

Board of Directors Meeting
Minutes of the Meeting held in Public
Monday, 1 August 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
Ms E Carmichael	Director of Workforce and Organisational Development
Mr J Church	Non-Executive Director
Mr M Davis	Non-Executive Director
Dr PA 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

In attendance

John Lyons	Lead Governor
Katharine Dowson	Trust Board Secretary

Observing

Barbara Beadle	Public Governor (Crewe and Nantwich)
Katherine Birch	Public Governor (Vale Royal)
Pat Psalia	Public Governor (Patient and Carer)
Janet Roach	Public Governor (Crewe and Nantwich)
Cllr Janet Clowes	Partnership Governor (Cheshire East Council)
Ray Stafford	Public Governor (Patient and Carer)
Bob Pugh	CCG Governing Body Member
Barbara Smith	Member
Winifred Robinson	Member

Name removed under S40 of the Freedom of Information Act
Name removed under S40 of the Freedom of Information Act

Apologies

Mrs T Bullock	Chief Executive
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BoD16/08/1 Welcome, Introduction and Apologies

16/08/1.1 The Chairman welcomed everyone to the meeting. He reminded those observing that there would not be opportunity for comment within the meeting but there would be an informal opportunity to speak to Board members after the meeting.

16/08/1.2 Apologies for absence were received and noted.

BoD16/08/2 Patient Story

16/08/2.1 Ms Lynch presented the patient story which was the story of a patient who died in April 2016 at Leighton Hospital following a three week stay. The story is based on a letter sent in by his daughter following this period of care. Throughout his time at Leighton hospital he and his family appreciated the level of care provided by all the staff. Ms Lynch was pleased to note that Staff Nurse **Name removed under S40 of the Freedom of Information Act** and Charge Nurse **Name removed under S40 of the Freedom of**

Information Act who had been particularly remembered in the letter were attending Board today. Mrs Crellin said that they both remembered the patient who had made a big impression on the ward. They particularly remembered the 'book of your life' which his daughter had made for him as he was suffering from dementia. He was very proud of this and talked to staff about his life, in particular his role as a Spitfire pilot in the Second World War.

16/08/2.2 The Chairman thanked Dean and Natalie for attending and for their care of this patient through an emotionally difficult time for him and his family. The Chairman asked that the family be written to and thanked for sharing their story.

BoD16/08/3 Board Members' Interests

16/08/3.1 There were no new interests declared.

16/08/3.2 There were no conflicts of interests declared in relation to open items on the agenda.

BoD16/08/4.1 Minutes of the Previous Meeting

16/08/4.1.1 Mr Davis noted that the dates in 16/07/12.2.3 and 16/07/12.2.4 should be amended to 2016/17.

Resolved: Subject to the alterations listed above, the minutes were agreed as a true record of the meeting held on 4 July 2016.

BoD16/08/5 Matters Arising and Action Log

16/08/5.1 There were no Matters Arising in addition to those included on the agenda.

16/08/5.2 The Chair asked the Board to advise progress on outstanding items in the action log. He noted that actions 16/07/3.1 and 16/07/9.1.1 are complete and can be closed. The Chairman advised that action 16/07/12/3.1 will be covered in today's agenda and that Item 16/06/12/1.3 is in progress and will be reviewed at the Transformation and People Committee, (TAP) in September and reported back to the Board in October.

Action: To update the action log and close off completed actions (Mrs Dowson)

BoD16/08/6 Annual Work Programme

16/08/6.1 The workplan for 2016/17 was reviewed by the Board and no amendments were proposed.

Resolved: To note the 2016/17 Work Programme.

BoD16/08/7 Chairman's Announcements

16/08/7.1 Meeting of NW Chairs

16/08/7.1.1 The Chairman reported to the Board that he had been to the bi-monthly meeting of the North-West Chairs network. The central topic for discussion had been the implications of Brexit on NHS Trusts. The main issue had been identified as the uncertainty of the impact of Brexit. Particular aspects raised were the continuation of recruitment campaigns in EU countries, points-based immigration and the importance of NHS roles being prioritised, procurement changes and changes to contracts if the European Working Time Directive is dropped. The Chairs also discussed a growth in incidents of intolerance towards non-UK staff from patients with a number of chairs reporting examples within their Trusts. However the Chairman reported there had also been a

good deal of optimism in the discussions.

16/08/7.1.1 The Chairman reported that the group had discussed the Sustainability and Transformation Plans (STPs) particularly in regard to the lack of governance arrangements currently in place. Mr Barnes commented that while there is a great deal of uncertainty the Board must carry on with its work until it becomes clear what will have to change. The Chairman agreed that this had been the sentiment of the group as well.

BoD16/08/7.2 Joint Board to Board with CCGs Thursday 4 August 2016

16/08/7.2.1 The Chairman reminded the board that this meeting was taking place on Thursday 4 August and that a revised agenda is being circulated today. The Chairman underlined the importance of this opportunity to meet with the CCGs Governing Body.

BoD16/08/7.3 Joint Board to Board with UHNM – 25 July 2016

16/08/7.3 The Chairman reported on this very positive meeting with University Hospitals of North Midlands (UHNM) and the reaffirmation of the joint commitment to working together. Mr Church agreed that it was a much more positive meeting than the last one and that the next meeting is already fixed for January 2017. The Chairman added that this was an important relationship to maintain for both organisations, alongside the STP work.

BoD16/08/7.4 Visit to the NeuroMuscular Centre, Winsford

16/08/7.4 The Chairman updated the Board on his visit to this small charity doing remarkable work as the only independent centre of its kind in the country. The centre receives referrals from all over the country and has strong links with Leighton who receive any of their patients who need admission. The Chair is hoping to ask their President Matthew Kelly to come and speak at a Board Away Day. Mr Church endorsed the work of this centre which he has had interaction with in the past and suggested that the Trust should use their design and printing social enterprise company to support the centre. Mrs McNeil told the Board that she had been heavily involved in setting the Centre up. She added that they do a lot of educational work, offering placements for local students as well as offering therapy services. The Chairman confirmed that he had spoken to the Communications Manager in regard to using the social enterprise for printing.

BoD16/08/8 Governors Items

BoD16/08/8.1 Council of Governors – 21 July 2016

16/08/8.1.1 The Chairman noted that the Council of Governors had met recently. The council considered a very full meeting with seven presentations in total. He added that the Governors suggestion of receiving the staff and the inpatient survey together to compare results had been useful. Mr Lyons endorsed the positive view of the meeting.

BoD16/08/8.2 Elections

16/08/8.2.1 Mrs Dowson informed the Board that nominations had closed for Governor Elections and that confirmation should be received later today on the number of candidates. Mrs Dowson is aware that at the last update nominations had been received in all vacant categories except for Vale Royal and it is hoped that a further nomination will have been received for this constituency before the deadline. There is likely to be elections in at least the Patient and Carer constituency, this will take place in August with a final result to be announced in September.

BoD16/08/8.2 Lead Governor

16/08/8.3.1 The Chairman announced that there was not currently a new Lead Governor confirmed but he hoped Mr Lyons would be happy to remain in post until a replacement is found.

Resolved: The Board noted the updates from the Chairman.

BoD16/08/9 Chief Executive's Report

BoD16/08/9.1 Cheshire & Mersey STP
BoD16/08/9.1.a Meeting with Simon Stevens
BoD16/08/9.1.b Next Steps
BoD16/08/9.1.c Cheshire and Wirral Update

- 16/08/9.1.1 The Deputy Chief Executive updated the Board on the Cheshire & Merseyside STP covering agenda items 9.1 a-c. She reported that the Chief Executive had met with senior national representatives from NHS Improvement (NHSI), NHS England and the Local Government Association amongst others in Leeds on 20 July. The presentation had been well received and described as a good strategic outline case. The group have now asked for a more detailed version to be prepared by the end of October.
- 16/08/9.1.2 The Deputy Chief Executive confirmed that the governance arrangements are now being established including the appointment of a Senior Responsible Officer (SRO). Four priority issues have been agreed, namely demand management leading to acute reconfiguration, reducing variation of clinical service, governance and productivity and efficiency. The group will be seeking further clarity on the national requirements through the NHS England Northern representative Mr Richard Barker.
- 16/08/9.1.3 The Chair advised the Board that the Chairs and Chief Executives of the Cheshire & Wirral group have now met together, this meeting focused on governance and accountability within the STP. The Chair stated that it is clear that individual trusts are still responsible but some work needs to take place to understand how this can work within an Accountable Care System (ACS). The Chair commented that the group has to take a strong lead as there is not time to wait to see what other Trusts do or to come back to each individual Trust on every issue. Therefore the group have decided that progress will be made in a prescriptive way to create the momentum needed to meet the October deadline. The SRO will be a joint appointment to get things moving and the costs will be shared between the Providers. The Chair expressed his concern that the Board is only being updated monthly as so much is happening in between. In response to a question from Mr Davis the Chairman confirmed that the four acute Trusts are involved in this group but that mental health trusts and other providers will also need to be part of the ACS.
- 16/08/9.1.4 The Chairman admitted that a system solution cannot be provided in five weeks and the meeting in October is to provide more pragmatism about what the STP is going to achieve in Cheshire & Wirral. The big ticket items will be clearer and a collective ledger will be prepared with anticipated savings. The Chairman added that it was anticipated that plans for undertaking joint procurement will be included and progress towards an agreed Information Management & Technology digital platform would also be a crucial component of the plan. The Chairman reported that discussions had already taken place about what is currently in place and whether the group could quickly accept a particular platform.
- 16/08/9.1.5 The Chairman also advised the Board that transactional HR related processes would be an early priority, to review and examine similarities and differences between providers. There are also plans to progress a jointly owned subsidiary pharmacy. Mr Oldham responded that he is already working on a business case, due back in September, for Leighton Hospital. The Trust is the lead for this area of work and is reviewing how to scale this up to cover all of Cheshire.
- 16/08/9.1.6 The Chairman expressed his concern at how to best keep the Council of Governors

appraised of the developments and said that this is an issue for all Foundation Trusts involved. The Chairman suggested that an extraordinary meeting may need to be held at some point.

16/08/9.1.7 The Deputy Chief Executive reported that the Medical Directors of the acute and mental health providers in Cheshire and Wirral have met to discuss the clinical services provided across the Cheshire and Wirral footprint. This piece of work will inform the more detailed STP required for October. .

BoD16/08/9.1.d Local Delivery Plan

16/08/9.1.d.1 The Deputy Chief Executive advised that Mrs Bullock is meeting with the local leads weekly. He reported that there was a lack of pace with the Local Delivery Plan due to capacity issues related to the requirements of the Cheshire & Wirral STP.

16/08/9.1.d.2

BoD16/08/9.2 Junior Doctors Update

16/08/9.2.1 The Deputy Chief Executive reported that despite BMA recommendations the junior doctors have rejected the new contract in a recent ballot of members. The Department of Health (DoH) have stated that the contract is to be progressed as suggested. The Chairman added that the Trust is intending to manage this as sensitively as possible. The Deputy Chief Executive advised that the dispute is with the DoH not the Trust and the Trust is working hard to maintain a positive relationship with the junior doctors. The Deputy Chief Executive added that the implications of the imposition may be felt this August and the year after as foundation year doctors potentially drop out of system.

BoD16/08/9.3 UHNM Chief Executive

16/08/9.3.1 The Deputy Chief Executive reported that UHNM had held interviews last week for the post of Chief Executive however they had not made an appointment.

Resolved: The Board noted the updates from the Deputy Chief Executive.

BoD16/08/10 CARING

BoD16/08/10.1 Quality, Safety and Experience Report

16/08/10.1.1 Ms Lynch presented the Monthly Quality, Safety and Experience Report which summarises data from June 2016. Ms Lynch advised the Board that there had been three serious incidents reported in the month, two patient falls and a delay in a follow up appointment resulting in harm. Ms Lynch reported that there had been no MRSA cases in June and one avoidable Clostridium Difficile case out of five reported. Ms Lynch also noted that the SHMI target was being met and continued a steady improvement. The Chairman commented that the continual improvement in this area was remarkable given the position the Trust had been in.

16/08/10.1.2 Ms Lynch reported that the number of harm incidents are down in comparison to the previous year and the target met; however the serious incidents target has not been achieved. Ms Lynch noted that no stage 3 or 4 pressure ulcers had been reported in June adding that the React to Red campaign that has been in place for ten weeks is working well in the pilot areas although we are continuing to see pressure ulcers across the Trust. Ms Lynch advised that further detail on this campaign and the pressure ulcer target will be reviewed at Quality and Governance Committee (QGC). Mrs McNeil asked why the number of PUs reported for April had been reduced retrospectively and Ms Lynch replied that this was undertaken following a retrospective review of incident reporting as part of the React to Red campaign which had identified some duplication in reporting that has now been adjusted for.

16/08/10.1.3 Ms Lynch advised the Board that patient falls were down from the previous months, from 71 to 63. She added that she had reported to QGC the results of the 'One Step Ahead' campaign which has been piloted in some Trusts and has achieved some good results with a 50% reduction in falls in two pilots. Ms Lynch asked the Board to note the improvement in the stroke indicator and advised that this is expected to improve following the start of the new stroke pathway with UHNM on 1 July. Ms Lynch advised that the CQUIN targets will be reported at the September Board for Q1 as the finances have been confirmed since the papers were circulated.

16/08/10.1.4 Ms Lynch asked the Board to note the Safety Thermometer and staffing and safety section in the report, explaining that there were no areas of concern to note. Ms Lynch noted a required amendment to the 'care hours per patient day' section of the staffing report regarding Ward 9 and the number of patients for June.

16/08/10.1.5 Ms Lynch presented the patient experience section of the report noting that 20 complaints were received in June which was a decrease from the previous month. She reminded the Board members that complaints are reviewed by the Patient Complaint Panel. Ms Lynch noted that 31 complaints were closed in June with an increase in closed complaints that were partially upheld, this is the second month of exceptions noted so this will subject to a greater level of scrutiny. Ms Lynch invited comments and questions from the Board. Dame Patricia asked about the complaint upheld in the Treatment Centre and Ms Lynch responded that she will provide the information to Dame Patricia.

ACTION: Detail of this complaint to be sent to Dame Patricia (Ms Lynch)

16/08/10.1.6 Mr Davis asked if the incident in June in Ophthalmology was also a complaint and if not could there be an identified trend and if so what is being done to address it. Ms Lynch confirmed it was a different incident. Mrs Frodsham explained that Phase 1 of the Ophthalmology extension is underway with Phase 2 scheduled for April 2017. In addition to this, work has been completed to extend clinic rooms at the Victoria Royal Infirmary to allow more patients to be seen at this site. More space has been made available at Leighton this week as Dermatology has moved out to the Satellite Outpatients Unit. These actions are aimed at addressing the significant growth in demand for Ophthalmology services. It was discussed that this demand is being seen by other providers and the service will be reviewed as part of the STP. Dr Dodds also added that Consultant Ophthalmology interviews are planned.

16/08/10.1.7 Mr Church commented on the two complaints which refer to patient's end of life experience which he noted was very different to the experience identified in the patient story. Ms Lynch continued her presentation noting the numbers of informal complaints and clinical negligence cases. Mr Barnes asked, in relation to the Coroner's case held in June, what was meant by a narrative version. Ms Lynch explained that Coroner's have the option of recording a narrative version, which describes how the deceased person came about their death when they do not conclude that the death was a result of, for example, misadventure or negligence.

Resolved: The Board noted the report and assurance provided within the report.

BoD16/08/11 SAFE
BoD16/08/11.1 Draft Quality Governance Committee – 11 July 2016

16/08/11.1.1 Dame Patricia reported that there were no items for escalation to Board but she asked the Board to note three areas. The first is that the Q1 Board Assurance Framework (BAF) is on the Board agenda today. As previously agreed the BAF is not going to be

revised significantly until the implications of the STP are clear. Dame Patricia reported that a detailed discussion was held on the Q1 report.

- 16/08/11.1.2 Dame Patricia asked the Board to note the second item which was the presentation of the Getting It Right First Time (GIRFT) dashboard for Orthopaedics. This is the first of the dashboards for review from the GIRFT initiative. Mr Cefin Barton, Clinical Lead for Orthopaedics presented the dashboard to the committee, he noted some concerns with incorrect data being pulled through but this is a recognised issue nationally. The biggest challenge flagged for Orthopaedics is the recruitment of an Ortho-geriatrician. Dame Patricia commented that it was clear from the presentation that there are some data issues but there is a real drive to get the data accurate and the Trust should not focus on this issue but on the messages that are being flagged. Dame Patricia advised the Board that the Lord Carter recommendations stated that the Board should review three of these dashboards per month but the Board have delegated this responsibility to QGC. Currently no further dashboards have been released and it is expected that only two more will be presented before the end of 2016.
- 16/08/11.1.3 Dame Patricia noted that the third item was the publication of a report by the Dr Foster unit and CQC showing the Trust as an outlier for mortality in relation to alcohol related liver disease. The Trust has sent a report and an action plan to the CQC. The Chair commented that the local area also has a higher than average rate of alcohol related incidents so this may be the inevitable consequence. Dame Patricia confirmed that the CQC response will come to QGC but there is no timescale for this.
- 16/08/11.1.4 Mrs McNeil asked about the One to One midwifery request for due diligence on a Service Level Agreement. Dame Patricia said that Mrs Bullock has wanted the committee cited on this but events have moved on since this request and therefore this request is no longer relevant.
- BoD16/08/11.2 Serious Untoward Incidents and RIDDOR Events**
- 16/08/11.2.1 Dr Dodds reported that there had been one SUI in July which was an unobserved fall that led to the death of a patient who had been in Leighton since January. A full Root Cause Analysis will be carried out.
- 16/08/11.2.2 Dr Dodds reported that there had been five RIDDOR reportable incidents and further details could be provided if required but it should be noted that none of them were major incidents.
- BoD16/08/12 RESPONSIVE**
- BoD16/08/12.1 Performance Report**
- 16/08/12.1.1 Mr Oldham presented the Performance Report based on June data. Mr Oldham noted that the performance based on headline measures is generally strong. There are three exceptions to this, the first is the missed 62 day screening target, five patients breached in June; some of these missed the target due to delays in diagnostics and the Performance and Finance Committee (PAF) have reviewed each case in detail. Mrs Frodsham commented that the number of patients having treatment at their local hospital is increasing although any delays to their treatment count against the Trust. Mrs Frodsham added that this is worsening problem and is primarily due to patient choice although work is taking place to improve the capacity in diagnostics which will begin to have an impact from September.
- 16/08/12.1.2 The second target which remains a challenge is meeting the RTT 18 week access target for non-admitted patients, with waits longer than the historic target, although the Trust is

meeting the regulators new targets. The 4 hourly transit time target continues to be challenging with 87.4% of attendees being seen within 4 hours in June. Attendances at A&E are up 3.5% against plan, which is 6% more than last June. A&E has seen 1500 more patients in the first quarter of 2016/17. Mr Hopewell commented that the averaged figure can be deceptive as the problem is the huge spikes in demand that can't be dealt with within 4 hours.

- 16/08/12.1.3 Mr Oldham reported that there are some signs of improvement in the transit time target with better performance in the day and improvements in bed availability. However the night shift in the Emergency Department, which has gaps in the medical rota, is still struggling. Mrs Frodsham commented that the highest take of 334 people and 91 ambulances was in July and the department was only designed to deal with 220 people attending per day. Mrs Frodsham added that the Trust is also experiencing its highest level of delayed transfers of care seen at the Trust with some significant waits for discharge. Mr Davis remarked that the summer months are not providing any level of reprieve for staff as they normally would.
- 16/08/12.1.4 Mr Oldham advised the Board that non-elective admissions were up 3% this year to date, with GP referrals into the system also 3% up. These figures align with the initial planning assumptions built into the contract by the Trust but the final figure the CCG included in the contract was only 1% growth. This reflects the mediation settlement, where we agreed to defer given a PbR contract was in place. Mr Church asked if the figures reflect a growth in patients from further afield but Mr Oldham confirmed that this data is reviewed every 6 months as part of the Clinical Service Strategy review of capacity and demand and there is currently no evidence of a flow of patients in from outside the area.
- 16/08/12.1.5 Mr Oldham asked the Board to note that bed occupancy was at 99% in emergency care in June against a recommended target of 85% nationally, although the Trust can manage a 92% rate successfully. Mr Oldham advised the Board that a deep dive theatre efficiency report is being reviewed by TAP in September but it should be noted that it had improved by 2% in June. Mr Oldham reported that delayed discharges are slightly up in June but that figures for July are excessive with 69 patients in total. Mrs McNeil asked what the financial impact of this is. Mr Oldham replied that patients who are in hospital for over each HRG Trimpont start to register as excessive bed days. This costs an average £205 per night to the CCG. The impact for the Trust is in regard to bed space to admit acute emergencies and perform elective work. The main reasons for delay are waiting for intermediate care beds, for the reports of continuing health panels, or the lack of vacancies in nursing homes. Mrs Frodsham added that the new interim Adult Social Care Director Mrs Sue Redmond has agreed to support the commissioning of work to review the total bed base in the local area and the associated problems.
- 16/08/12.1.6 Mr Oldham asked the Board to note the financial section of the report. He informed the Board that the CCG had moved their payment from the 1st to the 15th of the month which will cause cash management issues for August. The Chairman asked why this change had been made and Mr Oldham replied that no reason had been given beyond that the contract states the 15th as the payment date, although there was a local agreement that the payment would be made on the 1st. Mr Oldham stated that this change will add £35k to the local health economy due to the impact on dividends payable. The move will also cause cash flow issues so the Trust has asked them to revisit the decision. Mr Oldham is not aware that a early payment date negatively impacts on the CCG.
- 16/08/12.1.7 Mr Oldham reported that the Trust is on track against the control total and is £800k ahead of forecast although in June the position was £300k below plan. This was partly due to the overall clinical income being £500k down in month, although a significant element was associated with high cost drugs which is offset by a corresponding

underspend on drugs. Mr Oldham noted that pay costs are being managed well and are £100k underspent in month; this is mainly due to doctor vacancies which is helping support an increased nursing demand. Mr Oldham added that clinical supplies remain in budget and spend is running as expected.

- 16/08/12.1.8 Mr Oldham stated that while there are risks in the system the Trust is forecasting to meet the plan. Mr Barnes asked whether this meant that any forecasts had been changed in response to known risks. Mr Oldham said that no figures have been changed and the Trust has told NHSI that the Trust continues to anticipate meeting the control total. Mr Oldham added that the CQUIN totals have only just been confirmed and there is a piece of work being done with the CCG in August to ascertain the correct rate for GP admissions, this may result in an adjustment up or down. The risk of continuing to fail the 4 hourly transit time target may also affect financial performance so it is prudent to assume that the over-performance will not be available by year end.
- 16/08/12.1.9 Mr Oldham told the Board that the CCG is £1.7million overspent against its contract position which is in line with the level of demand forecast by the Trust whilst recognising the affordability issue for the CCG. All other contracts are performing as expected. Mr Oldham reported that the Cost Improvement Programmes (QIPP) are performing reasonably close to forecast although the nursing target is struggling as substantive staff from the ward closure have been retained to offset agency need. These have now been largely absorbed into the workforce establishment. The Trust is meeting its agreed trajectory for reducing agency costs, which is a risk going forward as the trajectory becomes more challenging. The Bowelscope QIPP has been slow to get going due to partners at the Countess of Chester not being accredited but this is likely to improve as they have latterly been accredited. Mr Oldham advised that the Trust is performing slightly behind the income improvement target.
- 16/08/12.1.10 Mr Oldham reported that the capital programme spend is marginally behind, this is predominantly due to the slight delay on the ward refurbishment programme which is now back on track. Mr Oldham noted that the cash position was ahead of forecast but with the over performance on the contract it should be better. There are challenges due to the timeliness of payments for last year's activities from the CCG. East Cheshire Trust is also delaying payments which continues to be a challenge but the Finance department continues to manage this well. Mr Oldham advised that the working capital has been drawn down and none has been repaid yet as had been planned but the DoH are supportive of this. The cash forecast for the end of year remains challenging.
- 16/08/12.1.11 Mr Oldham concluded the report with the Workforce Summary and Report noting that sickness absence had shown a small reduction and the Trust is still performing well against the regional average, although the Trust is not meeting its own ambitious target. The turnover rate remains reasonably stable but is a little higher than the 10% target. Rates for mandatory training are level and Miss Carmichael noted that the change of system had revealed some errors. Mr Oldham added that the appraisals rate is 80% against a target of 90% but that the better start to the year is being maintained.
Resolved: The Board noted the Performance Report for June 2016

BoD16/08/12.2 Draft Performance and Finance Notes – 21 July 2016

- 16/08/12.2.1 Mr Hopewell advised that there were no items for escalation and most of the committee discussion had been covered by Mr Oldham in the previous item. Mr Hopewell asked the Board to note the four issues in the minutes for the Board to note which were the catering benefits realisation paper, an update on the VIN estate, the correspondence between the CCG and the Trust and the assurance received regarding Fire Safety, Asbestos Risk Register and Health and Safety compliance.

16/08/12.2.2 The Chairman commented that the items of correspondence were an issue to pick up on with the CCG as there are financial challenges for both commissioners and providers and it will be useful to have a conversation regarding these issues. Mr Oldham agreed that the Trust has to recognise the challenge for the CCG who are under intense scrutiny and some of this correspondence is a result of these national pressures.

16/08/12.2.3 Dame Patricia asked about the risk of a growing list of backlog maintenance and when does it become an issue. Mr Hopewell replied that it was already an issue but the Trust has to focus on the key priorities. Mr Oldham said that the Trust has dealt with the high risk items but the list of low and medium risk is increasing and in time these may become higher risk. A decision was made to reduce the back log allocation for 2016/17 due to financial pressure and at some point the items put on hold will need to be addressed. Dame Patricia added that sometimes the things that are not high risk can still have an impact on patients from an experience point of view.

BoD16/08/12.3 Legal Advice

16/08/12.3.1 Mrs Frodsham reported to the Board that the current legal costs of the community services contract are £4k to date; this covers work on the partnership agreement. Mrs Frodsham clarified that the support was from the framework agreement and was being monitored.

16/08/12.3.2 Mr Oldham reported that advice had been taken in regard to a supplier for pathology that had increased contracted prices. Legal advice had been sought which amounts to £8k. Mr Oldham advised that the company has now made offers to repay some of the additional payment; this figure is being negotiated but it will be more than the legal costs. The Trust has now moved to a new supplier which saved £1million per annum across the Pathology Collaborative.

BoD16/08/13.1 WELL-LED Board Assurance Framework Quarter 1

16/08/13.1.1 Dr Dodds presented the Q1 progress report for the BAF as escalated from the Executive Quality Governance Committee (QGC) and asked the Board for any comments or questions, he noted that outstanding queries from the last QGC have not yet been updated as any changes will be updated on the Q2 report.

Resolved: The Board noted the assurance provided by the BAF and the management of Trust risks through this report.

BoD16/08/13.2 Top 5 Risks

16/08/13.2.1 Dr Dodds presented this paper, noting that the rapid progress of the CSC means that there will be discussion in QGC as to whether CSC should move into the top five risks in the future. The Chairman commented that he was pleased to see this risk being considered in this way as the Board view is that the CSC is a substantial risk to the Trust.

Resolved: The Board noted the Top 5 risks nominated by QGC.

BoD16/08/13.3 Draft Transformation and People Committee Notes – 7 July 2016

16/08/13.3.1 Mrs McNeil reported the meeting of the Transformation and People Committee (TAP). She noted that there was one item to be escalated to the Board which is the deep dive into theatre efficiency. She reported that the Surgical Transformation Group are completing this work and will report back to TAP in September. Mrs McNeil reported that

the Executive Workforce Assurance Group are contributing to a regional programme called the North West Streamlining which is looking at common areas of employment process across different Trusts which aims to avoid duplication of checks as people move between different Trusts, in order to save money and share risks across different organisations. Mr Barnes asked if junior doctors change employer every time they move roles. Miss Carmichael confirmed that the NW has done quite a lot of work on this already by establishing a lead employer but this is only within the NW region. Mrs McNeil concluded that the bulk of the committee discussion was in regard to community teams and integrated services.

Resolved: The Board noted the report of the TAP Committee

BoD16/08/13.4 Visits of Accreditation, Inspection or Investigation

16/08/13.4.1 Dr Dodds advised the Board that there were three visits to report this month. The first was the UKAS accreditation of the Haematology Department. This visit had found the department to be fully compliant. The second visit was by the Quality Surveillance Team from NHS England and related to the pathway for those patients with cancer of unknown primary. Two concerns were raised following the visit. These concerns will be added to the risk register and the Trust has sent a formal response. Dr Dodds reported that the third visit to the Trust was by the CQC as part of its review of Safeguarding Services in Cheshire East. The initial verbal feedback for the Trust had been positive and the formal feedback is due in September.

**BoD 16/08/14 EFFECTIVE
Consultant Appointments**

16/08/14.1 Dr Dodds reported that two new Consultant Anaesthetists have been appointed.

BoD 16/08/15 Any Other Business

16/08/15.1 There were no further items for discussion.

BoD16/08/16 Time, Date and Place of the next meeting

16/08/16.1 Board of Directors Meeting to be held in Public on Monday 5 September 2016 at 9.30 am in the Boardroom, Leighton Hospital, Crewe.

The meeting closed at 11:20 hours.

Signed

**Chairman
Date**

Board of Directors Meeting
Minutes of Board Meeting held in 'Private'
Monday 1st August 2016
In the Board Room, Leighton Hospital, Crewe

Present

Mr D Dunn	Chairman
Dame P Bacon	Non-Executive Director
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 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

In attendance

John Lyons	Lead Governor
Katharine Dowson	Trust Board Secretary

Apologies

Mrs T Bullock	Chief Executive
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BoD2/16/08/1 Welcome and Apologies for Absence

2/16/08/1.1 The Chairman welcomed everyone to the meeting and noted the apologies given.

BoD2/16/08/2 Board Member Interests

2/16/08/2.1 There were no new interests declared for this meeting and no interests declared in relation to open items on the agenda.

BoD2/16/08/3 Minutes of the Previous Meeting

2/16/08/3.1 The minutes were approved subject to the minor changes below:

- Miss Carmichael noted that her Job title is Director of Workforce and Organisational Development and,
- 16/07/6.1.2 the Trust name should be corrected to East Cheshire Hospital Trust.

Resolved: The minutes were agreed as a true and accurate record of the meeting held in private on 4 July 2016.

BoD2/16/08/4 Matters Arising and Actions from Previous Meeting

2/16/08/4.1 There were no matters arising in addition to those included on the agenda.

2/16/08/4.2 It was noted that there is only one outstanding action. Mr Oldham advised that the CCG milestones for the implementation of the Community Services Contract (CSC) have been received but that events have progressed to

such an extent that they are no longer relevant and that this will be picked up in the update on the CSC.

BoD2/16/08/5
2/16/08/5.1 **Effective**
Medical Staffing Update

2/16/08/5.1.1 **Paragraph removed under Section 42 of the Freedom of Information Act.**

Resolved: The medical staffing update was noted.

BoD2/16/08/6
2/16/08/6.1 **Well Led**
Community Services

2/16/08/6.1.1

Mrs Frodsham updated the Board on the mobilisation progress in regard to the Community Services Contract (CSC). She noted that five engagement sessions with staff have been completed and staff remain positive about the proposed arrangements. With regard to the due diligence, Mrs Frodsham advised that while there was still some information outstanding, a significant amount of information regarding services has now been provided by East Cheshire NHS Trust (ECT). Mrs Frodsham reported that there is still some information missing and changes are still being made which will result in some areas of the contract remaining unclear in the short-term.

2/16/08/6.1.2 Mrs Frodsham reminded the Board that the contract is due to start on 1st October 2016, to ensure continuity of services for patients. ECT has started a period of consultation for those staff who will be transferred as part of the TUPE process to the Trust. Mrs Frodsham advised the Board that the CCG want to sign the contract on 14 August which would not allow time for the business case to be scrutinised by the Board and to get NHSI approval. Mrs Frodsham confirmed that a draft business case is written but much of the financial due diligence is still underway as the information was only received over the past two weeks. Mrs Frodsham added that Ms Lynch and Dr Dodds have undertaken a risk assessment for the CSC.

2/16/08/6.1.3 Mrs Frodsham reported that she is working closely with the operational managers and this included a review of a list of sub-contracted work outside of the CCG contract which ECT were giving notice from 1 October, with the expectation that the partnership will take these over. Mrs Frodsham suggested that in order to meet the challenging timescales an extraordinary Board meeting may need to be called for the week commencing 22 August. Mr Oldham added that at the last board the challenge was the lack of information in order to progress due diligence; this has now been resolved to a large extent. This means that establishment costs can be calculated and the financial ledger can be examined. Mr Oldham reported that he will be meeting with ECT finance to fill in remaining gaps and understand if there is currently subsidy of some services. Mr Oldham advised that the Trust still needs clarity on which contracts will transfer to the Trust, some cover multiple services in a particular area of which only part may transfer.

2/16/08/6.1.4 Mr Oldham reported that the estates team were undertaking site visits to review all the properties and ensure appropriate agreements are in place. This review will include rent increases and VAT as indicated by NHS Property Services. Mr Oldham commented that following completion of the

financial due diligence it is likely that the Board's decision to proceed would be based on a balance between contract areas that are fully understood and other areas that are less clear but would need to be supported by guarantees.

2/16/08/6.1.5 Mr Oldham summarised that the due diligence information was much better than reported at previous Boards but there was intense activity and pressure to complete the due diligence in the timescales left. A detailed discussion regarding the timescales, risk and impact on service delivery and Trusts future direction of travel concluded that this was still the direction of travel planned by the Board of Directors but in particular the NEDs would require assurance that any risks would not impact on the Trusts underlying position.

2/16/08/6.1.6 **Paragraphs removed under Section 43 of the Freedom of Information Act.**

2/16/08/6.1.7

2/16/08/6.1.8

2/16/08/6.1.9

2/16/08/6.1.10

2/16/08/6.1.11

2/16/08/6.1.12

2/16/08/6.1.13

2/16/08/6.1.14

2/16/08/6.1.15

2/16/08/6.1.16

2/16/08/6.1.17

2/16/08/6.1.18

2/16/08/6.1.19

2/16/08/6.1.20

2/16/08/6.1.21

ACTION: Mr Oldham and Mrs Frodsham to take forward to the meeting tomorrow with the CCG the option of an open book 'cost plus' contract. Board to be informed of the outcome of the contract meeting with the CCG on 2 August before the Board to Board meeting on 4 August.

BoD2/16/08/6.2 STP – Acute Provider Reconfiguration

2/16/08/6.2.1 **Paragraph removed under Section 43 of the Freedom of Information Act**

BoD2/16/08/7 Any Other Business

BoD2/16/08/7.1 CCG Press Release CCG Board to Board Meeting

2/16/08/7.1.1 Mrs Frodsham advised the Board that the CCG had issued a press release stating that it would be reducing funding to Leighton Hospital due to the financial pressures in the system. The Chairman added that this had been followed up by an interview in which Simon Whitehouse, Chief Executive of the CCGs, had stated that there is a £16million gap in their finances and that Leighton Hospital was providing services that the CCG could not afford to fund. Mr Dunn noted that a number of external partners were not happy that this news had been made public in this way without consultation with partners and this view had been expressed back to the CCG.

2/16/08/7.1.2 Mr Davis asked whether the Trust would be issuing any response and the Chairman confirmed that a public debate was not in the best interests of either side. Mr Oldham added that some response is needed to staff who were concerned by the article.

BoD2/16/08/7.2 CCG and Gynaecology Cancers

- 2/16/08/7.2.1 Mrs Frodsham advised the Board that a decision has been made by the South Cheshire and Vale Royal CCGs to defer the gynaecology cancer pathways that are being developed through the Stronger Together pathways. The University Hospitals of North Midlands (UHNM), with support from the Trust had been completing the agreed actions and presented progress to the CCG on 18 July. Most actions have been completed and there was praise in the meeting in regard to the amount of work that has been done.
- 2/16/08/7.2.2 Mrs Frodsham reported that there was one outstanding risk in regard to recruitment of Consultant Oncologists. However there had been progress with two candidates being prepared who could be appointed in the autumn. On the basis that there was one outstanding action the CCG decided to stop the programme and had also decided not to pursue any further cancer service development at this time. Mrs Frodsham advised that this pathway was for approximately 40 patients a year and a key part of the Stronger Together strategy. The decision by the CCGs not to pursue any other cancer service development was a risk for the Trust due to the work underway to reconfigure the regional breast screening programme. This requires a population base of 1 million but there is no point entering a breast screening partnership with UHNM if the symptomatic breast cancer service could not be directly aligned.
- 2/16/08/7.2.3 Mrs Frodsham confirmed that it has not been clarified if this is a delay or a final decision. Dame Patricia asked what the next step was as this has a significant implication for the Trust strategy. Mrs Frodsham confirmed that Mr Butters at UHNM, as the lead provider, will be speaking to Mr Whitehouse at the CCG.
- BoD2/16/08/7.3 East Cheshire Trust**
- 2/16/08/7.3.1 The Chairman advised the Board that the Health Service Journal had run an article questioning the sustainability of ECT in which it had confirmed it was not in discussion with anyone else regarding a merger or alignment. Section removed under Section 43 of the Freedom of Information Act.
- BoD2/16/08/7.4 Well Led External Review**
- 2/16/08/7.4.1 Mrs Dowson advised the Board that the Trust need to commission an external governance review against the Well Led framework. This is based on NHSI's Risk Assessment Framework. The framework recommends ten areas for review, but Trusts can decide which areas they want to focus on if they provide explanations of why certain areas have been excluded. Mrs Dowson explained that these ten areas should be familiar to the Board as they are the questions that have formed the basis of the Board's self-assessment which has taken place annually for the last two years. Mrs Dowson added that since NHSI had recently reviewed the financial governance arrangements at the Trust and the CQC assessed the Trust in 2014 and rated governance as Good, it would seem sensible to focus on other areas.
- 2/16/08/7.4.2 Mrs Dowson circulated the list of 10 areas for the Board to consider and asked for their comments or suggestions for areas to focus on. These will be included in the specification for external reviewers requesting a short, focused piece of work. Included in this will be a clear explanation on which areas are not being reviewed and why. Dr Dodds suggested that given the recent internally focused reviews of the Trust's governance it would be good to focus on external influences and how the Trust can continue to

provide strategic leadership within the context of the STP and other national drivers.

Resolved: The Board agreed that an external focus on strategic leadership should form the basis of the review.

BoD2/16/08/7.5 Correspondence from CCG

2/16/08/7.5.1 Mr Oldham reported to the Board that the Trust had received a significant number of letters from the CCGs in regard to the contract management of different services which the Board should be aware of. Mr Oldham said that he would circulate the letters to the Board together with the Trust response to each one which was discussed at Performance and Finance Committee (PAF).

ACTION: CCG letters and responses to be circulated to the Board (Mr Oldham)

BoD2/16/08/7.6 NHS England Staff Overspend Letter

2/16/08/7.6.1 Mr Davis reported to the Board that PAF had also discussed the letter received from NHSI which stated that the control total will be adjusted by 50% of the current staff overspend above inflationary rises. PAF reviewed the letter and the financial template was completed as requested. Mr Oldham reported that Mrs Bullock has spoken to NHSI who confirmed the impact on the control total will not be an automatic process. NHSI will review the response and then open up discussion to evaluate whether any of the expenditure can be deferred or reduced. Potentially there could then be changes to the control total, however; as NHSI have recently looked at staff costs as part of the review the Trust is optimistic it can make a strong case for its apparent overspend. Mrs McNeil asked if NHSI have taken into account growth in demand and investment in nursing to improve patient safety. Mr Oldham confirmed that this was included in his response to NHSI but it had not happened yet, nor had any allowance been made for services transferring into the Trust such as Therapies and Pathology. Mr Barnes commented that the process seems to be an initial sifting to decide who to talk to. Mr Oldham agreed but as an outlier the Trust will be given some attention.

Resolved: The Board noted the updates given within any other business.

BoD2/16/08/8 Review of Board Meeting

2/16/08/8.1 A review of the Board meeting was presented by Mr Hopewell. He commented that the mechanics of the meeting worked well with sufficient time allocated and all Board members included in the discussions which are a reflection of the maturity of the board. He reflected that while it works well an annual review of the operation of the Board, possibly at a Board Away Day would be useful. Mr Hopewell also added that while performance and quality are reviewed monthly through board reports there is no equivalent for workforce that would come through TAP, he questioned whether this would be possible given that workforce costs are the largest area of the Trust's spend.

2/16/08/8.2 Mr Davis added that he was pleased to see six additional governors observing today. Mr Barnes commented that while it is good to see positive

patient stories the Board should also see more of stories with learning points in them.

BoD2/16/08/9 Time, Date and Place of Next Meeting

Mr Barnes noted that the date of the next meeting is the 5th September not the 4th as stated in the agenda. The Chairman asked the Board to note his apologies for that meeting and Dame Patricia, Vice-Chair will be chairing in his place.

Meeting ended 1:20pm

Signed by:
Chairman

Date:

DRAFT