

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

**Present**

Mr D Dunn	Chairman
Mrs T Bullock	Chief Executive
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**

Mrs P Psalia	Public Governor (Patient and Carer)
Cllr J Clowes	Partnership Governor (Cheshire East Council)
Mrs B Smith	Foundation Trust Member
Mrs B Beadle	Public Governor (Crewe & Nantwich)

**BoD16/10/1**

**Welcome, Introduction and Apologies**

16/10/1.1 The Chairman welcomed everyone to the meeting.

16/10/1.2 There were no apologies received as all Board Members were present.

**BoD16/10/2**

**Patient Story**

16/10/2.1 Ms Lynch introduced the Patient Story which concerned a patient who submitted a complaint following a stay in Leighton Hospital. Ms Lynch advised the Board that following this complaint which was closed in August, lessons learnt have been shared with staff.

16/10/2.2 Mrs McNeil asked how much of the response has been shared with the patient and Ms Lynch confirmed that Mrs Bullock has written to the patient apologising for the issues that he raised, summarising the actions taken and checking that this has resolved the complaint. No further communication has been received from the patient. Dame Patricia added that the Patient Review Group, which includes a Governor, has recently reviewed the follow up to a complaints survey which is a survey previously conducted by the Patients Association nationally. Mr Barnes asked how staff are updated on patient complaints and the actions taken as a result. Ms Lynch outlined the measures taken to ensure staff understand the lessons learnt, for example, 'You Said, We Did' posters and through ward handovers. Safety Alerts are also issued across the Trust by email and paper if an incident occurs that all staff need to be aware of and staff have to sign to say they have read this.

**Resolved:** The Board noted the story provided and asked Ms Lynch to pass on the Board's thanks to the patient for sharing their experience.

### **BoD16/10/3 Board Members' Interests**

16/10/3.1 There were no new interests declared.

16/10/3.2 Dame Patricia asked the Board to note that her husband is a Governor at MMU in relation to the item in the Chairman's update.

### **BoD16/10/4.1 Minutes of the Previous Meeting**

16/10/4.1.1 The following amendments to the minutes of the meeting held in public on 5 September 2016 were agreed:

- 16/09/10.1.1 Miss Carmichael asked that the final sentence is changed to reflect more accurately the advice given by her. The sentence should be changed to read 'Miss Carmichael replied that they can apply for support on a hardship basis but this would be significant for 5 days of strikes every month for all trainees'.
- 16/09/11.2.1 Dr Dodds advised that the sentence should state that the results were forwarded to HENW, not NHS England.

The Chairman thanked Dame Patricia for chairing the meeting in his absence.

**Resolved:** Subject to the alterations listed above the minutes were agreed as a true record of the meeting held on 5 September 2016.

### **BoD16/10/5 Matters Arising and Action Log**

16/10/5.1 There were no Matters Arising in addition to those included on the agenda.

16/10/5.2 The Chair asked the Board to advise progress on actions noted in the action log. He noted that actions 16/09/3.3, 16/09/8.1.1 and 16/09/9.2 are all complete and can be closed.

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

### **BoD16/10/6 Annual Work Programme**

16/10/6.1 The Workplan for 2016/17 was reviewed by the Board. Ms Lynch advised that there was a change to the Work Programme as the Nursing and Midwifery Comprehensive bi-annual report due at this Board meeting has been postponed to November because of a change in guidance. The format of this report will be the same but it will now be annual and report in November each year.

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

### **BoD16/10/7 Chairman's Announcements**

#### **16/10/7.1 Chair to Chair Meetings**

16/10/7.1.1 The Chairman reported to the Board that he had attended meetings with the Chair from the Countess of Chester NHS Hospital Foundation Trust, Sir Duncan Nichol and Mrs Lynn McGill, Chair of East Cheshire NHS Trust, (ECT). The Chairman advised that he has agreed to chair a meeting of the five Chairs involved in the Local Delivery Sustainability Plan (LDSP) for Cheshire & Wirral. This meeting will discuss the establishment of governance within the Sustainability and Transformation Plans (STP), to ensure that Boards and Councils of Governors are cited. The work taking

place to view back office and clinical support functions will also be discussed. The Chairman added that the Chairs within the Cheshire and Wirral Local Transformation Plan have met with the Chief Executives to discuss progress and will meet again.

16/10/7.1.2 The Chairman advised that 12 Trusts nationally have been awarded Global Digital Exemplar status, including Salford Royal NHS Foundation Trust and the Wirral University Teaching Hospital NHS Foundation Trust. Mrs Bullock commented that the money is designed so that Trusts can scale systems up quickly. This work will include implementation of the Cerner Millennium software system across the Cheshire and Wirral LDSP footprint including the Trust.

**BoD16/10/7.2 MRI Formal Opening**

16/10/7.2.1 The Chairman reported that Mr Pete Waterman, Patron of the Mid Cheshire Hospitals Charity, will open the second MRI Scanner on Friday 28 October 2016. Details are to be confirmed but invitations will be extended to the Board and Council of Governors in due course.

**BoD16/10/7.3 MMU Consultation**

16/10/7.3.1 The Chairman informed the Board that Manchester Metropolitan University has begun to consult on the future of the Crewe campus. MMU is a key stakeholder, with representation on the Council of Governors. The Chairman has met with the Vice Chancellor to understand the implications for the Trust. The outcome will be known in November but could involve significant opportunities as well as changes for the Trust.

**BoD16/10/7.4 Additional Items**

**BoD16/10/7.4.1 CEC Leadership Board**

16/10/7.4.1 The Chairman reported that the Cheshire East Leadership Board did not meet as the meeting was vacated.

**16/10/7.4.2 CCG Annual Meeting**

The Chairman advised that he and Dame Patricia had observed this meeting which was well attended by partners. The Chairman reported that the financial report included key messages about difficult decisions to be made.

16/10/7.4.2.1 The Chairman reminded the Board that the Trust is holding its own Annual Members Meeting on Thursday 6 October from 2pm in Sandbach Town Hall.

**BoD16/10/8 Governors Items**

**BoD16/10/8.1 Governor Elections**

16/10/8.1.1 Mrs Dowson advised the Board that the Governor Elections have now been concluded and that Governor Induction will take place on 11 October for the four new Governors. Details of the Governors and their nomination statements have been circulated to the Board this week. The Chairman confirmed that this means the Council of Governors now has no vacancies and that the new Governors will be welcomed at the next Council meeting on 27 October.

**BoD16/10/8.2 Governor/NED Meetings 12 and 19 September 2016**

16/10/8.2.1 The Chairman reported that he had met with Governors for an informal meeting on 19 September 2016. There had been a good attendance and a useful discussion on a number of key issues including Community Services, the Sustainability and Transformation Plan (STP) and the Junior Doctors proposed strikes.

16/10/8.2.2 The Chairman reported that the Non-Executive Directors (NEDs) and Governors had also met the day before and the notes of this meeting have been circulated to the Board. The Chairman noted that the Governors had met again on the 20 September to agree the Agenda for the next Council of Governors meeting and that the main

discussion item will be the Trust IT Strategy.

**BoD16/10/9**  
**BoD16/10/9.1**  
16/10/9.1.1

**Chief Executive's Report**  
**Cheshire & Merseyside STP**

Mrs Bullock informed the Board of progress towards the delivery of the STP for Cheshire & Merseyside. The Leadership group are meeting regularly in order to comply with the submission deadline. Therefore all drafts must be ready by 12 October for each enabling and cross cutting work stream. Mrs Bullock confirmed that she is leading on Pathology, Radiology and Pharmacy for the Cheshire and Mersey STP. The case for change for the Neonatal and Paediatrics Vanguard will also need to be aligned to the STP as will revised financial templates based on Q1 and Q2 performance. Mrs Bullock advised that there will be a workshop for Chairs and CEOs on 19 October.

**BoD16/10/9.2**  
16/10/9.2.1

**Cheshire & Wirral Local Delivery Sustainability Transformation Plan (LDSP)**

Mrs Bullock reported that work is underway for all the work streams, with back office and Clinical Support functions, making the quickest progress. The Estates work stream is in progress and a Pharmacy options paper will be ready this week which suggests that greater efficiencies can be found from working together. The Acute Reconfiguration work stream is proving the most challenging given the time frames. Mrs Bullock informed the Board that the group have started to discuss the options for how the four Acute Providers should work together in the future; for example as a Hospital Chain, Federation or as a loose collaboration.

16/10/9.2.2

Mr Church asked how the Countess of Chester and Wirral Trusts are working together in their partnership. Mrs Bullock replied that this was similar to the Trust's partnership with University Hospital North Midlands (UHNM) but is not as evolved and at present is limited in its scope. Mr Barnes commented on the wide scope of the work and asked if when reviewing the clinical areas, a breadth of options was able to be considered. Mrs Bullock replied that the default outcome is one of every service unless that is not workable and then other options will be considered.

**BoD16/10/9.3**  
16/10/9.3.1

**Local Delivery Plan (Connecting Care)**

Mrs Bullock reported that the meeting last week had agreed that the group need to start working on the Accountable Care System (ACS). Dr Andrew Wilson, Chair of the South Cheshire CCG will lead on this. The ACS will include mental health, acute and primary care provision. Mrs Bullock reported that the CCG have scoped out some of the work streams which feed into the Cheshire & Wirral LDSP and have found that they were unlikely to deliver the savings originally allocated; however there are other areas where they can make bigger savings than estimated.

16/10/9.3.2

Mr Church asked how involved the Local Authorities are in discussions and if the differences between LA boundaries and the STP will cause any issues. Mrs Bullock confirmed that they are very active participants of both the Connecting Care Board and the Cheshire & Wirral LDSP group. Mrs Bullock added that the STP boundaries are challenging in some places for the STPs as well as the Local Authorities. There is a sense that some STPs are so small that they will need to work closely with neighbouring STPs to deliver any economies of scale. Mr Davis asked if any of these were local. Mrs Bullock replied that Cheshire & Merseyside is the second largest footprint in the Country and as such could create dis-economies of scale across such a large area. Mrs Bullock added that the Cheshire & Wirral footprint is working at pace as a patch although the Trust's relationship with UHNM and ECT's proximity to Manchester need to be remembered.

**BoD16/10/9.4**  
16/10/9.4.1

**A&E Delivery Board**

Mrs Bullock reported that she is now Chair of the new A&E Delivery Board which

replaces the System Resilience Group (SRG). The group has a mandated focus firstly on the recovery of the 4-hour performance target and secondly on maintenance of this target. Once these are achieved then the group will focus on the non-elective system within the wider STP/LDSP footprint.

16/10/9.4.2

Mrs Bullock advised the Board that there is some impact on the Trust as the SRG was CCG led and the supporting infrastructure for the SRG had been withdrawn therefore this will need to be picked up by the Trust, although this is a health economy meeting. In response to Mrs McNeil's question Mrs Bullock confirmed that the CCG are still involved and will attend meetings, be an active partner in the group and lead in some areas such as Continuing Healthcare packages. Mr Davis asked if the group will address the issues of delayed discharge and the bed pressures. Mrs Bullock explained that this is a work stream of the group, led by Mrs Frodsham. Mrs Bullock added that the Local Authority is leading a bed based review and the results of this will be formally reported back to the Health & Wellbeing Board in January.

**BoD16/10/9.5**

### **September Recovery Checkpoint Meeting**

16/10/9.5.1

Mrs Bullock explained that this meeting was to discuss the financial recovery of the local CCGs who were under Directions by NHSE as a result of their CQC rating and financial performance. However; Mrs Bullock noted the main discussion item was the report on the findings of the Utilisation Management Team on zero length stay admissions. Mrs Bullock suggested that there should be a greater discussion of this in Part II of the Board as a collective decision may need to be made on the recommendations of the report. The report will be finalised in the next week as the Trust requested that further evidence be taken into account by NHSE and NHSI, but all parties are expecting a quick conclusion.

**BoD16/10/9.6**

### **Cheshire & Mersey CEO Provider Meeting**

16/10/9.6.1

Mrs Bullock informed the Board that she had met with the Cheshire & Mersey CEOs and finance and performance were the significant issues that were discussed. Mrs Bullock reported that some Trusts are off track for Q2 and at risk of not delivering their Control Totals. The group also fed back on the meeting some had attended with Jim Mackie, CEO of NHSI who had said that Trusts that failed to meet their Control Total will be held to account and would be expected to implement the Lord Carter recommendations and in particular the Pathology and other back office and clinical support service collaborations.

16/10/9.6.2

Mrs Bullock advised the Board that a new Local Workforce Advisory Board (LWAB) has been established as part of Health Education North West (HENW). This will replace the Local Workforce and Education Group for Cheshire & Merseyside and the group now encompasses all healthcare workers not just clinical professionals. Mrs Bullock added that it is unclear how this group will align to the STPs but HENW have been invited to the next Cheshire & Merseyside CEO Provider meeting to discuss. In response to a question from Mrs McNeil, Mrs Bullock confirmed that the purpose of LWAB will be to review workforce planning across Trusts which has been weak in the past. The aim of this is to ensure that there are the right roles and the right numbers across Cheshire & Merseyside and the group will need to review systems for allocation.

**BoD16/10/9.7**

### **Junior Doctor Strike Action**

16/10/9.7.1

Mrs Bullock was pleased to report that since the Board Agenda had been issued the BMA have suspended all planned strike action by Junior Doctors. A high court decision last week concluded that the junior doctor contract had not been imposed illegally by the Government so there is still a possibility of further action by the BMA and it is currently unclear what the next course of action will be.

**BoD16/10/9.8 NHS Planning Guidance**

16/10/9.8.1 Mrs Bullock commented on this additional item noting that the NHS Planning Guidance has been issued and Mrs Bullock will circulate the NHS Providers briefing on this to the Board. Mrs Bullock commented that Mr Oldham and his team are working through the document to understand the implications and informed the Board of the Transformation funding and Control Totals that have been offered for the next two years. The Control Totals will be tied in to the achievement of other 'conditions' which have yet to be agreed.

16/10/9.8.2 Mr Oldham advised the Board that a draft financial return must be made by 24 November and more detail on this will be provided at the next Board when the implications and challenges are understood. Mr Oldham commented that the requirement to make significant improvements to the financial position comes on top of 2% efficiency savings. Mr Hopewell observed that the success of the STP is key as it will impact on any performance. Mrs Bullock added that the numbers have to align to the figures included in the STP to achieve financial sustainability. Mr Oldham observed that the Trust has a strong planning programme which has always identified costs savings; this now needs to deliver and align with the STP.

16/10/9.8.3 Dame Patricia commented that the Control Totals given are still subject to change. Mrs Bullock agreed that there may be change based on Q1/Q2 performance and Q3 and Q4 are likely to be the most challenging. Mr Church asked if there is a joint Control Total for the STP and who will be held to account for this. Mrs Bullock confirmed that the Board will be held to account for the Trust Control Total. Mr Oldham added that the Planning Guidance states that the Control Total for the STP will be the total of all the individual Control Totals, but there will be the ability to move money around between different Providers. Mr Hopewell asked if there was any likelihood of a change to the historical per capita allocation of funding to the CCGs in Cheshire compared to Merseyside. Mrs Bullock confirmed that this had been raised at the Checkpoint meeting with the CCGs and that while there is some understanding of this issue there is no likelihood of this changing.

**Action: NHS Providers briefing on NHS Planning Guidance to be circulated to the Board (Mrs Bullock)**

**BoD16/10/10 CARING  
 BoD16/10/10.1 Quality, Safety and Experience Report**

16/10/10.1.1 Ms Lynch presented the Monthly Quality, Safety and Experience Report which incorporates data from August 2016.

16/10/10.1.2 Mrs McNeil asked if the drop in the Safety Thermometer result by 3% to less than 95% was of significance. Ms Lynch explained that the sample for this measure is very small so small changes can change the overall rating markedly; however the results of this are triangulated with work going on elsewhere to ensure that quality of care is maintained.

16/10/10.1.3 Mr Barnes observed that the Trust is only performing to target on four out of the eleven CQUINs and asked if performance has dropped across the Trust. Ms Lynch replied that the level of performance has not got worse but that these are new areas of focus. Mr Davis observed that some of the CQUIN targets are ambitious, for example for Sepsis Antibiotic Administration, the target is 90% and Quarter 1 results are 21%, therefore significant changes are needed to reach the target. Ms Lynch confirmed that measures are being taken to tackle this including the new sepsis nurse, the launch of new pathways and medical staff education. Ms Lynch added that the clinical leads are very committed to improving Sepsis pathways and the CQUINs are monitored and reviewed through Executive Quality Governance Group and Quality Governance

Committee (QGC). Mr Oldham confirmed that there is a report due at the next Performance and Finance Committee (PAF) on the financial implications of the CQUINs. The Chairman confirmed that Quarter 2 CQUIN results will be reported at the next Board.

16/10/10.1.4 Mr Davis noted that two of the closed complaints refer to imaging reports and delays despite the introduction of a new Radiology reporting system. Mr Davis asked if it is this system that is not producing the results and assurance forecast. Mrs Frodsham replied that the new system will produce the required reports but the main issue is the capacity of the workforce in checking the reports. Mrs Frodsham added that CCG monitor this and the position has improved from a few weeks ago, GP reports are being returned within 6 days and ward reports within 30 days, cancer scans are fast tracked.

**Resolved:** The Board noted the assurance provided in this report of the Quality Performance, staffing levels and patient experience at the Trust.

**BoD16/10/11 SAFE**

**BoD16/10/11.1 Draft Quality Governance Committee (QGC) – 12 September 2016**

16/10/11.1.1 Dame Patricia reported that there were no items for escalation to Board but she asked the Board to note that QGC had received the General Surgery Get It Right First Time, (GIRFT) presentation on behalf of the Board. Mrs Bullock added that the GIRFT dashboards are based on the expectations of standards recommended in the Lord Carter review and the Board is required to review these dashboards regularly. The Board have previously agreed to delegate this to QGC.

16/10/11.1.2 The Chairman noted that there had been an interesting discussion in Any Other Business of QGC in regard to Patient Safety Walkarounds as there was some concern that these have lost their focus on Patient Safety and become more general discussions with staff since being reviewed. The Chairman asked Ms Lynch to review this with Integrated Governance.

**Resolved:** The Board noted the report of QGC.

**ACTION: Focus of Patient Safety Walkaround to be reviewed with Integrated Governance (Ms Lynch)**

**BoD16/10/11.2 Serious Untoward Incidents and RIDDOR Events**

16/10/11.2.1 Dr Dodds reported that there had been two SUIs to report in September. There was one Grade 4 Pressure Ulcer and one incident of a staff member posting inappropriately on social media which is being dealt with through the HR process.

16/10/11.2.2 Dr Dodds noted that there were no RIDDOR reportable incidents during September.

**BoD16/10/12 RESPONSIVE**

**BoD16/10/12.1 Performance Report**

16/10/12.1.1 Mr Oldham presented the Performance Report for August 2016 and reported that the Trust had achieved 8 of the 9 NHS Improvement compliance indicators in August.

16/10/12.1.2 Mr Barnes requested that a more detailed explanation of the causes of the failure of the 4 hour performance target be provided. Mr Barnes asked if the failure is just down to the increased levels of attendance or if there are other contributory factors. Mrs Frodsham suggested that Mr Barnes might find it useful to read the letter, reviewed in PAF that was sent to the CCG in regard to the 4 hour target which outlines the reasons why the target has not been met recently. Mrs Frodsham added that the Performance Report is designed to bring together all the contributory factors such as

discharge delays, higher attendances, higher bed occupancy rates and lengths of stay. Mrs Frodsham commented that the pressures are going to grow as winter approaches. The Utilisation Management Team report, that has recently been completed, recognises that A&E does not have enough Majors cubicles to manage the activity. Mr Oldham commented that the unplanned figures for May were higher than peak winter figures so there has been no reprieve over the summer.

- 16/10/12.1.3 Mrs Bullock observed that the Utilisation Management Report will bring together all these issues and it will be shared once the final figures have been agreed. The report will be discussed in detail through PAF. Mr Hopewell added that the 4 hour target is an arbitrary target. Dame Patricia agreed but added that the 4 hour timeframe has been shown to be important to the public and if this is to change it needs to be part of a wider discussion about public expectations.
- 16/10/12.1.4 Mr Barnes responded that he was reassured to hear this discussion but the performance trend is a concern. Mrs Bullock added that every Trust is experiencing the same pressures, performance is slowly improving and the Board should be assured that patients are receiving the care and treatment that they require.
- 16/10/12.1.5 Mr Oldham presented the finance section of the Performance Report noting that the Trust is performing slightly better than the financial plan for 2016/17. Non-elective activity remains the biggest discrepancy from the forecast with significant over performance and this remains a risk as the some activity is currently not being paid by the CCG. Mrs McNeil asked if this has an impact on cash flow. Mr Oldham acknowledged that payment against the delivered contract value is lower than expected and as a result the Trust has been in discussions with NHSI with regard to extending the working capital facility. The Trust has not been able to repay the existing facility as planned. Mr Hopewell stated that non-payment by the CCG is technically a breach of contract so will we be seeking recovery of this. Mrs Bullock agreed that contractually and legally the terms of the contract are not being met but the CCGs ability to pay is the issue and this is forming the basis of discussions with NHSE and NHSI. Mr Oldham advised the Board that the Trust have formally triggered dispute resolution with the CCGs and will explore recovery of any additional costs generated as a result of the dispute; however the Checkpoint meetings are moving these discussions on in a different way.
- 16/10/12.1.6 Mr Barnes asked if the Trust's ability to borrow is being compromised by its financial position and will this threaten the planned capital programme. Mr Oldham responded that the limiting factor is the delay in the Department of Health authorising the release of capital funds from the Treasury as a proportion of the capital budget has been converted into revenue expenditure. Mr Oldham acknowledged that it is possible that a capital control limit may be imposed. Mr Oldham added that the current cash position is ahead because of capital programme slippage and because the borrowings from the DoH have not been paid back, therefore the cash position will continue to become more distressed. Mr Oldham added that the CCG have agreed to pay the Community Services contract on the 1<sup>st</sup> of each month which will help to some extent but the contract position needs to be resolved to solve the cash flow issues.
- 16/10/12.1.6 Mr Oldham asked the Board to note the risks and significant challenges to the delivery of the Control Total by the end of the financial year. Mr Oldham advised that with the introduction of the Single Oversight Framework from October, indicators will change as will the calculation of the risk rating. The Lord Carter recommendations are to be introduced as part of the rating to include measures such as the Agency Cap and the new rating will be reported in shadow in next month's report. The Board should note that under the new risk rating, 1 is the top rating and 4 the lowest.

16/10/12.1.7 Miss Carmichael presented the workforce performance report, noting that there will be a focus on long-term absence in response to results which show that this is growing. However overall there has been a reduction in the sickness rate. Miss Carmichael advised the Board that TAP will be reviewing the workforce metrics in the future with any issues escalated as needed to the Board.

**Resolved:** To note the summary of Trust performance and finances for August 2016.

**BoD16/10/12.2 Draft Performance & Finance (PAF) Committee Notes – 22 September 2016**

16/10/12.2.1 Mr Davis presented the minutes of PAF and thanked the Board for their tolerance of the late receipt of these notes which is due to a very tight turnaround between the meeting and Board Papers being sent. Mr Davis reported the discussion of the meeting and asked the Board to note the enormous pressure being placed on the system due to the delayed transfer of care of patients who are medically optimised for discharge.

16/10/12.2.2 Mr Davis asked the Board to note that disappointingly the Trust is now formally in dispute with the CCG and has requested mediation with NHSI and NHS England to resolve these issues. Finally Mr Davis asked the Trust Board to note that the committee had discussed the readiness of the Trust for the transfer of staff to the Trust with the Community Services contract on 1 October and had been reassured that financial and administrative processes are in place and the Trust is prepared for internal and external reporting. The Chairman asked if the final TUPE list had proved to be comprehensive. Mr Oldham replied that it wasn't completed and there had been a few minor issues but given the relatively recent uncertainty this was a good result.

**Resolved:** The Board noted the report of PAF and the items for escalation.

**BoD16/10/12.3 Legal Advice**

16/10/12.3.1 Mrs Bullock advised that there is no new legal advice to report at this time but following the transfer of Community Services a final total for the legal costs will be brought to the next meeting.

16/10/12.3.2 Mrs Bullock added that there had been some minor legal advice required to support a workforce issue.

**ACTION: Final legal costs for Community Services to be reported to the Board (Mrs Bullock)**

**BoD16/10/12.4 Business Case for 3rd MRI Scanner**

16/10/12.4.1 Mr Oldham presented the business case for a third MRI Scanner. He noted that capacity has been reached as the recent installation of the second scanner has facilitated the repatriation of externally outsourced work. Mr Oldham advised that by October 2017 it will become uneconomic to outsource scans due to the predicted growth in numbers. Mr Oldham reported that the growth is being driven by an increase in the number of tests available and a greater complexity to changes in clinical practices which require scanning. The Trust waiting times are very close to the 6 week standard.

16/10/12.4.2 Mr Oldham explained that the MRI Scanners make a contribution to revenue, so the Trust needs to respond to changes in demand. Mr Oldham advised that the greatest risk to the project is the recruitment of a Radiologist so some reporting may still need to be outsourced. Recruiting Radiographers is also a challenge but the introduction of a third scanner does create the opportunity to create some more attractive specialist roles. Mr Oldham added that the proposal is to lease this Scanner so the business case is for the cost of installation only and confirmation of the borrowings to enable

this have not yet been confirmed.

- 16/10/12.4.3 Mr Hopewell clarified that the cost of leasing is covered in the expenditure line and asked why it is financially advantageous to delay until October 2017. Mr Oldham replied that the profile of growth is forecast to peak in October therefore it is still currently cost effective to outsource additional work. Mr Barnes asked whether installing the scanner at Victoria Royal Infirmary (VIN) had been considered to allow more choice for patients and attract more patients from the north of the county. Mr Oldham said that while VIN has been considered for the installation of the Extremities Scanner the MRI scanner would be too heavy for the infrastructure at VIN. Mr Oldham explained that there are economies of scale if all the scanners are together. Mr Oldham added that the second scanner had been installed with allowance for another scanner to be added so there were already some facilities in place such as a control panel that would serve both scanners.
- 16/10/12.4.4 Mr Davis asked if the capital works budget is really the same for each option except option 1. Mr Oldham confirmed this was correct as the bulk of the building works are for the infrastructure and are the same for each option, for example widening of the road and reporting rooms. Mr Davis asked if it is the right time to invest as services are reviewed across the STP. Mrs Bullock replied that she had asked this question of the clinical leads for Radiology and there is no capacity anywhere else for another organisation to take the demands.
- 16/10/12.4.5 Mrs McNeil asked whether the cost of locum staff has been included in the business case and how the Trust stopped staff from moving to the private sector. Miss Carmichael responded that recent recruits to the Trust have been very positive about their experience and the Trust is also supporting existing staff to train and become reporting Radiographers which is creating opportunities for staff. Miss Carmichael added that when recruiting it was important to consider the whole package of benefits including pensions.
- 16/10/12.4.6 Mr Hopewell asked if the lessons learnt from the installation of the second MRI scanner project review have been implemented for this business case. Mr Oldham confirmed that project plans are in place with clear timescales, there is only one identified risk which is equipment costs which have not been fully scoped but are through a national framework and the equipment is available. Mr Oldham confirmed that to hit installation deadlines the contract for the build needs to be tendered and let by November. Mr Oldham added that there is a fund for the leasing of scanners at a lower interest rate of 1% as capacity issues in the system are recognised. Mr Oldham advised the Board that Scanner 1 will be replaced at the same time as it is reaching the end of its life today. Mr Church asked what the main financial risk is for the Trust for this project. Mr Oldham responded that the Board can only approve subject to the availability of capital.

**Resolved:** The Board approved the recommendation of option 3a of the business case, subject to the agreement of capital borrowings from DoH.

**BoD16/10/13**  
**BoD16/10/13.1**  
16/10/13.1.1

**WELL-LED**  
**Community Services Contract**

Mrs Bullock informed the Board that the Community Services Contract went live on 1 October 2016. The transfer went smoothly and Mrs Bullock thanked Mrs Frodsham for leading this transfer of services and all the Executives for their support and contributions. Mrs Bullock confirmed that the first CCICP Board meeting will be held this week and the work on transformation has begun focusing on the future sustainability of services.

**BoD16/10/13.2****Draft Transformation and People (TAP) Committee Notes – 7 July 2016**

16/10/13.2.1

Mrs McNeil advised the Board that there is one escalation from TAP which is to report back to the Board that the delegated action to undertake a deep dive of theatre efficiency has been completed. However the Surgical Transformation project is still in progress and further work is required to deliver the targets in full.

16/10/13.2.2

Mrs McNeil asked the Board to note that TAP had reviewed a Benefits Realisation paper on the return to nursing scheme which has had very good results and HENW have agreed to fund a further cohort of return to practice nurses. Mrs McNeil also asked the Board to note that the project to reduce spend on the Agency Cap was progressing well.

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

16/10/13.2.3

The Chairman noted the productive meetings being held across the Board Committees with good communication between the Committees and Board which is having a positive impact.

**BoD16/10/13.3****Visits of Accreditation, Inspection or Investigation**

16/10/13.3.1

Mrs Bullock advised that the Major Trauma Unit Accreditation visit held 2 weeks ago by UHNM had been very positive and the Trust awaits the final report.

16/10/13.3.2

Mrs Bullock advised the Board that HENW are holding their annual visit in two weeks which will focus on the training of junior doctors.

**BoD16/10/13.4****Board Effectiveness Survey**

16/10/13.4.1

Mrs Bullock presented the results of the survey which follows the criteria of the NHSI Well-Led Framework. The results are largely positive with no deterioration in any area. Mrs Bullock noted that while this is positive, as the Board has used this tool for many years, it is not felt to be adding value to Board development. Mrs Bullock confirmed she is working with Mrs Dowson to research other options whilst acknowledging previous attempts to do so had not led to anything useful.

16/10/13.4.2

The Chairman commented that it was good to see positive results as long as other evidence is used in conjunction, to ensure that it is a realistic view. The results reflect the maturity and unity of the Board which should be operating optimally now with all but one NED in their second term and all the Executives in substantive posts. The Chairman added that there is no room for complacency and added that he is looking to develop a half day training for the Board in the near future.

**BoD16/10/14****EFFECTIVE****BoD16/10/14.1****Consultant Appointments**

16/10/14.1.2

Dr Dodds reported that no new consultants have been appointed in September.

**BoD16/10/14.2****Request to Affix the Trust Seal**

16/10/14.2.1

Mr Oldham asked that the Board approve the use of the Trust Seal for an extension to the lease of a small office by Cheshire East Council. The Board approved this.

**Resolved:** The Board approved the use of the Trust Seal.

**BoD16/10/15****ANY OTHER BUSINESS.**

16/10/15.1

There was no other business.

**BoD16/10/16 Time, Date and Place of the next meeting**

16/10/16.1 Board of Directors Meeting to be held in Public on **Monday 7 November 2016** at 9.30 am in the Boardroom, Leighton Hospital, Crewe.

The meeting closed at 12:15pm.

**Signed**

**Chairman**

**Date**

**Board of Directors Meeting**  
**Minutes of Board Meeting held in 'Private'**  
**Monday 3 October 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
Mrs T Bullock	Chief Executive
Miss E Carmichael	Director of HR 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**

Mr J Lyons	Lead Governor
Mrs K Dowson	Trust Board Secretary

**BoD2/16/10/1 Welcome and Apologies for Absence**

2/16/10/1.1 The Chairman welcomed everyone to the meeting and noted that no apologies had been given for this meeting.

**BoD2/16/10/2 Board Member Interests**

2/16/10/2/1 There were no new interests declared and no interests declared in relation to open items on the agenda.

**BoD2/16/10/3 Minutes of the Previous Meeting**

2/16/10/3.1 The Chairman thanked Dame Patricia for Chairing the last meeting in his absence. There were no amendments to the minutes of the last meeting.

**Resolved:** The minutes were agreed as a true and accurate record of the meeting held in private on 5 September 2016.

**BoD2/16/10/4 Matters Arising and Actions from Previous Meeting**

2/16/10/4.1 Mr Lyons noted that he had brought a family member into the Treatment Centre recently and while the medical care was good he had been disappointed to not be able to accompany the patient to the waiting area especially as this had been an action from the last Patient Story. Mrs Frodsham replied that the agreed action was only related to vulnerable patients as this is where the journey to theatre starts. Mrs Frodsham recognised that communication with patients about this process may not be clear enough and she will review the letters that are sent to patients ahead of treatment.

**Action: Communication to patients before their appointment at the Treatment Centre to be reviewed (Mrs Frodsham).**

2/16/10/4.2 There were no further matters arising in addition to those included on the agenda.

2/16/10/4.3 It was noted that the action 2/16/09/6.3.1 had been completed and could be

closed on the Action Log.

- 2/BoD16/10/5**  
**2/16/10/5.1**  
2/16/10/5.1.1
- Effective Medical Staffing Update**  
Dr Dodds informed the Board that there were no staffing issues for the Board to note.
- BoD2/16/10/6**  
**2/16/10/6.1**  
2/16/10/6.1.1
- Well Led Community Services**  
Mrs Bullock asked the Board for any further comments or questions as she had nothing further to add to her update in Part I.
- BoD2/16/10/6.2**  
2/16/10/6.2.1
- Cheshire & Merseyside STP**  
Mrs Bullock invited Board members to ask any further questions following the report in Part I. In response to Mr Davis' question she confirmed that the results of the Neonatal review which will feed into the STP are not yet known but that clinicians from the Trust are contributing to this.
- BoD2/16/10/7**  
**2/16/10/7.1**  
2/16/10/7.1.1
- Any Other Business Utilisation Management Team Review and CCG Contract**  
Mr Oldham reported that the Utilisation Management Team Review into the Trusts high Zero Day length of stay admissions, commissioned by NHS England (NHSE) and NHS Improvement (NHSI), has made several recommendations. Significantly the review has concluded that patients being seen in the Clinical Decisions Unit (CDU) cannot be classified as admissions which will have a significant impact on the Trust financially and potentially in relation to other parameters such as SHMI, length of stay and readmission rates etc. The Trust has submitted further evidence of numbers which it has asked the regulators to consider before the report is finalised. The Trust has also argued that the classification of zero length admissions is unclear nationally and was not part of the original scope of the report. Mrs Bullock confirmed the Trust are now awaiting NHSI / NHSEs recommendations to the Trust and CCG based on the report and checkpoint meeting discussions.
- 2/16/10/7.1.2
- Mr Barnes commented that if the definition is not clear nationally then this is an issue that NHSE and NHSI need to resolve. Mr Oldham responded that this issue has been the subject of several reports and a current Ambulatory Tariff workshop. He added that the NHS Information Centre is responsible for setting all definitions many of which need updating to reflect modern practice. Mr Oldham agreed that having an assessment tariff would be useful as there is currently no consistency.
- 2/16/10/7.1.3
- Mrs Bullock commented that if the CDU patients are no longer classified as admissions there will be a significant impact on performance indicators as well as financial indicators. Mrs Bullock added that the previous contract mediation had agreed that the financial impact of this report should be no more than £400k for either party but the report states this could have an annual financial impact of reducing Trust income by £6.5million and on that basis the CCG no longer wish to comply with the agreed stance. Mrs Bullock advised that these issues were discussed at the September Checkpoint meeting with the CCG, NHSI and NHSE.
- 2/16/10/7.1.4
- Mr Barnes asked whether the report has any recommendations which indicate that patient care is being compromised. Mrs Bullock advised this was not the case and provided an overview of the recommendations. Mrs Bullock also noted that the Ambulatory Care and the new Surgical Assessment Unit are

having a positive impact, however there remains an issue of capacity in A&E, in particular sufficient cubicles for majors

2/16/10/7.1.5 Mrs Bullock advised that at the Checkpoint meeting the CCGs and the Trust had been advised to find a more productive way of working together without resorting to mediation again. Mr Hopewell observed that the financial impact on either party remains an NHS problem and if a revised control total is agreed then the Trust could accept a change. However if the Trust is being measured on performance indicators that allow different classifications between Trusts then this could have a serious impact. Mrs Bullock confirmed that the BIU have started a piece of work analysing the impact of losing the zero length of stay admission classification and this will be shared with NHSI and NHSE. Mr Oldham noted that if a change to the control total was agreed this will only be for one year and will leave recurrent problems for the future.

2/16/10/7.1.6 Dame Patricia asked if the Connecting Care project is having sufficient impact in reducing activity. Mrs Bullock confirmed that the Integrated Community Teams are starting to have an impact but there is a greater opportunity with the transfer of Community Services.

2/16/10/7.1.7 Mrs Bullock advised that when the NHSI / NHSE recommendation is made in respect of the report it is important that the Board is able to respond quickly in relation to whether or not the Trust would accept the recommendations based on the impact on the Trust. The Chairman added that the contract for the next two years needs to be signed by December which is why a swift decision is required.

## 2/16/10/7.2 **Board Minutes**

Mrs Bullock asked the Board to consider a different approach to minute taking in line with the good practice recommended by NHS Providers. Mrs Bullock suggested that some of the narrative which is already in the Board Papers should be removed while maintaining the discussion summary, challenge and assurance. The Board agreed to try a new approach as long as a clear audit trail of decisions was kept.

## BoD2/16/10/8 **Review of Board Meeting**

2/16/10/8.1 Mr Church reviewed the Board Meeting commenting on the lessons to be learnt from the Patient Story which was more useful than hearing about positive stories. Mr Church noted that the discussion of the Board seems to increasingly involve controls being exercised over and above the Board. Mr Church observed that there was less strategic content at this meeting, the business case had been very straightforward and the focus of the meeting has been on the financial position. Part II had focused on the reclassification of admissions to CDU and the need to work collaboratively with partners.

The meeting closed at 13.15.

## BoD2/16/10/9 **Time, Date and Place of the next meeting**

Board of Directors Meeting to be held in Private on **Monday 7 November 2016** following the Board meeting held in Public.