

Briefing note: Financial and clinical performance update, April 2018

This is the latest in our series of briefings for stakeholders to provide an overview of key issues relating to Portsmouth Hospitals NHS Trust. As we enter a new financial year the focus below is on providing an update on our recent financial and clinical performance.

Financial position: delivering on our plan for 2017/18

At the end of February our last briefing highlighted the shift in the Trust's projected end of year financial position. For the financial year 2017/18 the Trust had agreed with our regulator NHS Improvement that we would deliver a surplus of £9.7 million. The level of savings that the Trust needed to make to achieve this was more than £40 million, a figure which was much higher than before and in fact was over double the amount that had been saved in previous years. In July 2017 NHS Improvement conducted a financial investigation into the Trust which helpfully highlighted some of the underlying drivers of the deficit. Given the scale of leadership instability it became clear to us that the target of delivering a £9.7 million surplus was not realistic and could not be achieved, therefore at our Trust Board in February we publicly revised our forecast position from a surplus of £9.7 million to a deficit of £36.8 million.

Whilst the prediction for our end of year financial position was changed in February we had been providing monthly updates to our Board, and the scale of our financial challenge had been clear for some time. Actions to address the deficit were in place, and in December 2017 we appointed a Turnaround Director to build on the experience and capacity of the team. Over the last few months we have implemented robust financial management processes at all levels of the organisation, ensuring efficiency in our spending through budget control processes which are now well on their way to being firmly embedded. We will continue to apply this level of rigour to all spend in the new financial year.

Our end of year accounts have yet to be finalised, however a huge amount of effort has gone into focusing the organisation on delivering the financial plan for 2017/18. Measures to limit our spend have included limiting our discretionary spend whilst ensuring all clinical spend is protected and delaying our commitment to large projects until the new financial year.

One of our greatest areas of spend was on temporary staffing and reducing this has been a particular area of concentrated effort. As a result we have successfully reduced the amount we are spending on agency fees by £40,000 per week; which is a great achievement that we need to build upon. We are exploring opportunities with other local NHS providers for a central bank of staff to further reduce these overhead costs. We have eliminated the use of the most expensive agencies across the hospital and are working more effectively with our colleagues at NHS Professionals to fill temporary roles. We have also held a number of successful recruitment events to attract local people to work in a range of roles and have an active recruitment campaign underway for our most difficult to recruit posts.

Plans for 2018/19

For the current financial year (2018/19) our aim is to deliver £35 million of savings. Work to develop detailed and robust cost saving plans began some time ago and were given further impetus through our Turnaround Director. A series of 'action days' were hosted with staff from across the organisation to provide support in identifying and working through the detail of proposed savings schemes. Each suggested scheme is then subject to a detailed quality check by a senior clinician to ensure there is no detrimental impact on quality of care.

Below is an overview of just some of the proposed savings schemes.

- It has been identified that we have been spending up to £180,000 per year on renting bariatric beds. We will now purchase a small number of additional beds, and by working with other teams across the hospital create a booking system which ensures that the

bariatric beds that are already owned are identifiable and bookable. This means that as an organisation we will be spending much less on renting, and using the beds that we do have much more effectively. This scheme is projected to save nearly £170,000.

- We are developing a scheme which will significantly cut costs in terms of waste in our theatres. Without compromising patient care it is believed that waste can be cut from instruments and other items. Significant expense is created when packs of equipment are opened and unused, or non-generic kit is used in some procedures leading to more expensive sterilisation. The theatre team will be launching a 'Think Twice – Use Once' campaign which aims to standardise the materials used in common surgeries and reduce waste. This scheme is projected to save £600,000 this year.
- Each year the Trust sends small deliveries of samples, tests, records and equipment via taxis out of hours. This is not an effective or efficient use of the Trust's funds and alternative methods have been sought. We have engaged with local volunteers who are offering a free of charge courier service for small overnight deliveries which includes documents, some packaged patient samples, tests and equipment. They are fully licenced and insured and have already been a huge help in contributing to cost savings for both the Theatre and Pathology teams. This scheme is projected to save up to £30,000 a year.
- We are also using technology to support us to reduce costs. Currently all new and follow up outpatients booked through our outpatient booking centre are offered the opportunity to receive digital letters. This means staff will no longer need to print any letters, and patients with a mobile number will be sent a text link. A postal letter will still be sent to those patient without mobile phones. We estimate it costs 7p to text details of a patient appointment whilst a second class letter costs 44p for the stamp, extra for the envelope and the paper it is printed on. We are delighted that 49% of all patients with a mobile phone number on our records have taken up this service. This scheme is aiming to save up to £60,000 a year

Performance over winter: the scale of the challenge

Throughout the winter period our hospital, along with many others across the country, experienced periods of significant pressure on our urgent and emergency care system. This was the combined impact of a concentrated flu outbreak (Portsmouth had one of the highest rates of flu cases in the country in the early part of the season) and large numbers of acutely unwell patients attending the Emergency Department, who subsequently needed to be admitted. At its peak, in the period around New Year this resulted in longer waits than normal for ambulances arriving at the Queen Alexandra hospital and some delays for patients waiting to be treated. Our staff across the hospital, and indeed all those across the system worked incredibly hard to respond to this difficult situation to ensure that our patients continued to receive the best possible care, however clearly there were occasions where we did not meet the high standards of care we expect and we apologise unreservedly to all those who experienced delays as a result.

Prior to the winter period we took action to pre-empt what we knew was likely to be a challenging winter period and from November 2017 we reduced some of our routine, non-emergency surgery as part of our winter plan. This allowed us to provide additional bed space and free up clinical staff to support extra demand on the hospital. In response to significant pressures and the national directive issued from NHS England in January 2018, the Trust ceased *all* non-urgent elective treatment.

As a result of the pressures on the hospital it was necessary for us to open a number of 'escalation areas' within the hospital so as to create extra capacity and ensure that all patients requiring a hospital stay could be cared for safely. Whilst this allowed us to create extra capacity it also meant providing additional staff to ensure appropriate clinical cover. Some staff were deployed from other areas within the hospital and this was supplemented by the use of agency staff. The reality of running a very full hospital is that it has an impact both on the patient experience and on staff

morale. It has therefore been a priority of the Trust Executive team to ensure that the number of escalation beds is safely reduced.

Actions and their impact

Since January we have taken swift and decisive action to address the risks across the Trust caused by pressures in the emergency care pathway. Throughout the winter period we have worked closely with partner organisations across the health and social care system in Hampshire, and the commitment from all involved to finding solutions to help ease the pressure on the hospital has been hugely appreciated. We have run two Multi Agency Discharge Events (MADE) together with our local partners which were focused on improving the systems and processes around discharge. Both were extremely positive in generating ideas and enthusiasm as well as leading to tangible changes in practice. Two further events are planned to build on this progress.

The scaling back of our non-emergency surgery had an impact on our waiting lists, particularly in orthopedics and in day case surgery where these areas had been used to provide additional escalation space. However at the end of February we recommenced our elective orthopaedic activity. Since then work has been focused on reducing the backlog of patients awaiting surgery and those with greatest clinical need are being prioritised. Our aim is to put the Trust in a better position over the next two years to reduce the amount of time patients have to wait for elective surgery and on 28 March we were delighted to receive confirmation of funding from NHS England that will help us to do that. We are to receive a share of £17.3 million to increase our theatre capacity by fitting out two additional theatres which we have been unable to use since the PFI was first built. This was part of a national announcement of a funding boost for projects to modernise and transform services across the country, following bids submitted earlier in the year. We aim to have both additional theatres up and running within a year, which will increase our ability to perform elective surgery, particularly in orthopaedics and will have a positive impact for our patients by reducing waiting lists.

As with all hospitals across the country we have strict protocols in place for how and when escalation areas within the hospital are used in order to create additional capacity. Areas considered to be the lowest risk are made available first and there are some clinical areas which are protected from use (for example, ensuring that we always have a bed available for renal transplant patients). The quality and safety of patient care is our top priority and when in use, our escalation status is monitored on a daily basis.

Having high levels of bed occupancy brings with it additional risks to quality and safety and in January a clinical summit was chaired by our Medical Director, Dr John Knighton to identify the level of risk across the hospital and agree the actions needed to respond. Following the summit, the Trust escalation policy was updated to reflect the agreed actions. We are now working to ensure that changes to the policy are understood by all staff, and are implemented consistently across all areas. Since the height of the winter we have started to carefully reduce the number of escalation areas open. During January, when the pressures on the urgent care system were at their height, the average number of patients placed in escalation beds was 48 per day. In February this was reduced to 33 per day and by the end of March this had been reduced to zero.

At the beginning of March we commenced a project supported by NHS Improvement focused on reducing the length of time patients wait in the Emergency Department prior to admission or discharge. Nationally the target is for 95% of patients to be admitted, treated or discharged within four hours of arrival at the Emergency Department. Our performance in Portsmouth has been well below this (averaging at around 75%) so whilst we recognise there is still some way to go, it is important that we focus on driving down waiting times to improve patients' experience of care. This focused piece of work took place during our recent period of extreme weather but resulted in some of the Trust's best four hour performance figures in recent months, and at the time of writing current month to date performance (April) is 86%. Whilst we know there is more work we need to do, this improvement is extremely positive for our patients who are being discharged earlier and

are experiencing fewer delays. We are now focusing on sustaining these improvements and building on them to ensure a continued reduction in waiting times.

Part of our plans to improve the experience of our patients in urgent and emergency care is a large scale redevelopment of an urgent care floor within the hospital. This includes the Emergency Department and Acute Medical Unit which form part of the old hospital building and the space they currently occupy is no longer fit for purpose. Whilst improving the building and environment is only one part of the solution, it is a fundamental part of our plan to deliver an improved experience for both patients using the Emergency Department and our staff working in it. We have selected a project team, appointed a lead clinician and will soon set up a project board to oversee the redevelopment. While we haven't yet secured the capital, having a sense of the design for the floor is a critical first step and we look forward to providing further updates on progress.

Outside the urgent and emergency care pathway our services for those who have cancer has also shown steady improvement. The Trust routinely delivers against seven of the eight national cancer performance targets but in recent months has missed delivery of the target for 85% of patients to receive their first cancer treatment within 62 days of referral. Any delays in treatment for patients are not acceptable but for those with a cancer diagnosis this is a particularly anxious time and any additional delay is unacceptable to us. A huge amount of work has been focused on ensuring cancer patients are treated as quickly as possible and since February we have been delivering on all eight national cancer standards.

An area of considerable focus in recent years has rightly been the number of patients in the hospital who are medically fit for discharge. Internally the Trust has a target of reducing this number to under 220 and at the beginning of January it was hovering around 270. By the end of March this number had been reduced to 176 and has continued to decline further to 159 following the Easter weekend. Delivering this improvement has been achieved through close working with our partners in health and social care who deserve huge credit for their role in providing additional capacity for patients outside of the hospital. However most importantly this reduction has meant more patients are able to leave hospital sooner, aiding their continued recovery and rehabilitation.

Progress with our Quality Improvement Plan

Our Quality Improvement Plan was published on 31 October 2017 and since then work to deliver the identified actions has continued at pace. Demonstrable improvements which have already had a positive impact for our patients include re-invigorating the protected mealtime initiative, appointing a Head of Safeguarding, finalising and implementing our patient engagement strategy and ensuring our learning from deaths policy is understood and embedded across the Trust.

In December the CQC published an inspection report which highlighted concerns with our reporting of x-rays; specifically that not all x-rays from the Emergency Department were being looked at by a trained specialist. In response we immediately made sure that all chest x-rays from the Emergency Department (ED) are formally reported by a trained specialist. CQC identified a backlog of 23,000 images of chest x-rays and this backlog was cleared in February. Our policy for reporting x-rays has been revised with input from independent experts and a Harm Review Group has been established to oversee compliance with the policy on an ongoing basis. We also commissioned an independent investigation into the backlog to determine the root cause and the findings will be presented to Trust Board in May, at which point we will provide a further update briefing.

In February we hosted our first Trust wide patient safety conference where Dr Sean O'Kelly, Medical Director for Professional Leadership at NHS Improvement was among our speakers. Staff presented numerous examples of patient safety and quality improvement projects being implemented across the Trust, demonstrating our progress on this important agenda. The enthusiasm among attendees was palpable and reflects the energy and commitment from staff to delivering safer and more effective care for every patient.

A key area of focus for us continues to be developing our leadership, as the evidence is clear that strong leadership has a direct impact on the quality of care we provide. Our staff survey results published in March showed continued good progress. In more than half of the 32 key findings in the report, we are rated as being in the top 20 per cent or better than average when compared with other acute Trusts. Some of the findings also show areas where we still have work to do. The areas where we can, and will improve include staff reporting bullying and harassment, staff attending work despite feeling unwell and staff experiencing discrimination at work. In response to these findings we started work in January with Professor Duncan Lewis who is helping us better understand the reasons behind bullying and harassment and how we tackle it. We expect a full report detailing Professor Lewis's findings and recommendations by June.

In March we hosted a leadership summit which marked the launch of our culture change programme. This was led by Professor Michael West who believes passionately in the importance of compassionate leadership throughout the NHS and its central role in improving quality of patient care. Over the coming months we will be working directly with our staff on how we develop a culture in the organisation which has this approach at its heart.

In January we began to develop the Trust's five year strategy which aims to define the vision and long term objectives for the hospital. This will provide us with the foundations on which to make key strategic decisions about our future, as well as identity themes and priorities to improve and enhance our services in a financially sustainable way. This work is in its early stages and many of our stakeholders have been involved in helping us start to develop what it will look like. Over the coming months we will continue to engage with our staff, partners and our local community before publishing a final version on the 70th anniversary of the NHS's inception on 5 July.

Conclusion

We hope it is clear from the summary provided in this briefing that the Trust has made real progress in recent months in key areas of our financial and clinical performance. We are not complacent and recognise the need to go further, and in some areas to go faster, in the improvements we are making. We will continue to be open and transparent about the challenges we face and we recognise that many of the improvements will not be achieved overnight. Some require root and branch changes to our ways of working and this will take time. We continue to work with our regulators in the Care Quality Commission and NHS Improvement and we welcome the support and challenge they provide in holding us to account. We will continue to keep you updated with our progress but in the meantime please get in touch should you have any queries.