

		THE HEALTH SCRUTINY COMMITTEE FOR LINCOLNSHIRE	
Boston Borough Council	East Lindsey District Council	City of Lincoln Council	Lincolnshire County Council
North Kesteven District Council	South Holland District Council	South Kesteven District Council	West Lindsey District Council

Open Report on behalf of Caroline Walker, Interim Chief Executive Officer
Peterborough and Stamford Hospitals NHS Foundation Trust

Report to	Health Scrutiny Committee for Lincolnshire
Date:	25 June 2014
Subject:	Peterborough and Stamford Hospitals NHS Foundation Trust: Update on Developments and Enforcement Actions

Summary:
The following report provides an update on developments as requested by the Health Scrutiny Committee for Lincolnshire. This covers:

- the Trust's response to the Care Quality Committee (CQC) report on Peterborough City Hospital and Stamford Hospital;
- an update on developments at Stamford and Rutland Hospital;
- the latest budgetary position and an overview of performance; and
- the latest position regarding the Trust's procurement exercise.

Actions Required:
The Committee is asked to consider and comment on the content of the report and determine whether it requires additional information or further updates.

1. Background

1.1 Current Context

There will be a number of executive director changes at Peterborough and Stamford Hospitals NHS Foundation Trust ('the Trust') over the coming months.

Dr Peter Reading, the Interim Chief Executive, leaves the Trust when his contract ends on 23 June and the Director of Finance, Caroline Walker, steps in as Acting Chief Executive until the substantive Chief Executive, Stephen Graves, joins the Trust on 8 September.

In addition, Lisa Hunt started at the Trust as Interim Chief Operating Officer on 14 May.

The Care Quality Commission (CQC) inspected the Trust in March. Overall, the Trust was rated 'Requires Improvement', with Peterborough City Hospital also receiving 'Requires Improvement' rating, and Stamford and Rutland Hospital rated as 'Good'. The inspectors said the Trust as a whole was well led and that staff were caring. The Trust is now focusing on its subsequent CQC action plan.

The Trust and the local health care system have struggled again in urgent care performance and in this context over the next six months the focus for the Trust performance will be on:

- Urgent care – recovering our position on managing the non-elective pathway; ensuring patients are seen, treated and discharged from the Emergency Department within 4 hours and improving the experience of some of our most vulnerable patients
- Elective care – every patient who requires routine surgery to be treated within 18 weeks from referral and protecting this group of patients from cancellations and disruptions, which in turn safeguards income
- Financial plans – delivery of our change programme to remove waste
- Operational plans – focus on systems and processes that enable the above to take place

The Trust is being impacted by the Clinical Commissioning Groups' (CCGs') strategic health reviews.

South Lincolnshire CCG's review has impacted on the timescales for the redevelopment of Stamford Hospital, and Cambridgeshire and Peterborough CCG's review has extensive implications for the Trust's tender Project Orange.

In addition, the Trust's main commissioner, Cambridgeshire and Peterborough CCG, is one of 11 'distressed' health economies and the Trust is taking part in the work to develop the CCG's two and five year strategic plans – starting as a 'blueprint', with more substantial work requiring a further nine months or more to complete.

The Trust publishes its public board papers which give more details at www.peterboroughandstamford.nhs.uk. These can be found in the 'About Us' under Trust Public Board Meetings.

2. Care Quality Commission Inspection

In March the Trust was part of the Care Quality Commission's (CQC) phase two, new-style hospital inspections. The inspection focused on five key questions - are services safe, effective, caring, responsive to patients' needs and well led? The CQC released its report on the Trust's inspection on 16 May.

Despite the overall Trust rating of 'requires improvement' six out of eight service areas at Peterborough City Hospital (PCH) were rated as good and all services at Stamford Hospital were rated as good.

- 29 out of a possible 38 scores at PCH were rated as good – that's more than 76%
- 100% of the scores at Stamford were rated as good
- No compliance actions were awarded, and previous ones are now lifted
- Inspectors highlighted particular examples of good practice that they may use to share with other trusts – joint school, bereavement services, maternity debrief, intensive care and Stamford's 'flooding the ward' initiative
- Inspectors said the Trust as a whole was well led and that staff were caring.

2.1 Summary of CQC Ratings

Ratings:						
Location name:	Peterborough City Hospital					
	Safe	Effective	Caring	Responsive	Well led	Overall service
A&E	RI	NA	G	RI	G	RI
Medical care	RI	RI	RI	RI	RI	RI
Surgery	G	G	G	G	G	G
Intensive/Critical Care	G	G	G	G	G	G
Maternity & Family Planning	G	G	G	G	G	G
Children & Young People	G	G	G	RI	G	G
End of Life Care	G	RI	G	G	G	G
Outpatients	G	NA	G	G	G	G
Overall domain	RI	RI	G	RI	G	n/a
Overall location	Requires Improvement (RI)					

Ratings:						
Location name:	Stamford Hospital					
	Safe	Effective	Caring	Responsive	Well led	Overall service
A&E	G	NA	G	G	G	G
Medical care	G	G	G	G	G	G
Surgery	G	G	G	G	G	G
Outpatients	G	NA	G	G	G	G
Overall domain	G	G	G	G	G	n/a
Overall location	Good					

Trust name:	Peterborough and Stamford Hospitals NHS FT				
	Safe	Effective	Caring	Responsive	Well led
Domains at trust	RI	RI	G	RI	G
Overall trust	Requires Improvement (RI)				

2.2 CQC Headline Findings

- A&E: The Trust continues to struggle to meet the four-hour targets due to the numbers of patients attending the emergency department. However, we saw and heard some good care experienced by patients. The plans for the reintroduction of the children's A&E will enhance the service offered to younger patients.
- Planned discharge: Throughout our inspection we heard about the issues trust staff face with planning discharge. This includes the variances in contacting health and social care providers in five local authorities. However, in order to address capacity issues this aspect needs to be addressed by the trust and key stakeholders.
- Complaints: We heard and saw evidence that the Trust had previously had a large backlog of complaints. The Patients Association joined us on this inspection to review the complaints handling process and recommendations from their report are contained within the inspection report.

It reported numerous examples of commendable practice, including:

- Joint school for patients undergoing joint replacement treatments in order to discuss how to live post op
- Excellent maternity care underpinned by debrief sessions offered to women post birth
- The mortuary team and bereavement services provided excellent sensitive services to families and carers
- The national award relating to healthcare-acquired infections (HAIs) for its work on and intervention in ventilator-associated pneumonia in critical care
- The practice of ward 'flooding' on the John van Geest unit to ensure that all members of staff were aware of the daily activities for patients.

2.3 CQC Action Plan

The Trust has put an action plan in place, which will be monitored internally, by the Trust Management Board and the Board's Quality Assurance Committee, and externally, by Monitor.

The Trust's CQC action plan will be presented to the Committee.

3. Stamford and Rutland Hospital Development Update

The delivery of the redevelopment of Stamford and Rutland Hospital site is ongoing, in accordance with Trust priorities.

3.1 Design Contractors

In January 2014 the project team went out to tender in order to appoint a professional design team which includes architects, quantity surveyors and a construction design management coordinator. The preferred supplier was agreed in April.

3.2 West-end of the site

There are a number of activities and achievements that have taken place since autumn 2013. One of the key points of focus over the last six months has been to empty out the part of the site that the Trust does not intend to use for delivery of its services in the future. This encompasses the west end of the site from Ancaster and Exeter wards up to and including where the façade of the original hospital stands. This will then allow the Trust to take a decision on possible demolition (respecting all historical buildings and items of interest) and any other possibilities to make the site more market ready. It will also allow the Trust to make some savings on business rates, heating and lighting etc.

The only remaining patient facing service running out of the west end of the site, pain management will be remaining at Stamford and is a key part of the redevelopment. The intended location is currently occupied by one of our tenants and so until the tenant vacates the space and some minor alterations are done, the staff and patients remain in this part of the building. A temporary location has been considered but any decision on this is delayed until we receive recommendations on the timelines of terminations of leases.

By autumn 2014, the Trust may be in a position to demolish the west end of the site. The design contractors will complete a cost benefit paper to cover all aspects of the demolition and this will be considered by the project board before moving to the financial investment committee for approval, if needed. It should be noted that the cost of demolition works were not included as part of the project's £3.8m costings.

3.3 Tenants

All tenants have personally been met with and briefed on the redevelopment of the site and that this is likely to impact on our ability to continue to rent the same or indeed any space to them in the future. Meetings and correspondence continue with tenants on a regular basis. Some have expressed an interest in changing and downsizing space requirements sooner than the redevelopment would need but to mutual benefit, others are discussing various future options for space and working with other agencies. It is in the Trust's interest to continue to work with our tenants to find mutually agreeable solutions wherever possible.

3.4 Clinical Strategy

Throughout 2012 Peterborough and Stamford Hospitals NHS Foundation Trust worked with South Lincolnshire Clinical Commissioning Group to draw up a clinical strategy for the Stamford site, which supported the provision of high quality efficient health services that were responsive to the local community and the needs of the local population whilst ensuring clinical and financial sustainability.

In an ever-changing political and healthcare landscape, the project sought to revisit the services initially agreed in the strategy, in order to ensure both commissioners and the Trust were fully signed up to provide these services locally in Stamford in 2014 and beyond.

A full analysis was undertaken on what is currently provided on site, what was agreed in the 2012 clinical strategy and from discussions at recent meetings. This analysis is summarised as the following:

- The range of services initially identified in 2012 is still confirmed as a minimum level of services to be provided.
- There may be some additional outpatient services on site, namely in the form of multidisciplinary primary/secondary long term condition clinics. For example a diabetic clinic may involve a dietitian, a podiatrist, an ophthalmologist, a GP with special interest and a consultant. Rather than having multiple appointments with various specialists across the county, patient will be able to see everyone they need to at the Stamford site with just one visit.
- There may be some alterations to original estimations of activity and income levels due to changes in any qualified provider (diagnostics and therapies), changes in commissioning intentions with other providers (antenatal), and other services based at PCH that wish to provide services at Stamford (dermatology, rheumatology).
- The CCG strategic review of community-based beds has suggested they may wish for more inpatient beds to be provided at Stamford.
- Specialist commissioning review of renal services has revealed a shortage of renal dialysis capacity, and the Trust could work with University Hospitals of Leicester NHS Trust to create additional capacity at Stamford.
- Demand for MRI scans in the Trust has filled the available capacity at PCH. Subject to a separate business case Trust Board may decide to provide additional scanning capacity at Stamford Hospital site.

These items would have a significant impact on the design of the estate - space allocation, footfall through the site, car parking requirements and the infrastructure investment - MRI and renal would both require significant infrastructure upgrades. All of these items and their supporting infrastructure could also significantly alter the original financial assumptions regarding income and revenue.

In addition, South Lincolnshire CCG will not complete its strategic health review until September 2014, and until that point it is not in a position to agree some of the additional services that it may wish to be provided at Stamford Hospital. The options appraisal for additional MRI capacity needs to be considered by Trust Board, and the strategy for provision of renal services needs to be agreed with University Hospitals of Leicester NHS Trust.

Therefore, in light of these aspects the Stamford redevelopment project board recommended that a full and updated business plan be submitted to Trust board in October 2014, including final decisions on the additional items in the clinical strategy, and a supporting and updated financial analysis of the business case.

3.5 Next Steps

The next three months will be spent on the following key items:

1. Working with lawyers to get a full and comprehensive understanding of the site and any restrictions and obligations the Trust may have regarding it.
2. Continuing to work with commissioners on understanding and agreeing the services they want to see on site, due by September 14.
3. Working with diagnostic and renal services to produce full options appraisals on the requirements and finances of creating additional capacity, and where the most suitable location for that capacity is.
4. Revisiting all financial assumptions and modelling to produce an updated financial case for Trust Board in October 2014.

4. Budgetary Position and Performance

May performance figures can be provided at the Committee meeting.

4.1 Budget Position

The Trust has a £45m deficit plan for 2014/15. The plan takes into account the significant assumptions of a reduction in activity by our main commissioners Cambridgeshire and Peterborough Clinical Commissioning Group and South Lincolnshire Clinical Commissioning Group.

The Trust had a £1.4m favourable variance to the forecast for April. This is due to new information received following the completion of budget setting, particularly relating to pay inflation and the CNST (insurance) premium. The Trust will continue to refine its forecast as it moves through the financial year.

4.2 Performance - Emergency Care Performance

There is continuing extensive scrutiny on urgent care from commissioners, Monitor and NHS East of England. Urgent care reform is a high priority for the Trust to achieve sustainable improvement of internal processes to secure ongoing compliance with the 4-hour 95% standard. Further support has also been sought from commissioners in addressing the system challenges.

Following improved (but still not acceptable) urgent care performance in April, the Trust and the local health care system have struggled badly again in this sphere since the beginning of May.

The Trust and its partners invited the Department of Health's Emergency Care Intensive Support Team (ECIST) back to work with the Trust and, additionally, with the whole local health care system.

ECIST visited the Trust and the local system from 29 April to 1 May. Its report provided at the end of May highlighted discharge challenges around the Trust working with different providers across five local authority areas. Recommendations for the Trust include: increasing ambulatory care activity; reviewing the bed configuration on assessment and short stay wards, and delivering daily senior reviews for all patients on all wards. The wider recommendations include reviewing the support model of residential and nursing homes, review of the provision of community beds vs home-based care, and update the wider

system plans with ambulance service, social care, mental health care and interfaces between services.

5. Project Orange Update

The Trust submitted a detailed draft project plan to Monitor to meet the Enforcement Notice deadline of 31 March 2014.

Since then, there have been two meetings with Monitor to consider some of the technical issues highlighted in the draft plan which are beyond the authority of the Trust on its own to resolve, and to consider the possible implications for the proposed tender of the continuing lack of clarity about the strategic commissioning plans of our largest commissioner, Cambridgeshire and Peterborough Clinical Commissioning Group.

This latter issue may have an impact on the timetable for Project Orange. The 'soft market testing' exercise, conducted for the Trust at arm's length by PwC in January and February, confirmed the critical importance of there being substantial clarity about commissioners' long term commissioning intentions, if potential bidders under Project Orange were to be able to anticipate future patient and income flows and thus make high quality bids. This was something that the Trust has raised with Monitor, NHS England and the CCGs at the Peterborough Region Steering Group at successive meetings from late autumn 2013. If the Cambridgeshire and Peterborough Health Economy strategic plan is not available in sufficient detail for some months to come, then Project Orange may have to delay going to OJEU [The Official Journal of the European Union].

This matter is receiving the closest attention of the Chairman, Interim CEO and the Executive Directors, in conjunction with Monitor.

6. Conclusion

The above report provides an update on the Trust's current position. The Committee are asked to:

- Review the Trust's current position and ask for clarification or update as required;

7. Consultation

None

8. Appendices - None

9. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

The following background papers were used in the preparation of this report:

None

This report was written by the communications team, who can be contacted on 01733 677851 or communications@pbh-tr.nhs.uk