

**Board of Directors Meeting
Minutes of the Meeting held in Public
Tuesday, 3 May 2016
at 9.30am in the Boardroom, Leighton Hospital, Crewe**

Present:

Mr D Dunn	Chairman
Dame P Bacon	Non-Executive Director
Mr J Barnes	Non-Executive Director (<i>from item BoD16/05/2.1</i>)
Mrs T Bullock	Chief Executive
Mr J Church	Non-Executive Director
Mr M Davis	Non-Executive Director
Dr P A Dodds	Deputy Chief Executive/Medical Director
Mrs D Frodsham	Chief Operating Officer
Ms A Lynch	Director of Nursing and Quality
Mrs R McNeil	Non-Executive Director
Mr M Oldham	Director of Finance and Strategic Planning

In attendance:

Mrs K Dowson	Trust Board Secretary
Mr J Lyons	Lead Governor
Mrs R Urquhart	Head of Organisational Development and Learning (<i>item BoD16/05/14.4 only</i>)
Ms R Hooker	Assistant OD Lead (<i>item BoD16/05/14.4 only</i>)

Observing:

Mrs Jan Roach	Governor
Mrs Suzanne Horrill	Lay Member Vale Royal CCG

Apologies:

Mr D Hopewell	Non-Executive Director
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BoD16/05/1 Welcome and Apologies for Absence

16/05/1.1 The Chairman welcomed everyone to the meeting and noted Mr J Barnes was not present but was expected shortly.

16/05/1.2 Apologies for absence were received and noted.

BoD16/05/2 Patient Story

16/05/2.1 Ms A Lynch presented a Patient Story which illustrated the work taking place to implement and encourage self-medication by patients. The story explained the benefits felt by nursing staff and by patients who can lose their independence during a hospital stay. The support given to the patient by nurses had enabled the patient to think through their medication for themselves and develop their own routine ready for going home.

16/05/2.2 Mr Church commented that the ability to medicate independently was an issue that had previously been mentioned by patients on a patient safety walk round of AMU and he was pleased to see this happening in practice. Mrs Lynch said this story demonstrated the successful implementation of the self-medication policy. Dame Patricia noted that it was positive to see the impact of policy changes on patients.

16/05/2.3 The Board placed its thanks on record of the interesting and useful Patient Story.

Resolved: To note the Patient Story.

Mr Barnes arrived during this item.

BoD16/05/3 Board Member Interests

16/05/3.1 There were no new interests to declare.

16/05/3.2 There were no interests declared in relation to open items on the agenda.

BoD16/05/4 Minutes of the Previous Meeting

16/05/4.1 Dame Patricia noted that in reference to 16/04/11.1.3 Mr Ehsan Haqqani had been asked to the NED meeting to look at assurance only and reference to the work plan of the Quality Governance Committee should be removed.

16/05/4.2 **Resolved:** To accept the minutes of the last meeting held on 4 April 2016 as a true and accurate record subject to the amendment noted by Dame Patricia on item 16/04/11.1.

BoD16/05/5 Matters Arising and Actions from Previous Meeting

16/05/5.1 There were no Matters Arising in addition to those included on the agenda.

16/05/5.2 Actions from previous meetings listed in the Action Log were reviewed.

- The Stroke Services business case is anticipated to be on the Board agenda in June. (Item Closed)
- The date for the board to board has been set and will be confirmed in diaries this week. (Item Closed)
- Subscription Renewals. The subscription in discussion has been agreed. Any future renewals will be negotiated where possible. (Item Closed)

Resolved: To note all outstanding Board actions are now closed.

BoD16/05/6 Annual Work Programme

16/05/6.1 **Resolved:** To note and approve the Annual Work Programme for the financial year 2016/17.

BoD16/05/7 Chairman's Announcements

16/05/7.1 The Chairman provided a verbal report on the following items:

BoD16/05/7.1 Council of Governors Meeting – 21 April 2016

16/05/7.1.1 The Chair thanked Dame Patricia for chairing a productive meeting in his absence and Dame Patricia summarised the meeting outcomes. The NED annual reporting cycle is now complete, this work was scrutinised by the Nomination and Remuneration Committee and then agreed by the Council of Governors. Governors had agreed with the Board that the Deloitte governor training had been effective and good but it was felt that the learning could be cascaded for those who had not been able to attend rather than repeat the session. The Chair also reported that Mr John Lyons informed the Council that as

his term is ending next year he is stepping down as Lead Governor. The Chair will be writing out to the Governors to ask for nominations from the existing governing body.

16/05/7.1.2 Dame Patricia added that the Council had found Mrs Bullock's Chief Executive update on the Trust useful, they are now fully sighted on the community services tender and that it may result in a significant transaction which will need to be ratified by the Council. The discussion topic was on Seven Day Services, which provided a valuable overview and summary of the challenges of implementation.

BoD16/05/7.2 Board Away Day – 25 April 2016

16/05/7.2.1 The Chair summarised the main discussions of this meeting. There was a productive and honest discussion which reviewed the effectiveness of the new governance structures in providing assurance. Mrs Bullock added that a useful discussion had taken place in regard to the Lord Carter report gap analysis during which Mr Oldham had presented the governance structure for the ongoing review. This will now be populated with actions and reviewed through the committee structure.

16/05/7.2.2 Dame Patricia said that the Board had appreciated the bi-annual update on Health and Safety. Mr Davis added that the evidence base included in the presentation regarding NHS prosecutions was very useful.

Resolved: The Board noted that the annual Health and Safety update had taken place and thanked Ms Wendy Astle-Rowe.

BoD16/05/7.3 League of Friends donations

16/05/7.3.1 The Chair circulated a paper stating the donations made by the League of Friends for the financial year 2015-2016. The variety and amount was commented on by the Board.

ACTION: Letter to be sent to the League of Friends to thank them for their continued support and generosity. (Chair)

BoD16/05/7.4 Junior Doctors Strike

16/05/7.4.1 The Chair advised the Board of the importance of all organisations seeking every opportunity to move to a speedy resolution to the Junior Doctor strike, in the interests of patient safety and staff morale. Mr Barnes asked if an alternative national solution to the imposition of contracts exists. Mrs Bullock confirmed that other options are not currently being developed and that all implementing bodies would wish to seek unity on the final solution to prevent other issues developing further down the line. Mrs McNeil informed the board that as part of a national update, Chris Hopson of NHS Providers had only briefly referenced the junior doctors contract to warn about the financial cost associated with implementation.

Resolved: To note the Chairman's verbal report.

BoD16/05/8 Governors Items

16/05/8.1 There were no Governors Items.

BoD16/05/9 Chief Executive's Report

16/05/9.1 Mrs Bullock provided a verbal report on the following items:

BoD16/05/9.1 Junior Doctors Strike Action

16/05/9.1.1 Mrs Bullock updated Board on the impact of the latest strike action by Junior Doctors on 27-28 April which for the first time covered non-elective work. Despite the higher potential risks associated with this action Mrs Bullock confirmed there were no incidents or adverse outcomes that the Trust is aware of. However there was a higher impact on services with 104 new outpatients, 223 follow up outpatients, 8 day cases and 7 inpatient elective procedures being cancelled in order for Consultants to provide cover.

16/05/9.1.2 The BMA have not announced any further action but the Trust have been asked by NHS England to review contingency plans should an all-out strike be announced. In response to a question from Mrs McNeil, Mrs Frodsham said that attendance had been down during the strike days but it picked up markedly at 5pm but it is unclear if this is attributable to strike action as it mirrored the usual peak in activity. Mrs Bullock confirmed that there is a national policy for relisting within 28 days those who have had appointments cancelled. In response to a question from Mr Barnes Mrs Bullock confirmed that the Trusts experience was in line with other Trusts nationally.

BoD16/05/9.2 Cheshire & Merseyside STP Membership Group

16/05/9.2.1 Mrs Bullock updated the Board on the work of this group to support delivery of the Sustainability and Transformation Plan (STP). All stakeholders have been invited to three meetings; the first of these took place on 12 April and Mrs Bullock outlined the limited productivity of a meeting with 40 plus attendees. Mrs Bullock noted that subsequent versions of the STP have since been circulated to board members. The document remains high-level as the detail will be added later. Mr Church commented that the document as circulated was good, with ambition and cross-cutting links, for example to public health.

BoD16/05/9.3 Local Delivery Plan Development

16/05/9.3.1 Mrs Bullock updated the Board on the progress towards the Local Delivery Plan which will become a chapter of the STP for Cheshire & Merseyside. Deloitte is facilitating weekly meetings between stakeholders to develop the economic model and strategic outline business case. There is a half-day session on 6 May to populate the document further. Mr Davis asked if the local delivery plan will influence the wider STP plan. Mrs Bullock confirmed it would as it would make up a chapter of the STP but added that the challenge is to ensure that all the local chapters add up to a sustainable Cheshire and Merseyside plan.

BoD16/05/9.4 Connecting Care Provider Board (CCPB)

16/05/9.4.1 Mrs Bullock reported on the significant discussions regarding recurrent funding for the integrated community teams which has not yet been confirmed for 2016/17. There is no confirmed project support or resource beyond May which means that pathway developments have ceased. The CCG have agreed to pay for the staff already recruited but all other recruitment has paused.

- 16/05/9.4.2 The Trust has already provided further information to the CCGs on the planned milestones of the project and when savings in the system are anticipated. The original business plan outlined that savings made as a result of a reduction in provider activity would result in the phased closure of beds. This would mean money could be taken out of the system in order to fund teams going forward and the modelling for this had already been agreed.
- 16/05/9.4.3 Mrs Bullock confirmed that the staff already recruited are working and conducting Multi-Disciplinary Reviews but progressing to the next step with full teams in place is where the project has stalled. Mr Church asked how it will tie into the changes in community services. Mrs Frodsham confirmed that the new teams will be part of the Community Services tender. Mrs Frodsham also commented that this is the first real investment in community services for a significant period and the GP alliances are very supportive of this project, however the finances are a challenge and a decision from Commissioners is needed to either stop funding or to support the project in which case project support needed.
- 16/05/9.4.4 Mrs McNeil commented that the consequences for the staff and confidence in the local health economy in developing new models of care will be significant if this doesn't happen. Mrs Bullock agreed expressing concern that local confidence and good will could be lost.
- 16/05/9.4.5 Finally, Mrs Bullock advised the Board that Mr John Wilbraham has now stepped down as a member of the Connecting Care Provider Board.

BoD16/05/9.5 Cheshire East Health & Wellbeing Board

- 16/05/9.5.1 Mrs Bullock reported on the Caring Together Programme which had been presented at the Health & Wellbeing Board by Mr Jerry Hawker. This project is at a key milestone and is described as ready for action but key discussions are still needed to agree its organisational form, infrastructure and to resolve financial issues.

BoD16/05/9.6 Connecting Care Board

- 16/05/9.6.1 This meeting was not attended by Mrs Bullock in April.

BoD16/05/9.7 Contract Dispute Resolution Progress

- 16/05/9.7.1 Mrs Bullock reported to the Board on the Mediation meeting which took place on 22 April with NHS Improvement and NHS England. The session reduced the number of items in dispute from 11 to 3 key areas. As a result of mediation the Trust is no longer disputing the CQUINs and agreed that it would work with Commissioner to deliver these. The Trust has also provided a counter-offer to the CCGs on GP Admissions and Zero Length of Stays.
- 16/05/9.7.2 If the ongoing items cannot be agreed then the dispute will have to move to arbitration. The deadline for submitting the paperwork for the first wave of arbitration was not met. NHS Improvement will advise both parties of the next steps.

Resolved: To note the Chief Executive's Report.

BoD16/05/10 Caring
BoD16/05/10.1 Six Monthly Safe Staffing Comprehensive Report

- 16/05/10.1.1 Ms Lynch presented the Six Monthly Safe Staffing report to the Board to provide assurance that staffing levels across the hospital are reviewed regularly. The report outlined the tools used and showed results by division. Mrs Lynch advised the Board that if the tools used show that any areas are at risk of being understaffed a further review is undertaken using a variety of evidence such as incident reporting levels and senior staff views. A decision will then be made to recruit or keep under review. If more staff are needed a variety of options will be considered.
- 16/05/10.1.2 Ms Lynch used the example of three wards in the Surgery and Cancer Division whose results have shown an increase in their acuity scores for a second period so further investment in staff has been agreed. Further investment has also been agreed in Women and Children's. In response to a question from the Chair, Ms Lynch said that no tool exists for Elmhurst but the safe level of staffing review is undertaken by staff locally.
- 16/05/10.1.3 Mr Davis asked if the vacancy rate, currently at approximately 11% is monitored for trends. Ms Lynch confirmed that this is done by the Nursing and Midwifery Groups and Mrs Bullock noted that 11% was only for the nursing ward staff and was not a Trust wide position which was much lower and added that this was lower than the national average and is improving. Ms Lynch said this was an area where incremental investment is needed.
- 16/05/10.1.4 Mr Barnes asked whether the current recruitment strategy was working. Ms Lynch advised that the two recruitment open days held so far had achieved good results and two more are planned for 2016; this is being done in conjunction with an international recruitment strategy. The international recruits are staying, partly due to the pastoral care and support provided and they are successfully progressing through to more senior roles. Mrs Lynch also advised of other recruitment initiatives such as the Return to Practice training and seeking bespoke solutions for areas which struggle the most. Mrs Bullock added that comparatively, the recruitment strategy was delivering well in a much challenged market.

Resolved: To note the Six Monthly Safe Staffing Report.

BoD16/05/10.2 Quality, Safety & Experience Report

- 16/05/10.2.1 Ms Lynch presented the monthly Quality, Safety and Experience report, highlighting the continued work regarding the prevention of hospital acquired pressure ulcers. The work in this area is reported through the Quality Governance Committee. Mrs Frodsham added that she had attended a workshop on this area last week and was very impressed by the quality of the presentations and by the number of attendees.
- 16/05/10.2.2 Ms Lynch drew the Board's attention to the Mortality SHMI rate, which continues to be achieved 'as expected'. Mr Davis commented on the remarkable achievement of having seen no MRSA Bacteraemia cases in 2015/16. Ms Lynch confirmed that the potential case reported to the last Board had proved to be from a third party and was therefore not considered hospital acquired.

- 16/05/10.2.3 Mrs McNeil asked if there was any particular reason identified for the increase in medication incidents in the last quarter prior to March 2016. Ms Lynch said none had been identified although there had been a push for staff to report these incidents.
- 16/05/10.2.4 Ms Lynch reported that the national target for admitting patients with suspected stroke directly to the Stroke Unit had been missed. She clarified that this did not mean patients were not receiving care, but that the care had not taken place in the Stroke Unit. Mr Barnes asked what the action plan was to address this and Ms Lynch replied that there were recommendations in place and Mrs Frodsham confirmed that a paper is coming to the Board next month on Stroke Services and the partnership with UHNM. It is anticipated that this proposal will help to address some of these issues, especially out of hours.
- 16/05/10.2.5 Ms Lynch reported an improvement in the monthly safety thermometer for March but acknowledged that the Trust is still below the national benchmark. Mr Church asked at what point are concerns raised in regard to the worsening trend in Registered Nurse staffing levels and Ms Lynch replied that the overall figure has to be balanced with an operational day to day understanding of the ward performance as one ward can pull the level down across the Trust. Recommendations have been put in place to address the issues in one particular ward and currently the overall rate is not a concern.
- 16/05/10.2.6 Ms Lynch advised the Board that there will be a new staffing target of Care Hours per Patient Day which will be added to the staffing summary table from next month.
- 16/05/10.2.7 Ms Lynch presented the Patient Experience section of the report. She asked the Board to note that the aim in the Quality and Safety Improvement Strategy is to reduce by 10% complaints regarding communication and this has been achieved. This will continue to be monitored. Ms Lynch advised the Board that the Ombudsman is reviewing 6 complaints and this number has remained fairly static. 24 complaints were closed by the Trust in March.
- 16/05/10.2.8 Mr Davis asked whether the rise in complaints in Emergency Care correlated to the spike in attendance in March. Ms Lynch confirmed that many of these complaints were in regard to waiting times. Mr Oldham confirmed that the complaints chart on page 48 shows a spike in upheld and partially upheld complaints in busy periods. Mr Davis remarked on the speedy resolution of this cluster of complaints.
- 16/05/10.2.9 Dame Patricia asked for clarification on why one complaint had been withdrawn. Ms Lynch replied that following significant discussions the family were content with the answers and explanation given and therefore withdrew the complaint. Dame Patricia also commented that it was disappointing to see a complaint regarding discharge delays following previous efforts to improve this area of patient experience.
- 16/05/10.2.10 Ms Lynch advised the Board that 1 new clinical negligence claim was received in March and 4 were closed, of which 3 were upheld.

Resolved: To note the Quality, Safety & Experience Report.

BoD16/05/10.3 Draft Quality Account

16/05/10.3.1 Ms Lynch presented the draft Quality Account to the Board for information and invited comments prior to its formal submission to NHS Improvement in May. Mrs McNeil commented that the language is clear and reads well. The Board asked Ms Lynch to thank the Deputy Director of Nursing for her work in producing the document. Mr Church commented that the synopsis could provide the basis for some good communications.

ACTION: The Board to thank Ms Jayne Hartley for her work (Ms Lynch)

16/05/10.3.2 Ms Lynch advised that the draft had been sent out to stakeholders including Local Authorities, CCGs and Local Healthwatch for comments to be included in the Annual Report. Ms Lynch asked that any comments be sent to her directly in the next few days.

16/05/10.3.3 **Resolved:** To note the draft Quality Account for inclusion in the Annual Report and Accounts to be submitted to NHS Improvement in May following the Extraordinary Board Meeting on 24 May 2016.

BoD16/05/11 Safe

BoD16/05/11.1 Draft Quality Governance Committee notes – 11 April 2016

16/05/11.1.1 Dame Patricia, Chair of the Quality Governance Committee, presented the update of the last meeting on 11 April 2016. She tabled a revised action log, (dated April 2016). Dame Patricia reported two items for escalation to the Board.

- Board Assurance Framework (item 13.3 on agenda)
- Serious Untoward Incidents, (SUI) which had been delegated to the committee from the Board. Dame Patricia noted that Root Cause Analyses are in progress through the groups reporting to Quality Governance. The committee will keep the Board informed but currently there seems to be no obvious themes or issues that the Trust were not already aware of to explain the spike in SUIs in January. Mrs Bullock was pleased to note that the spike appeared to be a one off with numbers dropping in subsequent months. A further assurance report will come to the Quality Governance Committee in 6 months time.

16/05/11.1.2 Dame Patricia advised the Board that she intended to observe some of the collaborative work taking place in regard to preventable pressure ulcers to add additional assurance.

Resolved: To note the report and assurance from the committee.

BoD16/05/11.2 Serious Untoward Incidents and RIDDOR Events

16/05/11.2.1 Dr Dodds advised the Board that there had been two RIDDOR events reported since the last Board meeting and two grade 3 pressure ulcers reported.

Resolved: To note the Serious Untoward Incident and RIDDOR Events update.

BoD16/05/12 Responsive

BoD16/05/12.1 Performance Report for March 2016

16/05/12.1.1 Mrs Frodsham reported the year end of position. All NHS Improvement targets had been met in March with the exception of A&E Transit times. There were 800 more attendances at A&E in March 2016 compared to March 2015, which

reflects the national trend. Bed occupancy rates were 108% in medicine and 101% surgery which had an impact on discharges and patient flow. Mrs Frodsham also noted that Delayed Transfers of Care currently accounted for 4% of the Trusts bed base, whilst noting the good response from partners in the last two weeks. However this has maintained the pressure in the system.

16/05/12.1.2 Mrs Frodsham presented the Financial Performance Summary. The Trust overall Continuity of Service Risk Rating remains at 2. The Income & Expenditure,(I&E) overall deficit for 2015/16 is £9.2million and with a dividend reduction sits at £9m which is above the forecast plan for year end as discussed in depth at the April board meeting.

16/05/12.1.3 Mrs Frodsham reported that of the £1.7million of the Cost Improvement Programme, £1.3million has been achieved. Mrs Frodsham highlighted two key variances; Pathology and Drug efficiencies and noted the impact was non recurrent and these would deliver going forward. Mrs Frodsham highlighted to the Board delays on Capital projects which have resulted in lower than expected spend in these areas. These projects are in progress but with a later completion date forecast.

16/05/12.1.4 Mrs Frodsham reported that the Statement of Financial cash position is better than plan, due to an improvement in the trade debtors position in March. Mr Church asked if the outstanding payments due from the CCG have now been received. Mr Oldham confirmed that the CCG were among the current debtors in relation to disputed payments from over performance by the Trust in 2014/15. This will be resolved through the contract negotiations and potential arbitration currently in progress. In response, the Trust has agreed a working capital facility with the Department of Health. This capital had not been utilised in March but it will be in April to support the cash flow position.

16/05/12.1.5 Mrs Frodsham concluded her presentation by asking the Board to note the Workforce Summary Report which illustrates that sickness rates have remained at the same level as February and reflect a downward trend over the last 6 months. Staff turnover remains constant, while appraisal and mandatory training rates have both seen a month on month improvement although the rates remain below target.

Resolved: To note the Performance Report for March 2016.

BoD16/05/12.2 Draft Performance and Finance Committee notes

16/05/12.2.1 Mr Davis updated the Board on the meetings of the Performance and Finance Committee meetings held on 23 March, 1 April and 21 April 2016. Mr Davis advised that PAF was not quorate on the 23 March and an additional meeting was held on 1 April which was reported verbally to the April Board meeting.

16/05/12.2.2 Mr Davis reported that six items had been escalated from the Performance and Finance Committee to the Board for information. These were:

- Four Hour transit Target for March and Quarter 4 not met.
- 10% spike in A&E attendance and ambulance arrivals and 20% higher than plan non-elective admissions caused distress and financial costs due to cancelled elective activity. Mr Davis noted the remarkable response of the Trust but asked the Board to note the severe stress these areas had been placed under.

- Cancer targets were met in March and for the year; however Q1 of 2015/16 will fail the 62 day screening target due to a small number of breaches in the bowel screening programme. This is due mainly to complex pathways and patient choice. Mrs Frodsham explained that the Trust is responsible for the regional programme so the breaches are recorded to the Trust although the failure to deliver surgery on time was down to two other providers in 2 out of the 4 cases that breached.
- The working capital agreed with the Department of Health had been approved.
- Contract negotiations with the commissioners are ongoing as reported by the Chief Executive in Item 9.7.
- 2016/17 Operation plan as discussed at the April Board was submitted to NHS Improvement on 18 April 2016.

16/05/12.2.3 The Chair asked the Board to note these issues which are being managed well but are risks to the Trust. Mrs Frodsham advised that a report will be brought to PAF on any cancer breaches in Q1 with an explanation and an action plan.

Resolved: To note the issues raised by the Performance and Finance Committee and the notes from the meetings held on 23 March, 1 April and 21 April 2016.

BoD16/05/12.3 Legal Advice

16/05/12.3.1 There was no new legal advice to report.

BoD16/05/12.4 Request for use of the Trust Seal

16/05/12.4.1 Mr Oldham asked the Board to approve an extension to the lease to be signed under seal. The lease is a continuation of existing lease arrangements for the Royal Voluntary Service in Outpatients. Mr Oldham confirmed that the lease is not for the full commercial value. The Chair asked for clarification on the length of the lease.

ACTION: To confirm to the Chair the length of the lease extension (Mr Oldham)

Resolved: To approve the use of the Trust Seal.

BoD16/05/13 Well-Led

BoD16/05/13.1 Draft Transformation and People Committee notes

16/05/13.1.1 Mrs R McNeil presented the draft Transformation and People notes from the meeting held on 7 April 2016. Mrs McNeil advised that there was nothing for escalation but asked the Board to note two items.

- Surgical Transformation Project has the potential to impact on the Access and Flow project because of interdependencies between the two projects. TAP would continue to keep an overview of both projects and monitor achievement of KPIs in both projects.
- The scope of the Temporary Staffing Project being monitored by TAP, does not cover how medical temporary staffing costs are being monitored.

16/05/13.1.2 Mrs McNeil also commented that the committee is starting to receive the required assurance from the groups and better, more intelligent analysis.

Resolved: To note the draft Transformation and People Committee notes from the meeting held on 7 April 2016.

BoD16/05/13.2 Draft Audit Committee notes

- 16/05/13.2.1 In the absence of the Chair of the Audit Committee, Mr Oldham summarised the meeting of the Audit Committee on 11 April 2016. In response to a question from the Chair Mr Oldham confirmed that some of the items listed for escalation to the Board are statutory requirements for the work undertaken by the Audit Committee on behalf of the Board for the Annual Report and therefore the Board needs to ratify the recommendations.
- 16/05/13.2.2 Mr Oldham advised the Board that the draft Internal Audit Annual Opinion – which is subject to the completion of the Governance report, gave ‘significant with minor improvements’ assurance. Mr Oldham stated that while the final governance report needs to be viewed before the Extraordinary Board Meeting he does not expect the opinion to change.
- 16/05/13.2.3 Mr Oldham advised that the Counter Fraud Plan for 2016/17 and the Internal Audit Plan for 2016/17 have been agreed. The Interim External Audit has found no concerns in the draft Quality Accounts; however there is continuing concern nationally around RTT targets which led to a ‘qualified’ opinion on the Quality Account last year. It is likely this will be repeated this year. Mrs McNeil commented that it was important to be clear that this would be on the Quality Accounts as opposed to the Deloitte’s accounting opinion of the Annual Report and financial accounts.
- 16/05/13.2.4 Mr Oldham noted that the Annual Accounts were on track for the year end timetable. Mr Oldham reported that the Department of Health,(DoH) had asked all Trusts to re-examine their valuation methodology, among other processes, to potentially improve the accounts position but the Trust was able to confirm that it is already aligned with the DoH methodologies.

Resolved:

- To note the draft Audit Committee notes from the meeting held on 11 April 2016 and the items escalated to the Board.
- To note Board agreement to sign off the Accounting Policies as recommended by the Audit Committee.

BoD16/05/13.3 Board Assurance Framework

- 16/05/13.3.1 Dr Dodds reported that the Quarter 4 2015/16 report for the Board Assurance Framework (BAF) had gone to the Quality Governance Committee for scrutiny and to provide assurance to the Board that risks to the strategic objectives had been thoroughly assessed and reviewed.

There were no comments or questions from Board members

Resolved: To note the Board Assurance Framework.

BoD16/05/13.4 Trust’s Top Five Risks

- 16/05/13.4.1 Dr Dodds asked the Board to note the quarterly report of the top five risks following scrutiny of the quarterly corporate risk register by the Quality

Governance Committee. Mr Davis commented that this is a useful way of illustrating the main risks as it provides the evidence behind the risks and how these risks are being mitigated.

Resolved: To note the Trust's Top Five Risks.

BoD16/05/14 Effective
BoD16/05/14.1 Consultant Appointments

16/05/14.1.1 Dr Dodds reported that a replacement Emergency Medicine Consultant has been appointed, as has a new consultant in Elderly Care Medicine. He also informed the Board that there were a significant number of interviews for consultant recruitment taking place in May and June.

BoD16/05/14.2 Visits of Accreditation, Inspection or Investigation

16/05/14.2.1 Mrs Bullock reported that CQC had visited Elmhurst as part of the Trust's registration with CQC. The Board would be informed of the outcome in due course.

Resolved: To note the visits of Accreditation, Inspection or Investigation update.

BoD16/05/14.3 Expansion of ENT Medical Staff Business Case

16/05/14.3.1 Mrs Frodsham presented the business case for an expansion of ENT medical staff. This followed the business case, approved by the Board in Feb 2015, for the appointment of a sixth ENT consultant. As part of this it was agreed that once the consultant was established there would be a case to increase the staffing further. A revenue of £90k was forecast. Mrs Frodsham said that £72k can be delivered in 16/17 and £95k in future years. This is due to a build-up of demand in the Trust and an increase in demand from East Cheshire

16/05/14.3.2 Mrs Frodsham confirmed that clinical and administrative space will be released back to ENT when the ophthalmology redevelopment has completed. However some work will need to be conducted outside standard business hours. The preferred option 3 would be to appoint a Clinical Fellow as there are already vacancies in the consultant body necessitating the use of locums. A Clinical Fellow, as a 12 month training post would attract candidates looking for the opportunity to work with a highly regarded consultant in a specialist area. Mr Barnes asked whether this was a model that could be used in other areas where there are issues with consultant recruitment. Dr Dodds agreed it was already a model the Trust used and outlined where such posts already exist and added that it also requires a consultant with a strong reputation to attract candidates. Mrs Frodsham agreed this is a model now considered for future recruitments but for reasons explained, would need to be on a service by service basis.

16/05/14.3.3 The Chair commented on the quality of the business case submission and asked the Board for its approval for Option 3.

Resolved: Option 3 was approved by the board.

BoD16/05/14.4 2015 Annual Staff Survey Results

16/05/14.4.1 The results of the 2015 staff survey were presented by Mrs Rachel Urquhart, Head of Organisational Development and Learning and Mrs Rachel Hooker,

Assistant OD Lead. Mrs Urquhart reported that there had been a good response rate to the survey, (60%), although this was down on previous years so action will be taken to encourage completion of the survey in 2016.

- 16/05/14.4.2 Mrs Urquhart indicated the trends demonstrated by the results; highlighting strong areas against peer results, such as staff engagement, improved health and wellbeing and a reduction in reported violence and bullying of staff. Mrs Urquhart also drew the Board's attention to areas where improvement is needed, in particular quality of appraisal and mandatory training, effective team-working and communication.
- 16/05/14.4.3 Mrs Urquhart advised the Board that as a result of the survey there were 17 actions that were being taken forward as part of a CQUIN in 2016/17 by the Health and Wellbeing Group. As part of this work Mrs Urquhart will be visiting Stockport, which scores highly on the quality of its appraisal, to learn from its good practice.
- 16/05/14.4.4 In response to a question from Mr Church about dissemination of results, Mrs Urquhart responded that the results would be presented back to each division in May, to the Council of Governors in July and then fed back through staff focus groups as well as through a You Said, We Did publication. Mrs Bullock said that she is already using the results in her engagement sessions.
- 16/05/14.4.5 Mrs McNeil commented that she found the results very useful and a good indicator of staff morale which can be challenging to measure but one that CQC have previously commented on. The Chair thanked Mrs Urquhart and Mrs Hooker for the presentation which had provided a clear view of the results.

Resolved: To note the results of the Staff Survey 2015/16.

BoD16/05/15 Any Other Business

- 16/05/15.1 The Chair welcomed Mrs Dowson back from sick leave and thanked Mrs Hughes for her support and work during this period.
ACTION: Mrs Lynn Hughes, Interim Trust Secretary to be thanked for her work at the Trust. (Mrs Dowson)

BoD16/05/16 Date and Time of Next Meeting

- 16/05/16.1 The next meeting was scheduled to take place on Monday 6 June 2016 at 9.30am in the Boardroom, Leighton Hospital, Crewe.

BoD16/05/17 Exclusion of Press and Public

- 16/01/17.1 The Board of Directors resolved to exclude the press and public from the meeting at this point on the grounds that publicity of the matters being reviewed would be prejudicial to public interest, by reason of the confidential nature of business.
- 16/01/17.1 The meeting ended at 12:15.

Signed by:
Chairman

Date:

Board of Directors Meeting
Minutes of the Meeting held in 'Private'
Monday, 3 May 2016
in the Boardroom, Leighton Hospital, Crewe

Present:

Mr D Dunn	Chairman
Dame P Bacon	Non-Executive Director (Deputy Chair)
Mrs T Bullock	Chief Executive
Mr J Barnes	Non-Executive Director
Mr J Church	Non-Executive Director
Mr M Davis	Non-Executive Director
Dr P A Dodds	Deputy Chief Executive/Medical Director
Mrs D Frodsham	Chief Operating Officer
Ms A Lynch	Director of Nursing and Quality
Mrs R McNeil	Non-Executive Director
Mr M Oldham	Director of Finance and Strategic Planning

In attendance:

Mr J Lyons	Lead Governor
Mrs K Dowson	Trust Board Secretary

Apologies

Mr D Hopewell	Non-Executive Director (Senior Independent Director)
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BoD2/16/05/1 Welcome and Apologies for Absence

16/05/1.1 The Chairman welcomed everyone to the meeting and noted apologies given.

BoD2/16/05/2 Board Member Interests

16/05/2.1 There were no new interests declared and no interests declared in relation to open items on the agenda.

BoD2/16/05/3 Minutes of the Previous Meeting

16/05/3.1 **Resolved: The minutes of the last meeting held on 4 April 2016 were accepted as an accurate reflection.**

BoD2/16/05/4 Matters Arising and Actions from Previous Meeting

16/05/4.1 There were no Matters Arising in addition to those included on the agenda.

16/05/4.2 The Action Log was reviewed and the completed action was agreed to be closed.

BoD2/16/03/5 Medical Staffing Update

16/05/5.1

Section removed under Section 42 of the Freedom of Information Act

Resolved: the Medical Staffing verbal update was noted.

BoD2/16/05/6 Stronger Together Programme Board

16/05/6.1 The Chief Executive noted that the minutes of the last meeting had still not been received but it is anticipated they will be circulated with the papers for next week's meeting. Mrs Bullock proposed to the Board that the Stronger Together Programme Board should move to report directly to the Transformation and People Committee as a key transformational project.

Resolved: The Board agreed that the Stronger Together Programme Board report should be submitted to the Transformation and People Committee in the future.

BoD2/16/05/7 Any Other Business

16/05/7.1 Mr Oldham updated the Board on the contract negotiations with the CCG. The implications of the delay in signing the contract have meant that the budget cannot be brought to the Board.

16/05/7.2 11 issues were taken to mediation of which 3 remain in dispute. Mr Oldham detailed the position in respect of the eight items that would not be going forward for arbitration and outlined the process for gaining resolution for each of these.

Section removed under Section 43 of the Freedom of Information Act

16/05/7.3 The first issue still in dispute is regarding admission rates for A&E with a zero day length stay. The Trust figure is 36% of A&E attendances revert to an admission, which is high compared to the contract value of 32% and peer at 26%. Mr Oldham outlined the reasons for this difference and noted that 4% of this can be attributed to the impact of a co-located Urgent Care Centre where 6000 attendances were diverted to the Urgent Care Centre which would otherwise go through A&E and be included in the Type 1 numbers if such a centre was not on site. Mr Oldham also referred to a previous study undertaken by the North West Utilisation Management Unit who reviewed non-elective flow and one conclusion reached was that 30% of admissions were avoidable but inevitable due to a lack of out of hospital alternatives.

16/05/7.4 Another factor was the disease prevalence rates which had resulted in an increase in the number of patients requiring review in the Majors area, an increase in the number of ambulance attendances and a decrease in the number of patients requiring review in the Minors area. The size of the Majors area is not sufficient and means that some patients are directed to the Clinical Decisions Unit to reduce patient waits. The Trust has offered to cap the admission rate at 32%; 28% when the impact of the Urgent Care Centre is taken into consideration which will have a £1million impact on the Trust. The CCG have not yet responded to this offer.

16/05/7.5 Mr Oldham reported that the second issue still in dispute is in relation to GP Admissions. The CCG are proposing that these should not be paid as an admission if the patient is not subsequently admitted to a bed and propose that these patients should be recorded as an Out Patient. Mr Oldham confirmed that the Trusts counting practice was in line with the national picture but recognised the increase in volume which was having a financial impact on the CCG. Mr Oldham outlined the Data Definitions for this group of patients and noted that the clinical practice and models of care meant that definitions were somewhat outdated but also, that a short stay tariff had been introduced to accommodate changes to practice

16/05/7.6 CQUINs is the third item in dispute. Mr Oldham informed Board that following the mediation process the Trust had agreed not to dispute the CQUIN further and to work with commissioners to agree a way forward despite the commitment necessitated in capital investment and other resource. Mediation advised that this that this was the only way left for CCGs to invest in quality. Following Trust agreement the CCG have since indicated that they want to withdraw the CQUIN offer and therefore retain the value of the three CQUINs. Mrs Bullock confirmed her disappointment with this stance as the CCG had been emphatic in the mediation meeting about the quality and safety benefits of these CQUINs which were now being withdrawn to save the CCG money.

16/05/7.7 Mr Oldham advised the Board that the next steps if the issues cannot be resolved is to go to arbitration but the deadline to submit relevant paperwork had not been met as a joint version between the Trust and CCG could not be agreed within the timeframe. If another round of arbitration by NHS England and NHS Improvement is not forthcoming then an independent arbitrator will need to be commissioned which will have a cost implication. Mr Oldham confirmed that some contingency has been allowed on the I&E for changes to the contract and current predictions were that this may not be sufficient.

16/05/7.8 Mr Barnes asked if the discussions had impacted on personal relationships between the Trust and the CCGs. Mrs Bullock confirmed that all parties were managing to remain on good terms despite the rigour of some of the discussions. The Chair expressed the Board's confidence in the ability of the Executive to complete the discussions and that priority as always should be to deliver a safe service for patients.

Resolved: The Board noted the update on the contract negotiations and expressed its support for the Executive in these matters.

BoD2/16/03/10 Review of Meeting

16/03/10.1 A review of the Board meeting did not take place.

BoD2/16/03/11 Date and Time of Next Meeting

16/03/11.1 The next meeting is scheduled to take place on Monday, 6 June 2016 following the Board meeting held in Public.

Signed by:
Chairman

Date: