
Meeting:	Bath and North East Somerset Council Wellbeing Policy and Development Scrutiny Panel
Date:	22 nd November 2013
Title:	Royal National Hospital for Rheumatic Diseases NHS FT – Organisational Update
Purpose:	For information

1. Introduction

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.

2. Update on Quality – Care Quality Commission (CQC) Intelligent Monitoring Report October 2013

The CQC has developed a new model for monitoring a range of key indicators about NHS acute and specialist hospitals. Each of these indicators has been assigned a risk level – ‘no evidence of risk’, ‘risk’, or ‘elevated risk’.

The CQC’s analysis of the key indicators for the RNHRD identified one area of elevated risk and two other risk areas, these risks and actions to address them are outlined below:

- The elevated area of risk related to staff turnover, which was unusually high due to the closure of the Trust’s neuro rehabilitation service in March 2013.
Action to address: No direct action required. The Trust will ensure that up to date Electronic Staff Record data on turnover is provided to reflect the significant subsequent decrease in turnover and to ensure that the CQC have the most current information.
- The risks identified related to:
 - Consistency of reporting to National Reporting and Learning Service (NRLS), the risk identified did not relate to the number of incidents reported, but the time taken to sign them off.
Action to address: The Trust will ensure that it reports to NRLS monthly and that line managers review all incidents within 2 weeks as specified in the incident and risk reporting policy.
 - Monitor Governance red rating, this is a known risk relating to the Trust’s financial position.
Action to address: Strategic Plan submitted to Monitor.

Overall, the RNHRD is in band 3 (out of 6, 1 being low performing, 6 high performing), and has an overall risk score of 4 out of a possible maximum risk score of 84.

The full CQC report can be accessed at the following link:

http://www.cqc.org.uk/sites/default/files/media/reports/RBB_101_WV.pdf

3. Finance and Activity Update

3.1 Financial Position

The Trust has published its 2012/13 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 2013/14. Access to this document is available via the following link <http://www.rnhrd.nhs.uk/about-us/trust-documents>

The Trust finished the year with an underlying operational deficit of £2.6m. At the start of the new financial year the forecast deficit was £3.7m for 2013/14. Improvements in activity levels alongside savings in pay and non-pay have enabled the Trust to improve the forecast outturn position for the year to a deficit of £2.7m as reported to the Board in October 2013.

Whilst this forecast represents a real improvement against plan, there is still a significant underlying deficit. The RNHRD will work on the delivery of its strategic plan to resolve this position.

3.2 Endoscopy Referrals

Over the last 3 years referrals to the Trust's endoscopy services have been declining to the extent that there has been over a 50% reduction during this period. In response to this trend and in line with commissioning intentions the Trust has reduced its planned activity forecast for endoscopy in 2013/14. These factors, combined with the risk that referrals will stay at a similar level or decline further and the requirement to make a significant investment in equipment in 2014, will require close monitoring and Board discussion to ensure the service continues to provide value for money.

The unit continues to report high levels of patient satisfaction; short waiting times and good patient safety record.

3.3 Rheumatology follow-up activity:

The Trust has made significant progress in reducing the problem of delayed rheumatology follow-up appointments, however, due to a number of factors the situation has worsened over the last 6 months, factors contributing to this include:

- an increase of 4.5% in rheumatology referrals this year
- planned and unplanned reductions in medical capacity

Actions in place to address this problem include:

- tighter management and control of cancelled clinics and additional clinic capacity created
- two Locum Consultants in post
- demand management plans being developed by CCG

The delay in follow up appointments represents limited risk for deterioration of the patient as patients who may be at risk of rapid or sudden clinical change are flagged and clinically managed accordingly.

3.4 Increased Activity for Pain Services

The Trust has seen a higher level of referral to the Pain Management and Complex Regional Pain Syndrome services in 2013/14 and as a result the waiting times for assessment and for treatment on these programmes has increased. In response the Trust has created additional clinical capacity by appointing additional therapists and increasing its bed and clinic capacity until the end of the year. The services will be reviewing referral trends to inform the planning process for 2014/15.

4. Future of Our Services

4.1 Strategic Plan Update

The RNHRD continues to face significant and long-standing financial challenges and to work on 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 meeting, a further description on the future of our services is outlined below.

In April 2013 and under the new FT provider licence regime the healthcare regulator Monitor wrote to the RNHRD specifying enforcement undertakings on its provider licence. The principle actions of which were to; by the end of June 2013 submit 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.

In developing its strategic plan to ensure a managed and organised solution that is in the best interests of patients, protects the continuity of existing services, whilst addressing its financial issues, the RNHRD Trust Board has outlined a plan through which the RNHRD could join with the Royal United Hospital, Bath, and which takes into account the current unavoidable uncertainty around timescales.

High quality patient care remains our priority. The Board of the RNHRD has noted the content of the recent RUH Care Quality Commission (CQC) report, based on the CQC inspection of the RUH in June 2013, and of the RUH's plans to address the issues raised. The RNHRD Trust Board will now focus on the outcome of the RUH's December CQC inspection, which will provide an up-to-date picture and allow the RNHRD Board to make an informed decision on the future of the Trust's services.

In determining its strategic direction achieving maximum patient benefit for the current and future patients of the services the RNHRD offer has always been a priority for the RNHRD Board. The RNHRD has sustained an excellent patient quality and safety record despite its significant financial challenges and uncertain future, safeguarding these aspects remains a priority within the strategic plan.

The respective Boards of both organisations will continue to work closely to identify the next steps to ensure the future of the services.

4.2 Current position and next steps

The RNHRD, in line with its enforcement undertakings outlined above, has submitted a strategic plan to Monitor within the timescales agreed. The Trust is currently awaiting feedback on next steps.

4.3 'Refresh' project:

'Refresh' is a project to reconfigure and refurbish the main Trust's outpatient department. The outpatient area is used by each of the hospital departments and supports around 40,000 appointments each year. It is situated at the main entrance of the hospital and is the primary access for all patients, visitors and public attending the RNHRD.

The present appearance of the outpatient's area does not reflect the excellent quality of care provided by the hospital's clinical services. The 'Refresh' project will:

- **Enhance** confidentiality, privacy and dignity
- **Improve** access for patients
- **Provide** child-friendly appearance and facilities
- **Improve** signage to facilitate movement
- **Enable** more efficient delivery of the clinical model
- **Maximise** and increase capacity
- **Deliver** an environment responsive to changing requirements of healthcare and activity
- **Embrace** technological advances

The Refresh programme has been developed with the support of patients, staff, governors and clinicians. Work is due to start during December 2013 and funding for this project has been raised through the RNRHD charitable fund.

5. Changes to the RNHRD Board

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

Eugene Sullivan has taken on the position of Chair of the RNHRD and the Council of Governors. Eugene has over 40 years' experience as a public sector auditor and accountant including as the CEO of the Audit Commission. He takes up the role following the completion of Peter Franklyn's three year term of office.

Mike Attenborough-Cox has been appointed as Non-Executive Director and Finance and Activity Committee Chair. Mike is a qualified accountant and internal auditor with extensive experience of working in and with the public sector. Mike takes up this position following the completion of Stephen Cole's three year term of office.

Finally, Kirsty Matthews, will be standing down as Chief Executive of the RNHRD with effect from 31st December 2013. The Trust has started the process of finding a successor and will update the panel further in due course.

Kirsty Matthews
RNHRD, NHS FT
12/11/2013