

**Board of Directors Meeting**  
**Minutes of the Meeting held in Public**  
**Monday, 3 April 2017**

**at 9.30am in the Boardroom, Leighton Hospital, Crewe**

**Present**

Dame P Bacon	Deputy Chair (in the Chair)
Mrs T Bullock	Chief Executive
Mr J Barnes	Non-Executive Director
Ms E Carmichael	Director of Workforce and Organisational Development
Mr J Church	Non-Executive Director
Mr M Davis	Non-Executive Director
Dr P Dodds	Medical Director and Deputy Chief Executive
Mrs D Frodsham	Chief Operating Officer
Mr D Hopewell	Non-Executive Director
Ms A Lynch	Director of Nursing and Quality
Mrs R McNeil	Non-Executive Director
Mr M Oldham	Director of Finance & Strategic Planning

**Apologies**

Mr D Dunn	Chairman
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**In attendance**

Mrs K Dowson	Trust Board Secretary
Sister P Dobson	Ward 9 Manager ( <i>item 2017/04/2 only</i> )
Mr D Moore	Divisional General Manager (Surgery & Cancer) ( <i>item 2017/04/11.3 only</i> )
Name removed under Section 40 of the Freedom of Information Act	Endoscopy Manager ( <i>item 2017/04/11.3 only</i> )
Ms L Ingham	Divisional Accountant ( <i>item 2017/04/11.3 only</i> )

**Observing**

Mrs Pat Psaila	Public Governor (Patient & Carer)
Mr John Pritchard	Public Governor (Patient & Carer)
Mr Ray Stafford	Public Governor (Patient & Carer)
CLlr Janet Clowes	Partnership Governor (Cheshire East Council)
Mrs Barbara Beadle	Public Governor (Crewe & Nantwich)
Mrs Glynda Alasadi	Public Governor (Crewe & Nantwich)
Mrs Helen Piddock-Jones	Staff Governor (Volunteers)
Mr John Osuagwu	Staff Governor (Clinical Support Services)
Mrs Barbara Smith	Trust Member
Name removed under Section 40 of the Freedom of Information Act	Executive Assistant to the Chief Executive and the Chairman

**BoD17/04/1 Welcome, Introduction and Apologies**

- 17/04/1.1 The Deputy Chair welcomed everyone to the public part of the Board meeting, in particular those newly elected Governors who were attending for the first time. The Deputy Chair reminded all observers that any questions or comments should be saved until the end of the meeting when members of the Board would be available to answer any questions.
- 17/04/1.2 Apologies for the meeting were noted.

**BoD17/04/2**

**Patient Story**

17/04/2.1

Ms Lynch introduced the patient story which was about a patient with osteoporosis who was scheduled for a hip replacement. The patient attended joint school ahead of the procedure and described how useful the experience had been in calming fears about being admitted to hospital. The patient felt well taken care of and was pleasantly surprised by how quickly the operation was scheduled following the initial consultation. The patient described being frustrated that her recovery was not as quick as others and that there had been some difference in opinion about discharge. Mrs Bullock observed that the patient had recognised that their expectations were too high that recovery would be at the same pace as other patients. Mrs Bullock noted that this competitiveness can cause disappointment and lead to falls, reported as a factor at a previous Board meeting, when patients are over ambitious in their recovery.

17/04/2.2

Mrs McNeil commented that the only criticism in the story was due to a difference in opinion about fitness for discharge between staff groups which shows the importance of setting patient expectations throughout their stay. Ms Lynch added that the patient off-camera had also mentioned that after eight days the patient had found the meal choices uninspiring but that since then the Trust has changed to an on ward meal delivery system so that patients can decide at mealtimes.

17/04/2.3

Mr Davis asked how long the joint school has been operating. Sister Dobson replied that it had been 18 months, more recently the acute pain service has been included. The service has been well received by patients. An unexpected benefit is that patients are often in the ward with patients they have already met. Mr Davis observed that the description of the consultant and patient together discussing the operation and its risks was positive. The Deputy Chair agreed that the assessment and mitigation, not avoidance of risk was essential and that the level of awareness and information the patient had on their own condition was encouraging. The Deputy Chair asked for the Board's thanks to be passed on to the patient and all the staff who supported her.

**Resolved:** The Board noted the story provided and work being undertaken by wards to address any concerns in their areas.

**BoD17/04/3**

**Board Members' Interests**

17/04/3.1

There were no new interests declared.

17/04/3.2

There were no interests declared in relation to open items on the agenda.

**BoD17/04/4**

**Minutes of the Previous Meeting**

17/04/4.1

The minutes of the meeting of 6 March 2017 were agreed subject to the following small amendments;

17/04/4.2

- Ms Lynch clarified that at 17/03/2.2 the support was provided by an independent mental *capacity* advocate
- It was noted that at 17/03/9.2.1 the fourth line down should read 'the paper outlined the governance *process*'
- Ms Lynch advised that at 17/09.4.1 the meeting with CQC was a routine *engagement* meeting
- Dr Dodds corrected 17/03/11.1.5 which should read the 'Summary *Hospital* Mortality Indicator (SHMI)
- Dr Dodds noted at the end of the same sentence in 17/03/11.1.5 the phrase 'which forms the basis for the HSMR measure' was superfluous and should be removed.

**Resolved:** The minutes were agreed as a true and accurate record of the meeting held on 6 March 2017, subject to the amendments proposed.

**BoD17/04/5**  
17/04/5.1

**Matters Arising and Action Log**

There were no Matters Arising.

17/04/5.2

The Deputy Chair asked for progress on the outstanding actions due for review at the Board and not addressed in the agenda.

- 17/03/7.3.2 Mrs Bullock advised that this action was complete
- 17/03/13.2.1 Mrs Dowson advised this action was complete

**BoD17/04/6**  
17/04/6.1

**Annual Workplan**

The Deputy Chair asked the Board to note that there were no changes proposed to the Board Workplan for 2017/18 but that this would be kept under review.

**Resolved:** The Board approved the Workplan for 2017/18.

**BoD17/04/7**  
17/04/7.1

**Chairman's Announcements**  
**Chairman's Action**

**17/04/7.1.1**  
17/04/7.1.1.1

**Working Capital Facility**

Mr Oldham advised that as discussed at the Board meeting on 6 March, the application for a working capital facility from the Department of Health has been received. Due to the tight turnaround Chair's Action had been taken to authorise the loan to be drawn down.

**Resolved:** i) the drawdown of the working capital facility was approved  
ii) the terms and transactions contemplated by the finance documents to which it is a party and resolve that it execute the finance documents to which it is a party  
iii) delegated authority was granted to the Director of Finance and Strategic Planning to execute the finance documents to which it is a party on its behalf  
iv) delegated authority was granted for the Director of Finance and Strategic Planning to sign and dispatch all documents and notices (including utilisation requests) in connection with the finance documents to which it is a party.

**17/04/7.1.2**  
17/04/7.1.2.1

**Email Provision Business Case**

The Deputy Chair reported that the Chairman has approved the Email Provision Business Case, under Chairman's Actions, following the amendments and corrections to figures agreed at the last Board meeting. Mr Davis as Chair of Performance and Finance confirmed that he was satisfied that approval for this business case is now complete.

**Resolved:** The Email Provision Business Case has been approved by the Board

**BoD17/04/7.2**  
17/04/7.2.1

**Board Committee Reviews**

Mrs Bullock reported that all the Board Committee reviews including Audit, Remuneration and Trustees have now taken place with the Chairman and herself. An overview of the first full year of operation since the restructure is provided to the Board in the report. Mrs Bullock commented that the reviews recognise there was greater change to the Transformation and People (TAP) and Quality Governance Committees (QGC). No serious issues or concerns were raised. The committees are at different stages in establishment and there is good communication between committees. Terms of Reference and work plans are in the process of being reviewed by all committees and annual reports on each committee will be reviewed by Audit Committee. Mrs Bullock added that the New Associate Director of Integrated Governance Mrs Jane

Palin is starting in post today. Mrs Palin will look at the review undertaken, and recommend whether any further changes are needed and respond to questions and suggestions raised by the committee chairs.

17/04/7.2.2

Mrs Bullock advised the Board that it should review and ratify the position of Vice Chair of the Audit Committee. Mrs Bullock nominated Mr Davis to continue in this post. Mr Davis stated that he was happy to accept the nomination but that it would only be for one further year as he will be nearing the end of his term as a Non-executive Director at that point. Each committee is now renewing terms of reference and work plans and annual reports will go to Audit Committee

**Resolved:** Mr Davis was confirmed as Vice Chair of the Audit Committee for a further year.

**BoD17/04/7.3**

### **NED Appraisals**

17/04/7.3.1

The Deputy Chair advised that all Non-executive Directors appraisals have now taken place and the summary of these will be presented to the Nominations & Remunerations Committee on 8 May 2017.

**BoD17/04/7.4**

### **CCICP Board to Board**

17/04/7.4.1

The Deputy Chair advised that this meeting scheduled for 16 March 2017 had been cancelled by partners due to the lack of availability of their Board members. Mrs Frodsham added that it is hoped to reschedule this meeting soon.

**BoD17/04/8**

### **Governors Items**

**BoD17/04/8.1**

#### **Governor Election Results**

17/04/8.1.1

Mrs Dowson advised the Board that a list of the successful Governors has been circulated to the Board, three Governors were re-elected to post and there were eleven new Governors. Mrs Dowson noted that since then Mr Bill Cowen who was elected as a Patient & Carer Governor has withdrawn and has been replaced by Mr John Pritchard. Mrs Dowson added how positive it was to have four of the new Governors observing the Board today. Mrs Dowson confirmed that once the MMU partnership Governor is confirmed and the Medical Staff election concludes in April the Council will be full.

**BoD17/04/8.2**

#### **Lead Governor**

The Deputy Chair advised that the Chairman has been in discussion with interested candidates for the Lead Governor role and that there would be a nomination made for this position at the next Council of Governors meeting on 4 May 2017.

**BoD17/04/9**

### **Chief Executives Report**

**BoD17/04/9.1**

#### **Expert Determination**

Mrs Bullock reported that the contract dispute process has now concluded following the Expert Determination (ED) received in the Trust and by regulators last week. The ED covered two points in regard to fines and penalties within the quality schedule, two points in relation to GP Admissions and the use of CDU, the final point was in regard to the contractual management of the determination. Mrs Bullock reported that the outcome was satisfactory for the Trust, but although these issues are resolved there are still system-wide deficits which both parties need to work together to resolve and the Trust is committed to this.

**BoD17/04/9.2**

#### **System Wide Support**

Mrs Bullock reported that following the ED, NHS Improvement (NHSI) and NHS England (NHSE) are proposing to put into place system-wide support across Central Cheshire which incorporates the Cheshire East area covered by the three Clinical Commissioning Groups (CCGs), East Cheshire, Vale Royal and South Cheshire and

East Cheshire NHS Trust. The initial work will be a 6 -week review led by NHSE with Deloitte on what costs can be removed from the system quickly. This work will start this week. The second piece of work, which will start at the end of May, is a longer term in-depth review of the long-term sustainability of healthcare in Cheshire East. This will be led by NHSI. All parties are awaiting the scope of the phase 2 piece of work. Mrs Bullock welcomed this support by regulators and felt it would help the system to move forward.

**BoD17/04/9.3****Spring Budget**

17/04/9.3.1

Mrs Bullock reported the key announcements from the Spring Budget that were relevant to health. These were additional funding for social care to support more timely discharge from hospital and a green paper on social care funding for the future. It has been agreed that the A&E delivery Board will have an overview of how this money is spent locally. Mrs Bullock also reported that there is capital funding available for areas to progress Sustainability and Transformation Plans (STPs) that are ready to progress and that capital for A&Es to implement primary care streaming is also available. Mrs Bullock advised that the Trust's own budget had been delayed pending the ED decision.

**BoD17/04/9.4****Cheshire & Merseyside 5 Year Forward Plan 5YFP**

17/04/9.4.1

Mrs Bullock reported that the Working Group had met this month, as had the wider membership group. Every organisation in the 5YFP has been asked to contribute financially to the 5YFP to finance work proposed through the cross-cutting themes, workstreams and project management at a Cheshire and Mersey level. Further information on the return on investment has been requested by members. It will be challenging if organisations do not invest as the workstreams cannot progress further without investment, for example in the Aseptics workstream which Mrs Bullock is leading a Band 8 Pharmacist is required for four months to deliver the work.

17/04/9.4.2

Mrs Bullock informed the Board that further discussions on the size of the footprint had taken place and during the membership meeting no one had raised any objections to this. Mr Davis asked how the system wide support programme proposed by regulators will feed into the Local Delivery Plan in Cheshire & Wirral and into the 5YFP. Mrs Bullock confirmed that Mrs Louise Shepherd, who is the lead for the 5YFP is engaged in setting the scope for this review as is the Senior Responsible Officer for the Cheshire and Wirral Local Delivery Plan. Mr Davis commented that it was positive to have such a concentrated effort on the Cheshire East health economy.

**BoD17/04/9.5****Letter from Secretary of State for Health**

17/04/9.5.1

Mrs Bullock advised she had two further updates for the Board. Last week the Trust had received a letter from Mr Jeremy Hunt which congratulated the Trust on having the best improvement in bed occupancy rates from quarter three 2015 to quarter three 2016 and has asked that the Trust shares its learning across systems. The Deputy Chair noted the letter and the immense achievement that this recognised given the pressures of demand on services.

**BoD17/04/9.6****Next Steps on 5YFV**

17/04/9.6.1

Mrs Bullock informed the Board that NHSI last week issued the update on the Five Year Forward View - Next Steps for England. This set out the priorities for the next two years which are NHS financial balance, Urgent and Emergency Care performance, cancer services, mental health services and integrated community services. Mrs Bullock observed that Access & Flow for patients was paramount and the Trust must have primary care streaming at the front door by September. Mrs Bullock confirmed that this work is in development.

17/04/9.6.2

Mrs Bullock advised that Trusts that have accepted the control total will not be subject

to fines for failing the 4-hourly transit target. The 18-week Referral to Treatment target (RTT) is a challenge nationally but there has been no specific advice yet on any adjustment of these targets. Mrs Bullock commented that the report also reiterated the move towards Accountable Care Systems (ACS) which will be mandated but defined locally. The nature of STPs as non-statutory bodies was restated in the report, as was the expectation that governance systems will be built around these

**ACTION: NHS Providers summary of the 5YFV Next Steps to be circulated (Mrs Bullock)**

**BoD17/04/10**  
**BoD17/04/10.1**  
17/04/10.1.1

**Caring**  
**Quality, Safety and Experience Report**

Ms Lynch presented the report with data from February 2017. Ms Lynch recognised that the number of low harm Pressure Ulcer incidents had gone up in February after a fall in January but was pleased to note that the figures for March show that this measure is now back on track which reflects that React to Red work is embedding well across the Trust.

17/04/10.1.2

Ms Lynch advised that the Trust Quality and Safety aims have been updated and once the Quality and Safety Improvement Strategy revision is complete these aims will be included in this report. Mrs McNeil observed that the report states that CCICP aims for 2017/18 have been set but should these be 'targets'. Ms Lynch agreed and advised that the aims and targets will be much clearer in the new report format as reviewed at the Board Away Day in February. This data will only be collected from April so the first new report will be at the June Board meeting. Mr Church observed that it was helpful and important to see CCICP data separately. Ms Lynch confirmed that this will continue as the CCICP Board want to monitor CCICP performance.

17/04/10.1.3

Ms Lynch reported that there have been two MRSA incidents reported in 2016/17 with a further one being reported in March which is now under review. Clostridium Difficile targets have been met for the year, any cases have immediate bedside reviews which creates good engagement with all staff. Ms Lynch noted that Mrs Bullock had requested that the National Stroke Sentinel audit is taken to Quality Governance Committee (QGC).

17/04/10.1.4

Ms Lynch presented the staffing levels and patient experience sections of the report, noting a reduction in complaints in month. Mr Barnes asked why the non-qualified staff levels in the Neonatal Unit are low in comparison with other areas. Ms Lynch advised that this was because only Health Care Assistants could be recorded for this category but in reality, the unit has been staffed to appropriate levels through the use of Assistant Nurse Practitioners. Ms Lynch added that the Trust now has the model hospital dashboard to use and the plan is to implement this for reporting in the future. Mrs Bullock asked what work is being done to improve the response rate to the Friends & Family test as this is worsening in some areas. Ms Lynch responded that the divisions have been asked to review this and it had been hoped to audit this as part of the Quality Accounts but the nature of the survey makes it difficult to audit.

17/04/10.1.5

The Deputy Chair asked if the complaint received on Ward 9 was linked to the lower staffing levels at that time in this ward. Ms Lynch confirmed that staffing levels were lower than ideal at the time and staff are encouraged to feed back if staffing levels are likely to affect patient care. There was no harm to patients during this time but patient experience can sometimes be compromised and this is why this complaint was partially upheld. Mr Davis noted that the last complaint was directed to the Trust from NHSE and asked how NHSE is involved. Mrs Bullock replied that patients have the option to make a complaint through NHSE and this is the route they chose to take and the patient had no previous contact with the Trust on this issue. Ms Lynch confirmed

that all informal concerns and complaints are picked up and reviewed through the Patient Experience Groups. Ms Lynch advised that in the revised report there will be additional information about trends in complaints.

**Resolved:** The Board noted the report and the assurance provided within it of the quality and safety of care provided at the Trust.

**BoD17/04/11**  
**BoD17/04/11.1**  
17/04/11.1.1

## **SAFE**

### **Draft Quality Governance Committee (QGC) – 13 March 2017**

The Deputy Chair apologised that the wrong set of minutes had been included in the Board pack and that the March notes will be presented to Board in May. The Deputy Chair advised that the minutes included in the pack from February had been significantly changed to provide clarity around mortality and the copy provided in the pack are the amended version. The Deputy Chair observed that this reflects the complexity of the mortality indicators issue and thanked Mr Barnes for his help in reviewing this issue for Board through QGC.

17/04/11.1.2

The Deputy Chair advised that there was one item to advise the Board from the March meeting which was the review of the gap analysis.

**ACTION: March action notes from QGC to be presented to Board in May (Mrs Dowson)**

**Resolved:** The Board noted the report of QGC and the item reported to Board

**BoD17/04/11.2**

### **Serious Untoward Incidents (SUI) and RIDDOR Events**

17/04/11.2.1

Dr Dodds reported that there have been three SUIs in March. The first was an inpatient fall resulting in a fractured neck of femur. A Grade 3 pressure ulcer was reported by CCICP and one incident of a delay in the diagnosis of sepsis.

Dr Dodds reported that there were no RIDDOR reportable events in March.

**BoD17/04/11.3**

### **Endoscopy Business Case**

Mr Daniel Moore, Divisional General Manager for Surgery and Cancer presented the Endoscopy business case together with Ms Louise Ingham Divisional Accountant, and **Name removed under Section 40 of the Freedom of Information Act** the Endoscopy Manager. Mrs Frodsham introduced the presentation noting that this case aims to reduce the current costs of delivering this service and provide a more sustainable workforce model using alternatives to staff groups where recruitment is challenging.

17/04/11.3.1

Mr Moore outlined the business case which addresses the sessional capacity for endoscopy but also tackles some issues of operating capability against a background of growing demand while maintaining JAG accreditation and the quality of the service. Mr Moore described the options for the service in the business case advising that the preferred option was to invest in the current Endoscopy services to reduce the costs associated with out of hours additional sessions and lists to meet demand, while also making a small investment in the booking service to increase clinic utilisation and reduce cancellations and non-attendances. Mr Moore advised that there was likely to be a transition period between the current situation and any new service for recruitment of staff and the establishment of new sessions at both Leighton Hospital and Victoria Infirmary (VIN).

17/04/11.3.2

Mr Moore described the financial costs over the next three years at which point the service should be reviewed given the substantial increases in demand expected. Mr

Davis thanked Mr Moore for a very clear business case and asked what provision is there if growth does not continue as expected, given the financial constraints and the upcoming NHSI review. Mrs Frodsham replied that the funding is national for this and the 5YFV sets out cancer services as a high priority so it is unlikely that services in this area would need to contract. There is likely to be an increase in the number of GP referrals going straight to testing and not seeing a consultant first. If there was capacity in the system locally the service could be opened to out of area patients. The national trend will continue to be monitored which will give enough time to change services if demand does diminish in the future.

- 17/04/11.3.3 Mr Hopewell asked whether there was any capital requirement as the business case is not specific on requirements. Ms Ingham confirmed that there was no expectation that capital investment was required as any equipment would be leased. Investment into equipment was made in 2016/17 and the service is forecasting that the improved equipment will increase efficiency so that further equipment is not needed to support the growth. Mr Barnes observed that while the service meets current standards for efficiency and targets the aim should be to be well ahead of average.
- 17/04/11.3.4 Mr Barnes asked what the facilities were at VIN. **Name removed under Section 40 of the Freedom of Information Act** confirmed the suite at VIN was good and suits Bowlescope well, but the space is shared with Dermatology which limits activity across the week. The investment would allow a faster service but the initial investment would focus on adding additional evening sessions at Leighton because of the support available on this site. The aim is to incorporate this as standard working hours for the new recruit. The Deputy Chair asked if this was to support Seven Day Services and is this still a priority given the recent 5YFV Next Steps did not highlight this. Mrs Bullock replied that Seven Day Services is still very much a priority but the cost for paying extra for out of hours is an issue. This business case addresses this by providing capacity at these times but not at a premium cost. **Name removed under Section 40 of the Freedom of Information Act** confirmed that the contract for the nurse Endoscopist includes evening and weekends as normal hours
- 17/04/11.3.5 Mrs McNeil asked if recruitment to the Nurse Endoscopist post could be difficult. Mr Barnes asked if it was realistic that staff could be in post by July. **Name removed under Section 40 of the Freedom of Information Act** confirmed that recruitment was already underway for an existing post and two applications have been received and if successful they could be in post within 3-6 months. **Name removed under Section 40 of the Freedom of Information Act** added that the Trust have successfully recruited a Consultant Nurse Endoscopist recently. This means that the Trust can train their own nurses and build skills internally. Ms Lynch added that this makes the Trust more attractive for candidates.
- 17/04/11.3.6 Ms Ingham advised that in terms of financial risk some work has been done on mitigation for failure to recruit. Mrs McNeil commented that this is crucial to the forward cost profile and this impacts on the Board decision-making. Mr Oldham confirmed that there are risks but this is the right route to take, however there is mitigation that can be put in place if the service continues as it currently is which would need to be built into 2017/18 plans. Mr Oldham confirmed that some mitigation has been rolled forward from 2016/17 so if recruitment is successful this will result in an improvement in the financial forecast for 2017/18. If nurse recruitment proves unsuccessful then the costs of alternative operators such as a consultant will need to be built in. The Deputy Chair thanked the presenters for the clarity of the business case and their advice at Board which had gained Board support for the preferred option.

**Resolved:** The Board approved Option 4c of the Business case.

BoD17/04/12  
BoD17/04/12.1

**RESPONSIVE  
Performance Report**

- 17/04/12.1 Mr Oldham presented the Performance Report to the Board which relates to February data and shows a relatively positive picture of access to hospital services that compares favourably to other Trusts. The 4-hourly transit target was not achieved in month but at 93% it was a big improvement from January and this has continued in March where the target has been hit (96%). Mr Barnes asked if it was correct that this would not be a measure next year. Mrs Bullock replied that it will be but the target has been reset nationally to 90% for September 2017 building to 95% by March 2018 This recognises that many Trusts are a long way from the 95% target. Each organisation has its own individually set trajectory as part of the agreement of its Control Total. The Deputy Chair commented that maintaining the 95% will continue to be a challenge. Mrs Frodsham agreed, noting that the weekend had been challenging and the key remains good patient flow throughout the hospital.
- 17/04/12.2 Mr Oldham noted that a reduction in non-elective admissions is helping all the targets although delayed transfers of care, (DTC) are still higher than desired so there will continue to be some focus on this. Mr Oldham advised that GP referrals continue on a downward trend which started around September and is having an impact on the Outpatients waiting list. In response to a question from Mr Hopewell, Mr Oldham commented that this seems to be a result of demand management by the CCG and the duration suggested that it is a sustainable pattern that has helped meet the RTT performance. It represents a challenge in terms of planning going forward as it may be that there is a need to reduce capacity if waiting times are not going to be a priority politically.
- 17/04/12.3 The Deputy Chair observed that this trend affects finances in terms of how urgent care is funded against planned care and cancer care. Mr Oldham agreed that this will need to be considered when the plan is set for 2017/18 and as the contract is negotiated with the CCG. Mr Oldham added that there are still opportunities for growth as some work is still done out of area and there are significant waiting times at neighbouring Trusts and these patients could potentially be treated at the Trust. There would therefore be need to be significantly wider discussion before capacity is reduced when we know as a system waiting times are unacceptable in neighbouring areas. Mrs McNeil asked if the Trust and the CCG have access to the intelligence about choose and book choices. Mr Oldham replied that if referrals are made electronically then this type of information is available and e-referrals are now 66% of all referrals and choices. Mr Oldham added that patient choice and GP choice is always going to have an impact as well but if the Trust gets the services and the quality right, patients will choose to come to the Trust.
- 17/04/12.4 Mr Oldham advised that Theatre efficiencies have improved. Mrs Frodsham confirmed that the Trust has an improvement trajectory for theatres as the NSHI financial review highlighted areas for improvement here and in Outpatients. This work has had an effect and February performance was good following a difficult December and January as a result of the cancellation of operations to meet non-elective demand.
- 17/04/12.5 Mr Oldham reported on financial performance and explained that since February the impact of the settlement of the 2016/17 contract has now been agreed and accounted for. The settlement by NSHI has forced the Trust to take account of the CCICP surplus to meet the control total. Mr Oldham advised that the Trust had made a commitment to invest any surplus back into Community Services and a solution to facilitate this needs to be found in 2017/18.
- 17/04/12.6 Mr Oldham informed the Board that the Trust is forecasting to deliver 100% of the

Cost Improvement Programmes (CIP) which is very positive. The Deputy Chair observed that this was the first time the CIPs had achieved 100% and this was a great achievement. Mr Oldham added that it was also all recurrent activity, so these will continue to bring benefits into 2017/18. Mr Barnes asked whether these CIPs would continue or if there would be new ones for 2017/18. Mr Oldham advised that the CIPs would be slightly different but there will be no growth built in.

17/04/12.7 Mr Oldham reported that Revenue Generation Schemes have been a challenge to achieve this year due to delays in the roll out of the Bowlescope programme which is now in place. The Orthopaedic programme may not be deliverable in the future if RTT targets are relaxed. Mr Oldham advised that the Trust may need to take a different approach to these projects next year because affordability for the local health economy is an issue and therefore the Trust has agreed that there will be no overall growth built into the contract. The exception to this is for non-elective work where the Cheshire & Merseyside 5YFV plan assumption of 2% growth has been built in. For next year any growth will have to be managed in a different way across the system and the focus will be on productivity to improve efficiency rather than investment to drive efficiency.

17/04/12.8 The Deputy Chair commented that this is why questions of growth in the Endoscopy business case were so crucial; if non-elective and cancer are the priorities the development of other services may slow. Mr Oldham commented that raising waiting times is a false economy as the benefit is a one off achievement, patients remain in the system so the work eventually needs to be done and it takes a lot of effort and resource to return to previous standards. The Deputy Chair asked if this poses a risk for patients in specialities such as cardiology where delay can be life threatening. Mr Oldham advised that referrals are always triaged from when the referral is received.

17/04/12.9 Mr Oldham presented the capital report advising that projects continue to be delayed due to the lack of capital release from the Department of Health (DoH). The third MRI scanner has been approved by the Board but there are no funds to purchase this without capital borrowing. The Trust should expect a further review of the capital plan by NHSI as the feedback was that it was not affordable but the Board review was that it was all essential. Mr Oldham commented that it would be helpful to have some certainty of the level of likely funding of capital projects. Mr Oldham advised that the cash position in February was precarious but it had since improved with the receipt of the 2016/17 settlement from the CCG and the working capital facility from DoH. The Trust hopes to pay back half of the working capital facility in April as Q3 Sustainability and Transformation Fund money has also now been received. Mr Oldham advised cash reserves will likely be needed to support some capital projects.

17/04/12.10 Mr Oldham noted that the Agency Cap is behind trajectory and the issue of a revised threshold as a result of the CCICP transaction has still not been resolved which is half of the Agency Costs for the Trust.

**Resolved:** The Board noted the Performance Report and the risks identified in the report.

## **BoD17/04/12.2 Draft Performance & Finance (PAF) Committee Notes – 24 March 2017**

17/04/12.2.1 Mr Davis, Chair of PAF reported that there were no formal items to escalate to the Board but there were some items for information. Mr Davis noted that the end of year financial position was remarkable given the risks faced through the year and that this was a credit to Mr Oldham, Mrs Edge and the team. Mr Davis confirmed that the settlement of the 2016/17 contract had been agreed and paid by the CCG. The committee had been assured that the Trust is likely to meet the Control Total. Mr

Davis reported that PAF had discussed the surplus in CCICP and confirmed that this amount should be retained for the benefit of CCICP in 2017/18.

17/04/12.2.2 Mr Davis commented that despite the ongoing dispute with the CCG the performance of the Trust has continued to meet standards in all areas apart from the 4-hourly transit time which has improved significantly. Mr Davis observed that the reduction in non-elective admissions and ambulance arrivals in February had helped achieve this improvement. Mr Davis noted that DTOC numbers were still concerning and bed occupancy in Medicine and Emergency Care has been consistently high since July 2016 but the RTT incomplete pathways target was met across every speciality which is a huge improvement.

17/04/12.2.3 Mr Davis also noted the downward trend in GP referrals which are 6% lower than plan overall but the Board should note that the trend is 14% down in the last three months which may lead to future significant discussions about capacity. Mr Davis concluded that overall the position on performance is exceptional given the pressures in year.

**Resolved:** The Board noted the report of PAF and the items escalated to the Board for information.

### **BoD17/04/12.3 Legal Advice**

17/04/12.3.1 Mrs Bullock advised that no additional legal advice has been sought but the Trust has had to re-engage Gowlings Solicitors Ltd. for the conclusion of the contract dispute and the total costs for the whole dispute will be approximately £12k.

### **Well-Led**

### **BoD17/04/13.1 External Well Led Framework Review**

17/04/13.1.1 Mrs Bullock advised that verbal feedback has been provided by Deloitte on this review and that the final report is expected this week and will be circulated to the Board for discussion at the Board Away Day on 10 April.

17/04/13.1.2 Mrs Bullock summarised the feedback which was generally good. Governors were positive about the Trust listing lots of opportunity for engagement, feeling that they are listened to and that there are many ways for Governors to get involved. The review noted the Trust involves Governors in ways that are not done elsewhere and that the Trust engagement of Governors is an exemplar for other Trusts.

17/04/13.1.3 Mrs Bullock reported that external stakeholders were also generally positive listing good access to the Board and recognising that lots of transformation work is being driven by the Trust. The Trust is seen as collaborative, open and transparent, albeit with a hard negotiating line. There were some comments that the Trust could be more transformational. The Board is perceived as stable and professional although there were comments by a minority that some Executives were 'black and white' in their views.

17/04/13.1.4 Mrs Bullock also reported that staff too were generally positive; some could not articulate the strategy given that it has been paused until the impact of the STP is known but they could articulate that the STP was the reasons for this. There were some comments that newer board members could be more visible and the access and visibility of Non-executive Directors was mixed. Feedback from Board members specifically mentioned that the Board Away Days need to be more strategic. The workforce development plan was also specifically mentioned and Mrs Bullock acknowledged that this had been recognised which is why Miss Carmichael was appointed.

17/04/13.1.5 Mrs Bullock summarised that the report holds lots of positives in terms of strategic development and engagement but there is a need to put some structure and process back in place around the development of the strategy and vision and values.

**BoD17/04/13.2 Draft Audit Committee Notes – 13 March 2017**

17/04/13.2.1 Mr Hopewell reported on the meeting of the Audit Committee. He noted that there were four items for escalation for information to the Board two of which should be discussed in Part II. Mr Hopewell reported that the committee had considered the proposal to use segmental reporting in the annual accounts which will separate CCICP accounts from the Trust accounts and this was approved. The Committee has also reviewed in full two internal audit reports that had received partial assurance. These were the Data Warehouse and Outsourcing and no major concerns were raised with all the recommendations agreed for implementation.

**BoD17/04/13.3 Draft Transformation and People (TAP) Committee Update March 2017**

17/04/13.3.1 Mrs McNeil reported that TAP had not met formally in March as the meeting was not quorate.

**BoD17/04/13.4 Visits of Accreditation, Inspection or Investigation**

17/04/13.4.1 Mrs Bullock reported there were none to review

**BoD17/04/13.5 Annual Review of Board Committees**

17/04/13.5.1 The Deputy Chair noted that Mrs Bullock had provided a commentary to this paper under Chairman's Items.

**BoD17/04/14 EFFECTIVE  
BoD17/04/14 Consultant Appointments**

17/04/14.1 Dr Dodds reported that a Consultant Dermatologist had been appointed subject to agreeing a job plan.

**BoD17/04/15 Any Other Business**

17/04/15.1 Mrs Dowson asked that all Board members return their annual declaration of interests for 2017/18 to her as soon as possible.

17/04/15.2 Miss Carmichael advised that the National Staff Survey results will be presented in full at the May Board but overall the results were very positive. The Trust was in the top 20% in over 50% of the indicators and above average in many others. There was only one indicator which was below national average. As a result of this the Trust has been judged as number one overall staff survey results in the country.

**BoD17/04/16 Time, Date and Place of the next meeting**

17/04/16.1 Board of Directors Meeting to be held in Public on **Tuesday 2 May 2017** at 9.30 am in the Boardroom, Leighton Hospital, Crewe.

The meeting closed at 11:43 hours.

**Signed**

A handwritten signature in blue ink, appearing to read 'T. S. D.', written over a horizontal line.

**Chairman**

**Date** 4 May 2017

**Minutes of Board Meeting held in 'Private'  
Monday 3 April 2017  
In the Board Room, Leighton Hospital, Crewe**

**Present**

Dame P Bacon	Deputy Chair (in the Chair)
Mr J Barnes	Non-Executive Director
Mrs T Bullock	Chief Executive
Miss E Carmichael	Director of Workforce and Organisational Development
Mr J Church	Non-Executive Director
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
Ms A Lynch	Director of Nursing and Quality
Mrs R McNeil	Non-Executive Director
Mr M Oldham	Director of Finance & Strategic Planning

**Apologies**

Mr Dennis Dunn	Chairman
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**In attendance**

Katharine Dowson	Trust Board Secretary
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**BoD2/17/04/1 Welcome and Apologies for Absence**

2/17/04/01.1 The Deputy Chair welcomed everyone to the meeting and noted the apologies given.

**BoD2/17/04/2 Board Member Interests**

2/17/04/2/1 There were no new interests declared and no interests declared in relation to open items on the agenda.

**BoD2/17/04/3 Minutes of the Previous Meeting**

2/17/04/3.1 There were no amendments to the minutes of the last meeting.

**Resolved:** The minutes were agreed as a true and accurate record of the meeting held in private on 6 March 2017.

**BoD2/17/04/4 Matters Arising and Actions from Previous Meeting**

2/17/04/4.1 There were no matters arising in addition to those included on the agenda.

2/17/04/4.2 It was noted that there were no outstanding actions to be reviewed.

**BoD17/03/4**  
**2/17/04/4.1**

**Effective**  
**Medical Staffing Update**

2/17/04/5.1.1 Dr Dodds informed the Board that there were no new staffing issues for the Board to be made aware of.

**BoD2/17/04/6**  
**2/17/04/6.1**

**Well Led**  
**Community Services**

2/17/04/6.1.1 Mr Oldham provided further detail on the accounting management of the surplus in the Community Services contract and the challenges for the Trust in ensuring that the money is used to invest in Community Services. Any Trust cash surplus in 2017/18 will be retained by the centre to repay capital loans. Mr Oldham reported ongoing discussions at the CCICP Partnership Board for the investments needed as a priority which include IT investment. Mrs Bullock observed that the Trust must make every effort to ensure the money must be invested back into Community Services as this assurance had previously been given by the Trust and outlined the discussion with NHSI in this regard.

2/17/04/6.1.2 Mr Oldham noted that the CCG had recognised that the CCICP surplus had to be used as part of the settlement for the 2016/17 contract but have asked for a letter confirming what will happen. Mr Oldham reported that partners in CCICP understand the challenge the Trust face and appreciate that the Trust is being as transparent as possible.

**Resolved:** To note the further update and the intention that agreed investment in Community Services in 2017/18 will be paramount.

**2/17/04/6.2**

**Cheshire & Merseyside 5 Year Forward View Plan (5YFV)**

2/17/04/6.2.1 Mrs Bullock advised that Mrs Louise Shepherd, leader of the 5YFV in Cheshire & Merseyside is meeting with all CEOs to discuss further the request for money for the 5YFV plan projects and governance. The Deputy Chair remarked that it was surprising how many organisations were involved in this. Mrs Bullock replied that there are some much smaller Trusts involved for whom the request is substantial and will be challenging to pay, other Trusts are simply not in a strong enough financial position to pay, however; all have a desire to contribute. Mrs Bullock added that most people felt the contribution should be at a local level where it is acknowledged that 80% of delivery will take place, whilst the current request is to support the wider Cheshire and Mersey level.

2/17/04/6.2.2 Mr Church commented that it is a significant amount of money and who will be accountable for the spending of it. Mrs Bullock confirmed that there is a budget plan for each workstream and a small proportion will be used for ongoing support for the Programme Management Office at the Cheshire and Mersey level. The Non-executives expressed their concern that money will be spent on areas such as external consultants without any oversight from any accountable body.

**Resolved:** The Board noted the update from Mrs Bullock

**BoD2/17/04/6.3**

**Expert Determination**

2/17/04/6.3.1

**Paragraph removed under Section 36 of the Freedom of Information Act.**

2/17/04/6.3.2

Mrs Bullock advised that there is a confidentiality agreement as part of the ED

settlement which allows either party to inform whoever needs to know for the Trust's own internal governance processes including the Board. Mr Oldham stated that the Trust would need to take advice on what of the documents can be shared. Mrs Bullock stated that the document does not need to come to Board as it was shared immediately it was received with all Board members. Mrs McNeil asked if both sides had agreed to share the outcome of the ED. Mrs Bullock replied that this was the case with regulators as both would have to record the impact on finances.

2/17/04/6.3.3 Mrs McNeil asked if there was likely to be any further press interests following the article on the dispute published last week which included Freedom of Information Requests on legal spending by both parties so far. The Board discussed the messages the Trust should prepare for any enquiries. **Sentence removed under Section 36 of the Freedom of Information Act.**

2/17/04/6.3.4 **Paragraph removed under Section 36 of the Freedom of Information Act.**

2/17/04/6.3.5 **Sentences removed under Section 36 of the Freedom of Information Act.** The CCGs and Trust are already in dispute for 2017/18 in regard to readmission rates as the CCGs are requesting a 40% threshold which is significantly higher than in other Trusts.

2/17/04/6.3.6 Mr Davis asked if there will be a follow up meeting for both parties with the expert and regulators. Mrs Bullock confirmed that this was booked for next week. Mrs Bullock also reported that she and Mr Oldham had a teleconference with NHSE and other system leaders about the system wide support work Phase 1 that starts this week. **Sentences removed under Section 36 of the Freedom of Information Act.** Mr Church commented that the 5YFV report is moving towards system wide control totals so the separation of commissioner and provider will also become less relevant and Mrs Bullock agreed.

## **BoD2/17/04/7 Any Other Business**

2/17/04/7.1 **Name removed under Section 40 of the Freedom of Information Act. Request**

2/17/04/7.1.1 **Paragraphs removed under Section 40 of the Freedom of Information Act.**

2/17/04/7.1.2

2/17/04/7.1.3

2/17/04/7.1.4

2/17/04/7.1.5

2/17/04/7.1.6

## **2/17/04/7.2 Off Payroll Payment**

2/17/04/7.2.1 Mr Hopewell reported this escalation from Audit Committee that the IR35 rules on off payroll payments may affect the **Name removed under Section 43 of the Freedom of Information Act** arrangement. Miss Carmichael is to take legal advice from Hill Dickinson to ascertain whether this is correct. If it is, there are a number of similar arrangements that may be affected by the new rules.

**2/17/04/7.3 Fraud Interview under Caution**

2/17/04/7.3.1 **Paragraph removed under Section 42 of the Freedom of Information Act.**

**BoD2/17/04/8 Review of Board Meeting**

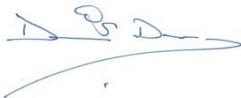
2/17/04/8.1 Mrs McNeil reviewed the meeting and reflected that it felt like business as usual with a good mix in Part I which reflected the Board's ability to link the bigger strategic picture with decision making. Mrs McNeil remarked on the number of positive items including the competition for Governor Elections which illustrated how the Trust is perceived by external stakeholders and the public. Mrs McNeil said that there were some major topics for discussion in Part II which underlined to the Board that while a major hurdle may have been got through there remain challenges of finance, cost control and relationships to grapple with on a daily basis.

The meeting closed at 12.50 hours.

**BoD2/17/04/9 Time, Date and Place of the next meeting**

2/17/04/9.1 Board of Directors Meeting to be held in Private on **Tuesday 2 May 2017** following the Board meeting held in Public.

**Signed**



**Chairman**

**Date 4 May 2017**