

Board of Director Meeting
Minutes of the Meeting held in Public at 9.30am on Tuesday 5 May 2015
In the Board Room, Leighton Hospital, Crewe

Present

Dame P Bacon	Deputy Chair (<i>in the Chair</i>)
Mr J Barnes	Non-Executive Director
Mrs T Bullock	Chief Executive
Mr M Davis	Non-Executive Director
Dr PA Dodds	Deputy Chief Executive and Medical Director
Mrs D Frodsham	Chief Operating Officer
Mr D Hopewell	Non-Executive Director
Mrs W Marston	Interim Director of Service Transformation & Workforce
Mr M Oldham	Director of Finance & Strategic Planning
Mrs J Smith	Director of Nursing and Quality

In attendance

John Lyons	Lead Governor
Chris Ralphs	PA to Directors of Finance & Strategic Planning and Nursing & Quality

Apologies

Mr D Dunn	Chairman
Mr J Church	Non-Executive Director
Mrs R McNeil	Non-Executive Director

BoD15/05/1 WELCOME, INTRODUCTION AND APOLOGIES

15/05/1.1 The Deputy Chair opened the meeting and welcomed those members of the public in attendance. The Deputy Chair noted contribution from those in attendance was not permitted during the meeting, however, advised there would be an opportunity to discuss any issues with the Directors after the meeting, if a person so wished.

BoD15/05/2 PATIENT STORY

15/05/2.1 Mrs Smith outlined a patient's experience of using the Independent Domestic Violence Advocate service and described the satisfactory outcome that was achieved for the patient. In view of the sensitive nature of the patient story this was presented anonymously. It was noted that the Independent Domestic Violence Advocate service had ensured the patient received appropriate follow up which would otherwise not have taken place had the service not been available. Mrs Smith explained that the Independent Domestic Violence Advocate post is jointly funded by the Police Crime Commissioner and the CCG initially for one year, but this has currently been funded for a further year.

Board expressed concern about the temporary nature of the funding and Mrs Smith noted that this was due to the funding for the Police Crime Commissioner being allocated on an annual basis. Mrs Smith also advised that evidence was being collated on the effectiveness of the role should this be questioned.

15/05/2.2 The Deputy Chair asked that the patient be thanked in the usual way for sharing her story.

BoD15/05/3 BOARD MEMBERS INTERESTS

None Noted

BoD15/05/4 MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON 7 APRIL 2015

15/05/4.1 The minutes of the meeting held on 7 April 2015 were approved subject to amending a number of typing errors. Mrs Bullock assured the Board that the context of the minutes had not been altered.

Resolved

- **To agree the minutes of the Board of Directors meeting held on the 7 April 2015 subject to the approved changes**

BoD15/05/5 MATTERS ARISING

15/05/5.1 None noted.

BoD15/05/6 ANNUAL WORK PROGRAMME 2015/16

15/05/6.1 Mrs Smith advised that the CQC Registration/Bi-annual Report due to be considered at this meeting had been delayed until end of May 2015 due to the delay in national publication of the Intelligent Monitoring information. Similarly, publication of the National Inpatient Survey Report has been delayed until the end of May 2015.

Resolved

- **To note the Annual Work Programme**

BoD15/05/7 CHAIRMAN'S ANNOUNCEMENTS

15/05/7.1 Non-Executive Director Recruitment

The Deputy Chair formally announced the successful appointment of Mr John Church as a Non-Executive Director of the Trust subject to the Fit and Proper Persons Test and other routine checks. The appointment was approved by Council of Governors on 30 April 2015 and his official start date was 1 May 2015. The Deputy Chair looked forward to welcoming Mr Church to his first meeting.

15/05/7/2 Board Away Day

The Deputy Chair noted that the Board had received a legal update from Hill Dickinson and the Annual Governance Statement was reviewed with a particular focus on clinical risk

The Deputy Chair asked that the Board consider the following items raised by the Chairman in his absence:

15/05/7.3 Future Board Away Day

It was noted that the Chairman had issued an invitation to Dame Gillian Morgan, Chair of NHS Providers to attend a future Board Away Day.

15/05/7.4 **NHS Litigation Authority**

The Deputy Chair noted that the volume and value of litigation claims are growing nationally and the Trust should be prepared for further significant increases in premiums going forward. Mr Oldham explained that the costs for providers have been suppressed in previous years due to support from the Department of Health but removal of this sees the pressure sit within organisations.

15/05/7.5 **Patron of the MCHFT Charity**

Dame Patricia noted that the Chairman was pleased to receive Pete Waterman OBE to the Leighton site last week as Patron of the MCHFT Charity. Mr Waterman met with Cardiac Imaging and NICU staff.

15/05/7.6 **Celebration of Achievement Awards**

It was noted that the Chairman had invited Dame Sarah Storey to be the guest speaker at the Celebration of Achievement Awards evening at Crewe Hall on Thursday 8 October 2015.

15/05/7.7 **Cheshire Business Leaders**

The Chairman wished Board to note that he had given an invited briefing to Cheshire Business Leaders about the challenge for Cheshire DGHs. As a member of the Cheshire Business Leaders for Health, the Chairman will be meeting Chairs of other DGHs periodically in order to brief on behalf of all hospitals in Cheshire.

BoD15/05/8 GOVERNORS' ITEMS

15/05/8.1 The Deputy Chair noted the approval of the new Non-Executive appointment at the Council of Governors meeting on 30 April 2015.

15/05/8.2 Mrs Katharine Dowson, the new Board Secretary was present in advance of her start date later this month.

15/05/8.3 The Deputy Chair reported to the Council of Governors a working group chaired by herself, together with Mr Hopewell, two Governors and Mrs Dowson, supported by Mrs Marston, was to prepare a report for Council of Governors with Governor Development proposals, both individually and for the full Council of Governors.

15/05/8.4 The Council of Governors considered the appraisal and remuneration of Non-Executive Directors which had been ratified by the Nominations and Remuneration Committee.

15/05/8.5 The Council of Governors approved the Lead Governor's statement for the Annual Report.

15/05/8.6 The Council of Governors received a presentation from Mrs Karen Edge, Deputy Director of Finance – Business Intelligence, and Mr Barney Schofield of UHNM on the Stronger Together Programme which reaffirmed that quality is the major driver.

15/05/8.7 The report of the Chief Executive was received at the meeting.

15/05/8.8 Governors were invited to input to the Quality Account with a deadline of Friday 15 May 2015.

Resolved

- **To note the report**

BoD15/05/9 CHIEF EXECUTIVE'S REPORT

15/05/9.1 Connecting Care Board and Connecting Care Provider Board

Mrs Bullock noted that a significant part of the discussion at the Connecting Care Board was the NHS IQ findings of a review of strategic plans of partners within the Connecting Care Board. As a result of the review there are 5 key aims going forward. Mrs Bullock explained that the previous "Innovation pot" used for the financing and resourcing of the Provider Board, was no longer available. There is funding of £2M, held by CCGs, to be made available and this would be released based on achievement of the key milestones. Mrs Bullock added that a joint letter from herself and Mr Whitehouse would be sent to GPs explaining that there would be not be any provision to approve business cases as previously.

Mrs Bullock explained that the most notable discussion that took place at the Connecting Care Provider Board held on 17 April 2015 was in respect of the two options available for the Integrated Community Teams and the management of the Service Development Team and Care Facilitators. One model has the Care Facilitators within the existing teams and the second option as the Care Facilitators within the Service Development Team, with a focus on designing and implementation of new models of care. The Steering Group has been asked to make a firm decision on which option to use. A decision will then be required of who should recruit the Service Development Managers and Care Facilitators; Primary and Secondary linkage; or Primary and Community linkage.

15/05/9.2 Changes to the Executive Team

Mrs Bullock congratulated Mrs Smith on her successful appointment to Chief Nurse at the University Hospital of Leicester and noted she will be leaving the Trust at the end of July 2015. Mrs Bullock added that recruitment to Mrs Smith's post is currently underway.

Mrs Bullock advised that Mr Pitt had been on secondment to the Connecting Care Board as Interim Programme Director and wished to note he had now been successfully recruited into the substantive role. Mrs Bullock added that as Mrs Marston will be at the Trust as Interim Director of Service Transformation and Workforce, the recruitment process for Mr Pitt's post will begin once the Director of Nursing post is recruited to.

The Deputy Chair asked that best wishes be conveyed to Mr Pitt and thanks for his contribution to the Trust whilst he was here. The Deputy Chair also wished Mrs Smith every success in her new role.

15/05/9.3 Summer Celebration

Mrs Bullock informed the Board there was to be a Summer Celebration on 4 July 2015 at Keele Hall which was initially to celebrate the very positive rating the Trust received from the Care Quality Commission. Mrs Bullock added that there had been many other successes over the last financial year and it was felt a celebration would further boost staff morale. Mrs Bullock noted that there are 492 tickets available and asked the Board

should they wish to attend could they let her know as soon as possible.

15/05/9.4 **Monitor Annual Visit**

Mrs Bullock advised that Monitor would be making their annual visit to the Trust in June and noted they had requested separate meetings with the Executive Directors and Non-Executive Directors. Mrs Bullock agreed to share her presentation with the Non-Executive Directors prior to the visit.

15/05/9.5 **Patient Safety Congress 2015**

Mrs Bullock advised that the Trust had been shortlisted for an award at the Patient Safety Congress 2015. This reflects the excellent work undertaken to recognise the work the Skin Care Committee has undertaken to manage and reduce pressure ulcers and moisture lesions; Mrs Bullock was pleased to note that external organisations were equally impressed.

Resolved

- **To note the Chief Executives Update**

BoD15/05/10 CARING

15/05/10.1 **Patient Quality Safety and Experience Report**

Mrs Smith introduced the Patient Quality Safety and Experience report, highlighting a number of key metrics for the month of March 2015, including;

- 20 formal complaints received in month, which is an decrease of 5 compared to the previous month
- The Trust had 4 complaints reviewed by the Ombudsman; two complaints referred in March; one complaint was closed which was not upheld; two complaints referred in 2014 awaiting final reports.
- The overall trend for complaints remains communication
- The Trust closed 15 complaints in March
- The number of contacts raising informal concerns was 129, an increase of 16 from the previous month
- The Trust received 145 compliments in month.

During a discussion regarding the continuing trend in communication related complaints, Mrs Smith noted that the Complaints Review Panel were undertaking an in depth review to explore the issue further.

Mrs Smith introduced the Safety Report, noting the following key points

- In March 2015 177 patients experienced a harm incident whilst being treated in the Trust whilst noting these were predominantly low or no harm incidents
- There was one serious incident reported in March 2015 relating to a grade 3 pressure ulcer.

Mrs Smith explained changes to the recording of *Clostridium Difficile* cases due to guidance issued by Public Health England. In conjunction with CCGs, *Clostridium Difficile* cases are reviewed to consider if they are avoidable or unavoidable. The target for 2014/15 was for no more than 23 avoidable cases to be reported. The Trust reported 10 avoidable cases of *Clostridium Difficile* cases in 2014/15; therefore the target has been

achieved.

Dr Dodds reported the most recent SHMI of 100 during the period October 2013 to September 2014, which illustrates ongoing quarter on quarter reductions. Work continues to reduce the SHMI further. The Board was pleased to note the ongoing improvement in respect of the Trusts SHMI.

Resolved

- **To note the Patient Quality Safety and Experience Report**

15/05/10.2

Monthly Nursing & Midwifery Staffing Report

Mrs Smith presented the monthly Nursing and Midwifery Staffing Report and members discussed the content. Mrs Smith noted that the Neo-Natal unit did not meet the planned staffing levels on a number of occasions explaining staffing levels were adjusted based on acuity and demand and that the levels were appropriate based on number and acuity of patients.

Dame Patricia raised a query in relation to the RAG rating and the value this has in terms of reporting. In response Mrs Smith noted that the national review regarding the RAG rating of mandated actual against plan had been delayed until end of May 2015.

Resolved

- **To note the Nursing and Midwifery staffing report**

15/05/10.3

Nursing and Midwifery Staffing Comprehensive Report

Mrs Smith presented the six monthly comprehensive update report on nursing and midwifery safe staffing levels.

Mrs Smith provided Board with a background to the report advising that the Trust uses the Safe Nursing Care Acuity Tool which measures the individual dependency of patients and uses generic multipliers to calculate the staffing required. The majority of areas within the Trust now use the tool on a daily basis to manage the variable acuity and manage staffing to best effect.

Mrs Smith advised that a process had been set up whereby detailed discussions take place twice a year with each Divisional Matron to formally review sickness, acuity and quality in each ward and area. Based on these discussions actions are taken regarding potential investment or support. Overall the Trust continues to see a growing acuity and dependency and noted a focused approach is being given to recruitment, particularly with the national campaign regarding return to practise. Mrs Smith added that the Trust's ambition is for 7/7 consistent working across the wards and in the longer term to look at supernumerary status for Ward Managers. Mrs Smith added that investment bids had been requested to mitigate some of the staffing issues and were awaiting approval.

Mrs Smith noted that at the time of the reviews there were 28.27 nursing vacancies. From 1 June 2015, 17 overseas nurses have been recruited from Portugal, Italy and Cyprus. Mrs Smith remarked on the positive joint learning being seen by both the overseas nurses and those currently in the Trust.

Mr Barnes queried the preceptorship period for new nurses to become substantive. Mrs Smith replied that it was a maximum of a month but sometimes overseas registration can be delayed meaning that these staff are employed as a Band 3 on restricted duties. The

substantive roles are then backfilled with bank and agency. Mrs Smith advised that the Nursing & Midwifery Council are currently looking to set up new processes to escalate and intervene for Trusts who are not receiving overseas registrations in a timely manner.

Resolved

- **To note the report**
- **To await approval of mitigation investments within the Budget 2015/16 following agenda item 13.5**

15/05/10.4 **Quality, Experience and Safety Committee**

Mrs Bullock presented the minutes of 12 March 2015 for noting and invited questions from the Board. Mrs Bullock advised of one item for escalation regarding an update on TARN performance by Mr Paul Knowles, Consultant in Emergency Medicine. It was noted that overall the Trust is performing well against TARN.

Resolved

- **To note the update and action notes from the Quality, Experience & Safety Committee**

BoD15/05/11 SAFE

15/05/11.1 **Serious Untoward Incidents and RIDDOR Events**

Dr Dodds advised Board there were 2 new RIDDOR events to report and 1 Serious Untoward Incident relating to a stage 3 pressure ulcer.

Resolved

- **To note the verbal update**

BoD15/05/12 RESPONSIVE

15/05/12.1 **Performance and Finance Committee**

Mr Oldham presented the action notes from the Performance and Finance Committee of 22 April 2015 and invited questions from the Board.

Mr Oldham noted the Committee had received a presentation regarding the Outpatient Rationalisation Project which saw the closure of the first stage of the project. The project was now moving on to the second phase which was around the physical capacity and systems and processes regarding booking appointments and to reduce Did Not Attend (DNA) rates.

Mr Oldham advised that the Committee had approved the Business Intelligence Unit Strategy which is a more encompassing strategy around the links between Finance and the Business Intelligence Unit.

Mr Oldham advised the Board of the escalations from the Performance and Finance Committee meeting:

- Financial forecast;
- A&E Performance and Actions;
- Risk on RTT Quarter 1;
- Patient moves out of hours showing significant improvement.

Resolved

- **To note the update and action notes from the Performance and Finance Committee**

15/05/12.2

Performance Report

Mr Oldham presented the Performance Report noting this also covered the year end performance. Mr Oldham noted that the annual accounts would be submitted in line with this report. Mr Oldham highlighted the following key points;

- The Trust had delivered all cancer indicators year to date but had failed the 62 day wait for first treatment from NHS Cancer Screening Service referral for the month.
- The Trust continues to deliver the admitted and incomplete RTT pathways in month but did not deliver the non-admitted target.
- The Trust failed the four-hour target for the month and quarter. This continues to be a challenge going forward.

Under Financial Performance, Mr Oldham noted that the deficit of £1.1M deteriorated from February partly due to an error in the forecast of winter monies and a significant (£0.3M) reduction in theatre stock charged through Income and Expenditure. Mr Oldham noted a number of other exceptional items such as the Trust performance in respect of the fixed contract which is £0.6M higher than actual value of the work completed, £2.2M of charitable income and £348k of impairments. Mr Oldham advised of an underlying deficit of £3M. Mr Oldham was pleased to note the 'grip' on costs and noted finances were on track until November 2014. From then Mr Oldham noted the issues were predominantly relating to non delivery of the elective QIPP and cancellation of elective surgery due to winter pressures.

In response to Dame Patricia's question Mr Oldham noted that the CIP delivery was £2.9M against a target of £3.3M, the variance being attributable to the inability to close a ward over winter, however noted this was offset by the national pay award.

Finally, Mr Oldham noted the excellent performance year end in respect of the trade debtor profile

Within the workforce summary, Mr Oldham highlighted that sickness absence continued to rise except for the month of March. Mr Oldham noted a report had been received at Performance and Finance Committee that showed the Trust's performance followed the national profile of other organisations and noted that the Trust's performance was still considerably better than the North West hospitals. Mrs Marston added that a business case to focus attention and reduce sickness absence had been favourably received at the Workforce Assurance Committee and this would now be presented to Executive Directors.

Mr Oldham noted a disappointing end of year figure of 84.4% for appraisals, with some divisions still showing below 90%. Mr Oldham added that work is progressing to improve these figures and they are being monitored on a rolling 12 month basis.

Mr Oldham advised that, although there had been a considerable improvement in mandatory training, now at 89.3%, this was still below the expectation of 90%. Mr Oldham noted this was a significant improvement on the previous year.

Resolved

- **To note the Performance Report**

15/05/12.3 **Legal Advice**

Mrs Bullock noted one new request for legal advice but this was not an ongoing issue.

15/05/12.4 **Endoscopy Capacity and Equipment Business Case**

Mrs Frodsham presented the business case explaining that its purpose was to support the Board to make an informed decision to ensure sufficient physical capacity and equipment was available to meet Endoscopy demand. Mrs Frodsham noted that this business case was specifically for equipping an additional endoscopy room as part of the Treatment Centre refurbishment project.

Mrs Frodsham detailed the total investment requested and referred to the financial appraisal included in the case.

Mr Davis noted that although he supported the case he was unclear regarding the potential income and whether this would be sufficient to cover the costs. Mr Oldham explained that it was difficult to estimate as there were multiple and complex dynamics such as when the Trust would benefit from not outsourcing and skill mix issues. Mrs Frodsham added that outsourcing would potentially cease in 12 months for flexible sigmoidoscopies but there were significant issues around colonoscopies and the constant vacancies in Gastroenterology.

The Deputy Chair noted that there were a number of concerns expressed during the meeting in relation to the quality of the business case and noted the items of clarity required going forward.

Resolved

- **To approve Option 4 of the Business Case to provide sufficient physical capacity and equipment to meet demand for Endoscopy services.**

BoD15/05/13 WELL-LED

15/05/13.1 **Visits of Accreditation, Inspection or Investigation**

Mrs Bullock advised that Occupational Health Department had been accredited as being a Safe, Effective, Quality Occupational Health Service (SEQOHS).

Mrs Bullock noted the Critical Care Peer Review visit had taken place, but the report had not yet been received.

15/05/13.2 **Annual Plan – Monitor Feedback**

Mr Oldham presented a communication received from Monitor setting out two key issues that they would like all providers to address in their final plans. Mr Oldham continued by explaining that providers and commissioners should set and agree realistic demand growth assumptions and then plan for the level of capacity which meets the demand in a safe and sustainable way; and that providers should set realistic but stretching cost improvements.

Mr Oldham explained that a questionnaire regarding the demand and capacity, be completed and returned with the final operational plan on 14 May 2015.

Mr Oldham advised of instances of material misalignment with commissioners on contract income and activity. Mr Oldham confirmed that there is an agreed activity plan and contract but the CCG plan does not reflect that position at this stage.

Mr Oldham noted that there were some differences in the letter to the Annual Plan but assured the Board that these were essentially presentational and he would ensure the final submission to Monitor is updated.

Resolved

- **To note the report**

15/05/13.3

Audit Committee

Mr Hopewell presented the minutes of the Audit Committee which took place on 13 April 2014 and invited questions from Board members. Mr Hopewell then highlighted the items for escalation:

- The Committee received the Head of Internal Audit Opinion giving the Trust significant assurance
- The year-end timetable was received
- The Committee reflected on the first year of the new Internal Auditors. It was noted that KPMG had provided the Trust with a series of new challenges

Resolved

- **To note the update and action notes from the Audit Committee**

15/05/13.4

Board Assurance Framework Quarterly Report 2014/15

Dr Dodds presented the Quarter 4 report for 2014/15 and confirmed that Strategic Integrated Governance Committee had scrutinised the Board Assurance Framework for the coming year.

Resolved

- **To note the Board Assurance Framework Quarterly Report**

15/05/13.5

Annual Budget

Mr Oldham presented the 2015/16 Annual Plan and Budget paper for Board approval. Mr Oldham explained that the report brings the conclusion of the contract discussions. The contract offer is based on PbR which could lead to significant risks for the CCG should there be growth in elective activity. The contract documentation is expected to be signed on 12 May 2015.

Mr Oldham noted that the plan would form the basis of the submission to Monitor on 14 May 2015, together with the Strategic Objectives, Strategic Plan and risks as outlined in the Annual Governance Statement.

The Deputy Chair noted that, although the Board had seen various versions of the Plan, the overall financial picture had not changed dramatically.

Resolved

- **To approve the Budget for 2015/16**

- To approve the Capital Programme
- To approve investments previously agreed subject to business case / sign off in line with Standing Financial Instructions.

Mrs Bullock advised that with the Board's approval of the Budget for 2015/16 and investments therein, the investments referred to in Mrs Smith's paper at agenda item 15/05/10.3 were approved.

Resolved

- To approve the investments within the Nursing and Midwifery Comprehensive Report

BoD/15/04/14 EFFECTIVE

15/05/14.1 Strategic Integrated Governance Committee

Dr Dodds presented the action notes from the Strategic Integrated Governance Committee of 13 April 2015 and invited questions from the Board. Dr Dodds had noted that two items required escalation to Board; the aforementioned Quarter 4 progress report on the Board Assurance Framework; and to note that the Committee formally approved the principle objectives for the Board Assurance Framework for 2015/16.

Resolved

- To note the update and action notes from the Strategic Integrated Governance Committee

15/05/14.2 Consultant Appointments

Dr Dodds advised that the Trust had appointed one new Consultant Cardiologist and one replacement Consultant Cardiologist. The Trust had also appointed one new Consultant Obstetric Anaesthetist and one replacement Consultant Obstetric Anaesthetist.

Resolved

- To note the verbal update

BoD/15/05/16 ANY OTHER BUSINESS

15/05/16.1 Extra-Ordinary Board meeting

Mrs Bullock confirmed the date of the Extra-Ordinary Board meeting to sign off the Annual Accounts as Tuesday 26 May 2015 @ 1.00 pm in the Boardroom.

BoD/15/05/17 Date of the next meeting

Monday 1 June 2015 @ 9.30 am in the Boardroom, Leighton Hospital, Crewe

The meeting closed at 12:30 hours.

Signed

Chairman

Date