



Annual General Meeting 2016/17



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Agenda

- **Welcome and apologies** Caragh Merrick, Chair
- **Declarations of Interest**
- **Minutes of the previous meeting** Caragh Merrick, Chair
- **Introductions and opening remarks** Caragh Merrick, Chair
- **Review of 2016/17** Caragh Merrick, Chair
- **Quality Account** Vicky Morris, Chief Nursing Officer
- **Annual Accounts** Jill Robinson, Chief Finance Officer
- **Looking forward** Michelle McKay, Chief Executive
- **Date of next meeting TBC**



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Welcome Caragh Merrick, Chair



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Review of 2016/17



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A year of continued challenges

- **CQC**
 - Two inspections
 - Section 29a notice
 - Trust remains in Special Measures
- **Deteriorating performance**
 - Emergency Access Standard – 81.5% (95% requirement)
 - Referral To Treatment – 83.51% (92% requirement)
 - Cancer (62 days) - 71.8% (85% requirement)
 - Diagnostics – 3.55% > 6 weeks (1% threshold)
- **Significant financial deficit**
- **Continued media spotlight**



A year of developments

- Appointment of permanent Board
- Approval of Future of Acute Hospitals in Worcestershire clinical model by the Clinical Commissioning Groups
- £29m capital funding approval
- Completion of A&E expansion at Worcestershire Royal
- Opened new Evergreen ward at WRH
- Herefordshire and Worcestershire STP published



A year of achievements

- Attainment of financial control target
- Launch of Maternity Hub at Kidderminster
- Cardiac electrophysiology and ablation procedures launched
- Volunteers thanked for 60,000 hours service
- Improved environment for renal dialysis patients at Kidderminster
- Introduction of in-hospital newborn hearing tests
- Development of new roles in partnership with UoW – Nurse Associates
- New MRI scanner at the Alexandra Hospital
- New Endoscopy Decontamination Unit at the Alexandra Hospital





Quality Account 2016/17

Vicky Morris, Chief Nursing Officer



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Quality in 2016/17

- Patient Care Improvement Plan for 16/17
- Outcome of quality plan 16/17
- CQC requirements
- Our response to CQC



2016/17 improvement plans



Quality priorities in 2016/17

Goal we set	How did we do?
<p>Improve patient safety through optimising patient flow and developing effective systems for early senior review</p>	<p>Discharged 16% of patients before midday, against a target of 33%</p> <p>Introduced a care pathway for frail patients but unable to sustain in the face of emergency care pressures</p> <p>Introduced ambulatory care to take pressure off ED</p> <p>Identified shortfalls in home and community care settings</p>
<p>Develop a greater quality and safety culture across the organisation through engagement, training and staff development from Ward to Board</p>	<p>Completed lessons learned reviews for 62.5% of deaths in hospital</p> <p>Introduced ward audits of sepsis care to identify scope to improve</p> <p>Improved achievement of timely surgery for patients with a broken hip</p>
<p>Ensure learning from incidents and other harm reviews, identifying and addressing the causes of avoidable harm including pre-emptively through the adoption of early warning tools and best practice care bundles</p>	<p>Conducted leadership modules to strengthen accountability for standards and performance</p> <p>Conducted <i>Listening into Action</i> engagement sessions</p> <p>Introduce new roles to improve recruitment and retention</p> <p>Introduced NEWs and PEWs</p>

CQC warning notices and conditions

Conditions/Warning Notices / Ratings	Area	Site	Date Notice/ Report Received
Section 31 Condition placed on registration (requirement to report 15-minute triage breaches and Harm Reviews)	Emergency Department	WRH	26 th March 2015
Section 29 Warning Notice Regulation 15	Emergency Department Security	WRH/Alex	30 th March 2015
Section 29 Warning Notice Regulation 16	Emergency Department Equipment	WRH	30 th March 2015
Section 29 Warning Notice Regulation 22	Emergency Department Staffing	WRH	30 th March 2015
Section 31 Condition	Radiology	Trust wide	16 th August 2016
Section 29A Warning Notice	<ul style="list-style-type: none"> • Patient safety – urgent care pathway; • Quality governance systems in the organisation (how do you know patients are safe); and • Inconsistency of compliance in clinical wards and services with local/national policies and procedures or standards, together with issues such as mandatory training compliance. 	Trust wide	27 th January 2017

Quality priorities 2017/18

- Embedding the fundamentals of care in everybody's practice, every day
- Clinical leadership at all levels
- Answering the specific requirements of our regulator
- Creating a quality management system that focuses on assurance of standards and improvement



We will have delivered 2017/18 quality priorities when:

<p>Safety</p>	<ul style="list-style-type: none"> • 90% compliance with the serious incident investigation timescales by Divisions, including completion and delivery of action plans from September 2017. • All risk registers reviewed and updated monthly from July 2017 • Eliminate back-log of open incidents by December 2017 • NEWS/PEWS documentation completed and appropriate escalation from June 2017 • Mortality reviews completed within agreed timeframes by December 2017 	<p>Patient Experience</p>	<ul style="list-style-type: none"> • 80% of relevant patients receiving sepsis screening in 1 hour by December 2017 • 90% of patients who have a positive sepsis screen receive antibiotics with one hour by March 2018 • 95% of patients will receive a VTE assessment within 24 hours of admission by September 2017 • Zero grade 3 and 4 hospital acquired pressure ulcers by March 2018. • All #NOF patients fit for surgery have operation within 36 hours by August 2017 • More than 90% of patients would recommend us to their friends and family as a place to receive care and treatment by March 2018.
<p>Clinical Effectiveness</p>	<ul style="list-style-type: none"> • 100% compliance by all wards with Red2Green by March 2018 • All staff engaged in a culture change programme by March 2018. • 20% reduction in complex complaints (red rated) by March 2018. • 50% reduction in mixed sex breaches in 2017/18 against 2016/17 by March 2018. • Zero MRSA bacteraemia by March 2018 		



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Progress so far...

- Revised Board assurance framework and risk management processes
- Improved infection control procedures - red to amber. Good hand hygiene; clean and tidy environments; staff using appropriate protective equipment
- Significantly improved medical recruitment
- Strengthened serious incidents processes - compliant with national guidance
- Expansion of Ambulatory Emergency Care and the Medical Assessment Unit underway. Additional monitoring and diagnostic equipment for the MAU at WRH by winter 2017
- Daily audits show improvement in appropriate assessing and responding to potential risks to patients



Future of Acute Hospital Services

Emergency changes in advance of FoAHSW consultation brought about improvements in quality:

Emergency bowel surgery

- Reduced complications
- Better outcomes

Maternity

- 77 hours of senior labour ward cover, every week
- Caesarean section rate fallen from 32% to under 25%
- High patient satisfaction levels

Children's in-patient services

- 17% fall in admissions
- Open access to all who need, regardless of address, with individual travel plans in place
- GPs in north Worcestershire refer to specialist clinics at AGH



Annual Accounts 2016/17

Jill Robinson

Chief Finance Officer

11th September 2017



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Financial Performance 2016/17

- Performance against statutory duties:
 - Breakeven Duty - The Trust's outturn I&E position for 2016/17 was a £28.75m deficit which matched the deficit plan figure (post STF indicative value revision dated 25.04.17)
 - Capital Cost Absorption Duty (3.5%) achieved
 - External Finance Limit achieved – more than £2m in the bank at the year end
 - The Trust remained within the Capital Resource Limit (CRL) - £11.2m spend in line with the CRL

- Unqualified audit opinion on the accounts



2017/18 Plan (£m)

	2017/18 £m
Operating income from patient care activities	366.2
Other operating income	27.4
Employee expenses	(253.6)
Operating expenses excluding employee expenses	(168.4)
OPERATING SURPLUS / (DEFICIT) pre STF	(28.4)
Net Finance costs	(14.3)
SURPLUS/(DEFICIT) FOR THE PERIOD/YEAR pre STF	(42.7)
Remove capital donations/grants I&E impact	0.0
Adjusted financial performance surplus/(deficit) pre STF	(42.7)
Sustainability and Transformation Fund (STF)	12.7
Adjusted financial performance surplus/(deficit) inc STF	(30.0)



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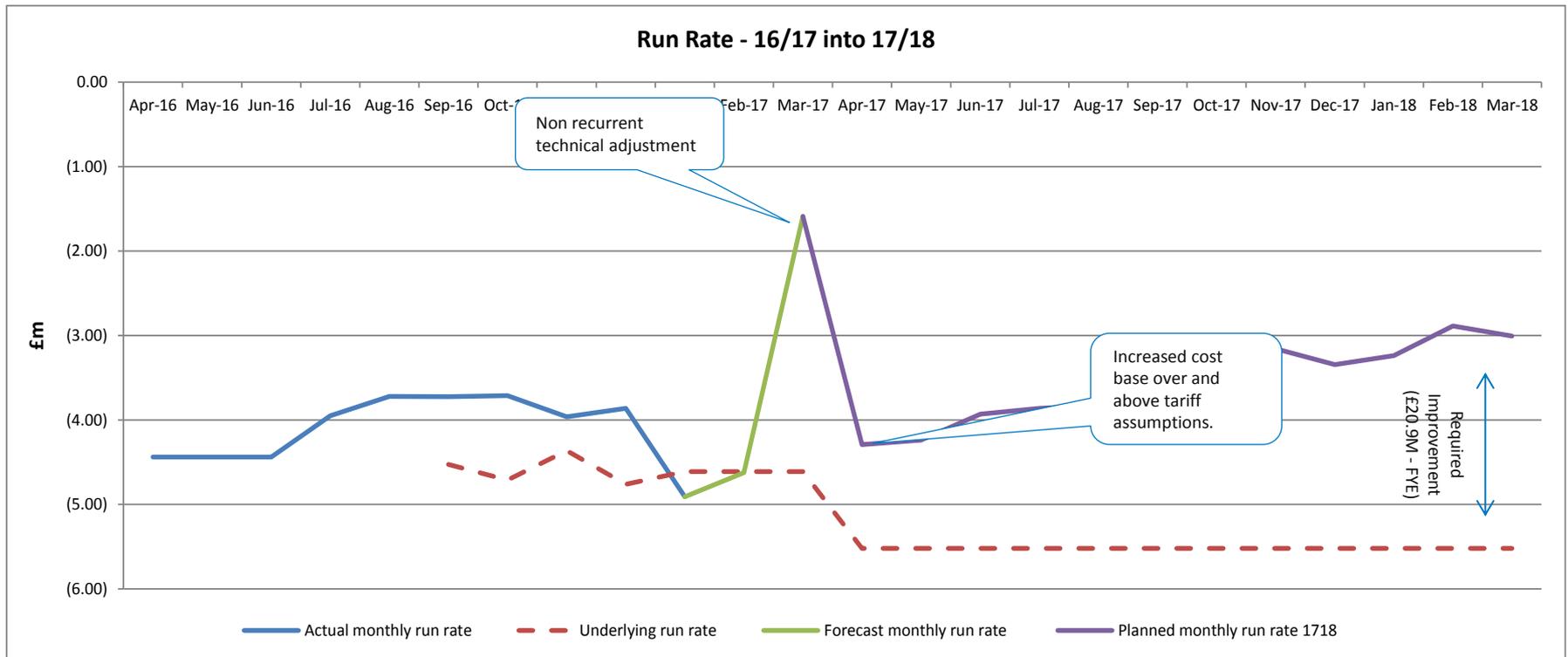
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Run Rate 2016/17 into 2017/18

Part 1 of 2...



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Run Rate 2016/17 into 2017/18

...Part 2 of 2

The underlying deficit for the Trust moving into 1718 suggests a FY deficit of £63.6m - allowing for known income and expenditure changes.

A pre STF control total of £42.7m deficit requires the Trust to improve its underlying position by **£20.9m** in 17/18 (avg. £1.74m per mth).

Receipt of **£8.9m** (financial element) STF is reliant upon the Trust delivering a **£42.7m** deficit. A further **£3.8m** (operational element) of STF is available in 1718. Non delivery of the operational metrics poses a further challenge - assuming the Trust is required to deliver its full control total of **£30m**.

	FYE £m
Base – continuation in current underlying deficit.	(54.4)
1718 increases over and above tariff change.	(9.2)
<u>Forecast underlying deficit 1718</u>	<u>(63.6)</u>
1718 Pre STF Control Total	(42.7)
<u>Required improvement</u>	<u>20.9</u>



Contract/Income Position

Activity Volumes:

	Worcs CCGs			Total		
	2016/17	2015/16	% change	2016/17	2015/16	% change
Daycase	45,515	44,527	2.22%	65,273	63,790	2.32%
Elective IP	7,270	7,869	-7.61%	8,591	9,299	-7.61%
Non Elective - Emergency	42,667	43,363	-1.61%	48,727	49,674	-1.91%
Non Elective - Other	6,927	7,067	-1.98%	7,921	8,220	-3.64%
Outpatients	385,743	386,613	-0.23%	485,354	483,468	0.39%
A&E (exc Community MIU)	128,434	124,401	3.24%	146,941	142,710	2.96%
	616,556	613,840	0.44%	762,807	757,161	0.75%

- Paediatric emergency admissions reduced following the temporary centralisation of Paediatric inpatient services. Adult emergency admissions remained at similar numbers to previous years, with a continued rise in the age profile of patients.
- Emergency demand has impacted on the Trust's occupancy levels and ability to deliver the expected level of elective activity.
 - Significant growth in Oncology daycases has offset reductions in other specialties such as Endoscopy.
 - The lower than anticipated Elective activity, exacerbated by the mandated slow down in Q4 has adversely impacted the Trust's Referral To Treatment waiting time performance.



Balance Sheet

- The Trust has an accumulated deficit of £147.015m.
- £43.9m of revenue cash support was required in-year to support the Trusts day-to-day activities. The total revenue loan support now received is £111.9m. The next significant loan repayment is £38.2m due in December 2018.
- Capital Investment Loans of £1.5m were drawn down for the expansion of the Emergency Department. This takes the value of capital loans to be repaid to £27.5m. Repayment is on-going.
- Additional PDC of £0.453m was received for Modernising Radiotherapy Services – support for LINAC Upgrades
- Commercial Variation (ESCROW) account held jointly with PFI Partner closed.
- Notable Capital expenditure during the year amounted to £11.223m, which included drawdown of an emergency loan of £2.57m.
 - Developments amounted to £3.203m, which included the ED Expansion and Acute Service Review professional fees.
 - ICT amounted to £2.988m, which included the Data Centre.
 - Clinical Equipment replacement amounted to £0.774m.
 - PFI Lifecycle replacement amounted to £1.66m.
 - Property and Works amounted to £2.598m with the majority spent on backlog maintenance across the Trust.



Annual Audit of Worcestershire Acute Hospitals NHS Trust 2016/17



<p>Audit of Accounts/Annual Report</p> <ul style="list-style-type: none"> • Unqualified audit opinion • Whole of Government Accounts group assurance statement • Annual Report meets DH requirements and is consistent with accounts • Proactive engagement 	<p>Value for Money</p> <ul style="list-style-type: none"> • Adverse value for money conclusion due to: <ul style="list-style-type: none"> – Financial deficit and break-even duty failure – Operational performance against National Targets – CQC inspection findings and S29 warning notice
<p>Quality Account</p> <ul style="list-style-type: none"> • Qualified conclusion: <ul style="list-style-type: none"> – Prepared in line with DH regulations and guidance – 1 of the 2 indicators tested was not materially reasonably stated 	<p>Future considerations/audit priorities</p> <ul style="list-style-type: none"> • Progress with CQC recommendations and the Quality Improvement Plan • Development and Implementation of FRP plus Management of financial position for 17/18 • Ensure all recovery actions fully implemented



Looking Forward

Michelle McKay, Chief Executive



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Looking Forward

- Balance of quality, operational performance and finance challenge
- Major focus on workforce – our key asset
 - Intentional Culture Change program
 - People and Culture Strategy
- Implementation of FoAHSW clinical model





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