

Board of Directors

Minutes of the Meeting held at 9.30am on Monday, 5 March 2012 In the Boardroom, Leighton Hospital, Crewe

PRESENT

Mr J Moran	Chairman <i>in the chair</i>
Mrs T Bullock	Chief Executive
Mr WD Craig	Non-Executive Director
Dr PA Dodds	Deputy Chief Executive and Medical Director
Mr D Dunn	Non-Executive Director
Mrs D Frodsham	Chief Operating Officer
Mrs V Godfrey	Non-Executive Director
Mr D Hopewell	Non-Executive Director
Mrs R McNeil	Non-Executive Director
Mr M Oldham	Director of Finance & Strategic Planning
Mrs Jayne Shaw	Director of Workforce and Organisational Development
Dr AH Wood	Deputy Chairman and Senior Independent Director

IN ATTENDANCE

Mrs S Coombes	Head of Integrated Governance
Dr E Moore	Deputy Medical Director, Wirral University Teaching Hospital NHS Foundation Trust. Partnership
Miss N Phillips	Executive Assistant
Mr J Lyons	Lead Governor

APOLOGIES

Mrs J Smith	Director of Nursing & Quality
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PATIENT STORY

Dr Dodds provided a background to the patient story and explained that the poem was written by a patient who had undergone a number of investigations, which had diagnosed Non-Hodgkin's Lymphoma. Dr Dodds explained that the poem encompassed the patient's emotions regarding the diagnosis, treatment and the support he had received from staff throughout his diagnostic and treatment journey and in particular from the McMillan Centre.

Mrs McNeil noted that the poem was inspirational and may help other patients who find themselves in a similar situation. Mrs McNeil suggested that with the permission of the Patient, the poem could be displayed in the McMillan centre and Mr Dunn suggested that the poem could also be put onto the new website, whilst Mr Oldham suggested it could be used in the Annual Report. The Chairman asked if sharing

the poem in a wider context had been discussed with the patient and it was agreed that we should do so.

Resolved

- **To thank the patient for allowing the Board to share the poem and discuss using the poem further *Mrs Smith***

DIRECTORS' INTERESTS

No Director declared, or had declared, any change to her/his interests since the Board of Directors' previous meeting.

MINUTES OF THE LAST MEETING

After discussion, it was

Resolved

- **To sign the minutes as an accurate record of the Board meeting held on Monday, 6 February 2012 – Part I subject to noting**
 - *Under Item 12.02.8.5 Executive Director Away Day 24 January 2012* Dr Dodds noted that the first line should read "Mrs Bullock noted that the key items that had been discussed included a review of the Board Assurance Framework, which will be discussed further at the Board of Directors *Away Day* in *February 2012*".
 - *Under Item 12.02.9.2 Consultant Appointments* Dr Dodds noted that the first line should read "Dr Dodds noted that a new Consultant Orthopaedic Surgeon specialising in lower *limb arthroplasty*, a *replacement* Consultant Microbiologist, a new *Consultant Anaesthetist* and a new Consultant Paediatrician had been appointed."

Resolved

- **To sign the minutes as an accurate record of the Board meeting held on Monday, 6 February 2012 – Part II**

ACTIONS ARISING FROM PREVIOUS MINUTES NOT INCLUDED ELSEWHERE ON THE AGENDA

12.02.8.1 Update of Elmhurst Facilities

Mrs McNeil asked for an update on any resolutions regarding Elmhurst and Mrs Bullock explained that discussions had been held with the Primary Care Trust, explaining that the favoured option for Mid Cheshire was for Elmhurst to close during any works undertaken and that the Commissioners had agreed to this plan of action. Mrs Bullock

outlined her concern regarding confidence that this work would commence in May 2012 as planned and Mr Dunn explained that Elmhurst is an agenda item at the next Infrastructure and Development Committee meeting.

CHAIRMAN'S ANNOUNCEMENTS

12.03.6.1 Board Away Day - 20 February 2012

The Chairman explained that the notes from the Board Away Day in February would be circulated in the near future and noted that the actions that arose would be prioritised.

12.03.6.2 FTNNW Meeting – 23 February 2012

The Chairman outlined that at the meeting held on 23 February 2012 the sentiment expressed by the Chief Executive Officers and Chairs was that Trusts would meet their financial targets for this year end. The Chairman explained that the discussions had also included experiences encountered regarding the use of non recurrent funding and the positive impact on some Trusts financial risk ratings. The Chairman also explained that discussion had been held on the summit meeting at 10 Downing Street and the feeling of momentum behind the Health and Social Care Bill, which has the backing of David Cameron. He acknowledged that some changes would be made, in particular, to the competition element.

In response to Mr Dunn's enquiry regarding any immediate implications or changes within the Care Quality Commission (CQC) following the departure of the Chief Executive Officer, Mrs Bullock explained that CQC are looking to appoint to the post and the only changes within CQC are already known in respect of conducting investigations and reviews, where there would be a greater focus on gaps and shortfalls in service.

Resolved

- **To note the Chairman's report**

GOVERNORS ITEMS

12.03.7.1 Membership and Communication Committee – 13 February 2012

The Chairman noted that the members of this Committee have a real focus on engagement and have developed a member's engagement proforma for use at recruitment and engagement events. The proforma has been designed to ascertain member's views on the hospital and the role of the Governors.

12.03.7.2 Application for Lead Governor Role

The Chairman outlined that following an email to all Governors to ask if there was any interest in undertaking the role of Lead Governor, with a

deadline for responses by the end of February 2012, there had been no opposition to Mr Lyons standing for a further twelve month term. This decision will be ratified at the Council of Governors meeting on the 26 April 2012.

12.03.7.2.1 Process to Recruit to Non-Executive Director Vacancy

The Chairman noted that the recruitment process is underway with the support of Veredus and that key dates in respect of the recruitment process are now in diaries.

Resolved

- **To note the report**

CHIEF EXECUTIVE'S REPORT

12.03.8.1 Monitor Quarter 3 Conference Call

Mrs Bullock noted that the Monitor Q3 conference call had taken place on 15 February 2012, which covered;

Referral to Treatment Time Targets: Mrs Bullock advised that the conference call had focused on the achievement of the 18 week referral to treatment time target from April onwards. Noting that Monitor had been previously made aware of the planned failure for the quarter 4 RTT position, to allow the Trust to address any long waiters.

Contract Discussions: Mrs Bullock advised that the discussions were going well with the CCGs, whilst acknowledging a potential £4M gap at the present time. Also, that the expected contract outturn had been agreed.

Theatre Rebuild: Mrs Bullock outlined that Monitor were informed about the £23M PDC and discussion centred on whether this was a material or significant transaction and the process that would need to be followed in either case.

4-Hourly Target: Mrs Bullock noted that the Trust had raised the 4-hourly target as a potential issue in Quarter 3 due to significant pressures experienced since December 2011 and that Monitor had outlined the risks of failing two targets in Quarter 4.

12.03.8.2 Back to the Floor with Mr Edward Timpson

Mrs Bullock confirmed that Mr Timpson had completed his 4 day programme of 'back to the floor' with the Trust. The 26 & 27 January were reported at the previous Board and for the 9 & 10 February, Mr Timpson had requested to spend time in the PALs and the Complaints Department and the Operating Theatres. MCHFT had included in these dates further visits to the Neo Natal Unit, Treatment Centre and

Intensive Care and High Dependency Units. It was considered appropriate to include these departments as Mr Timpson had written to Mr Lansley in support of the Trusts bid for capital money to enable the Critical Care and Theatre rebuild to go ahead and he was a Patron of the Neo Natal Unit Charitable Appeal. Once again, Mr Timpson had written a diary of his experience on days 3 and 4, which was positively received by the press.

12.03.8.3 Clinical Service Strategy Day – 16 March 2012

Mrs Bullock confirmed that the Clinical Service Strategy half day work shop was confirmed for the 16 March 2012 and welcomed Non Executives to join the event. Mrs Bullock confirmed that the event would provide a 6 monthly review of progress against the Clinical Service Strategy with presentations from the clinical divisions and opportunity for questions and challenge. An overview of the financial outlook will also be provided.

12.03.8.4 DSSA Declaration

Mrs Bullock outlined that the annual same sex accommodation declaration of compliance would be made as a full declaration of compliance. Mrs Bullock noted that the Trust was still recording breaches within the ICU and the Acute Stroke Bay and as such invited the Strategic Health Authority to review the Trusts compliance with the CNO declaration requirements. The Strategic Health Authority confirmed the Trusts compliance with these requirements as the systems and processes put in place are designed for compliance. The Strategic Health Authority did acknowledge that breaches would continue until estate issues were rectified with the new critical care and theatre rebuild. The Strategic health Authority also agreed with the Trust's identified minor issues within the Acute Stroke Bay and recommended a declaration of compliance.

12.02.8.7 Pathology Alliance

Mrs Bullock noted that a Project Manager for the pathology alliance has been appointed and will be based at the University Hospital of North Staffordshire.

Mrs Bullock outlined key forthcoming events, which include a workshop on the 8 March 2012, to look at the model for the pathology alliance and a Project Steering Group Meeting, taking place on the 9 March 2012.

12.03.8.5 Monitor's Provider Licensing

Mrs Bullock outlined the circulated paper summarising the current position in respect of the provider licence consultation papers published in December 2011 and February 2012. Mrs Bullock outlined that the licence scheme is expected to come into force from December 2012, with the first licences being automatically given to Foundation

Trusts. Mrs Bullock noted that a number of the licence conditions were already conditions for Foundation Trusts and provided an overview of the main issues with respect to licensing such as; information requirements and license fees. A further report will be provided to the Board of Directors following the consultation, based on the final documents.

12.03.8.6 MRSA

Mrs Bullock noted that on the 10 February 2011 the Trust recorded and celebrated two years without a case of MRSA bacteraemia. However Mrs Bullock also noted that the week following this achievement a patient was diagnosed with an MRSA bacteraemia. Mrs Bullock confirmed that the usual root cause analysis will be undertaken.

12.03.8.7 Celebration of Achievement

Mrs Bullock reminded the Board of Directors that the Celebration of Achievement event is due to take place on Thursday 8 March 2012 at Nantwich Civic Hall.

Resolved

- **Update on Monitor's Provider Licensing to be provided to the Board of Directors when available** *Mrs Bullock*
- **To note the Chief Executive's Report**

MEDICAL DIRECTOR'S REPORT

12.02.9.1 Serious Untoward Incidents and RIDDOR Events

Dr Dodds advised that there were 7 RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences) reportable incidents and no Serious Untoward Incidents to report. Dr Dodds provided brief detail of an incident involving the incorrect configuration of an analyser in the Pathology Department by Siemens during an upgrade. Although this was not considered a serious untoward incident at this stage it was reported to STEIS, NPSA and the Primary Care Trust as the incident potentially affects 156 patients. Dr Dodds confirmed that these patients were being recalled for repeat testing.

In response to Mr Craig's enquiry regarding the priority of the repeat testing, Dr Dodds confirmed that these patients would be given priority. Mrs McNeil asked if a communications plan had been developed should there be any enquiries with regard to this and Mrs Bullock advised that this was the case.

12.03.9.2 Community Paediatrics

[Removed under Section 40 of the Freedom of Information Act]

12.03.9.3 National Reporting and Learning System

Dr Dodds explained that a member of the National Reporting and Learning System (NRLS) team had contacted the Trusts Integrated Governance team to request an interview to ascertain what systems and processes we had in place for data submission to them, as the quality of data from MCHFT was considered to be 'the best in the country'. Jo Falkland, Patient Safety Manager, undertook the telephone interview and will establish with the NRLS if we could publicise their opinion.

Resolved

- **To note the Medical Director's Report**

QUALITY SAFETY & EXPERIENCE

12.01.10.1 Section 1 of Performance Report – Patient Quality Safety & Experience

Dr Dodds presented the report noting that the number of formal complaints received for the month of January was 22, which was less than that verbally reported at the Board of Directors meeting in February 2012 due to 9 complaints being resolved informally. Dr Dodds advised that there were 2 new complaints via the Primary Care Trust (PCT).

Dr Dodds noted that no new complaints in the month had been referred to the Ombudsman and that [Removed under Section 40 of the Freedom of Information Act] following the full report on the partially upheld complaint discussed at the Board of Directors meeting in January 2012 and February 2012.

Dr Dodds explained that the trends in January remained communication and patient care, noting that none were received regarding cancelled on the day of operation and only one had been received regarding the delay in A&E during a time of peak activity.

Dr Dodds also noted that there were 13 complaints closed during January.

Dr Dodds explained that there had been 221 contacts made with the PALs office, 113 regarding issues or concerns and the trend remained communication.

Dr Dodds noted that there were 2 inquests held in January, which resulted in a verdict of accidental death and a narrative verdict with no actions for the Trust.

Mrs McNeil noted that concerns raised with PALS regarding Care of Older people have continued to rise over a three month period and

acknowledged that this could relate to the time of year but recommended that this should be monitored. Mr Dunn agreed that focus should be kept on this issue, noting the importance of the care of older people and the national attention this is receiving at present.

Dr Dodds explained the results of the Nursing Care Indicators, noting the improvement in month of the cannula indicators and the continued challenges of the fluid balance charts. Mrs Bullock outlined the significant work that has been undertaken regarding fluid balance charts including redesign and standardisation of the charts, training and support for the wards that have been identified as having difficulties.

In response to the Chairman's enquiry regarding review of this at Committee level, Dr Dodds noted that this could be reviewed by the Mortality Reduction Group and reported to the Quality, Safety and Effectiveness Committee (QuEST). Mr Dunn observed that wards 12 and 13 had achieved good results and Mrs Bullock outlined the differences between medical and surgical wards. Mrs McNeil noted that Wards 6 and 18 were not achieving and asked if anything specific was noted with regards to these wards. Mrs Bullock outlined the nature of the patients on these wards and explained that a review is being undertaken to ascertain whether or not patients actually require a fluid balance chart.

Dr Dodds noted that the VTE assessment compliance had risen to 94.6% in January and noted that this was felt to be similar for February 2012. Dr Dodds explained that the Divisions have been receiving increased support from the Integrated Governance Team and noted concern regarding maintenance of these assessments following a reduction of support in the future. Mr Craig outlined the importance of positive feedback to maintaining good performance.

Dr Dodds advised that in January 2012 the twelve month RAMI was 88 and noted that this is lowest RAMI the Trust has achieved. Dr Dodds also outlined that if this can be maintained the Trust will achieve the further 10 point reduction that was set for this year.

Resolved

- **Fluid balance charts to be reviewed by the Mortality Board and reported to QuEST.** *Mrs Smith*
- **To note the report**

12.03.10.2 Strategic Integrated Governance Committee – 13 February 2012

Dr Dodds asked if there were any questions in relation to the minutes of the 13 February 2012. The Chairman asked for confirmation regarding the invitation of the Non-Executive Directors to the Forward

Thinking Event and Mrs Bullock explained that this would be held on 15th May 2012 in the Post Graduate Medical Centre and that all Non-Executive Directors would receive an invitation in the near future.

Dr Dodds noted the items for escalation to the Board included the Board Assurance Framework, to be discussed under item 12.03.10.6 and the Gap Analysis completed by the Woman and Children's Division following the Care Quality Commission (CQC) investigation into the University Hospitals of Morecambe Bay. Dr Dodds noted that the Division had considered the six advisory standards and outlined the Divisions position in respect of these. Mrs Bullock noted that further reports are awaited from the CQC regarding the A&E Department and a Governance review at the University Hospitals of Morecambe Bay. A similar gap analysis will be conducted when the reports are received.

In response to Dr Wood's enquiry regarding the University Hospitals of Morecambe Bay encompassing three remote sites and any potential lessons from the alliances of these sites, Mrs Bullock explained that the merger occurred a long time before the Trust became a Foundation Trust and before these concerns were highlighted. Mrs Bullock outlined some of Monitors interventions and added that the Executive Team are holding discussions to establish the provision and implications of a Programme Office and this will be discussed further at the next Away Day on the 20 March 2012.

Dr Dodds also noted that the Pandemic Flu Plan was to be escalated to the Board, explaining that this had been reviewed externally. Dr Dodds confirmed that the full Pandemic Flu Plan would not be presented to the Board of Directors but that the Strategic Integrated Governance Committee was able to provide the necessary Board assurance in respect of the Plan.

12.03.10.3 Anaesthetic and Critical Care Business Case

Mrs Frodsham outlined the background to the anaesthetic and critical care outreach business cases, explaining that the papers support the objectives of the Clinical Services Strategy which was to fully review and determine the needs of these services over the long term, understanding that changes would be implemented on an incremental basis. Mrs Frodsham outlined the recommended proposed options.

In response to the Chairman's enquiry regarding the identified investment relating to this business case, Mr Oldham explained that the total investment for the long term option would be £688K, however £405K recurrent funding had been included in the 2011/12 annual plan albeit only £168k was spent in the period in respect of locum cover and other increased staff costs.

Mr Hopewell asked for clarification on the investment costs the Board of Directors was being asked to approve and Mrs Frodsham confirmed that the Board of Directors was being asked to approve the investment of £405K at this time and accept the long term recommendations which would over the long term require additional investment to the final amount of £688k. Noting this would come back to the Board of Directors for further ratification.

In response to Mr Hopewell's enquiries regarding clinical assurances and the priority of the initial investment, Mrs Bullock outlined that this would be a high priority.

Mr Dunn asked for some clarification regarding the additional Consultant Anaesthetist approved by the Board of Directors during 2011. Mrs Frodsham explained that this position had been approved against the additional activity for the repatriation of Orthopaedic work from Halton Hospital.

The Chairman asked if approval was given for the £405K investment and when would the additional investment be required. Mrs Bullock explained that the Division would be asked to review this again in twelve months time. Mr Craig and Mr Dunn asked if the investment of £405K would provide the cover for the services outlined. Mrs Bullock explained that the £405K would address the areas of the service where there were serious concerns.

Mrs Godfrey noted that despite option 5 being the preferred long term option, this still did not allow for the provision of the Safe Childbirth guidelines. Mr Dunn noted the importance of a timeline for the second phase if the interim proposal is approved. Mrs McNeil noted the reassurance that the interim option fits with the new theatre build and would be reviewed in line with those developments.

The Chairman summarised the discussions and reminded board of the recommendation within the business case to

- 1) acknowledge the total investment of £688K for the longer term and approve this subject to a future review of affordability,
- 2) Reconfirm and approve the initial investment of £405k.

On this basis the Board approved the long term option 5 of the Anaesthetic Business Case and Option 3 of the Critical Care Outreach Services Business Case.

As an interim the Board of Directors approved Option 3 of the Anaesthetic Business Case and Option 4 of the Critical Care Outreach Service which could be achieved within the financial investment of £405K. Mrs Frodsham noted that an investment benefits realisation paper would be undertaken and update on progress towards the delivery of the full business case in 6 months following implementation.

Resolved

- **To approve the long term recommendations of option 5 of the Anaesthetic Business Case and Option 3 of the Critical Care Outreach Services Business Case subject to investment review and a supporting business case**
- **To progress with the interim proposal for Option 3 of the Anaesthetic Business Case and Option 4 of the Critical Care Outreach Service.**

12.03.10.4 Cardiology Imaging Business Case

Mrs Frodsham outlined the background to the business case, explaining that this was a proposal to invest in a joint Consultant Cardiologist post between Mid Cheshire Hospitals NHS Foundation Trust and either University Hospital of North Staffordshire or University Hospitals of South Manchester. Mrs Frodsham noted that the post would be to deliver an in house cardiac functional imaging service for Dobutamine stress echocardiography for which the Trust is currently dependent upon external providers at a cost of £200K per annum and that therefore this business case would be an investment to save. This would also enhance Consultant numbers within the cardiology speciality and reduce the shortfall between outpatient capacity and demand.

Mrs McNeil noted the recent market share decline in Cardiology and enquired how the confidence could be restored. Dr Dodds explained the recent appointment of Dr Gideon Paul, engagement with the Clinical Commissioning Groups on joint projects including Rapid Access Chest Pain pathways and further engagement in the development of clinical pathways, would improve market confidence.

In response to Mrs McNeil's enquiry about the opportunity for financial gain, Mrs Frodsham explained that this appointment would allow the capacity gap in Cardiology to be reduced thus increasing income opportunities. Dr Dodds also noted that this appointment would ensure that Cardiology is fully compliant with the National Institute for Clinical Excellence guidance. The Board unanimously approved the business case.

Resolved

- **To approve the Business Case**

12.03.10.5 Equality and Diversity Objectives

Mrs Shaw explained the purpose of the paper was to seek formal approval from the Board of Directors for the two equality objectives which have been developed to ensure compliance with the Equality Act 2010 (Specific Duties) Regulations 2011. Under the terms of the Act all

NHS Trusts are required to prepare and publish one or more objectives at least every four years

Mrs Shaw outlined the two broad objectives recommended:

- i) By working with others to improve indicators in health in the local community whilst reducing indicators of health inequalities
- ii) By working with employees and trade unions to improve levels of staff satisfaction in the Trust whilst reducing indicators of inequality in staff satisfaction

Mrs Shaw went on to say that the NHS Equality Delivery System will support organisations in meeting their obligations under the Act and the Trust will use this framework to develop more detailed supporting objectives. Progress against delivery of the objectives will be monitored by the Equality and Diversity Committee.

Resolved

- **To approve the objectives**

12.03.10.6 BAF Quarterly Report October 2011 to December 2011

Dr Dodds asked if there were any comments in relation to the report for the third quarter, which had been discussed in detail at the Strategic Integrated Governance meeting on 13 February 2012. In response to the Chairman's enquiry regarding the Estates and IT Strategies, Dr Dodds explained that the Estates Strategy is awaiting review at the Infrastructure Development Committee (IDC) in March and the IT Strategy is undergoing review with external support and would also be reviewed at the IDC. Once ratified by the Board sub committees both strategies would be presented to a future Board of Directors.

STRONG PROGRESSIVE FOUNDATION TRUST

12.03.11.1 Interim Budget

Mr Oldham gave a presentation on the income and expenditure positions for the Trust. Mrs McNeil noted the emerging pressures within the Emergency Care Division. Mr Oldham also outlined that the future investments have been shared with the Primary Care Trust who are supportive of the areas identified but were unable at this stage to identify separate funding to support the Trust's position. The Chairman noted the challenges outlined in the presentation and also explained the importance of the Board understanding the Trust's financial standing ahead of agreeing contract terms with the CCG's.

OPERATIONAL DELIVERY

12.03.12.1 Performance Report System Delivery Focus

Mr Oldham outlined that overall referral activity had increased by 8.8% in month and by 4.4% cumulative. New patient referrals have increased by 2.4% despite the demand being managed by the Primary Care Trust. GP referrals have also continued to rise for the last 3 months. Mr Oldham also noted that there had been an increase in Consultant to Consultant referrals in orthopaedics and that this would be reviewed internally.

Mr Oldham noted an increase in non-elective admissions of 26.1% in month and 6.6% cumulatively. Mr Oldham noted that elective spells were down in month by 27.1% as a result of cancellations due to the winter pressures.

Mr Oldham noted that inpatient long waiters had increased by 25 in month to 663 and reiterated that plans were in place to manage these through February and March 2012, using the additional non-recurrent monies.

Mr Oldham explained that the 18 week Referral to Treatment Time non-admitted target had been achieved except for Orthopaedics and General Surgery. However, the Trust had failed the admitted target, specifically in General Surgery, Orthopaedics and Gynaecology.

Mr Oldham advised that there had been no cases of MRSA bacteraemia and four cases of *c-difficile* in January 2012 remaining below the monthly and year to date trajectory targets.

Mr Oldham outlined the difficulties with the A&E target, noting that this target had been failed in January 2012 due to high demand. Mr Oldham noted that the February target had been achieved and that we were currently on trajectory for the quarter at 94.08%, whilst noting that concerns remain regarding the quarter and outlined the £1.2M significant investment to help to achieve this target.

Mr Oldham also noted that the cancer targets had been achieved in January, again noting the concerns regarding the February performance and that the quarter remained a challenge.

Mr Oldham explained that January had seen an increase in patients being fit for discharge with discharge being delayed and noted that a review is being undertaken with all the appropriate organisations.

In response to Mr Craig's enquiry regarding the TIA performance, Mrs Frodsham explained that the Trust does not provide a seven day service and if referrals present via the post they would not be seen within 24 hours. Mrs Frodsham noted that a Task and Finish Group is reviewing the issues and Mrs Bullock explained that the volume of

patients affected was very low and in single numbers. Therefore one failure to meet the target would have a significant impact.

Mr Oldham noted the Trust's bed occupancy had increased in January 2012 which was as a result of increased admissions. Mr Oldham also noted the continued compliance with the turnaround time of the clinic letters to within 10 days and the increasing use of e-discharge. Mrs Frodsham explained that in the recently discussed Quality Schedule the financial penalties had been removed in respect of clinical correspondence.

Workforce Focus

Mr Oldham noted the Trust's performance against targets for attendance, retention and appraisals. Mr Oldham noted the concerns regarding mandatory training and Mrs Shaw explained that a review of systems and e-learning is being undertaken. Mr Dunn noted the improvements in the appraisal trajectory and Mr Oldham also noted the improvements in the levels of sickness within the Surgery and Cancer Division.

Finance Focus

Mr Oldham advised that the finance risk rating remains at 3 and that at month 10 the cumulative surplus is now at £1.8M, reflecting the PCT agreement to fix the contract value. Mr Oldham explained that of the £999k in month surplus, £869k was exceptional from recognising the agreement with the PCT. Overall the contract income is £1.2M better than plan, with £0.5M relating to performance against the contract with Stoke PCT and £0.8M released against fines and penalties. Mr Oldham noted the underlying challenge was the under performance in activity on the CECPCT, which is currently under performing by approximately £1M.

Mr Oldham noted the pay costs at £0.5M worse than plan year to date which was due to additional beds being opened in January to meet the increasing demand. The nurse bank had been exhausted and therefore high cost of agency cover was being used.

Mr Oldham noted that non-pay is £0.5M worse than plan year to date but was on plan in month.

Mr Oldham explained that the forecast at quarter 3 £1M was on plan; however with the Primary Care Trust Settlement, funding of additional beds, a favourable position in respect of disputed NHSLA premiums and further training monies being secured, this is currently projected at an upside of between £1.8M and £2.5M dependant on the levels of additional investment from the £1.2M additional non recurrent monies.

Mr Oldham advised that the Cost Improvement Programme remains as previously briefed with an under performance of £0.9M less than expected year to date and is forecasting a shortfall of £1.2M for the full year. Mr Oldham advised that as previously reported a majority of the shortfall is covered by non-recurrent savings and the key issues remain slippage in the early part of the year associated with the introduction of the Nursing rostering system and slippage associated with the pathology alliance. Mr Dunn noted the overall decrease in spending on Bank and Agency.

Mr Oldham noted the cash position is £0.2M worse due to debtors, but noted that this is likely to improve with the draw down of £1M of PDC.

Mr Oldham advised that the capital programme is £0.3M worse than plan against a programme of £3.2M due to the slippage on some key schemes in particular the restaurant atrium scheme which is subject to further review and backlog maintenance.

Resolved

- **To note the report**

12.03.12.2 Performance and Finance Committee

Mr Oldham asked if there were any questions in relation to the minutes of the 1 February 2012, where items of escalation had been reported at the February 2012 Board of Directors. No questions were raised.

Mr Oldham gave a verbal report on the meeting held on 29 February 2012, noting the target and regulatory risks. In response to Mr Craig's observation that there were few actions or decisions made in minutes, Mr Oldham explained decisions were made and that these were perhaps not recorded in the correct column but were recorded as part of the discussion section. Mr Oldham confirmed this would be addressed for future minutes.

The Chairman noted the proposed changes planned to the Performance Report and Mrs Frodsham explained that the report has been developed and will be reviewed at the next Performance and Finance Committee meeting.

Resolved

- **To note the report**

12.03.12.3 Audit Committee

Mr Hopewell asked if there were any questions in relation to the minutes of the 13 February 2012. No questions were raised.

Resolved

- **To note the report**

12.03.12.4 Contract Update

Mr Oldham explained that this had been discussed under item 12.03.11.1. No further questions were raised

12.03.12.5 Divisional Quarterly Performance Review

Mrs Frodsham gave a presentation on the Divisional Quarterly Performance Review – quarter three, outlining that four clinical Divisions had been assessed in this Quarter with Estates & Facilities not being assessed as they continued to be low Intensity. The Diagnostic Division had been reviewed in this quarter as they had previously fallen out of low intensity in Quarter 2. Mrs Frodsham outlined the progress of the Divisions against the five domains and the Divisional actions required against these domains.

Mrs Frodsham acknowledged that following the quarterly review three Divisions were in low intensity, Estates and Facilities, Diagnostics & Clinical Support Services and the Women & Children's Division, having achieved low intensity for the first time. The Emergency Care Division had made good progress and were now in medium intensity whilst Surgery and Cancer remain in special measures. No questions were raised.

Resolved

- **The presentation was noted**

LEGAL ADVICE

No legal advice was noted.

VISITS OF ACCREDITATION, INSPECTION OR INVESTIGATION

The following visits of accreditation, inspection or investigation have taken place or are about to take place:

12.03.14.1 External Quality Assurance Visit by national QA Team for the English National Screening Programme for Diabetic Retinopathy – 1 March 2012

Mrs Bullock noted that following this national visit feedback was provided to the Cluster Chief Executive and Chief Executives of East Cheshire Trust, Mid Cheshire Hospitals NHS Foundation Trust and the Countess of Chester NHS Foundation Trust. No serious or major concerns had been reported and the enthusiasm and dedication of the teams had been praised. Mrs Bullock advised that some minor recommendations were noted and a full report is awaited.

12.03.14.2 Major Trauma Unit Peer Review – 1 March 2012

Mrs Bullock noted that that a Peer Review had been undertaken by a number of professionals and commissioners from the North West Major Trauma Network to ascertain how well Mid Cheshire Hospitals meets the accreditation standards for a Major Trauma Unit. Mrs Bullock noted that the verbal report following this visit had been positive with no foreseen reasons why we would not achieve accreditation or be able to commence with our chosen pathway from the 26 March 2012. The peer reviewers have since been in touch with the Trust to seek permission to use some of our material as examples of best practice.

12.03.14.3 NHSLA Level 2 Visit

Mrs Bullock noted that this would take place at the end of March 2012.

12.03.14.4 Education Business Plus

Mrs Shaw advised that following an inspection visit by Education Plus, to review the Trust's arrangements for work experience, a letter of understanding had been signed and agreed by both parties.

Resolved

- **To note the report**

BOARD ACTIONS

After discussion, it was

Resolved

- **To approve the revised schedule of Board of Directors' actions**

ANY OTHER BUSINESS

12.03.16.1 Approval for Use of Seal

Mrs Bullock asked for approval to use the seal for the P21 Scheme, outlining the amendments to the scheme with the changes of wards to be refurbished. These changes do not affect the contract value. The Board agreed to the amendments and the use of the seal.

12.03.16.2 Quality Strategy Committee

Mr Craig noted the formation of this new committee and asked about the purpose of the Committee. Dr Dodds explained that this Committee would look purely at the Quality Accounts and Mrs Bullock advised that this was not a new committee but an existing committee that had been renamed. Also that the remit of the committee had been extended and to include monitoring the metrics associated with the Quality Accounts, as well as the production of the Quality Accounts.

REVIEW OF BOARD MEETING

The Chairman asked for comments on the meeting. Board members felt that the timing of the business cases had been ambitious given the nature of the business and the full agenda. It was agreed that the meeting had been robust and dynamic in terms of appropriate challenge.

TIME, DATE AND PLACE OF FORTHCOMING MEETINGS

9.30am Monday, 2 April 2012 in the Board Room at Leighton Hospital

Signed

Chairman

Date