Agenda Item:

Board of Directors Meeting Report

Subject: **MONITOR QUARTER 3 SELF CERTIFICATION**

Date: **30th JANUARY 2014**

Author: **KERRY ROGERS, DIRECTOR OF CORPORATE SERVICES/COMPANY SECRETARY**

Lead Director: **KERRY ROGERS**

1. Executive Summary:

This report is presented to the Board of Directors to safeguard debate and thorough understanding of the Board certifications to be submitted to Monitor to ensure all Board members are clear of their responsibility to be confident of the accuracy and appropriateness of the declarations being made. The Director of Corporate Services requests that Board pay particular attention to the Finance and Governance Declaration with regard to its confidence in achieving/sustaining against the Continuity of Services rating and the Governance declaration in achieving targets for the next 12 months and included for appropriate consideration with the Finance commentary is Monitor's **Finance Risk Indicator set in order to highlight the potential for any future material financial risk**.

2. Action Required by Board:

The Board are invited to approve the Declarations, Exception Report and supporting paperwork for onward submission to Monitor and agree relevant amendments and additions having regard also to a prospective assessment of anticipated performance and the potential for breach.

Board will be requested to review Appendix 1 and 2 each quarter to ensure each member has confidence in the Trust's assurance systems and processes that support the Declarations and to drive improvements accordingly should any view be taken concerning system weakness.

Relevant Strategic Objectives (please mark in bold)	
Achieve the best patient experience	**Achieve financial sustainability**
Improve patient safety and provide high quality care	**Build successful relationships with external organisations and regulators**
Attract, develop and motivate effective teams	
Links to the BAF and Corporate Risk Register	Obligated through our Licence to identify and manage risks to compliance with the Conditions of our Licence including the QGF
Details of additional risks	n/a
Links to NHS Constitution	Duty of Quality
Legal Implications/Impact	Failure to deliver against the QGF increases likelihood of continuance of Regulatory enforcement action

BOARD OF DIRECTORS DETAILED REPORT

Subject: Quarterly Monitor Self Certification – Quarter 3 2013-14

Report from: Kerry Rogers, Director of Corporate Services / Co Secretary

Report to: Board of Directors at its 30th January 2014 meeting

Status: Approval (Self Certifications and supporting documents)

1. Background

	Self asst	**Breach**	**Commentary**
Q1 13/14	Red override	Cdiff 1.0 MRSA	8 cases vs 25% target of 6 Below deminimus
Q2	Red override	Cdiff 1.0 MRSA CQC 4.0	2nd Quarter breach (17 cases vs 50% target 13) Below deminimus Warning Notice
Q3	Red	Cdiff 1.0 RTT non-admitted & incomplete 2.0 CQC 4.0	3rd Quarter breach 1st Quarter breach Need to check with CQC before submission re status of warning notice

Monitor confirmed in their Q2 Executive Summary that the Trust had been assigned a Red governance risk rating which will continue alongside the Trust's Licence conditions. The Board in its May Annual Plan highlighted performance risks in respect of C.difficile and challenges in respect of A&E and in light of discussions in connection with RTT18 weeks will need to reflect on future risks in readiness for submission of the 14/15 Annual Plan submission

This report which supports the enclosed Board self-certifications is to ensure all Board members are clear of their responsibility to ensure the accuracy and appropriateness of the declarations being made.

Monitor's role is to assess risk and intervene to ensure compliance with all aspects of the Trust's Licence. To do this, Monitor relies primarily on the information it receives directly from NHS foundation trusts, but will consider indirect third party reports on a variety of specific issues, *and as such it is important that any significant third party interventions are highlighted by the Trust itself.*

Finance (continuity of services), governance, and mandatory (commissioner requested) services form the core of the Trust's Licence to operate. Monitor will review these areas directly, primarily from information provided in our *Annual Plan* and in-year monitoring submissions. Monitor will also take into account any exception or third party reports regarding significant issues.

At the completion of the annual risk assessment and each quarterly review, the Trust receives risk ratings and a summary of key issues to be followed up either by the Board or by Monitor. Monitor also publishes a summary of the results, together with a commentary. These will following receipt be presented to Board members through the agenda each quarter.

For 2013/14 there have been further changes to the number of Declarations the Board is required to make on a quarterly basis as described in the Director of Corporate Services Risk Assurance Report to the October Board of Directors' meeting. Two appropriate responsible officers must make two separate declarations, and included below is the proposed declaration for Q3 **each of which must be approved by the Board**:

- Finance (Continuity of Services) Declaration – Not confirmed
- Governance Declaration – Not confirmed

If the Trust has recorded failures to achieve any of the healthcare targets or indicators we are unable to sign 'confirmed' on the Governance Declaration

If we are unable to sign 'confirmed' on the Finance Declaration ***we are required to send further details to Monitor with our return which the Chief Finance Officer will present to the meeting and which has not as is typical been discussed in further depth at the Finance & Performance Committee meeting which is due to meet after the Board meeting paper submission date.***

To emphasise the importance of the Boards' self-certification process the Director of Corporate Services invites Board members to recall the ***December 2012 FT Bulletin in which Monitor stated that in order to operate a compliance regime combining the principles of self-regulation and limited information requirements, it must be able to rely on the accurate assessment of risk by NHS foundation trust boards via the self-certification process. A significant number of trusts met the criteria for a self-certification review Quarter2 of 12/13 and Monitor took the opportunity to remind us that Monitor takes the self-certification process very seriously, and would follow up with trusts where self-certification discrepancies were considered to be indicative of a wider governance concern. For Board's reference, included at Appendix 2 is a summary of recommendations which have arisen from previous independent self-certification reviews which the Board is invited to consider in the context of its own self certifications going forward.***

2. Approach to in-year monitoring

Monitor's programme of in-year monitoring is designed to measure and assess actual performance against the Annual Plan. The frequency and depth of in-year monitoring is determined by our risk rating, although for most NHS foundation trusts in-year monitoring will take the form of a quarterly submission and other exception and ad hoc reports. Based on in-year submissions, Monitor will assign and publish a quarterly risk rating in two areas – continuity of services and governance.

Currently, the Trust remains on monthly monitoring with Monitor due to its Discretionary Requirements and the associated conditions attached to its Licence

3. Approach to intervention

It is the responsibility of the Board to remedy any potential compliance failures in the first instance. Wherever it is appropriate, Monitor may work with an NHS foundation trust in resolving issues before considering intervention. This could involve regular reviews of progress or proposing the involvement of other parties, such as other NHS foundation trusts that have successfully dealt with such an issue, or an appropriate professional adviser.

Where a developmental approach is not appropriate, for example for significant financial or clinical failures, or where such an approach is failing, Monitor will generally consider intervening. In determining whether or not to intervene, Monitor must decide whether failure to comply with the Licence is or is not 'significant' (under the provisions of section 52 of the Act). In making its judgement of 'significance', Monitor will make a case-by-case determination, examining the

circumstances to decide what action, if any, is appropriate. Monitor will aim to ensure that its responses are proportionate.

Circumstances will arise where an NHS foundation trust has failed to comply with its Licence but the failure is not judged to pass the statutory test of 'significance'. Monitor may draw such circumstances to the attention of the Board to seek confirmation that remedial action is in hand. Monitor may decide to *make public* failures to comply with the Licence whether or not they are significant in statutory terms. There is a legal obligation on Monitor to publicise formal interventions made under section 52 of the Act.

4. Approach to intensity of monitoring

The intensity of monitoring will be guided by risk assessments. This includes both a forward-looking orientation and an assessment of historic performance. For those NHS foundation trusts where the board struggles to manage risks of non-compliance with their Licence, monitoring will be more intense, and usually monthly ***(as in our case).***

5. What NHS foundation trusts are required to provide

NHS foundation trusts are required to provide to Monitor in-year submissions covering financial and non financial performance in the most recent quarter and year to date against annual plan. Monitor will review actual quarterly performance against the annual plan. In cases where there is any **material variance between the in-year financial submissions and the relevant quarter of the annual plan**, NHS foundation trusts are required to provide a financial commentary explaining the reasons for the variance and the actions which they propose to take to address it. As part of the in-year submission, NHS foundation trusts must also provide:

- Self certification that the Trust will continue to maintain a continuity of services risk rating of at least 3 over the next 12 months
- self-certification that all targets have been met (after the application of thresholds) over the period and plans in place are sufficient to ensure that all known targets, including those which will come into force, will also be met;
- self certification that it is satisfied that, to the best of its knowledge and using its own processes (supported by CQC information and including any further metrics it chooses to adopt), it has and will keep in place, effective arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to its patients
- a report on the results of any elections including turnout rates; and
- a report on any changes in the board or board of governors – *which involves completion of an on line form and Exec turnover is from Q3 14 a new declaration, with Monitor deeming high turnover as a sign of governance issues.*

NHS foundation trusts are required to report in-year, quarterly in the first instance, by 31 July (Q1), 31 October (Q2), 31 January (Q3), and 30 April (Q4) respectively.

The Risk Assessment Framework also has additional measures to enable Monitor to continue to judge whether NHS foundation trusts are well-run, through strengthening the existing range of measures to assess good governance by taking extra material such as staff and patient satisfaction surveys into account. The detail of this was reported to Board in the RAF report in October 2013.

6. What Monitor will do with the information

Monitor will evaluate the in-year returns submitted by each NHS foundation trust to verify that the NHS foundation trust is achieving plan and continuing to comply with its Licence.

7. Exception reporting

NHS foundation trusts need to report to Monitor in-year any material, actual or prospective changes which may affect their ability to comply with any aspect of their Authorisation, and which have not been previously notified to Monitor. Examples are given below:

8. Examples of exception reporting:

8.1 Continuity of Services (Finance)

- Unplanned significant reductions in income or significant increases in costs
- Requirements for additional working capital facilities beyond those incorporated in the prudential borrowing limit ("PBL")
- Failure to comply with the *NHS Foundation Trust Annual Reporting Manual (formerly the Financial Reporting Manual (FT FReM))*
- Discussions with external auditors which may lead to a qualified audit report
- Major investments that could affect financial risk rating

8.2 Governance (incl. Mandatory services)

- Events suggesting material issues with governance processes and structures e.g.:
  – Removal of director(s) for abuse of office
  – Failure or likely failure to meet national core standards or targets over the quarter
  – Failure or likely failure to comply with the Hygiene Code
  – Significant non-contractual dispute with an NHS body that lacks powers to enforce cooperation
- Adverse report from internal auditors
- Significant third party investigations that suggest material issues with governance e.g., fraud, CQC reports of "significant failings"
- Proposals to vary the Authorisation
- Proposals to vary mandatory service provision or dispose of assets
  - Including cessation or suspension of mandatory service(s)
  - Via variation of Authorisation or asset protection processes
- Loss of accreditation of a mandatory service
- Impact of introduction of new services where these give rise to material increases in cost

Other risks

- Enforcement notices from other bodies implying potential or actual significant breach of any other requirement in the Licence, e.g.:
  – Health and Safety Executive or Fire Authority notices

Exception reports on failure or likely failure to meet a target, national essential standard or comply with the Hygiene Code should be submitted if a target, national essential standard or the Hygiene Code has not been or will not be met or complied with. ***The proposed Governance exception report for the Trust is included with the papers to Board***

9. Revised Compliance Framework – Risk Assurance Framework

A report was provided to Board in October 2013 outlining changes for 13/14 and Board was invited to consider its future information requirements and required levels of assurance in order to satisfy the changes which took effect from 1st October since the publication of the 13/14 Risk Assurance Framework. From 1st October 2013 the RAF replaces the Compliance Framework as Monitor's approach to overseeing FTs. A key part of this new framework is the new risk rating methodology, as set out in the RAF.

Under the RAF, **a governance rating** will highlight any concerns Monitor have with the way a trust is being run, and what regulatory action they are taking. A **continuity of services risk rating** will represent Monitor's view of the level of financial risk a provider is running and what Monitor is doing about it. It is important that Board members familiarize themselves with Monitor's approach to regulation and that every member challenges the Board's ability to sign the Corporate Governance Statement which it will be required to do when submitting the Annual Plan each March.

The *Risk Assessment Framework* describes the proposed approach to assessing risk in two areas of the licence:

- the **continuity of services licence condition 3**, which requires **all NHS providers** to ensure they remain a going concern; and

- the **NHS foundation trust licence condition 4**, which lays out Monitor's definition of good governance and **only applies to NHS foundation trusts**

10. Risk Ratings

Following their conclusion on Q2 analysis, Monitor published both the Compliance Framework financial risk rating and the RAF continuity of services risk rating which was sent to the December Board and was identified as a **'shadow' rating**. This dual publication is intended to reflect that the Q2 performance data on which these ratings were based related to a period when the Compliance Framework was in force, when the RAF will be in force at the time of publication. The continuity of services risk rating will be the only financial rating published following Monitor's analysis of Q3.

Under the RAF, the governance rating will highlight any concerns they have with the way the Trust is being run and what regulatory action they are taking. The continuity of services risk rating will represent Monitor's view of the level of financial risk a provider is running and what Monitor is doing about it.

10.1 The governance rating

Monitor will primarily use a governance rating, incorporating information across a number of areas. They will generate this rating by considering the following information regarding the Trust and whether it is indicative of a potential breach of the governance condition:

1. Performance against selected national access and outcomes standards (eg if we fail to meet 4 or more of these at any given time or fail the same target for 3 consecutive quarters then governance concern triggered and potential enforcement.) *(cDiff)*
2. CQC judgments on the quality of care provided *(eg our Warning Notice)*
3. Relevant information from third parties *(eg Keogh, Newark surgery review, mortality)*
4. A selection of information chosen to reflect quality governance
5. The degree of risk to continuity of services and other aspects of risk relating to financial governance

10.2 Assigning ratings

The governance rating assigned reflects Monitor's view of our governance

- they will assign a **green rating** if no governance concern is evident
- where they identify potential material causes for concern in one or more of the 5 categories, they will replace a green rating with a description of the issues and the formal/informal steps Monitor are taking to address it
- they will assign a **red rating** if they take regulatory action

10.3 Levels of risk to continuity of service

The conditions concerning affordability of debt in Monitor's *Prudential Borrowing Code* are designed to enable NHS foundation trusts to operate with an appropriate degree of financial independence without compromising their provision of NHS services. Monitor has incorporated Capital Servicing Capacity, which forms part of the *Prudential Borrowing Code*, in our continuity of services risk rating for all providers of Commissioner Requested Services.

Monitor introduces four levels of risk to the continuity of services:

Continuity of Service Risk Rating	Description	Monitoring frequency	Regulatory activity
4	No evident concerns	Quarterly	None
3	Emerging or minor concern potentially requiring scrutiny	Potential monthly	None
2*	Level of risk is material but stable	Potential monthly	None
2	Material risk	Monthly or greater	Consideration for potential investigation (ultimately Enforcement Action)
1	Significant risk	Monthly or greater	Potential investigation and appointment of contingency planning team

11. Quality Governance Framework

Board members are reminded that the requirement is to "assess against" rather than "have regard to" the Monitor Quality Governance framework. If Monitor has evidence that a Board may not be meeting quality of healthcare requirements, it will explore the basis of our declaration which will include consideration of the potential commissioning of an external review of our processes. Since last financial year, we no longer have to submit a quarterly declaration, but given its prominence as part of the annual Board certification process, we will on at least a quarterly basis, bring to Board an assessment of our status in accordance with Monitor's best practice framework. For now, the Director of Corporate Services/Company Secretary will report to Board on that basis. **Monitor are relying on our annual declaration within the Annual Plan so do not require a quarterly declaration, however, a declaration was required on 31st October 2013 in accordance with our Discretionary Requirements and the outcome of our final external assurance report from Monitor scored the Trust at 4. A report to Board this month highlights the areas the Trust is progressing to move to a score below 4 by the end of February.**

The Executive Director of Nursing will present the report on Learning Disabilities which is part of the Governance Declaration where Board are certifying against compliance with requirements regarding access to healthcare for people with a learning disability. The Trust **has to be achieving all 6 criteria** for meeting the needs of people with a learning disability, as detailed in the report, which are based on the recommendations set out in Healthcare for All (DH2008). Board are reminded of **the importance of evidencing compliance in this area** given the tight focus adopted by the CQC where previous reviews of learning disability services found that almost half were not meeting government standards with many failings being a direct result of care that was not centred on the individual or tailored to their needs. (See Appendix 1)

All other performance indicators which form part of the Governance Declaration are subject to monthly reporting to Board. The Quality and Safety quarterly report will refer to the regular CQC self assessments, and the last equivalent QRP (now has a new name) report is also presented to Board depicting the CQC view of the Trust at its last publication (QRP now ceased). **Declaration 'not confirmed' has been presented as signed within the Board pack pending deliberations due retrospectively to cDiff and RTT breaches and the ongoing recovery programme regarding our Discretionary Requirements.**

11. Action required by Board of Directors

In recognising the need to understand the regulatory obligations detailed within this covering paper, the Board of Directors is invited to review the enclosed Continuity of Services/Finance papers and Declaration, Governance Declaration, and Exception Report and supporting performance data and **APPROVE** the self certification to Monitor which includes the Board's **prospective view** of achievements into the future. The Finance Report and commentary will be presented by the Chief Finance Officer and requires Board **approval**.

In approving declarations, the Board is required to have regard to the information provided to Directors over the previous quarter period, through particularly any board assurance reports, and BAF reports, through its knowledge of the Annual Plan, of the work of Audit and Board committees and activities through IAT and Outcome Guardians, (including the CQC assessments incorporated in the Director of Nursing and Medical Director's October quarterly Board report), the consequence of any third party visits or interventions (including Monitor and CQC), and through scrutiny of monthly financial and non financial performance data, and quality and standards data, recognising also the historical and prospective work of Internal Audit and external reviews.

Board members are invited to ensure they are comfortable with the statements made within the Exception Report being suitable in content and context for onward submission to Monitor by the Director of Corporate Services **who would wish particularly to draw to the Board's attention the importance of debating the Finance and Governance Declarations prospectively.**

APPENDIX 1

Supporting information to members to assist with quarterly self certification

Continuity of Services (Financial) Risk Ratings

Indicators of forward financial risk

Each quarter Monitor requires trusts to submit a limited set of indicators of forward financial risk to highlight the potential for any future material financial breaches of the Authorisation. Where trusts inform Monitor that one or more of these indicators are present at a trust, Monitor will consider whether a meeting with the trust to discuss them is appropriate. Following this meeting, Monitor may request the preparation of plans or the provision of other assurances as to an NHS foundation trust's capacity to mitigate any potential risk. These indicators do not of themselves affect Monitor's risk ratings or trigger formal escalation

In order to certify on financial performance, Monitor would expect boards to:

- have a full understanding of the current and future financial position, and how it relates to the external environment in which the trust operates and the strategy of the trust;

 maintain systems to monitor and regularly report on financial performance to the board and be confident of the basis of preparation and accuracy of the financial performance information being reported;

 review and challenge financial performance on an on-going basis;

 use forecasting and extrapolation of current and historical trends to help predict future financial performance;

 have a full understanding of the basis on which the certification is given.

Where there is evidence that a board may not be meeting Monitor's financial risk requirements, Monitor is likely to explore the basis for a board's certification.

Governance (service performance)

 have a full understanding of the basis on which healthcare targets are measured as included in the *Risk Assurance Framework*;

 be confident that they are receiving accurate information as to current and expected levels of performance against each of the healthcare targets and any performance risks;

 use forecasting and extrapolation of historic trends to help predict future performance;

 satisfy themselves that systems are in place to ensure risk to delivery has been properly assessed;

 maintain systems to monitor and regularly report on performance

Governance (Learning disabilities)

NHS foundation trust boards are required to certify that their trusts meet requirements below at the annual plan stage and in each quarter. Failure to do so will result in the application of the service performance score for this indicator.

a) Does the NHS foundation trust have a mechanism in place to identify and flag patients with learning disabilities and protocols that ensure that pathways of care are reasonably adjusted to meet the health needs of these patients?

b) Does the NHS foundation trust provide readily available and comprehensible information to patients with learning disabilities about the following criteria:
    - treatment options;
    - complaints procedures; and
    - appointments?

c) Does the NHS foundation trust have protocols in place to provide suitable support for family carers who support patients with learning disabilities?

d) Does the NHS foundation trust have protocols in place to routinely include training on providing healthcare to patients with learning disabilities for all staff?

e) Does the NHS foundation trust have protocols in place to encourage representation of people with learning disabilities and their family carers?

f) Does the NHS foundation trust have protocols in place to regularly audit its practices for patients with learning disabilities and to demonstrate the findings in routine public reports?

APPENDIX 2

Summary of Monitor's recommendations from previous independent self-certification reviews of foundation trusts

The Board's role

- Introduce an additional level of executive challenge within the overall self-certification process. For example, peer review sessions;
- Provide for an initial NED challenge to the level of assurance obtained before consideration by the trust Board;
- Ensure that executive directors and NEDs properly assume responsibility for self-certification declarations; and
- Ensure that sufficient time and focus is given at trust Board meetings to challenge self-certification recommendations.

Board reports

- Clear ownership, process and timetable (including data 'freeze' dates) for recording, validating, and reporting of data are required to ensure that all performance reports are based on the same information;
- Ensure that Board minutes provide sufficient detail of key discussions held by the Board;
- Trust performance reports should contain sufficient detail to enable NEDs to scrutinise and challenge self-certification proposals;
- Draft self-certification declarations should be prepared well in advance of submission deadlines to allow time for proper scrutiny and challenge;
- Board assurance documents, discussions of risk and the self-certification process should be aligned;
- Ensure that trust's risk register is updated and reported to the Board on a regular basis;
- Board minutes to clearly document the decision making process of self-certifications; and
- Self-certification to Monitor to be added as a standard Board meeting agenda item.

Board sub-committees

- Ensure that the Audit Committee and Information Governance Committee review their operations to ensure they provide appropriate levels of assurance to management and the Board;
- Audit Committee operations need to embrace the full remit of the NHS Audit Committee Framework; and
- The Audit Committee should review the accuracy of self-certification declarations made to Monitor.

Directorate responsibility

- Ensure that directorates engage effectively with the trust's governance agenda; and
- Ensure clear ownership of reporting performance to the Board by executive and directorate management.

Risk reporting

- Risk reporting processes at clinical business unit level need to ensure that the trust's risk register is complete; and
- The Trust Assurance Framework should map the risks of the trust not achieving its strategic objectives to the controls in place to mitigate these risks and the assurances over the effectiveness of the controls.

Internal audit

- A rolling programme of internal audit work should be used to support the self-certification process;
- The Audit Committee should commission internal audit to assess whether the trust's risk mitigation actions have been successful at reducing risk; and
- Internal audit assurance should be reflected in board reports.

Training

- Implement development sessions for the trust Board to enable them to better challenge self-certification recommendations.

2013/14 M9 Monitor Return
(as part of Q3 submission pack)

SUPPLEMENTARY AND EXCEPTION REPORTING COMMENTARY

GOVERNANCE

Discretionary Requirements

The Trust has updated Monitor regularly through the PRM process providing updates on progress with the PwC and KPMG reviews of Board and Quality Governance and Financial Governance and associated action plans and submitted a compliant declaration to Monitor on 31st October 2013 including external assurance reports. Additionally, we have submitted our improvement plan acknowledging that the underlying deficit next year deteriorates before it improves but that the overall plan leads to an improvement. We have meetings scheduled with Monitor throughout January to discuss various elements of the Requirements to include the PWC Quality Governance Framework Score which has recently been reassessed by PWC supporting an improvement in the Trust's score from 5 to 4. The Board has utilised this score as the baseline and will receive monthly reports and actions to progress below 4 at the earliest opportunity.

Enforcement Undertakings - Keogh Review

The Trust reports monthly to Monitor as part of the PRM process and through the NHS Choices process, involving as required, Mr Mike Shewan the Trust's Improvement Director. Monitor is currently liaising with the CEO, Paul O'Connor to establish an agreed way forward regarding 'buddying' arrangements that will support additional and continuous improvements and further information in order to finalise matters will be provided during the scheduled PRM meeting.

Board members approved additional spending on nursing at its December Board meeting in accordance with indicative costings as previously reported to Monitor. Positive feedback has been received following the Keogh and CQC visit on 4th December 2013 culminating in the CQC's moderate concern for Outcome 16 being delegated to a minor concern as detailed below. The assurance panel who visited the trust as part of the Keogh Review (4th December 2013) have identified of the 23 groups of actions assessed, 6 are recorded as assured, and 17 as partially assured with no areas recorded as 'not assured'. David Levy, who led both Keogh reviews recognised "the huge amount of work undertaken in the last 6 months, since the Keogh visit. He commented the team " saw many examples of good team working and progress against the action plan" and said he did " want to share the team's view of how different the Trusts culture and mood felt as they moved around the hospital, and from speaking to both staff and patients. It is clear that the Trust's culture and the mood has shifted to a much more positive place to be cared in. You and your team should feel very proud of what you have achieved, in such a short period of time. I am confident that you will continue to provide the best possible care to the patients that you treat."

Care Quality Commission (CQC)

Monitor was advised as part of the PRM process that the Trust had received a Warning Notice in September 2013. The CQC has written to the Trust since their inspection on 4th December to confirm that the CQC felt sufficient improvements had been made to enable the Warning Notice to be reduced to a minor Compliance Action.

C Difficile Target

As of 10.01.2014, the Trust has breached its annual 2013/14 trajectory for C. difficile. The 2013/14 full year target is 25 cases or less and the Trust has just recorded its 28th case of hospital associated C difficile. The Trust highlighted as part of the APR process the challenges it faced reducing an already very low prevalence

of C,difficile infection. The Trust is assessing all cases in totality to identify any weaknesses that should be addressed and is undertaking a 'look back exercise' to ensure all learning opportunities have been implemented. Only 3 of the reported cases were possible hospital transmitted with overlap of clinical location and the same ribotype; these were identified following different periods of increased incidence . The first involving a Ward with a CDI toxin positive and a GDH antigen positive which were both the same ribotype. The second two patients with CDI toxin positive results on the same ward and these were the same ribotype, they had not been in the same bay but had been looked after by the same nursing team. In the remaining cases these conditions were not met and it remains unclear if these are cases acquired in the community but diagnosed in hospital .We continue to investigate cases appropriately. The Trust continues to work with its commissioners to assess and compare action plans of other trusts in the on-going quest to continually improve what are already low rates of infection for the organisation.

MRSA Bacteraemia

No cases occurred in the reporting period so there have been 3 cases of MRSA Bacteraemia, year to date. As previously reported the Trust commissioned an independent assessment by a national expert to review infection control practices. He did not identify any gaps or significant recommendations around leadership, management or governance and concurred with a number of practice based recommendations that have been implemented as part of the Trust's infection prevention action plan except two of these are still in the process of implementation.

RTT 18 Weeks

We highlighted the challenges we faced with the 18 week targets in our APR, and following the Trust enacting a remedial action plan for the delivery of the non-admitted pathway, in all specialties by February 2014, the Trust performance in relation to the non-admitted pathway has not been achieved in November and December. The December position is 94.3% with a higher number of breach patient clock stops as we seek to treat as many breach patients as feasible whilst still treating chronologically. The Trust has a robust action plan for ensuring achievement of all specialties by February 2014 and had planned the trajectory with relevant winter/Christmas variables, the CCG is aware of a shortfall in capacity for non-electives in January 2014 which could potentially impact on delivery of RTT as well as the 4 hour target. The highest risk for the Trust is the Trauma and Orthopaedic specialty which despite senior intervention is still struggling on all 3 pathways. Work is ongoing to support the specialty. The Trust has failed the incomplete target and achieved 91.25% against the 92% target. Causation is still being reviewed. The Trust is having admitted pathway issues during January which it is investigating, there is a high likelihood that the Trust will not achieve admitted in January however work is ongoing to recover the position and in relation to causation. The intensive support team are continuing to support the Trust and are increasing their involvement given the current issues.

52 Weeks

The Trust identified an issue in relation to orthodontic patients whose 18 week clocks had been stopped by the Consultant/nursing team incorrectly in the last report. The Trust has followed several avenues to facilitate treatment of the patients before the end of December however despite extensive review with alternative organisations, only Nottingham University Hospitals have been able to provide support to treat patients which led to the Trust reporting 24 patients over 52 weeks at the end of December. Patients are now being booked and it is anticipated that we will not have been able to treat 5 of these patients before the end of January therefore we will have 5 patients over 52 weeks at the end of January. The patients will have been treated in February and an RCA and report in relation to this event has been sent to the CCG and Area Team (as this is a specialist service – therefore not commissioned by the CCG).

4 hour target

December performance was 94.28% with KMH only achieving 91.69% but Newark and PC24 both performing above 95%. The Trust did still achieve the Q3 target, 95.74% and has therefore achieved in all three quarters to date. The main issues with regard to the 4 hour target continue to be acuity with more resus patients

presenting, volume of presentations between 3pm and midnight and discharge flow. The Trust has responded by increasing medical support at key times however this is limited to the availability of additional locum staff as all in-house resource has been deployed. The CCG were fully aware of our concerns about January capacity and responded with 10 'discharge to assess' beds which were online from 23 December and a review of available resource for non-weight bearing patients. The CCG are updated daily in relation to the issues the Trust has experienced with accessing the 'discharge to assess beds' and the arrangements for non-weight bearing are only just coming into operation. The Trust has additionally responded to winter pressure by converting surgical beds at Newark hospital into medical beds to support patients awaiting rehabilitation. This has not been well received by patients and relatives but has made a difference to maintaining flow. To date, January flow has been difficult to sustain however in comparison to the previous January, the Trust is in a much better position with flow brought back on track much quicker when there is an influx of patients. The Trust is currently at 94.01% for January and it must be noted that whilst respiratory conditions have commenced, the slips, trips and falls expected during January have not yet impacted on the Trust.

Community Paediatrics backlog

The Trust has a plan agreed with the CCG to clear the inherited backlog by June 2014 as indicated in the annex to the letter sent to Monitor on 13th September. The plans include additional investment in capacity to support this work and working with primary care as a number of these children can be dealt with more appropriately in primary care settings. We have risk assessed to ensure we have the appropriate mitigations in place and have for instance prioritised patients requiring medication changes but there remain risks that some lower priority patients may be affected. The specialty has managed to secure a locum consultant and is confident of achieving the timescale agreed with the CCG.

Outpatient follow up backlog

In relation to the outpatient follow-up backlog; Regarding phase 1 this is now complete. Regarding phase 2, there were 74 patients overdue at the end of May/June 2013 in our last report and this position is now 54 who were planned to be appointed by the end of October however with conflicting pressures on specialties to increase capacity in relation to ASIs, non-admitted and review, this has not been achievable as there has been insufficient nursing resource in out-patients to meet demand. Work is ongoing with our out-patient team to enable all 54 outstanding patients to have been appointed before the end of January following the inability to achieve this in December and also ensure that capacity for review is sustained.

Never Event

The Trust was disappointed to have to report to Monitor in December that there had been a Never Event concerning an opioid overdose of an opioid-naïve patient. Monitor and the CQC received notification from the Director of Nursing following the serious incident on 19th December 2013. A full investigation is being undertaken in accordance with the timescales within our serious incident policy and will report within the 60 working days timeframe to both our Quality Committee and Board of Directors. The Trust has maintained contact with the parents of the baby and the Sheffield Hospitals where the baby was transferred to. The baby has recovered to be discharged home.

Council of Governors

The Lead Governor is likely to voluntarily stand down from the lead role at the February Council of Governors meeting if he is successful in obtaining a zero hours contract with the Trust's staff bank team. A process has been set in motion to ensure continuity should this occur and Monitor will be advised accordingly should a new nomination be made.

Worksheet "Targets and Indicators"

Declaration of risks against healthcare targets and indicators for 2013-14 by Sherwood Forest Hospitals

These targets and indicators are set out in the Risk Assessment Framework

Definitions can be found in Appendix A of the Risk Assessment Framework

NOTE: If a particular indicator does not apply to your FT then please enter "Not relevant" for those lines.

Key: must complete / may need to complete

Target or Indicator (per Risk Assessment Framework)	Threshold or target YTD	Scoring under Compliance Framework	Scoring under Risk Assessment Framework	Risk declared at Annual Plan	Scoring under Compliance Framework	Quarter 1 Actual Performance	Quarter 1 Actual Achieved/Not Met	Scoring under Compliance Framework	Quarter 2 Actual Performance	Quarter 2 Actual Achieved/Not Met	Scoring under Compliance Framework	Quarter 3 Actual Performance	Quarter 3 Actual Achieved/Not Met	Any comments or explanations	Scoring under Risk Assessment Framework
Referral to treatment time, 18 weeks in aggregate, admitted patients	90%	1.0	1.0	No		94.50%	Achieved		94.36%	Achieved		92.0%	Achieved		
Referral to treatment time, 18 weeks in aggregate, non-admitted patients	95%	1.0	1.0	No		95.70%	Achieved		95.59%	Achieved		94.4%	Not met	see exception report	
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	92%	1.0	1.0	No	0	95.10%	Achieved	0	93.83%	Achieved	0	91.3%	Not met	see exception report	2
A&E Clinical Quality- Total Time in A&E under 4 hours	95%	1.0	1.0	No	0	96.70%	Achieved	0	96.66%	Achieved	0	95.7%	Achieved		0
Cancer 62 Day Waits for first treatment (from urgent GP referral)	85%	1.0	1.0	No		91.60%	Achieved		88.83%	Achieved		89.7%	Achieved		
Cancer 62 Day Waits for first treatment (from NHS Cancer Screening Service referral)	90%	1.0	1.0	No	0	100.00%	Achieved	0	100.00%	Achieved	0	100.0%	Achieved		0
Cancer 31 day wait for second or subsequent treatment - surgery	94%	1.0	1.0	No		96.20%	Achieved		100.00%	Achieved		100.0%	Achieved		
Cancer 31 day wait for second or subsequent treatment - drug treatments	98%	1.0	1.0	No		100.00%	Achieved		100.00%	Achieved		100.0%	Achieved		
Cancer 31 day wait for second or subsequent treatment - radiotherapy	94%	1.0	1.0	No	0	0.00%	Not relevant	0	0.00%	Not relevant	0	0.0%	Not relevant		0
Cancer 31 day wait from diagnosis to first treatment	96%	0.5	1.0	No	0	99.70%	Achieved	0	99.37%	Achieved	0	100.0%	Achieved		0
Cancer 2 week (all cancers)	93%	0.5	1.0	No		94.10%	Achieved		93.86%	Achieved		95.5%	Achieved		
Cancer 2 week (breast symptoms)	93%	0.5	1.0	No	0	97.60%	Achieved	0	95.05%	Achieved	0	93.0%	Achieved		0
Care Programme Approach (CPA) follow up within 7 days of discharge	95%	1.0	1.0	No		0.00%	Not relevant		0.00%	Not relevant		0.0%	Not relevant		
Care Programme Approach (CPA) formal review within 12 months	95%	1.0	1.0	No	0	0.00%	Not relevant	0	0.00%	Not relevant	0	0.0%	Not relevant		0
Admissions had access to crisis resolution / home treatment teams	95%	1.0	1.0	No	0	0.00%	Not relevant	0	0.00%	Not relevant	0	0.0%	Not relevant		0
Meeting commitment to serve new psychosis cases by early intervention teams	95%	0.5	1.0	No	0	0.00%	Not relevant	0	0.00%	Not relevant	0	0.0%	Not relevant		0
Ambulance Category A 8 Minute Response Time - Red 1 Calls	75%	0.5	1.0	No		0.00%	Not relevant		0.00%	Not relevant		0.0%	Not relevant		0
Ambulance Category A 8 Minute Response Time - Red 2 Calls	75%	0.5	1.0	No	0	0.00%	Not relevant	0	0.00%	Not relevant	0	0.0%	Not relevant		0
Ambulance Category A 19 Minute Transportation Time	95%	1.0	1.0	No	0	0.00%	Not relevant	0	0.00%	Not relevant	0	0.0%	Not relevant		0
Clostridium Difficile -meeting the C.Diff objective	19	1.0	1.0	Yes	1	8	Achieved	0	17	Not met	1	28	Not met	see exception report	1
MRSA - meeting the MRSA objective	0	1.0	N/A	No	0	1	Achieved	0	3	Achieved	0	N/A	Not relevant	No longer applicable under RAF	
Minimising MH delayed transfers of care	<=7.5%	1.0	1.0	No	0	0.00%	Not relevant	0	0.00%	Not relevant	0	0.0%	Not relevant		0
Data completeness, MH: identifiers	97%	0.5	1.0	No	0	0.00%	Not relevant	0	0.00%	Not relevant	0	0.0%	Not relevant		0
Data completeness, MH: outcomes	50%	0.5	1.0	No	0	0.00%	Not relevant	0	0.00%	Not relevant	0	0.0%	Not relevant		0
Compliance with requirements regarding access to healthcare for people with a learning disability	N/A	0.5	1.0	No	0	0.00%	Achieved	0	0.00%	Achieved	0	N/A	Achieved		0
Community care - referral to treatment information completeness	50%	1.0	1.0	No		81.80%	Achieved		85.92%	Achieved		86.2%	Achieved		**0**
Community care - referral information completeness	50%	1.0	1.0	No		57.40%	Achieved		54.26%	Achieved		54.0%	Achieved		0
Community care - activity information completeness	50%	1.0	1.0	No	0	76.70%	Achieved	0	77.11%	Achieved	0	75.5%	Achieved		0
Risk of, or actual, failure to deliver Commissioner Requested Services	N/A	4.0	Report by Exception	No	0		No	0		No	0		No		
CQC compliance action outstanding (as at 31 Dec 2013)	N/A	special	Report by Exception	Yes			Yes			Yes			Yes	see exception report	
CQC enforcement action within last 12 months (as at 31 Dec 2013)	N/A	special	Report by Exception	No			No			No			Yes		
CQC enforcement action (including notices) currently in effect (as at 31 Dec 2013)	N/A	4.0	Report by Exception	No			No			Yes			Yes	Warning Notice - moderate concern Following review is now minor concern	4
Moderate CQC concerns or impacts regarding the safety of healthcare provision (as at 31 Dec 2013)	N/A	special	Report by Exception	Yes			Yes			Yes			No		
Major CQC concerns or impacts regarding the safety of healthcare provision (as at 31 Dec 2013)	N/A	2.0	Report by Exception	No	0		No	0		Yes	4		No		
Trust unable to declare ongoing compliance with minimum standards of CQC registration	N/A	special	Report by Exception	No			Yes			Yes			Yes		
Results left to complete				0			0			0			0		
Total Score				1			0			5			7		
Overide Rating (if any)							RED								
Compliance Framework Indicative Governance Risk Rating				AMBER-GREEN			RED								