

**NORTHUMBERLAND, TYNE AND WEAR NHS FOUNDATION TRUST**

**BOARD OF DIRECTORS MEETING**

**Meeting Date:** 28 January 2015

**Title and Author of Paper:** Quarterly Report to Monitor (Risk Assessment Framework), Lisa Quinn Executive Director of Performance & Assurance

**Paper for Debate, Decision or Information:** Information

**Key Points to Note:**

1. This is the Quarter 3 2014/15 submission of the Risk Assessment Framework.
2. NTW is declaring a governance rating of GREEN (no issues identified) and a Continuity of Services rating of 4 for finance.
3. The Trust is submitting a Capex Reforecast this quarter due to capital expenditure being less than 85% of plan. As reported through the Finance Report, there has been slippage on this year's capital programme mainly due to slippage on the Autism In-Patient Unit and on In-Patient Development Schemes. The revised forecast capital expenditure is £15.7m compared to the original plan of £25.6m.
4. The exception reports regarding serious incidents and reputational issues for Q3 are included at **Appendix 2**.
5. As part of the quarterly submission, the Board is asked to declare that it confirms that it is anticipated that the Trust will continue to maintain a Continuity of Service risk rating of at least 3 over the next 12 months. The completion of the Northgate land sale in December increased the Trust's liquidity rating up to a 4. Based on current forecasts for next year including the delivery of a small surplus it is anticipated that the Trust will maintain a Liquidity rating of 4 and that the Trust's Continuity of Services rating will be a 3 for the next 12 months (till Q3 15/16). **Therefore, the Board can confirm the Finance declaration this quarter.**

**Outcome required:**

Board to approve the Quarter 3 returns - to be submitted to Monitor by 31st January 2015.

Board to determine the items (as listed in Appendix 2) that should be reported to the Monitor Regional Manager.

## BOARD OF DIRECTORS

28 January 2015

### Quarterly Report to Monitor (Risk Assessment Framework)

#### PURPOSE

To present to the Board the Quarter 3 in-year monitoring return and declarations for approval, prior to submission to Monitor by the 31 January 2015.

#### BACKGROUND

From 1 October 2013 the Risk Assessment Framework has replaced the Compliance Framework as Monitor's approach to overseeing foundation trusts.

Monitor provided all Trusts with a new governance rating in October 2013 – NTW was given the rating of GREEN (no issues identified) and this has been maintained since that time.

For the new Continuity of Service financial rating the Trust is a 4 at Q3.

A summary of the Trust ratings since the start of financial year 2011/12 are set out below:

	Q1&Q2 11-12	Q3&Q4 11-12	Q1,2,3 &4 12-13	Q1,2,3 &4 13-14	Q1&Q2 14-15	Q3 14-15
Financial Risk Rating/ *Continuity of Services Rating	5	5	5	3	3	4
Governance Risk Rating	Amber/ Red	Green	Green	Green	Green	Green

#### BOARD CHANGES

It is a requirement to complete the below information as part of the Monitor return each quarter:

	Q3 2014/15
Total number of Executive posts on the Board (voting)	6
Number of posts currently vacant	0
Number of posts currently filled by interim appointments	0
Number of resignations in quarter	0
Number of appointments in quarter	0

## **QUARTERLY SUBMISSION**

The procedure for preparing the quarterly submission to Monitor is set out in **Appendix 1**.

In accordance with the revised guidance for quarterly submissions published in 2013/14 the declarations are as follows:

### **For finance, that:**

The Board anticipates that the Trust will continue to maintain a Continuity of Service risk rating of at least 3 over the next 12 months

Board Response – Confirmed

### **For governance, that:**

The Board is satisfied that plans in place are sufficient to ensure: on-going compliance with all targets (after the application of thresholds) as set out in Appendix B of the Compliance Framework; and a commitment to comply with all known targets going forward

Board Response – Confirmed

### **Otherwise**

The Board confirms that there are no matters arising in the quarter requiring an exception report to Monitor (per Compliance Framework page 17 Diagram 8 and page 63) which have not already been reported

Board Response – Confirmed

Signed on behalf of the Board of Directors

Signature

A handwritten signature in black ink, appearing to read "J. Lawler". The signature is written in a cursive, flowing style.

Capacity: Chief Executive

Date: 28 January 2015

In the event that the foundation trust is unable to confirm these statements it should NOT select 'Confirmed' in the relevant box. It must provide a response explaining the reasons for the absence of a full certification and the action it proposes to take to address it.

This may include any significant prospective risks and concerns the foundation trust has in respect of delivering quality services and effective quality governance.

Monitor may adjust the relevant risk rating if there are significant issues arising and this may increase the frequency and intensity of monitoring for the foundation trust.

The proposed explanation for the non-declaration is:-

The Trust is providing full certification this quarter.

### Board Changes & Elections

**Report on any changes to the Board of Directors:** There has been one change to the Board of Directors during Quarter 3. Ken Grey, Non-Executive Director left the Trust on 31 December 2014.

**Report on any changes to the Council of Governors:** There have been no changes to the Council of Governors during Quarter 3.

**Results of any election for the Council of Governors:** There have been recent Elections. See details below, the five Governors concerned commenced 1 December 2014.

### Public: Northumberland

Number of eligible voters:	1,451
Total number of votes cast:	128
Turnout:	8.8%
Number of votes found to be invalid:	10
Blank or Spoilt	10
No declaration form received	0
Total number of valid votes to be counted:	118

### Result (1 to elect)

Lovell, Tommy.....  
**SCOTT, WILLIAM .....102                      Elected**

**Public: Sunderland**

Number of eligible voters:	2,171
Total number of votes cast:	90
Turnout:	4.1%
Number of votes found to be invalid:	8
Blank or Spoilt	8
No declaration form received	0
Total number of valid votes to be counted:	82

Result (1 to elect)

Brass, Sam .....  
**McCRICK, KEITH .....48**                      **Elected**

**Service Users: Adult Services**

Number of eligible voters:	334
Total number of votes cast:	31
Turnout:	9.3%
Number of votes found to be invalid:	1
Blank or Spoilt	1
No declaration form received	0
Total number of valid votes to be counted:	30

Result (1 to elect)

Fothergill, Andrew .....  
**Grant, Fiona.....12**                      **Elected**  
Groves, Bea .....  
Smith, Geoff .....  
Sunley, David William .....  
**TWIST, David .....12**                      **Elected**  
Westwood, Mark .....

**Public: Gateshead**

Result (1)

**ALLISON, Julia.....**                      **Uncontested**

# Targets & Indicators

The following table provides the proposed submission in relation to Quarter 3 performance against targets and indicators:

## Declaration of risks against healthcare targets and indicators for 2014-15 by Northumberland, Tyne & Wear

These targets and indicators are set out in the Risk Assessment Framework

Definitions can be found in Appendix A of the Risk Assessment Framework

NOTE: If a particular indicator does not apply to your FT then please enter "Not relevant" for those lines.

Target or Indicator (per Risk Assessment Framework)	Key:		must complete		may need to complete		Quarter 1 Actual			Quarter 2 Actual			Quarter 3 Actual		
	Threshold or target YTD	Scoring under Risk Assessment Framework	Risk declared at Annual Plan	Scoring under Risk Assessment Framework	Performance	Achieved/Not Met	Scoring under Risk Assessment Framework	Performance	Achieved/Not Met	Scoring under Risk Assessment Framework	Performance	Achieved/Not Met	Any comments or explanations		
														0	0
Referral to treatment time, 18 weeks in aggregate, admitted patients	90%	1.0	No		0.0%	Not relevant		0.0%	Not relevant		0.0%	Not relevant			
Referral to treatment time, 18 weeks in aggregate, non-admitted patients	95%	1.0	No		100.0%	Achieved		99.7%	Achieved		100.0%	Achieved			
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	92%	1.0	No	0	99.4%	Achieved	0	100.0%	Achieved	0	100.0%	Achieved			
A&E Clinical Quality- Total Time in A&E under 4 hours	95%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
Cancer 62 Day Waits for first treatment (from urgent GP referral) - post local breach re-allocation	85%	1.0	No		0.0%	Not relevant		0.0%	Not relevant		0.0%	Not relevant			
Cancer 62 Day Waits for first treatment (from NHS Cancer Screening Service referral) - post local breach re-allocation	90%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
Cancer 62 Day Waits for first treatment (from urgent GP referral) - pre local breach re-allocation					0.0%			0.0%			0.0%				
Cancer 62 Day Waits for first treatment (from NHS Cancer Screening Service referral) - pre local breach re-allocation					0.0%			0.0%			0.0%				
Cancer 31 day wait for second or subsequent treatment - surgery	94%	1.0	No		0.0%	Not relevant		0.0%	Not relevant		0.0%	Not relevant			
Cancer 31 day wait for second or subsequent treatment - drug treatments	98%	1.0	No		0.0%	Not relevant		0.0%	Not relevant		0.0%	Not relevant			
Cancer 31 day wait for second or subsequent treatment - radiotherapy	94%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
Cancer 31 day wait from diagnosis to first treatment	96%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
Cancer 2 week (all cancers)	93%	1.0	No		0.0%	Not relevant		0.0%	Not relevant		0.0%	Not relevant			
Cancer 2 week (breast symptoms)	93%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
Care Programme Approach (CPA) follow up within 7 days of discharge	95%	1.0	No		98.2%	Achieved		95.6%	Achieved		97.8%	Achieved			
Care Programme Approach (CPA) formal review within 12 months	95%	1.0	No	0	97.5%	Achieved	0	96.5%	Achieved	0	96.8%	Achieved			
Admissions had access to crisis resolution / home treatment teams	95%	1.0	No	0	100.0%	Achieved	0	100.0%	Achieved	0	99.8%	Achieved			
Meeting commitment to serve new psychosis cases by early intervention teams	95%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
Ambulance Category A 8 Minute Response Time - Red 1 Calls	75%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
Ambulance Category A 8 Minute Response Time - Red 2 Calls	75%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
Ambulance Category A 19 Minute Transportation Time	95%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
C.Diff due to lapses in care		1.0	No	0	0	Achieved	0	0	Achieved	0	0	Achieved			
Total C.Diff YTD (including: cases deemed not to be due to lapse in care and cases under review)					0			0			0				
C.Diff cases under review					0			0			0				
Minimising MH delayed transfers of care	<=7.5%	1.0	No	0	3.1%	Achieved	0	2.7%	Achieved	0	3.0%	Achieved			
Data completeness, MH identifiers	97%	1.0	No	0	99.8%	Achieved	0	99.8%	Achieved	0	99.8%	Achieved			
Data completeness, MH outcomes	50%	1.0	No	0	92.5%	Achieved	0	92.2%	Achieved	0	91.7%	Achieved			
Compliance with requirements regarding access to healthcare for people with a learning disability	N/A	1.0	No	0	0.0%	Achieved	0	0.0%	Achieved	0	N/A	Achieved			
Community care - referral to treatment information completeness	50%	1.0	No		0.0%	Not relevant		0.0%	Not relevant		0.0%	Not relevant			
Community care - referral information completeness	50%	1.0	No		0.0%	Not relevant		0.0%	Not relevant		0.0%	Not relevant			
Community care - activity information completeness	50%	1.0	No	0	0.0%	Not relevant	0	0.0%	Not relevant	0	0.0%	Not relevant			
Risk of, or actual, failure to deliver Commissioner Requested Services	N/A		No			No			No			No			
CQC compliance action outstanding (as at time of submission)	N/A		No			No			No			No			
CQC enforcement action within last 12 months (as at time of submission)	N/A		No			No			No			No			
CQC enforcement action (including notices) currently in effect (as at time of submission)	N/A	Report by Exception	No			No			No			No			
Moderate CQC concerns or impacts regarding the safety of healthcare provision (as at time of submission)	N/A		No			No			No			No			
Major CQC concerns or impacts regarding the safety of healthcare provision (as at time of submission)	N/A		No			No			No			No			
Trust unable to declare ongoing compliance with minimum standards of CQC registration	N/A		No			No			No			No			

## Finance Returns

### Compliance Framework Financial Risk Rating

The full returns have been prepared in line with the Monitor requirements. Figures within the returns are consistent with those within the Finance Report considered on the agenda under Performance.

The table below shows the 'Continuity of Services' risk rating.

This quarter, the Trust is able to confirm the Finance Declaration, which states that it is anticipated that the Trust will continue to maintain a Continuity of Service risk rating of at least 3 over the next 12 months. The completion of the Northgate land sale in December increased the Trust's liquidity rating up to a 4. Based on current forecasts for next year including the delivery of a small surplus it is anticipated that the Trust will maintain a Liquidity rating of 4 and the Trust's Continuity of Services rating will be a 3 for the next 12 months (till Q3 15/16).

### Risk Assessment Framework 'Continuity of Services' Financial Risk Rating

	Plan YTD to 31-Dec-14	Actual YTD to 31-Dec-14	14/15	2015/16		
			Forecast Year to 31-Mar-15	Adjusted Plan Year to 30-Jun-15	Adjusted Plan Year to 30-Sept-15	Adjusted Plan Year to 30-Dec-15
	£ m	£ m	£ m	£ m	£ m	£ m
<b>Liquidity Days (50%)</b>						
<b>Working Capital Balance</b> (cash for liquidity purposes)						
+ Total current assets (+)	37.242	38.100	34.021	33.269 <sup>▲</sup>	32.006	31.248
+ Total current liabilities (-)	(30.405)	(28.676)	(28.736)	(28.886)	(28.450)	(28.600) <sup>▲</sup>
- Inventories (+)	0.450	0.350	0.450	0.450	0.450	0.450
- Non-current assets held for sale (+)	0.000	1.932	0.000	0.000	0.000	0.000
<b>Total Working Capital Balance</b>	<b>6.387</b>	<b>7.142</b>	<b>4.835</b>	<b>3.933</b>	<b>3.106</b>	<b>2.198</b>
multiplied by 360	1,724.490	1,928.340	1,740.600	353.970	559.080	395.640
<b>Annual Operating Expenses</b>						
Operating expenses within EBITDA	213.662	209.627	284.061	70.000	140.000	210.000
<b>Total Annual Operating Expenses</b>	<b>213.662</b>	<b>209.627</b>	<b>284.061</b>	<b>70.000</b>	<b>140.000</b>	<b>210.000</b>
<b>Liquidity Days Ratio</b>						
= <i>Working Capital Balance * 360</i>	<b>8.1</b>	<b>9.2</b>	<b>6.1</b>	<b>5.1</b>	<b>4.0</b>	<b>1.9</b>
<b>Liquidity Risk Rating</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Capital Service Capacity (50%)</b>						
<b>Revenue Available for Debt Service</b>						
+ Surplus / (Deficit) after tax	0.727	(39.138)	(42.371)	0.500	1.000	1.500
- Impairments/losses (-) or reversals (+) on PFI	0.000	(47.663)	(47.633)	0.000	0.000	0.000
- Impairments/losses (-) or reversals (+) on non PFI	0.000	0.000	0.000	0.000	0.000	0.000
- Restructuring costs (-)	0.000	0.000	0.000	0.000	0.000	0.000
- PDC expense (-)	(1.360)	(0.872)	(1.163)	(0.159)	(0.318)	(0.476)
- Depreciation & Amortisation (-)	(4.114)	(4.295)	(6.179)	(1.622)	(3.267)	(5.001)
- Total interest expense incl Other Finance Costs (-)	(4.390)	(4.205)	(5.653)	(1.506)	(3.010)	(4.565)
- Gain (+) / Loss (-) on asset disposals	0.000	1.569	1.569	0.000	0.000	0.000
- Donations & Grants of PPE or intangibles	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue Available for Debt Service</b>	<b>10.591</b>	<b>16.328</b>	<b>16.688</b>	<b>3.787</b>	<b>7.595</b>	<b>11.542</b>
<b>Capital Servicing Costs</b>						
+ PDC dividend expense	1.360	0.872	1.163	0.159	0.318	0.476
+ Interest expense on commercial & non-commercial borrowing	1.078	0.923	1.237	0.350	0.700	1.100
+ Interest expense on PFIs & finance leases	2.325	2.257	3.100	0.756	1.510	2.266
+ Other finance costs & non-operating PFI costs (e.g. contingent rent)	0.987	1.025	1.316	0.400	0.800	1.199
+ Loan repayments	3.087	3.087	4.470	0.852	2.235	3.087
+ Capital element of PFI & other finance lease payments	0.790	0.792	1.036	0.404	0.780	1.186
<b>Total Capital Servicing Costs</b>	<b>9.627</b>	<b>8.956</b>	<b>12.322</b>	<b>2.921</b>	<b>6.343</b>	<b>9.314</b>
<b>Capital Service Capacity Ratio</b>						
= <i>Revenue Available for Debt Service</i>	<b>1.10</b>	<b>1.82</b>	<b>1.35</b>	<b>1.30</b>	<b>1.20</b>	<b>1.24</b>
<b>Capital Service Capacity Risk Rating</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>
<b>Continuity of Services Risk Rating</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>

The Trust scored a 4 at Quarter 3. The forecast is a 3 for the remaining quarter of 14/15 and for the first 3 quarters of 15/16.

## **RECOMMENDATIONS**

The Board of Directors are asked:

- to approve the proposed Quarter 3 submission to Monitor
- to agree the items detailed in Appendix 2 be forwarded to our Monitor Regional Manager

**Lisa Quinn**  
**Executive Director of Performance & Assurance**  
**January 2015**



### Procedure for preparing in-year submissions

In preparing in-year submissions the following reviews will be undertaken:

<b>Reporting Area</b>	<b>Lead</b>	<b>Information to be reviewed</b>	<b>Responsible Committee &amp; Management Forum</b>
<b>Finance</b>			
Finance Worksheets	Executive Director of Finance	Finance Reports	Board, FIBD & CDT
Finance Declaration			
<b>Governance</b>			
Targets and Indicators	Executive Director of Performance & Assurance	Integrated Performance & Assurance Report	Board, Q&P & CDT
Governance Declaration	Executive Director of Finance	Relevant Audit Reports	AC & SMT
	Board Secretary	Minutes of relevant Board/committee meetings	Board & Sub Committees
		Quality Governance Framework	
Elections	Board Secretary	Any results of elections held in the period	Board
Changes to the Board of Directors and Council of Governors	Board Secretary	Register of Board of Directors and Council of Governors	Board
Exception reporting	Executive Directors	Any exception reports made during the period	Board & Sub Committees

Exception reports Q3 2014/15Any Never Events

There have been no never events reported as per the DH guidance document.

Any patient suicide, homicide or absconsion (MH Trusts only)

The following table gives a brief breakdown serious incidents classed as unexpected deaths and any significant absconsion classed as serious (all other Awols / absconds are reported as patient safety incidents on a weekly basis to the NRLS). It should be noted that the vast majority of the following unexpected death incidents are still waiting a coroner's verdict.

Incident Date	Ward/Team	Cause	Outcome Type
01/10/2014	South Tyneside Adult Community Treatment Team	DE01 Unexpected Death	Conclusion Pending
02/10/2014	Nld Crisis Response & Home Treatment	DE01 Unexpected Death	Conclusion Pending
09/10/2014	North Tyneside East Adult CMHT	DE01 Unexpected Death	Conclusion Pending
09/10/2014	Newcastle West Adult CMHT	DE01 Unexpected Death	Conclusion Pending
14/10/2014	Cramlington Adult CMHT	DE01 Unexpected Death	Conclusion Pending
28/10/2014	Addiction Services West NLD	DE01 Unexpected Death	Conclusion Pending
30/10/2014	North Tyneside West Adult CMHT	DE01 Unexpected Death	Conclusion Pending
30/10/2014	South Tyneside Adult Community Treatment Team	DE01 Unexpected Death	Conclusion Pending
05/11/2014	South Tyneside Adult Community Treatment Team	DE01 Unexpected Death	Conclusion Pending
13/11/2014	North Tyneside East Adult CMHT	DE01 Unexpected Death	Conclusion Pending
14/11/2014	IAPT / Primary Care - SLD	DE01 Unexpected Death	Conclusion Pending
17/11/2014	South Tyneside Adult Community Treatment Team	DE01 Unexpected Death	Conclusion Pending
19/11/2014	Addictions Service Blyth Valley	DE01 Unexpected Death	Conclusion Pending
20/11/2014	Addictions Service Blyth Valley	DE01 Unexpected Death	Conclusion Pending
21/11/2014	Addictions Service NCL N Tyneside	DE01 Unexpected Death	Conclusion Pending
23/11/2014	North Tyneside East Adult CMHT	DE01 Unexpected Death	Conclusion Pending
24/11/2014	Hexham Adult CMHT	DE01 Unexpected Death	Conclusion Pending
06/12/2014	Addictions Service NCL N Tyneside	DE01 Unexpected Death	Conclusion Pending
11/12/2014	Addictions Service Blyth Valley	DE01 Unexpected Death	Conclusion Pending
11/12/2014	Sunderland Adult Community Treatment Team	DE01 Unexpected Death	Conclusion Pending
14/12/2014	Assertive Outreach N & NT	DE01 Unexpected Death	Conclusion Pending
15/12/2014	Addictions Service Blyth Valley	DE01 Unexpected Death	Conclusion Pending
16/12/2014	Blyth Adult CMHT	DE01 Unexpected Death	Conclusion Pending
17/12/2014	Sunderland Adult Community Treatment Team	DE01 Unexpected Death	Conclusion Pending
18/12/2014	Sunderland Adult Community Treatment Team	DE01 Unexpected Death	Conclusion Pending
18/12/2014	South Tyneside Adult Community Treatment Team	DE01 Unexpected Death	Conclusion Pending
19/12/2014	Gateshead Adult Community Treatment Team	DE04 Alleged Homicide By A Patient	SUI Review
20/12/2014	North Tyneside East Adult CMHT	DE01 Unexpected Death	Conclusion Pending
23/12/2014	Assertive Outreach N & NT	DE01 Unexpected Death	Conclusion Pending
23/12/2014	Addictions Service NCL N Tyneside	DE01 Unexpected Death	Conclusion Pending
24/12/2014	Newcastle West Adult CMHT	DE01 Unexpected Death	Conclusion Pending
28/12/2014	Newcastle North And East Adult CMHT	DE01 Unexpected Death	Conclusion Pending

Adverse national press attention Q3 2014/15

Date	Publication	Headline	Content
20 November 2014	ITV.com  BBC website	<b>6,000 North-East NHS staff assaulted - with three patients committing 100 attacks each</b>  <b>NHS attacks highest at NE trust</b>	Figures show there were 3,335 attacks last year at the trust There were more than 3,300 assaults by patients on NHS staff in a north-east England hospital trust last year, the latest figures reveal. The annual NHS Protect data shows the Northumberland, Tyne and Wear (NTW) NHS Trust had the highest number of attacks in England.
1 December 2014	Mental Health Practice Pg 8	<b>47000 assaults on staff might be tip of the iceberg</b>	This article focuses on the study NHS Protect concerning the attacks on NHS Trust and highlights the Trust.