of the 28 measures including: availability of handwashing materials, low levels of physical violence and low levels of staff experiencing discrimination at work. The Trust was also found to be above the national average for acute specialist trusts across 21 of the 28 key measures.

The Trust has seen an improvement in results across two thirds of the areas measured, including areas where the trust was already performing above average. These are positive results, particularly against a background of another challenging year for our organisation. The RNHRD had a 67% response rate, above the national average, to the survey. The full results are available at <http://www.nhsstaffsurveys.com>.

2.2. CQC Inspection Report

Following a routine, unannounced inspection at the RNHRD, the CQC have published a report confirming that the RNHRD is meeting all the standards inspected. The CQC visited the RNHRD in December 2013 to check that essential standards of quality and safety were being met in the following areas:

- Consent to care and treatment
- Co-operating with other providers
- Cleanliness and infection control
- Requirements relating to workers
- Staffing

- Assessing and monitoring the quality of service provision

The CQC reported that all of the patients they spoke to were “highly satisfied with the service they receive”. The CQC highlighted the Trust’s collaborative working with other providers to develop knowledge and skills and drew attention to the Trust’s involvement in research projects with universities and other healthcare providers. Patients told the CQC that co-operation between healthcare professionals within the hospital contributed towards a successful treatment plan. The report also noted that “at all times, despite the number of patients to assist, staff were patient, professional and caring” and confirmed that at all times “staffing numbers met the providers recommended levels”. Patients told the CQC they felt there were enough staff to meet their needs.

2.3. Care Quality Commission (CQC) Intelligent Monitoring Report:

At the March RNHRD Trust Board it was reported that the CQC changed how one of the risks was rated so that any Trust with a red Monitor governance rating was assigned an ‘elevated risk’. As a result, the Trust’s overall risk rating moved from band 3 (as it was in October 2013) to band 2 out of 6 in March 2014 (with 2 being a higher risk than 3).

2.4. The risks noted in the CQC Intelligent Monitoring March 2014 report were:

- One elevated risk which related to the Monitor Governance Risk Rating – as a consequence of the financial risks as detailed in the strategic plan.

This risk was in place at the time of the first CQC Intelligence Monitoring Report in October 2013, and this was originally rated as an amber risk.

This risk remains rated red, high, in the July 2014 CQC Intelligent Monitoring Report.

- One elevated risk which relates to staff turnover rate being higher than expected when compared to national data, due to the closure of neuro rehabilitation on 31.3.13.

This risk remains rated red, high in the July 2014 CQC Intelligent Monitoring Report.

2.5. Other changes to overall risk ratings in July 2014 Intelligent Monitoring Report

There is no longer an amber risk relating to consistency of patient incident reporting to NRLS (National Reporting and Learning Service). To reduce this amber rated risk action has been taken since October 2013 to report incidents to the NRLS monthly.

The July 2014 report shows that the overall risk rating has improved to 4 out of 6.

2.6. CQC 2013 Survey of Adult Inpatients:

The results of the 2013 CQC Survey of Adult Inpatients at the RNHRD, published April 2014, identified the hospital as one of the best performing trusts in the country across a wide range of measures.

The RNHRD was rated as one of the best performing trusts for 21 of the 57 relevant individual questions, and ‘about the same’ for the remaining questions. The Trust achieved the highest Trust score for 12 of the individual questions, including, help from staff to eat meals, availability of hand wash gels and staff explaining and answering questions about procedures.

The CQC report groups individual questions on a similar theme to provide an overall picture across key areas of the inpatient experience. The Trust was rated as one of the best performing trusts in four of the eight areas, including 'Overall views and experiences' as well as 'The hospital and ward' which covers factors that contribute to a clean, safe and welcoming environment.

2.7. **Patient experience:**

The Francis Report highlights the need to collect and use 'real-time' patient feedback as a key indicator of service standards. In response, we have developed a Patient Experience page for our website, providing information and feedback about patients' experiences of our services. Feedback has assisted us in improving our service delivery. Examples of feedback include:

- *"I was treated with respect and courtesy in each department. Appointment was prompt, an excellent hospital."*
- *"Hospital is amazingly clean, they even pull the beds out."*
- *"Food is A1!"*

More information is available on the Trust's website <http://www.rnhrd.nhs.uk/home/what-our-patients-say>

3. **Finance and Activity Update**

3.1. **Financial Position**

The Trust has published its 2013/14 Annual Report and Accounts and these illustrate the financial challenges that the Trust has faced during this period and outlines that these challenges are set to continue throughout 2014/15. Access to this document is available via the following link <http://www.rnhrd.nhs.uk/about-us/trust-documents>

At the end of the 2013/14 financial year the Trust's income and expenditure position was a £1,125k deficit, against a budget of £3,590k deficit. This variance was due to the Trusts total income being ahead of plan, as well as underspends in pay and non-pay expenditure. The Trust required £500k of financial support from the Department of Health during the year, which was a smaller amount than anticipated reflecting the improved financial position. Despite the improved year end position the underlying financial challenges remain and the Trust is not viable in the long-term if it remains in its current form.

The forecast income and expenditure year end position for 2014/15 as at 31 July 2014 is £2,263k deficit, against a budget of £2,205k deficit. As part of the agreed financial plan for 2014/15 the Trust has requested £500k of financial support from the Department of Health to be made available in September 2014, and anticipates further support will be required as the year progresses. A total of £2m support has been requested to be made available to the Trust for this financial year.

3.2. **Rheumatology follow-up activity:**

The Trust continues to manage the ongoing issue of delayed rheumatology follow-up appointments. The number of patients affected has remained broadly static over the previous 12 months. The Trust has seen no change in referral rates since 2013/14 and this,

combined with current issues leading to a reduction in medical capacity, continues to make this an important priority for the organisation.

The waiting time for a new rheumatology appointment is approximately 12 weeks, unless marked as urgent.

The Medical Director and the Director of Operations continually review risk to the patients and put in place actions to mitigate as required.

Actions in place to address this area include:

- New Consultant commenced in post in June 2014
- Recruitment of Locum Consultants to support activity requirements

3.3. **18 Week Referral to Treatment:**

The national target for Referral to Treatment (RTT) is for a minimum of 95% of non-admitted patients to be seen within 18 weeks of referral. The RNHRD reports on RTT to B&NES Clinical Commissioning Group (CCG) as part of its contract, and to Monitor as part of its quarterly monitoring returns on performance against target.

During August 2014 the RNHRD had 22 breaches of RTT giving an overall performance against this target of 94%. All of the breaches identified were classified as patient choice, with appointments having been offered within 18 weeks in all cases, but the patient choosing to cancel or electing to attend at a later date. The Executive team are working to resolve this issue and are reviewing policy to improve the position. Monitor, B&NES CCG, and the CQC have been informed.

4. **Future of Our Services**

4.1. **Strategic Plan Update**

The information provided through this paper demonstrates that the quality of the services at the RNHRD is rated highly. However the RNHRD continues to face significant and long-standing financial challenges that require on the delivery of a strategic solution to resolve the underlying issues. Following presentations made to the panel on this issue in March 2012, February 2013 and a submission of a report and update to the panel at its May 2013, and November 2013 meetings, a further update on the future of our services is outlined below.

Following a rigorous options appraisal exercise in 2012, the RNHRD identified its preferred strategic solution was to join with the Royal United Hospital NHS Trust (RUH).

In April 2013 under the new Foundation Trust Provider Licence regime, the healthcare regulator Monitor wrote to the RNHRD specifying enforcement undertakings on its provider licence. The principal actions were to submit by the end of June 2013 a strategic intent for resolving the financial issues, followed by the submission of a realistic and deliverable strategic plan by the end of September 2013. Both intent and plan *“must aim to deliver a solution that is in the best interests of patients and maintains high quality services, whilst addressing the financial issues that have led to the RNHRD NHS FT’s non-compliance with its Licence”*.

The strategic intent was reaffirmed in June 2013, with the route identified as acquisition, once the RUH had achieved foundation trust status and subject to all conditions being satisfied.

The Trust's strategic plan was submitted to Monitor for consideration in October 2013. Following a period of robust evaluation, key stakeholder engagement and consideration of the plan, it was confirmed that the RNHRD would continue to proceed with the RUH as its preferred strategic partner to ensure continuity of its high quality services through acquisition of the RNHRD once the RUH have achieved FT status, and subject to all conditions being satisfied. This was confirmed in writing to the Chair of the WPDSP in a letter dated April 2014.

High quality patient care remains our priority. Patients will continue to be seen and treated by the RNHRD, and receive a high standard of care, whilst it seeks to develop its new organisational form.

4.2. Next steps

Acquisition by the RUH continues to provide the best opportunity for future provision and continuity of the RNHRD's high quality clinical services. The RUH and the RNHRD are currently working together to agree key milestones and an indicative timeframe for delivery of the proposed acquisition. We will communicate further with our patients, relatives, employees and other key stakeholders once the next steps have been identified.

5. Changes to the RNHRD Board

5.1. Recent months have seen a number of changes to the Trust Board:

Luke March was appointed Chair of the RNHRD and the Council of Governors in April 2014. Luke comes to the RNHRD from Salisbury NHS Foundation Trust, where he was Chairman for nine years.

Bernard Galton was appointed as a Non-Executive Director at the RNHRD in June 2014. Bernard is a Chartered Fellow of the Chartered Institute of Personnel and Development and has operated at executive board level for 15 years within the public sector. Bernard takes up this position following the completion of Niall Bowen's term of office.

Dr Ellie Korendowych has been appointed as Medical Director. Dr Korendowych was appointed as a Consultant at the RNHRD in 2005 and was the Trust's Rheumatology clinical lead; her clinical and research interests include Psoriatic Arthritis and Autoimmune Connective Tissues Diseases. Dr Korendowych takes over this position from Dr Bhalla following completion of his three year term. Dr Bhalla will remain with the Trust in a part time capacity as a Consultant in Rheumatology and Metabolic Bone Disease.

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