HEALTH SCRUTINY PANEL

A meeting of the Health Scrutiny Panel was held on 11 August 2015.

PRESENT: Councillor E Dryden (Chair), Councillors S Biswas, J G Cole, S Dean, C Hobson, T Lawton and J McGee

ALSO IN ATTENDANCE: T Hart - Chief Executive Officer, South Tees Hospitals NHS Foundation Trust
M Hewitt Smith, Deputy Director of Finance, South Tees Hospitals NHS Foundation Trust

OFFICERS: P Duffy and E Pout

APOLOGIES FOR ABSENCE were submitted on behalf of Councillors B A Hubbard and D Rooney.

DECLARATIONS OF INTERESTS

There were no declarations at this point in the meeting.

1 **VISIT TO THE GATEWAY**

Immediately prior to the meeting, the Panel visited the facilities at The Gateway, following an invitation from Boda Gallon, Chief Executive of The Gateway.

As part of the tour, Mr Gallon advised the Panel that The Gateway was a public/private partnership with Health, Social Care and the Thirteen Housing Group. It was a rehabilitation Unit that provided services to people with brain and spinal injuries and long term neurological conditions. The Partnership with the Thirteen Group had enabled the provision of accessible, purpose built, transitional housing for clients.

There were three main elements to the facility – a communal area, where people could have something to eat and drink and have a chat; a Care Home (registered with the Care Quality Commission for adults and children); and specialist treatment areas which assisted people to move on towards living independently.

The Chair thanked Mr. Gallon for showing the Panel around the facility.

2 **MINUTES - HEALTH SCRUTINY PANEL - 14 JULY 2015**

The Minutes of the meeting of the Health Scrutiny Panel held on 14 July 2015 were submitted and approved as a correct record.

Councillor Biswas informed the Panel that he wished to stand down from the role of Vice-Chair of the Panel, owing to other commitments.

Nominations were sought for the appointment of Vice-Chair of the Health Scrutiny Panel. Councillor Lawton was nominated and seconded and, therefore, appointed as Vice Chair of the Panel.

An Item will be placed on the Agenda for the next meeting of the Panel to formally confirm the Panel's appointment.

3 **SOUTH TEES HOSPITALS NHS FOUNDATION TRUST - UPDATE**

The Scrutiny Support Officer presented a report which provided the Panel with an outline of the purpose of the meeting.

At its meeting on 30 June 2015, the Panel agreed its Work Programme for 2015/2016 and, as part of that, had asked for an update from South Tees Hospitals NHS Foundation Trust ('the Trust') on a number of issues.

The Chair welcomed Professor Tricia Hart and Maxime Hewitt Smith, the Chief Executive Officer and Deputy Director of Finance, respectively, at the Trust, who were in attendance to

appraise the Panel of the position in respect of the areas they had raised. A copy of the slides used in their presentation had been circulated to the Panel prior to the meeting.

The Chair referred to the fact that Professor Hart would be stepping down as Chief Executive Officer. He added that the Council and the Trust had worked well together and achieved good things, such as the reduction in the hospital infection rate. The Trust had engaged with the Panel since its inception. He thanked Professor Hart for her help and honesty. Councillor Biswas echoed these sentiments.

Professor Hart commented that some excellent outcomes had been achieved in challenging times and thanked the Chair and the Panel for their support.

Professor Hart and Maxime Hewitt Smith addressed the elements that had been raised by the Panel, as follows:-

Finance
The summary position for 2014/2015 was:-

- an underlying deficit of £7.1 million, against an original plan of £30 million, amended down to a plan of 18.4 million;

- a retained deficit of £17.3 million, against a plan of £29.1 million (Retained items comprised underlying elements within the Trust's control and technical elements, such as restructuring costs).

- in-year delivery of Cost Improvement Plan of £26 million – 20% in excess of the target.

- capital spending of £23.7 million, against a plan of £23.6 million - in line with the overarching programme

The Care Quality Commission (CQC) and the Trust's own regulator, Monitor, were very pleased with this performance.

Some services had been outsourced and there had been major transformational change.

All proposed changes in service had to be impact-assessed and signed off by the Medical Director before being considered by the Board.

Efficiencies in procurement had been achieved by the Trust having reduced the number of the different types of equipment it used.

The Chair queried whether the changes could impact adversely on the service in, say, 5 years. Professor Hart responded that a number of Quality Indicators would alert the Trust's Board if this was occurring – such as an increase in patient complaints and rises in infection rates. These Indicators were showing no cause for concern currently.

In response to further questions from Members, Professor Hart and Maxime Hewitt Smith confirmed that:-

- The reason why results differed so positively from the planned figures was that the Trust had been able to deal with significant increase in activity without increasing costs. Therefore, much of the additional work was profit.

- A bonus had been received from the Trust's Commissioners for meeting the target of 18 weeks from a referral of a patient by a GP to Hospital treatment.

- The Trust needed to exploit the good reputation it had in areas such as cardio thoracic surgery, where superb outcomes had been achieved.

- Very little work had gone to the Independent Sector, with the exception of gastro-endoscopy.

- There had been major investment in training on capacity and demand planning.

In terms of financial penalties, the Trust had incurred a £4.5 million deduction of contractual penalties. This covered the Emergency Marginal Tariff and Emergency Readmissions – the latter was where a patient was readmitted, on an emergency basis, within 28 days of having been discharged. The Trust had also incurred a £1.5 million deduction of operational penalties, which comprised the 18 week from referral to treatment target; Ambulance Handovers and Clostridium Difficile Cases. Ambulance Handover fines were where ambulances were outside Accident and Emergency for longer than 30/60 minutes).

Whilst the Trust had been successful in meeting the 18 week referral to treatment target, some specialities – such as urology - had not managed to meet the target.

In summary, the plan for 2016/2016 was:-

- A retained deficit of £13.7 million and an underlying deficit of £3.1 million.
- Delivery of £36 million from the Cost Improvement Plan.
- A cash requirement for annual cash flows of £17.5 million.

The cost of running and maintaining James Cook University Hospital was an issue. There needed to be a structural solution to this deficit and discussions would be held with Monitor to attempt to restructure the Trust's debt to make it more affordable.

A number of Members shared their experiences of James Cook University Hospital. Professor Hart stressed that the Trust continually examined how improvements could be made and was working on its Accident and Emergency Pathway. It needed to be borne in mind, however, that twice as many people now used the Hospital, compared to the number it was designed for. In addition, the Trust worked closely with Clinical Commissioners to improve services. Feedback from Accident and Emergency Patient Surveys had been positive.

CQC Inspection

When they inspected services, the CQC had regard to 5 main areas - namely were services:-

- Safe;
- Effective;
- Caring
- Well led
- Responsive to partners' needs

The outcome was that the CQC considered that the Trust "required improvement". The Trust was disappointed that the CQC had reached this conclusion, particularly as 89 out of 105 services had been rated as "Good" or "Outstanding".

The key areas for action identified by the CQC were End of Life Care; Staffing; Accident and Emergency Urgent Care; and Medicines Management.

Actions had already been undertaken to address the issues raised, including the appointment of a Director of Quality. The actions were outlined to the Panel. The Trust would continue to work on the areas identified for action.

Monitor Regulatory Actions

Monitor had been concerned about Clostridium Difficile Cases. Clostridium Difficile was a serious infection that impacted on frail or elderly people or those who were very ill.

Good work had been undertaken to reduce the number of cases, but the numbers had plateaued in 2013 and then started to rise. However, last month had seen the lowest number of cases for almost one year – just four people. This figure covered James Cook University Hospital, The Friarage and Community Hospitals and had been achieved as a result of a number of actions, including recommencing a decant and deep clean at James Cook University Hospital.

Representatives of the Trust had met with Monitor recently and Monitor were pleased with the Trust's financial performance; transformational work and what had been done to reduce infections, referred to above.

This part of the country had a relatively high usage of anti-biotics and the Trust was working with GPs collectively to reduce the amount of anti-biotics prescribed.

Agency Nurses – Cost Management
The number of Agency Nurses used was very low compared to other areas. Any request for Agency Nurses had to be approved by the Nursing Director. The NHS Professionals (NHSP) Service was often used as this was a less expensive alternative. NHSP worked in partnership with Trusts and provided managed flexible worker services. If a shortage of Nurses would impact on care, the decision would be taken to close beds.

Cost Improvements and Patient Safety
A number of measures had been taken. For instance, every scheme proposed was quality impact-assessed, scrutinised and signed off by the Medical and Nursing Directors. The Trust Board received monthly updates.

The Chair thanked Professor Hart and Maxine Hewitt Smith for updating the Panel. With Professor Hart leaving the Trust, he sought her thoughts as to any particular areas that the Panel might want to consider looking at, going forward. Professor Hart suggested the following areas:-

- Quality Indicators
- Discharges
- The work being undertaken to reduce infections
- The Transformation Programme
- How the Trust worked with the Local Authority, given the constraints faced by both organisations
- How the Hospital Trusts in Durham and Tees Valley work together to develop services

With regard to discharges, the Chair of the Social Care and Adult Services Scrutiny Panel suggested that that Panel and the Health Scrutiny Panel might look at this issue jointly. The Chair of the Health Scrutiny Panel suggested that he discuss this further with the Chair of the Social Care and Adult Services Scrutiny Panel, with a view to this being a future joint scrutiny topic.

AGREED that the areas referred to above be potential future scrutiny topics.

4 **FINAL REPORT - NEUROLOGICAL SERVICES**

The Chair suggested that this Item be deferred.

AGREED that consideration of the final report on Neurological Services be deferred until the next meeting of the Panel on 1 September 2015.