The Queen Elizabeth Hospital NHS
King's Lynn
NHS Foundation Trust

REPORT TO THE BOARD OF DIRECTORS (IN PUBLIC)

SUBMITTED BY:	REPORT FOR:		IMPACT:		
Patricia Wright CEO	Decision		High	Med	Low
CONSULTATION:	Information	✓			✓
N/A	REPORT TYPE:		RELATED WORK:		
	Strategic	✓			
	Operational	✓			
	Governance	✓			
BAF ref:	N/A				
Monitor Compliance Framework:	N/A				
CQC Essential Standard Reference:					
NHSLA Standard Reference:					
Media / Communications:	N/A				

Meeting Date: 29th October 2012
Report Title: CEO Update

Purpose:

To update the Board on pertinent internal and external events and issues.

Financial Implications / Efficiency Savings / Quality Improvement:

None as a direct result of this report.

Risk Assessment (cross-reference with Risk Register where appropriate):

Strategic / External	Operational/ Organisational	Financial	Clinical	Legal/ Regulatory	Reputational / Patient Experience
✓				✓	✓

Recommendations: The Board is invited to note the update.

Author: Patricia Wright **Date: October 2012**

CEO Update

1. INTERNAL

1.1 Regulatory Update

Key regulatory activities for October to date have included:

1.1.1 NHSLA – CNST, Maternity Clinical Risk Management Standards Visit

The Trust achieved an assessment score of 100% compliance (50/50) with the CNST Maternity Standards (Level 1), at the assessment visit on 3rd October 2012. The Trust's team was commended on its 'whole team' approach to the provision of robust procedural guidance across the standards and in taking into consideration the comments from the last assessment visit.

In addition to the identification of some opportunities for further improvement, the maternity service was offered advice on undertaking a gap analysis to ascertain whether policy and procedure documents are a true reflection on practice to ensure level 2 is achievable.

My thanks and congratulations to Barbara James and the maternity services team on a significant achievement.

1.1.2 CQC

The Trust is awaiting the CQC's report following the unannounced visit on 14th August, during which the assessment team looked at Privacy, Dignity and Nutrition.

The CQC announced that Healthwatch England was launched on 1st October 2012. See paragraph 2.4 for information about the development of Healthwatch Norfolk.

1.2 The QEH - Senior Appointments

None.

1.3 CEO meetings with key strategic partners since the last update have included:

- NHS Confederation - resilience
- Wells Community Hospital Trust
- NNUH
- NHS Midlands and East – Strategic Workshop
- WN CCG
- UEA Healthcare Partners - AHSN

2. EXTERNAL

2.1 Monitor

Monitor has published its review of 2012/13, Quarter 1, which is summarised in the table below.

Number of NHS foundation trusts at [30 June 2012]	144
Of these: Acute Mental Health Specialist Ambulance	 81 41 18 4
Governance risk ratings: Green Amber-Green Amber-Red Red	 81 25 16 22
Financial risk ratings: 5 (lowest risk) 4 3 2 1	 4 46 77 7 10
No. of trusts in significant breach at 30 June 2012	18
Combined actual net surplus for the three months to 30 June 2012 (pre impairments)	£62 million
EBITDA* margin (*earnings before interest, tax, depreciation and amortisation)	5.5%

Monitor's full report can be found at:

http://www.monitor-nhsft.gov.uk/home/browse-category/reports-nhs-foundation-trusts/nhs-foundation-trusts-quarterly-reports/2012-2013-0

Monitor continues to engage and consult on the implications of the Health and Social Care Act 2012 and Monitor's new role. Engagement activities have included:

- The NHS Provider Licence
- CCGs, the NHS Commissioning Board, PCTs and Commissioning Support Units
- Independent and 3rd Sector providers
- Choice and Competition Framework

The Trust has received a communication from Monitor concerning changes to FT obligations and the Terms of Authorisation, resulting from 2 parts of the new legislation, which became effective on 1st October 2012.

Changes to obligations

- Principal purpose: a foundation trust's principal purpose must now be to deliver goods and services for the purposes of the health service in England.

- Income not derived from the principal purpose: foundation trusts now have an obligation to ensure that the total income derived from their principal purpose is greater than their total income from the provision of goods and services for "any other purposes" including the provision of private healthcare. Subject to the detail below, this means that the former "private patient cap" has been removed by Parliament under the 2012 Act.

Foundation trusts must also:

- Provide information in their annual report explaining the impact of non-principal purpose income on the delivery of goods and services for their primary purpose;

- Provide information in their forward plans about any activities for purposes other than their principal purpose and about any income they expect to receive from these activities;

- Where their forward plans contain information about activities for purposes other than their principal purpose, ensure that their Councils of Governors are satisfied that this activity will not to any significant extent interfere with the fulfilment of their principal purpose or other functions;

- Obtain the approval of their Councils of Governors for proposed increases of 5% or more to their non-principal purpose income; and

- Specify their principal purpose in their constitutions.

The Trust's constitution is being aligned with Monitor's revised model core constitution and will be presented to the Governors' Council and the Board of Directors for approval in November 2012, following a joint Governors' Council and Board, Development Workshop on the implications of the Health and Social Care Act 2012, on 7th November.

In preparing for its new role, Monitor has re-structured its executive team and has made the following senior appointments:

- Executive director of assessment: Miranda Carter
- Managing director of provider regulation: Stephen Hay
- Managing director of sector development: Adrian Masters
- Executive director of co-operation and competition: Catherine Davies
- Executive director of legal services: Kate Moore
- Executive director of strategic communications: Sue Meeson

These roles will replace the existing Monitor senior management team with effect from 1st November. The managing director of provider regulation and the managing director of sector development both sit on Monitor's Board.

Catherine Davies is currently acting director of the Co-operation and Competition Panel, an advisory body whose functions are being transferred into Monitor.

Two outstanding senior posts remain vacant pending recruitment:

- Executive director of patient and clinical engagement
- Executive director of organisational transformation

Dr David Bennett remains chair and interim chief executive of Monitor.

2.2 Foundation Trust Network (FTN)

The FTN continues to represent and lobby for Foundation Trusts, which is particularly valuable during the present period of intense engagement on the Health and Social Care Act 2012. In addition, the FTN's recent activity has included lobbying on the policy on readmission of patients within 30 days of discharge, which the FTN contends remains fundamentally unfair, as it continues to penalise providers for readmissions that are outside their control.

2.3 DoH

- **10th October** - The government held an event to showcase the UK's research facilities and discuss how to drive forward international research on dementia.
- **15th October** - New standards setting out what patients should expect from NHS hospital food were announced by Health Secretary Jeremy Hunt.

  A set of basic principles covering the quality of food, nutritional content and choice for patients will be backed up by new assessments led by patients.

2.4 Norfolk Health Overview and Scrutiny Committee (HOSC): Development of Healthwatch Norfolk

In September 2012, Norfolk County Council HOSC considered the development of Healthwatch Norfolk and an NHS complaints advocacy service. The following key points were made:

- Healthwatch Norfolk would be commissioned by and be accountable to the County Council but operate independently of it
- Local Healthwatch would be free to determine its own priorities
- A Community Interest Company is the preferred legal for Healthwatch Norfolk
- There would need to be clarity of the role and purpose of Local Healthwatch from the outset, to prevent parts of the NHS being inadequately monitored
- The County Council is working with voluntary organisations, Norfolk LINk and other stakeholders to develop a Local Healthwatch that best meets the needs of the people of Norfolk
- The view of minority groups and those living in isolated communities in Norfolk would be taken into account
- The would be an orderly transition from Norfolk LINk to the Local Healthwatch that passed on what had been learnt by Norfolk LINk and did not waste investment in volunteers, training and technical expertise
- The local Healthwatch would be expected to alert Healthwatch England to matters of specific concern
- Local Healthwatch would provide a collective voice for patients and carers

3. MEDIA COVERAGE

The following report provides an overview of the Trust's media coverage from 14 September to 17 October 2012.

Press

Press coverage for the Trust has been reviewed for average column centimetres per article, number of articles, total column centimetres, tone – positive, neutral or negative and Advertising Value Equivalent (AVE). A ratio of 1 to 2.5 has been used to calculate AVE.

Between 14 September and 17 October 2012 there were a total of 33 articles about the Trust, which appeared in the local, regional and national press. Of these, 20 articles carried

a picture. The average size of each article was 46 column centimetres. Of the 33 articles, 12 were negative, 3 were neutral and the remaining 18 were positive. The total number of column centimetres of coverage during this period was 1657 with an AVE of £123,623.45.

Radio

- KLFM – Start of Macmillan Centre work – Mark Henry interview
- BBC Norfolk monitor report on QEH finances (Statement provided)
- BBC Norfolk – ward closures (statement provided)
- BBC Norfolk – Interview Gemma Owen RE: life sized cut out to greet RAF husband on return from Afghanistan.
- BBC Lincolnshire – Info on cancer drug treatment (statement provided)
- BBC Norfolk – Interview on LCP (Amanda Whitehouse interview)

TV

- BBC Look East – Liverpool Care Pathway (statement provided)
- BBC TV Look North – Request for statement on LCP patient (statement provided)