

Portsmouth Health Overview and Scrutiny Panel
Update from Portsmouth Hospitals NHS Trust, March 2018

Finance

On 25 January 2018 Portsmouth Hospitals NHS Trust issued a public statement about its revised financial position. This outlined that we had changed our projected financial position for the end of the financial year in 2017/18 from a surplus of £9.7 million to a deficit of £36.8 million. A briefing document with further background is attached in Appendix A.

On joining the Trust as Chief Executive on 31 July 2017 our Chief Executive Mark Cubbon made clear that one of his four key priorities was stabilising and improving the Trust's financial position. Since then we have taken some immediate actions including;

- Appointing a new leadership team to provide the organisation with stability and renewed focus. The new Chair was appointed in November 2017 and the new Board and Executive team has been in place since 8 January 2018.
- Commencing a financial turnaround programme to revisit all major investments
- Commencing a comprehensive review of our Board and committee governance and reporting structure which will be complete by the end of March 2018
- Appointing a Financial Turnaround Director to focus on returning the Trust to financial sustainability
- Commencing the development of a five year Trust strategy. Alongside this we will develop a three year plan focused on stabilisation, recovery and transformation.

The Trust has a plan in place and has been delivering at pace to ensure that we meet the projected deficit of £36.8million by the end of the financial year on 31 March 2018. From the outset we have been clear that patient care will not be compromised in order to deliver the savings and Mark Cubbon has had discussions with Healthwatch Portsmouth and other key stakeholders to provide reassurance on this point. The measures we have implemented in the last quarter of this financial year include greater controls on our spending on agency staff, limiting our discretionary spend whilst ensuring all clinical spend is protected and delaying our commitment to large projects until the new financial year in April. We have established a Financial Recovery Board chaired by the Chief Executive which meets fortnightly and has oversight of delivery of the financial plan.

As we come towards the end of the current financial year we are also focusing our attention on ensuring we have a robust plan in place to deliver the savings required in 2018/19. The savings target we have identified for 2018/19 is £35million. Whilst this is an ambitious target it is one we believe is realistic and achievable and plans to identify the savings required are at an advanced stage. We have hosted a series of 'Action Days' for staff which are focused on generating savings ideas which are then developed into fully costed plans and evaluated to ensure there is no detrimental impact on quality of care. These have had a good level of engagement from our staff and at the current time we are in a strong position to start the new financial year.

We have appointed Matthew Wood, Chief of service for Critical Care, HDU, Anaesthetics and Theatres as Clinical Director of Finance to ensure additional scrutiny and ensure we avoid detrimental impacts on quality arising from our savings plans.

One of the reasons behind the Trust's historical deficit, as identified in the financial investigation undertaken by NHS Improvement, was a lack of financial engagement at all levels. The Trust leadership is clear that each member of staff has a role to play in helping us to address the problem, so a programme of staff involvement and engagement has been implemented. Matthew Wood is supporting this work as Clinical Director of Finance to strengthen our engagement with clinical staff across the Trust.

The Trust Board is clear that we have a duty a duty to our patients, our local community and the wider health economy to deliver the savings required and we will rightly be held to account. We do not underestimate the seriousness of the situation or the risks of not delivering our plan, however we are confident that by delivering the plans we have set out for 2017/18 and 2018/19 this will put us on a firm foundation to deliver the financial sustainability that the Trust requires.

DTOC data for the previous 3 months

The latest available figures for Delayed Transfers of Care (DTOC) are provided at Appendix B.

Radiology update

On 19 July 2017 the CQC undertook an unannounced inspection of the diagnostics imaging department at the Queen Alexandra Hospital. During the inspection the CQC looked in particular at the reporting of chest x-rays and the processes in place to ensure that any backlog in reporting was managed. The inspection report was published on 1 December 2017.

The investigation highlighted delays in reporting some chest x-rays and as a result CQC took enforcement action against the Trust which required us to take immediate action to address the concerns raised. As soon as the concerns were raised with us following the CQC's inspection in the summer of 2017 we immediately put in place a range of improvements. All chest x-rays from the Emergency Department (ED) are now formally reported by a trained specialist in addition to being interpreted by the requesting ED clinician, as per our existing policy.

There have been staffing capacity issues within the radiology department and we know that this is a challenge that is reflected nationally. To help alleviate this we are training dedicated reporting radiographers, with further training also being offered to clinical staff.

The CQC identified a backlog of 23,000 images of chest x-rays from the preceding 12 months had not been formally reviewed by a trained specialist. We set a target of clearing this backlog by the end of February 2018 and this has now been completed. This process has identified a number of serious cases of missed lesions. Each of these instances is being managed through our SIRT process and we are in contact with those patients directly to explain the action we are taking. It should be emphasised that even one instance of serious harm to a patient is too many, but the numbers have been lower than had been first feared.

To provide additional assurance we also commenced an independent investigation into the backlog to determine the root cause and the findings from this independent investigation are expected to be presented to our Trust Board in May 2018. The Trust's policy for reporting x-rays has now 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.