

**Board of Directors Meeting**  
**Minutes of the Meeting held in Public**  
**Monday, 5 September 2016**  
**at 9.30am in the Boardroom, Leighton Hospital, Crewe**

**Present**

Dame P Bacon	Deputy Chair (in the Chair)
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	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 & Planning

**In attendance**

Mr J Lyons	Lead Governor
Mrs K Dowson	Trust Board Secretary

**Observing**

Mrs P Psalia	Public Governor Name Removed under Section 40 of the Freedom of Information Act
Mrs B Smith	MCHFT Member
Mr R Pugh	CCG Governing Body Member

**Apologies**

Mr D Dunn	Chairman
Mr J Barnes	Non-Executive Director

**BoD16/09/1 Welcome, Introduction and Apologies**

- 16/09/1.1 The Deputy Chairman welcomed everyone to the meeting and advised she will be chairing the meeting in the Chairman's absence.
- 16/09/1.2 Apologies for absence were received and noted.

**BoD16/09/2 Patient Story**

- 16/09/2.1 Ms Lynch presented the story of a 92 year old woman who came into the Treatment Centre for a cataract operation and had a difficult experience which led to a complaint. The patient did not have access to her personal belongings including medicines and was not given a realistic time for the operation despite being seventh on the list. The patient was offered no food or drinks during her wait and did not challenge this as she was wrongly under the impression that she could not eat or drink ahead of the procedure. Ms Lynch advised the Board of the changes that have been put in place following this incident to improve the patient experience.
- 16/09/2.2 Ms Lynch informed the Board that the Treatment Centre was already reviewing its processes when this complaint arrived, with the introduction of staggered appointment times to minimise long waits. Facilities have now been provided so that staff can provide drinks and biscuits and in case of delay sandwiches. Staff have been asked to make it clear in pre-op appointments that, where appropriate, patients can eat as normal. Staff

have also increased their level of communication with families waiting for relatives. The family had a meeting with staff and were pleased to hear about the changes that had been made in response to the complaint. The patient felt reassured enough to return to the hospital for her other eye to be operated on successfully. Ms Lynch added that there will be a review of all the changes that have taken place to show the impact on patient experience.

16/09/2.3 Mrs McNeil commented that it was positive to hear how the issues raised in the story had been addressed. Ms Lynch responded that the story has been shared with staff across the Trust with the permission of the patient and her family to ensure wider learning. In response to the Deputy Chair, Ms Lynch agreed that nurses need to understand a patient's anxiety as well as clinical need and ensure any particular concerns at pre-operative assessment are followed through to the operative stage. Mr Davis asked if the carers of vulnerable patients can stay with the patient and Ms Lynch confirmed that this was possible.

**Resolved:** The Board noted the story provided and the measures put in place to address the concerns raised. Mrs Lynch to thank the patient for allowing the Board to hear their story.

### **BoD16/09/3 Board Members' Interests**

16/09/3.1 The Deputy Chair informed the Board of her new role as Chair designate of the newly formed Merger Steering Group, overseeing the mergers of West Cheshire, Mid Cheshire Colleges and Warrington Collegiate with South Cheshire.

16/09/3.2 Mr Church advised the Board that through his work as a Debt Advice Network Trustee he has become Trustee and Chair of a community interest company for a community shop in Ellesmere Port.

16/09/3.3 The Deputy Chair declared a potential conflict of interest for the item in the Chief Executives Report (9.6) on Manchester Metropolitan University (MMU) as her husband is a Governor of MMU. There were no further interests declared in relation to open items on the agenda.

**Action: Board of Directors register of interests to be updated to reflect the new declared interest of the Deputy Chair and Mr Church. (Mrs Dowson).**

### **BoD16/09/4.1 Minutes of the Previous Meeting**

16/09/4.1.1 No amendments to the minutes of the meeting held in public on 1 August 2016 were made.

**Resolved:** The minutes were agreed as a true and accurate record of the meeting held on 1 August 2016.

### **BoD16/09/5 Matters Arising and Action Log**

16/09/5.1 There were no Matters Arising in addition to those included on the agenda.

16/09/5.2 The Deputy Chair asked the Board to advise progress on actions noted in the action log. She noted that action 16/08/10.1.5 was complete and can be closed. The Deputy Chair also noted that action 16/06/12.1.3, is delegated to TAP and can be removed from the log.

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

**BoD16/09/6 Annual Work Programme**

The Workplan for 2016/17 was reviewed by the Board and no amendments were proposed.

**Resolved:** To note and approve the 2016/17 Work Programme.

**BoD16/09/7 Chairman's Announcements**

16/09/7.1

The Deputy Chair informed the Board that there were no formal announcements to be made on behalf of the Chair, noting that the work for the Community Services contract has been the main focus of attention since the last Board.

**BoD16/09/8**

**Governors Items**

**BoD16/09/8.1**

**Governor Elections**

16/09/8.1.1

Mrs Dowson advised the Board that three of the four vacant Governor posts have now been filled as they were uncontested. These are in Congleton, Vale Royal and the staff post representing Qualified Nursing and Midwifery Staff. There were three candidates for the Patient and Carer post and the results of the election will be known on Friday 16 September. Dame Patricia asked that details of the full council be circulated when all candidates have been confirmed.

**Action: Details of new Council of Governors to be circulated to the Board when available, (Mrs Dowson).**

**BoD16/09/8.2**

**Governor Communication on Community Services**

16/09/8.2.1

The Deputy Chair advised the Board that the Council of Governors were informed that the partnership agreement had been signed and that the contract for Community Services was in the final stages of negotiations last week. Mr Lyons confirmed that he had received no comments back from any Governors.

**BoD16/09/9**

**Chief Executive's Report**

**BoD16/09/9.1**

**Cheshire & Merseyside STP – formal feedback from ALBs and next steps.**

16/09/9.1.1

Mrs Bullock reported that formal feedback has now been received on the Sustainability and Transformation Plan (STP) from the arms length bodies. The feedback advised the next step which is to provide a more detailed submission, strengthen cross-organisational working, improved engagement with local authorities and ensure the Local Delivery Sustainability Plans (LDSP) are developed and robust. Further details about clinical services, back and middle office reconfiguration needs to be provided by 21 October. This submission must have greater depth and include financial models which demonstrate the financial viability and benefit of any proposals. Mrs Bullock advised that the submission must also show year on year improvement for performance measures such as the 4 hour trajectory and Referral to Treatment Times. Finally, that submissions must also include strong plans for mental health and identify the funding for this, if this is not included satisfactorily then there will be national intervention.

16/09/9.1.2

Mrs Bullock advised that the lack of a Project Management Office (PMO) has been identified as a risk and this is being addressed. Mrs Bullock reported that implementation plans for 2017/18 looking ahead to 2018/19 are now to be developed with a preference that system wide control totals are developed. All partners will continue to have their own control totals which their Boards are accountable for, but they will combine to an agreed overall system control total. Mrs Bullock informed the Board that the planning guidance is due to be published on 16 September but the message is that while capital and IT investment should be considered in planning it will be constrained so a contingency should be made if no capital is available. The STP submission is due in on 21 October and the first draft of operational plans by the end of November from CCGs and NHS providers. A final plan which runs for two years until 2019 should be produced by the end

of December.

16/09/9.1.3 The Deputy Chair asked if the media reports last week in regard to STPs and the lack of public consultation have had an impact. Mrs Bullock responded that there are very mixed views and some STPs are clearly more progressed than others. Mrs Bullock noted that she felt the Cheshire and Mersey STP should be shared as it contained nothing contentious at this stage and the withholding of plans is creating greater suspicion. Mrs Bullock emphasised that the Board should be clear that no firm reconfiguration decisions have been made, the figures in the STP are not detailed or scoped out and nothing is being hidden from the public but the level of secrecy surrounding STPs has raised questions. Mrs Bullock added that this is why she has been clear about sharing the STP with the Board and the Council of Governors.

16/09/9.1.4 The Deputy Chair asked if the work to produce a system wide control total is going to change the current Trust control total. Mrs Bullock confirmed that this would not be the case. Mrs Bullock added that the agreement of the Trust control total for 2017/18 will come through the normal annual planning routes and will be approved by the Board. Mrs Bullock noted that some systems have already agreed collective control totals and block contracts, however; she noted that Trusts who had done this locally were now unable to achieve their Trust control totals. In response to a question from Mr Church, Mrs Bullock confirmed that Boards will not be asked to approve the STP.

**BoD16/09/9.2 Cheshire & Wirral Local Delivery Sustainability Plan (LDSP)**

16/09/9.2.1 Mrs Bullock informed the Board that she is continuing to meet every Friday with the LDSP Chief Executive group which is reviewing back and middle office functions and clinical services. The group is taking the approach that the default position should be one of each service in Cheshire unless circumstances mean that more than one is needed. The Cheshire & Wirral plan includes three other acute providers Wirral (Arrow Park), Countess of Chester, East Cheshire Trust (ECT), Cheshire and Wirral Partnership Trust (CWP) and the Wirral Community NHS Trust. Following a question from Mr Church Mrs Bullock confirmed that Warrington and Halton NHS Foundation Trust are included in the Mid-Mersey area as part of the Alliance. Mr Church commented that this will be difficult for local authorities as the boundaries for the proposed DevoCheshire and DevoMersey do not match the STP footprint.

16/09/9.2.2 Mrs Bullock explained that each Trust is undertaking the scoping out of particular areas of the back and middle office reviews and making recommendations on the future provision and what that will look like. Mrs Bullock confirmed that the Trust is leading on pathology, pharmacy and library services at a Cheshire and Wirral level and pathology, pharmacy and Radiology at a Cheshire and Mersey level. CWP are reviewing estate and risk and governance across the system; Countess of Chester is the lead on procurement, contact centres and switchboard; Wirral is leading IT including EBME, as it is one of twenty six nominated international global experts for IT and Wirral Community Trust is leading on legal services. HR, payroll and occupational health are being led by ECT through the HRDN (Human Resource Directors Network). Finance is being worked through by the DOF (Director of Finance) network.

16/09/9.2.3 Mrs Bullock informed the Board that the Medical Directors review of all clinical services lines has started and some early feedback was provided last Friday. This work will be built on through September to be ready for the submission in October. Mr Davis commented that this was a helpful update and asked that the list of which trusts are leading on which areas could be circulated.

**Action: List of executive lead designations to be circulated (Mrs Bullock)**

**BoD16/09/9.3 Local Delivery Plan Development (SROs / Connecting Care)**

- 16/07/9.3.1 Mrs Bullock reported that the transformation plans continue to be implemented through Connecting Care. There is a bi-monthly board and a weekly Senior Responsible Officer (SRO) meeting every Friday morning. Mrs Bullock advised that there are eight work streams, Mrs Frodsham is leading on non-elective care through front of house reconfiguration; Mrs Bullock is leading on acute reconfiguration and she and Ms Lynch are leading on Women and Children's services as part of the vanguard. Project Initiation Documents (PIDs) have been presented to the group for the first two of these work streams. Mr Davis clarified that this is acute reconfiguration across Cheshire and Wirral and Mrs Bullock confirmed that it is with the aim of each of the four acute providers working towards the creation of an ACS and acting as one in respect of acute services and back / middle office functions.
- BoD16/09/9.4 CQC Engagement Meeting**  
16/09/9.4.1 Mrs Bullock reported on the quarterly meeting that was held with CQC and is led by Ms Lynch and the integrated governance group members. No significant issues were raised and the Trust highlighted the Community Services transfer process. CQC are aware of the current inadequate CQC rating of this service and provided some useful advice in regard to registration of this service.
- BoD16/05/9.5 A&E Delivery Boards/ System Reliance Group**  
16/09/9.5.1 Mrs Bullock informed the Board that the existing System Resilience Groups (SRGs) are to be disbanded, to be replaced with A&E Delivery Boards which have one single focus of achieving the 4 hourly transit time in A&E. Initially the focus will be on recovery of performance and then creating sustainability. The government have been very clear in regard to the requirements of this Board. The guidance recommends that the Chief Executive of the Trust chair the group and is in a position to hold the system and its partners to account. The SRG is currently chaired by the CCG GP Chair but the group has agreed that Mrs Bullock should chair the new Board with the GP Chair as the Vice Chair.
- 16/09/9.5.2 Mrs Bullock confirmed that the group includes local authority representation, NW Ambulance Service, CWP and Healthwatch. The membership is very similar to the Connecting Care Board membership and previously the SRG meeting preceded the Connecting Care Board which worked well. The focus of the group will be primarily the recovery of the 4 hourly performance targets before moving on to a wider system view of non-elective care within the STP and LDSP. NHSE and NHSI had originally wanted the Boards to cover a wider footprint but most providers agreed on a local focus to achieve recovery with a view to widen the footprint.
- BoD16/09/9.6 MMU Future Plans**  
16/09/9.6.1 Mrs Bullock informed the Board that MMU with Deloitte are conducting a financial appraisal of options for MMU. These range from closing the site completely at Crewe, limiting courses or getting other local education providers to use the site. This review will conclude in November. Mrs Bullock reported that she and Miss Carmichael had a call with MMU as the second largest employer in the region, to ensure they understood the impact on staff, future possibilities and the planned significant population increase over the next 10 years. MMU wish to meet in the near future to discuss the provision of on site development.
- BoD16/09/9.7 Connecting Care Provider Board**  
16/09/9.7.1 Mrs Bullock reported that Mrs Frodsham had chaired this meeting which focused on the Integrated Community Teams which after the pause are now being recruited to as well as the transfer of community services. Mrs Frodsham stated that the Provider Board now plan to review the Terms of Reference with STP in mind. The Deputy Chair asked if it still has a role in the new landscape. Mrs Bullock replied that such a group would but that it needs to change to accommodate Central Cheshire Integrated Care Partnership

(CCICP), and the role of both new Boards need to be aligned.

16/09/9.7.2

Mrs McNeil asked if anybody is taking an overview of all the decision making bodies to ensure that governance processes are not diluted; many of these bodies have the same people on them and they are not always the senior managers which creates a level of risk. Mr Oldham agreed that CCICP needs to be clear about its role as does the Transformation Board and the CCG and CCICP need to establish clear Terms of Reference. Mr Oldham commented that there is a need for some rationalisation of Boards and governance arrangements. Mrs Bullock added that she has raised this as an issue at Cheshire & Mersey level and also the issue of certain people being asked to sit on too many groups and therefore being spread too thinly. For example PMOs are being set up at all levels. Mrs Bullock said that once STPs are agreed in October and this is the priority there needs to be some rationalisation as there will be clear focus on the delivery of STPs to deliver financial balance.

**BoD16/09/9.8**

#### **NHSI Q1 Conference Call**

16/09/9.8.1

Mrs Bullock reported that together with Mrs Frodsham and Mr Oldham they had taken part in the quarterly teleconference with NHSI on 28 August. Areas discussed were the missed 4 hourly transit time, where Mrs Frodsham talked in detail about the work taking place to meet the trajectory; this includes the utilisation review team who came in at the end of August, and the local authority review of beds which begins imminently. Mrs Bullock reported that the Referral to Treatment performance was also discussed; the new agreed targets were met in Quarter one. Quarter two forecast were also discussed, these remain on plan and the Trust has a good control of costs and agency spend. Mrs Bullock advised that CCG escalation letter and its impact on the Trust was also discussed and NHSI confirmed they would discuss this with NHSE.

**BoD16/09/9.9**

#### **UHNM Chief Executive Appointment**

16/09/9.9.1

Mrs Bullock advised that UHNM have appointed a new Chief Executive, Paula Clarke, who is currently the Chief Executive of the Dudley Group NHS Foundation Trust and Mrs Bullock will meet with her in due course.

**BoD16/09/9.10**

#### **Junior Doctors Strike Action**

16/09/9.10.1

Mrs Bullock reported to the Board that the BMA intend to hold a junior doctors strike for five days from 12 September and to repeat this every month until December. Mrs Bullock commented that this would have a significant impact on the whole NHS and the Trust would have to work hard to manage this impact. The Deputy Chair asked how the Trust's junior doctors were feeling. Mrs Bullock said she had not met them since the strike was announced but felt that nationally their tone had changed. Dr Dodds added that the numbers of doctors striking may be lower this time as the loss of five days of pay is significant and that it may also impact on their training time. The doctors are not obliged to tell the Trust of their intentions in advance, however previously they have cooperated fully. Mrs McNeil asked if the BMA can support doctors financially. Miss Carmichael replied that they can apply for support from a hardship fund but they would need to demonstrate significant hardship resulting from the five days of strike action.

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

**BoD16/09/10**

#### **CARING**

**BoD16/09/10.1**

#### **Quality, Safety and Experience Report**

16/09/10.1.1

Ms Lynch presented the Quality, Safety and Experience report for July 2016. Ms Lynch informed the Board that patient safety incidents are on target to achieve the agreed aim to reduce incidents. Ms Lynch reported one serious harm incident in July which was a Stage 3 hospital acquired pressure ulcer.

- 16/09/10.1.2 Ms Lynch added that pressure ulcers continue to be a focus of attention and funding has been secured to recruit a band seven tissue viability nurse who will work across the Trust. Ms Lynch noted that the report showed a cumulative increase of the number of pressure ulcers being reported; this increase is across the region and may also be due to increased vigilance, levels of scrutiny and reporting. Ms Lynch added that the Trust is 12 weeks into the 'React to Red' project and some wards have seen huge improvements. Ms Lynch advised that the due diligence for the Community Services contract has also identified an issue with pressure ulcers in the community. Mrs McNeill asked if additional resources are being used for the React to Red project and Ms Lynch responded that most of the work is focused on enhanced training and awareness for staff plus some new mattresses; the matrons in particular are putting lots of focus on this area.
- 16/09/10.1.3 Mrs Frodsham asked if any work is being done to audit whether patients with an increased length of stay are more likely to experience harm as this would be useful evidence for the discharge team. Ms Lynch agreed stating that delayed transfer of care will likely lead to harm incidents, noting that the patient who had recently died following a fall had been in the hospital for five months and was medically optimised for discharge for a considerable time. Mrs McNeil commented that it is also a mental health issue with long stay patients at risk of becoming institutionalised and losing confidence in managing outside hospital.
- 16/09/10.1.4 Ms Lynch presented the patient falls performance which achieved the sign up to safety target for July with no serious incidents being recorded. Ms Lynch highlighted the increase in medication incidents; a monthly ward based medicine safety audit has been introduced as a result. As part of the AQuA Quality Improvement sessions a pharmacy technician has assessed the tidiness of medicine trolleys to improve the efficiency of medicine dispensing and reduce errors. The Deputy Chair noted it was a fine balance between keeping the trolleys secure but also accessible for staff. Ms Lynch advised that the SHMI and mortality rates have not been updated so remain unchanged. Ms Lynch also noted that there has been no MRSA reported and CDifficile reports remain within target.
- 16/0/10.1.5 Ms Lynch reported on the stroke target which had not seen the improvement anticipated as a result of the introduction of the new stroke pathway with the University Hospital of North Midlands whilst noting the August figures, which are not included in this report, are much better. Ms Lynch has therefore asked for a review by the stroke lead and a forecast of when a sustained improvement is likely to be seen.
- 16/09/10.1.6 Ms Lynch presented the CQUIN targets noting that these now have financial values included. The Trust is achieving all of the national targets with the exception of two sections of the Sepsis targets. Ms Lynch highlighted the actions being put into place to address this including the recruitment of a full time specialist sepsis nurse who started in mid-August and is working closely with A&E staff. Ms Lynch also noted that four new pathways are being launched this week which, while not directly targeted at sepsis, will have an impact. A specialist sepsis trolley has also been purchased and A&E has been asked to include the number of patients who require sepsis screening and their results on the patient safety board.
- 16/09/10.1.7 Ms Lynch reported on the successful achievement of reducing antibiotic consumption. The Deputy Chair asked if this was just within the Trust. Ms Lynch confirmed that this target was solely based on prescriptions within the Trust. Mrs Bullock added that part of the middle office function system wide work is in relation to pharmacy, of which a key strand is medicines management across the area not just in the hospitals. Ms Lynch commented that the decision making process to prescribe antibiotics is key to meeting this target.

16/09/10.1.8 Ms Lynch asked the Board to note the staffing reports advising that these results will form the basis for the model hospital dashboard which has to be in place by March 2017. The Deputy Chair asked why the patient safety thermometer results at Elmhurst were higher than other areas. Ms Lynch advised that this was a snapshot only and other safety indicators have not raised any concerns in regard to Elmhurst.

16/09/10.1.9 Ms Lynch noted that 21 complaints had been received in July and noted the areas these relate to. Three complaints remain with the ombudsman for review. Ms Lynch identified the main trends and work underway to address these. Ms Lynch advised that 27 complaints were closed in July of which the details are included within the report. The Deputy Chair noted that there were several maternity services complaints. Ms Lynch agreed but said that they had been reviewed and there were no concerning themes and several related to quite old incidents. Ms Lynch noted that the complaints review group picks up the detail for each complaint.

16/09/10.1.10 Ms Lynch reported that there had been six new clinical negligence and one employer liability claim. Three of these claims were related to the top five claims areas. Ms Lynch advised the Board that a claim would be progressing to court this week which was an unusual occurrence and may result in some media attention. Ms Lynch noted that three inquests were closed in July, one was natural causes and two were narrative results which included no learning points for the Trust.

16/09/10.1.11 Ms Lynch reported that there had been ten new postings on NHS Choices of which a sample are included in the report. Mrs Bullock noted that the report did not state if these were positive or negative. Ms Lynch replied that she would confirm this.

**Resolved:** The Board accepted the assurance provided and noted the work ongoing to address areas of concerns.

**BoD16/09/11 SAFE**

**BoD16/09/11.1 Draft Quality Governance Committee (QGC) notes – 8 August 2016**

16/09/11.1.1 The Deputy Chair presented the notes of QGC stating that there were no items for Board escalation and one to note which was the work conducted by the committee to review and examine the risk assessment for the acquisition of Community Services. This sought to provide assurance as part of the Business Case to the Board ahead of the Extraordinary Board meeting on 22 August.

**Resolved:** The Board noted the minutes of the Quality Governance Committee.

**BoD16/09/11.2 Serious Untoward Incidents and RIDDOR Events**

16/09/11.2.1 Dr Dodds advised the Board that there had been 1 SUI during July which had been established as a result of a mortality case note review. Trainee doctors were involved in the case so the results were also forwarded to Health Education North West (HENW).

16/09/11.2.2 Dr Dodds reported that there had been one RIDDOR event reported since the last Board meeting.

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

**BoD16/09/11.3 Annual Report on the Appraisal and Revalidation of Medical Practitioners at MCHFT**

16/09/11.3.1 Dr Dodds presented this report which is required to be reviewed at Board level. The report examines the work that took place in 2015/16 to appraise and revalidate doctors at the Trust. The report includes benchmarking against other Trusts, a review of how missed appraisals were monitored and how many appraisals were unapproved in the year. Dr Dodds noted that no appraisals were unapproved at the Trust in 2015/16. Dr Dodds highlighted the improvement in deferral rates of appraisals due to insufficient information. This is due to a combination of the new electronic system plus the hard work of Mrs Julie Mitchell and **Section removed under S40 of the Freedom of Information Act** in the HR team. The report ends with recommendations and planned developments for 2016/17 which includes peer review of appraisal and revalidation. Dr Dodds noted that Mrs Bullock has signed the designated body statement of compliance subject to the Board's acceptance of the report.

16/09/11.3.2 Mr Davis commented on the positive nature of the report and congratulated the team on this. Mrs McNeil said that the Board recognised and appreciated the huge amount of work that has to go into revalidations and appraisals.

**Resolved:** The Board noted the report and the assurance provided that the appraisal system for doctors at the Trust is robust.

**BoD16/09/12 RESPONSIVE  
BoD16/09/12.1 Performance Report**

16/09/12.1.1 Mrs Frodsham presented the Performance Report reporting that eight of the nine NHSI improvement compliance indicators were met in July. The 4-hour waiting time was the only indicator not met achieving 88.9% against a target of 95%; this was against a 9% increase in attendance in July compared to 2015. Mrs Frodsham reported that August had seen further improvement. Mrs Frodsham reminded the Board that the agreed trajectory with NHSI for the STP funding is not being achieved. The Trust are involved in the A&E workshops being delivered nationally and are not considered one of the worst performers, being classified as 2 out of a possible 4.

16/09/12.1.2 Mrs Frodsham was pleased to report that the Diagnostics target had been met following a move to weekly monitoring and a new system for referrals. The Cancer standards have also improved following a move to twice weekly monitoring and the Q2 target may be achieved. Mrs Frodsham reported that the 18 weeks open pathway was achieved in July, although non-admitted patients in respiratory and gastroenterology remain an issue due to consultant capacity. Mrs Frodsham advised the Board that a second gastroenterology consultant starts in October and is already doing some speciality work so figures are improving. Mrs McNeil commented that the ambulance arrival figures are very stark illustrating the rise in demand. Mrs McNeil asked if the split between majors/minors has changed. Mrs Frodsham responded that the growth in majors had started in November 2015 and carried on through the winter although it was now improving. Mrs Frodsham reported that 28,190 people have been seen in total in A&E since April.

16/09/12.1.3 Mrs Frodsham noted that delayed discharges still account for 6% of all inpatients although this figure has reduced slightly. Mrs Frodsham reported that she has met with Cheshire East council to discuss issues and actions required. Mrs Frodsham noted the Council has committed resource to undertake a review of community bed availability. The ongoing closure of the step down beds in Winsford has not helped and while these have now reopened this is only for two admissions per week. Mrs Bullock advised that delayed discharges are a key focus for the A&E Delivery Board.

- 16/09/12.1.4 Mrs Frodsham presented the financial performance report, noting that the contract income had almost been achieved but the cumulative position is £1million worse than plan. Costs of medicines are behind forecast as the usage of high cost drugs has not been as high as forecast. Other income is £0.2m better than plan. Mrs Frodsham advised that the forecast position is to achieve the plan and end the year on a deficit of £820k as agreed with NHSI. Risks remain in regard to contract income and winter planning with no extra winter funding currently forthcoming. Mrs Frodsham asked the Board to note the divisional break down in the report and the commissioner income analysis. The variation between values results in South Cheshire being £1.294m over plan and Vale Royal £870k over plan. Other commissioners are not showing these variations, causing pressures for the local CCGs.
- 16/09 /12.1.5 Mrs Frodsham advised that the Cost Improvement Programme is £0.2m worse than plan. Temporary nursing agency costs are much improved but these savings have not yet been realised. The drugs CIP is underperforming and this is being reviewed. Revenue generation schemes are £0.2m behind target. This is primarily due to not achieving the expected level of Best Practice Tariff Improvement because of a vacancy for an Ortho-Geriatrician to review fractured neck of femur patients. The Bowelscope QIPP is also underperforming as the partner Trust for bowel screening has only recently achieved JAG accreditation and has had workforce issues.
- 16/09/12.1.6 Mrs Frodsham reported that capital spend is £906k behind plan but this is due to slippage on CT screening and ward refurbishment schemes; accruals have been made in order to recover this position. Mrs Frodsham noted that the cash position is £841k worse than anticipated due to a higher drawdown of the working capital facility than forecast, the late payment of the STP, which has now arrived and £2.8million of performance invoices outstanding from the CCGs. Mrs Frodsham advised that this will become an issue through September when creditors will have to be actively managed.
- 16/09/12.1.7 Mr Oldham commented that there is some risk in regard to the capital spend as £5.8 m of borrowings to support this have not been confirmed. Some of these programmes have not yet had business cases or Board approval, others such as Ward 17 refurbishment are progressing despite the risk that borrowings have not been confirmed. Mr Oldham confirmed that the MRI and CT scanners business cases are progressing well and will come to the Board soon, but these will be delayed if the cash is not available which will have a knock on effect on performance. Mr Davis asked if this delay could affect Ward 16 refurbishment as well and Mr Oldham replied that Ward 16 is in next year's plan.
- 16/09/12.1.8 Mrs Frodsham concluded with the staffing report noting that a new workforce metrics report is being developed by TAP. Miss Carmichael advised that TAP review a wealth of staff workforce matrix results each month in detail. Mrs McNeil commented that agency costs are a key element of this year's financial performance and amazing results have been achieved to reduce this spend and thanks should be passed on to all involved.

**Resolved:** To note the assurance provided in the Performance Report for July 2016

**BoD16/09/12.2 Draft Performance & Finance Committee (PAF) Notes – 25 August 2016**

- 16/09/12.2.1 Mr Hopewell, who chaired this meeting in the absence of Mr Davis, presented the notes. He advised that there were no items for escalation to the Board reporting that the main business of the meeting was a discussion in regard to the CCG letter and this is on the Board agenda for discussion.

**BoD16/09/12.3 Legal Advice**

- 16/09/12.3.1 Mrs Bullock noted that there was no new legal advice to report to the Board. Ongoing

advice is being provided in regard to the community services contract.

**BoD16/09/13**  
**BoD16/09/13.1**     **WELL-LED**  
**Community Services Contract (CSC)**

16/09/13.1.1     Mrs Bullock updated the Board on the CSC which was signed last week and the Partnership Agreement (PAC). Mrs Bullock informed the Board that the final TUPE list had been received at the end of the day on Friday just meeting the legal deadline. Some new issues have arisen and others have been resolved. The project now moves into the transactional phase. Mrs Bullock advised that CCICP have requested a Board to Board meeting with the Trust as contract holders and this will be booked into diaries. Mrs Bullock asked the Board to note that the Chairman passed on congratulations to all who has helped ensure this transaction happened.

**BoD16/09/13.2**     **Draft Transformation and People Committee (TAP) Notes – 7 July 2016**

16/09/13.2.1     Mrs McNeil presented the notes from TAP, noting two issues to escalate to the Board. The first of these is the workforce race equality scheme which is on the agenda for today's meeting. The second item to note is that TAP has reviewed the BAF. Mrs McNeil also asked the Board to note the very positive review that the first cohort of physician associates had of their placement, after being initially disappointed to be placed at the Trust due to the commute. Mrs McNeil also noted that the Workforce reporting tool has been deferred because of other priorities.

**Resolved:** The Board noted the report of the TAP Committee

**BoD16/09/13.3**     **Workforce Race Equality Scheme**

16/09/13.3.1     Miss Carmichael presented this report which has been escalated from TAP for Board approval. The report is based on self-reported data from staff and Miss Carmichael noted that a number of staff prefer not to state their nationality or ethnic data. Miss Carmichael highlighted that overall staffing numbers do compare reasonably well against local community demographics, however the proportion in higher grades was lower.

16/09/13.3.2     Miss Carmichael asked the Board to note that while indicators 5 and 7 show a worse experience for BME staff, the numbers involved are relatively small so a % figure may be misleading. These issues are being addressed within the action plan and the intention is for this report to be published on the website. The Deputy Chair asked if TAP will be reviewing the action plan and Miss Carmichael confirmed that there will be a quarterly review at TAP.

**Resolved:** The Board agreed that the Workforce Race Equality Scheme report for the Trust should be approved and published, subject to the correction of a small number of typos.

**BoD16/09/13.4**     **CCG Escalation Letter**

16/09/13.4.1     Mr Oldham reported to the Board that Trust has received a letter from the CCGs in regard to the contract over-performance and the letter was discussed in detail at PAF. Mr Oldham summarised the letter which stated the financial difficulty that the CCGs are in. The CCGs are proposing to bring a referral management system in from 1 November to review all referrals. The Trust have asked for detail of this and the process as this will form part of the 18 week pathway, therefore the Trust requires assurance that the process will not cause unnecessary delays. The letter also highlighted a particular issue in regard to consultant to consultant referrals and the Trust is reviewing this policy with the CCGs as these referrals are part of the approach, supported by the Five Year

Forward View for GPs, to reduce referrals back into primary care when it is clear another consultant appointment is required. Mr Oldham noted the contradiction that was being asked on the Trust in this regard

- 16/09/13.4.2 Mr Oldham advised the Board that the letter has given notice than any elective activity must be approved where no contract in place, however most providers are currently on contracts including the Trust. There is also an intention to start a rolling programme of decommissioning of services with announcements on these expected after the next CCG Governing Body meeting. Mr Hopewell commented that there is a 12 month notice period for any contractual changes unless they are mutually agreed.
- 16/09/13.4.3 Mr Oldham informed the Board that the intention to move to e-referrals for 80% of referrals reflects the national direction; however paying only for e-referrals is new and not contractually enforceable. The move to e-referrals has benefits to the Trust which therefore creates an incentive to work with the CCGs to increase the utilisation of e-referrals. A group has been set up to look at this. However the link to payment cannot be accepted as there are too many referrals which cannot be done electronically such as for TIAs.
- 16/09/13.4.4 Mr Oldham informed the Board that the letter states that the CCGs cannot afford the contract payments based on the current level of activity which continues to grow. Mr Oldham noted that following mediation the CCG activity level formed part of the contract with the mediators noting that the Trust had a pay by results (PBR) contract and would therefore get paid for activity above the CCG contracted position. The letter received steps back from this agreement and the Trust have spoken to NHSI in regard to this. They have advised that this has happened elsewhere but the mediation decision has always been upheld.
- 16/09/13.4.5 Mr Oldham advised that Outpatient attendances which are rising are also an issue, this growth in demand is partly due to investment made to bring waiting times to within constitutional requirements which has resulted in greater attendances at the Trust. The Trust is being held to account for this by the CCGs. Mr Oldham advised that while recognising the difficult financial position the CCGs are in and the pressures from NHSE, the Trust need to be robust in their response. Mr Oldham noted that joint dialogue with NHSI and NHSE with the Trust and the CCGs in regard to these issues is required to prevent the clear conflicts and contradictions. Mr Oldham confirmed that he will be writing back to the CCGs this week.
- 16/09/13.4.6 Mr Oldham concluded that the biggest immediate impact will be on the cash flow, as payments on the contract so far are below expectation and this will cause serious cash flow problems. Mr Hopewell responded that the CCG deficit is £13m and not all of this is going to be clawed back from the Trust to solve their financial position; therefore this is a transfer of risks back to the Trust rather than a solution. He agreed that a robust response is appropriate, as the Trust need to protect the control total or £6.8 m will be taken out of the local health economy.
- 16/09/13.4.7 Mrs McNeil asked if it is correct that 40% of referrals are not created by GPs. Mr Oldham responded that the CCGs have put together a lot of different areas to reach this figure; for example a non-elective inpatient may be followed up in outpatients. A small proportion of this work is consultant to consultant, and so not controllable. Mrs Bullock commented that most referrals are entirely appropriate. Mr Oldham added that you can control referrals through clear pathways but not at the point of referral. Mrs McNeil commented that what is in the best interest of the patient needs to be prioritised, based on a clinical decision.
- 16/09/13.4.8 Mr Oldham advised that there is also mention in the letter in regard to thresholds for

treatment to reduce demand, for example the thresholds for cataract surgery. The Trust has confirmed it is working within these, but it is clear that other private providers are not and should be challenged. Mr Oldham commented that delaying referrals just defers problems unless there is over-treatment taking place, but he has not seen evidence that this is happening. The result will be patients waiting longer.

16/09/13.4.9 Mr Davis noted the comment in the Contract Management section, “contradictory pressures upon providers and commissioners”, reiterating the pressures on all parties and the Board’s commitment to keeping a professional working relationship with the CCGs, while not dropping its standards and responsibilities. Mrs Bullock commented that the Trust needs to speak with the CCGs, NHSE and NHSI together so that contradictory positions are not stated. Mr Church added that it is important for the STP and all parties to have a shared control total to reduce this shifting of financial risk from one party to another.

16/09/13.4.10 Mr Davis commented that he has read all the replies to the CCG which have been very clear and balanced and the Board should recognise that they take a lot of time and effort. Mr Davis added that these responses have been exemplary in balancing a clear response while maintaining the working relationship between both sides. Mr Oldham agreed that the relationship is challenging at the moment but he emphasised that it is working and many conversations take place with the CCG outside of these letters and the avenues of communications are kept open. All parties recognise the pressures and background context to these letters. The Deputy Chair agreed the issue is the general underfunding of the NHS, and all the efficiencies and savings proposed are not going to deliver a complete solution to NHS finances.

#### **BoD16/09/13.5 Visits of Accreditation, Inspection or Investigation**

16/09/13.5.1 Mrs Bullock advised the Board that there was no visits to report this month

#### **BoD16/09/14 EFFECTIVE BoD16/09/14.1 Consultant Appointments**

16/09/14.1.2 Dr Dodds informed the board that there were no consultant appointments to report.

#### **BoD16/09/15 ANY OTHER BUSINESS.**

16/09/15.1 There was no further business.

#### **BoD16/09/16 Time, Date and Place of the next meeting**

16/06/16.1

Board of Directors Meeting to be held in Public on Monday 3 October 2016 at 9.30 am in the Boardroom, Leighton Hospital, Crewe.

The meeting closed at 11:29 hours.

**Signed**

**Deputy Chair**

**Date**

**Board of Directors Meeting**  
**Minutes of Board Meeting held in 'Private'**  
**Monday 5<sup>th</sup> September 2016**  
**In the Board Room, Leighton Hospital, Crewe**

**Present**

Dame P Bacon	Deputy Chair (in the Chair)
Mrs T Bullock	Chief Executive
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 & Planning
Miss E Carmichael	Director of Workforce & OD

**In attendance**

John Lyons	Lead Governor
Katharine Dowson	Trust Board Secretary

**Apologies**

Mr D Dunn	Chairman
Mr J Barnes	Non-Executive Director

**BoD2/16/09/1 Welcome and Apologies for Absence**

2/16/09/1.1 The Deputy Chair welcomed everyone to the meeting and noted the apologies given.

**BoD2/16/09/2 Board Member Interests**

2/16/09/2.1 There were no new interests declared for this meeting and no interests declared in relation to open items on the agenda.

**BoD2/16/09/3 Minutes of the Previous Meeting**

**BoD2/16/09/3.1 Minutes of the Private Board Meeting held on 1 August 2016**

2/16/09/3.1.1 There were no amendments made to the minutes of the last meeting.

2/16/09/3.1.2 **Paragraph removed under Section 43 of the Freedom of Information Act.**

**Resolved:** The minutes were agreed as a true and accurate record of the Board meeting held in private on 1 August 2016.

**BoD2/16/09/3.2 Minutes of the Extraordinary Board Meeting held on 22 August 2016**

2/16/09/3.2.1 There were no amendments made to the minutes of the Extraordinary Board meeting.

**Resolved:** The minutes were agreed as a true and accurate record of the

Extraordinary Board meeting held in private on 22 August 2016

**BoD2/16/09/4 Matters Arising and Actions from Previous Meeting**

2/16/09/4.1 There were no matters arising in addition to those included on the agenda.

2/16/09/4.2 It was noted that the outstanding action on the log 16/08/6.1.20 can be closed.

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

**BoD2/16/09/5 EFFECTIVE  
2/16/09/5.1 Medical Staffing Update**

2/16/09/5.1.1 **Section removed under S42 of the Freedom of Information Act.**  
**Resolved:** The medical staffing update was noted.

**BoD2/16/09/6 WELL LED  
2/16/09/6.1 Community Services**

2/16/09/6.1.1 **Item removed under Section 43 of the Freedom of Information Act.**

2/16/09/6.1.2

2/16/09/6.1.3

2/16/09/6.1.4

2/16/09/6.1.5

2/16/09/6.1.6

2/16/09/6.1.7

2/16/09/6.1.8

**BoD2/16/09/6.2 Cheshire & Mersey Sustainability and Transformation Plan (STP) –  
Acute Provider Reconfiguration**

2/16/09/6.2.1 There was no further update for this item.

**BoD2/16/09/6.3 UHNM minutes**

2/16/09/6.3.1 Mrs Bullock advised that these were the minutes to approve from the Board to Board held with UHNM on 25 July 2016. Mr Davis asked if the diagram Mrs Bullock had presented at the meeting could be sent to him.

**Action: Diagram on the STP presented at this Board to Board to be sent to Mr Davis (Mrs Bullock).**

**Resolved:** The Board approved the minutes provided as an accurate record of the Board to Board meeting.

**BoD2/16/09/7 Any Other Business**

2/16/09/7.1 Mr Davis asked if it was correct that the contract with the CCGs for 2017/18 would not be a PbR contract. Mrs Bullock confirmed that following discussion with Mr Simon Whitehouse, Chief Executive of the CCGs it had been agreed that both sides should try and reach an agreement on a non PbR contract as it was felt PbR was no longer fit for purpose. However, if agreement cannot be reached then a PbR contract will be the default position.

2/16/09/7.2

Mr Davis commented that there had been some discussion in Part I in regard to the number and growth of decision making bodies and is there anything that can be stopped or dropped. Mrs Bullock replied that the Executives had recently undertaken such an exercise to review and prioritise work programmes which resulted in very little being stopped and added that since that time a number of other significant projects or work streams have been added as a result of the Sustainability Transformation Plans (STP). Mrs Bullock therefore added that she has asked the Executives to delegate where they can and that she had undertaken a formal review of executive portfolios which will be discussed in the Remuneration Committee later today.

**BoD2/16/09/8 Review of Board Meeting**

2/16/09/8.1

A review of the Board meeting was presented collectively. Mr Davis commented that while the meeting had not dealt with any big decisions the meeting had been very useful in getting NEDs up to date with what has been happening especially with community services. He noted that other than the contract letter there were no new issues. Mr Church appreciated the conciseness of the meeting today and Mrs McNeil summarised that it was a meeting of consolidation for the Board.

**BoD2/16/09/9 Time, Date and Place of Next Meeting**

Board of Directors Meeting to be held in Private on Monday 3 October 2016 at 9.30 am in the Boardroom, Leighton Hospital, Crewe.

The meeting closed at 13:09 hours.

Signed by:

Deputy Chair

Date: