

Board of Directors

Part I

**Minutes of the Meeting held at 9.30am on Monday, 1 August 2011
In Public in the Boardroom, Ashfields Primary Care Centre, Sandbach**

PRESENT

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

IN ATTENDANCE

Mr J Lyons	Lead Governor
Mr R Clarke	Price Waterhouse Cooper
Mrs K Egan	Service Manager and Associate DIPC
Miss N Phillips	Executive Assistant

APOLOGIES

Mr D Dunn	Non-Executive Director
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*denotes action deriving from **resolutions** below

PATIENT STORY

Mrs Smith provided a background to the patient story and actions taken following the patient's initial comments on NHS Choices. Mrs Smith explained that this patient is now actively involved in Patient/Public representation.

In response to Mrs Godfrey's enquiry as to whether there have been subsequent complaints in this area; Mrs Smith explained that there had been no further complaints. In response to Mrs Alcock's question, Mrs Smith advised that audit of care pathways was undertaken therefore ensuring that staff were adhering to national and local guidance.

INFECTION CONTROL REPORT

Mrs Egan presented the Infection Prevention and Control Annual Report to the Board of Directors outlining key areas of achievement such as zero MRSA for the whole of this period and a 10% reduction in *Cdifficile* from the previous year. Mrs Egan noted the challenges ahead and how the Infection Prevention and Control Service would support staff in meeting these challenges.

In response to Mr Chandler's enquiry regarding the recent decision by Arrowe Park to close visiting due to a Norovirus outbreak and the potential of this happening at the Trust, Mrs Egan explained that the Trust had previously asked relatives not to visit and would potentially consider this again if there was an outbreak.

DIRECTORS' INTERESTS

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

MINUTES OF THE LAST MEETING

After discussion, it was

Resolved

- **To sign the minutes as an accurate record of the Board meeting held on Monday, 4 July 2011 – subject to noting**
 - *Under item 11.07.11.1 Performance Report – Finance Focus*, Mr Oldham noted that it should read "pay costs were below budget with Bank and Agency costs remaining high."
 - *Under item 11.07.11.1 Performance Report – System Delivery Focus*, Mrs Alcock noted that the last line should be deleted.
 - *Under Item 11.07.15.1 Occupational Health Expansion –* Mrs Alcock noted that it should read "Mrs Alcock presented a paper seeking approval for a wider collaborative."

ACTIONS ARISING FROM PREVIOUS MINUTES NOT INCLUDED ELSEWHERE ON THE AGENDA

None noted.

CHAIRMAN'S ANNOUNCEMENTS

11.07.11.1 Nomination and Remuneration Committee – 11 July 2011

The Chairman noted that the minutes would be circulated and reviewed at the September Board Meeting

11.08.7.1 NHS Confederation Conference

Mr Andrew Lansley's key note speech addressed the latest position regarding the Health and Social Care Bill following the listening exercise and the need to ensure the reforms lead to the efficiencies that are required with patients at the centre of all of the plans. The Bill with its modifications will continue its passage through the house after the parliamentary recess

11.08.7.2 FTN Conference with Ernst and Young

The Chairman outlined a number of the presentations, including the Early Warning Signs for Boards and a presentation by Monitor regarding the recognition of financial challenges. Mrs Alcock suggested that Early Warning Signs for Boards could be reviewed at a Board Away Day.

11.08.7.3 NHS Procurement Initiatives

The Chairman attended this event with Mr Oldham looking at the national drive to make procurement savings. The Chairman outlined that Aintree are leading local initiatives to collaborate and buy better and that we are involved in that initiative. The potential to make very large savings across the NHS is present and by pursuing local, regional and national initiatives we could unlock further savings. Procurement savings are already part of our CIP's and we should continue to develop best practice with other parties who are driving these initiatives

11.08.7.4 Meeting with East Cheshire Trust

The Chairman outlined his discussion with the East Cheshire Chairman, Lynn McGill, which covered clinical collaborations and the TCS agenda.

Resolved

- **Early warning signs for boards presentation from FTN Conference to be circulated and discussed at a forthcoming Board Away Day JM**
- **To note the Chairman's report**

GOVERNORS ITEMS

11.08.8.1 Council of Governors Meeting

The Chairman explained that the Council of Governors had ratified Governor representation on Committees and the appointment of Mr Lyons as Lead Governor. The Chairman also explained that the Council had approved the constitutional changes that had previously been discussed by the board including finalisation of the boundary changes for membership recruitment that will now encompass all of

Cheshire and asked the Board to agree to these changes now being progressed. The Chairman noted that the Nomination and Remuneration Committee recommendations regarding the tenure of Mr Hopewell's and Mr Chandler's term of office had also been agreed by the Council. A recruitment campaign will now take place for a non executive director vacancy and be concluded by 31st Oct 2011.

The Chairman outlined that Dr Wood had agreed to lead a review of the National and local Governor surveys and that the Membership and Communication Committee will be reviewing the strategy for membership following the widening of the membership in the constitution.

In response to Mrs Frodsham's enquiry regarding providing feedback to the Governors regarding the Patient Safety Walkarounds, Mrs Bullock explained that a de-brief is undertaken following the walkarounds and all learning and actions are reported through the committee structures where there is Governor representation present.

Resolved

- **To note the report**

CHIEF EXECUTIVE'S REPORT

11.08.9.1 VIN – Cheshire West & Chester Health and Well Being Scrutiny Committee

Mrs Bullock explained that she was to attend a meeting later today, which would be discussing the presentation of a petition to the Council in respect of the In Patient provision at VIN. She also noted that ECT were presenting at the same meeting in relation to the GP Out of Hours provision. Feedback will be given at the next Board of Directors.

11.08.9.2 Interview Process for the Director of Organisational Development & Workforce

Mrs Bullock explained that the position had been advertised and outlined the interview process which would include an evening presentation and round table discussions on the 29th September, with a structured discussion and formal interview the following day. Mrs Bullock confirmed there had been significant interest to date.

11.08.9.3 Major Trauma Update

Mrs Bullock provided an update in relation to previous Board discussions in respect of the national trauma review. The Trust had previously expressed a preference for a major trauma network with the University Hospital of North Staffordshire; however, at that time it was unknown how many Trauma Centres the West Midlands would have. Following a Gateway Review undertaken by the DH a recommendation would be made for 3 Trauma Centres and a full options paper would be

made available for consultation in September. Updates will be provided as they are made available.

11.08.9.4 Executive Away Day – 12 July 2011

Mrs Bullock provided an update on the key agenda items which included the Development Programme for the Executive Directors, ensuring this is aligned to the findings of the board effectiveness, inpatient and staff surveys. Significant discussion took place finalising the action plan to ensure delivery against the Trusts Annual Plan and ensuring the appropriate monitoring arrangements are in place.

11.08.9.5 Clinical Commissioning Consortia

Mrs Bullock advised that meetings continued with the Consortia on a six weekly basis and that a number of joint training and development sessions had taken place. Mrs Bullock explained that reablement monies had been approved by the Consortia and would be focussed on the non elective pathway, reducing admissions, expediting discharge and re-admission avoidance.

The Chairman explained that a meeting of Non-Executive Directors from the Consortia and the Trust is due to take place in September 2011.

In response to Mr Wood's enquiry regarding the stress testing of the productive relationship with the GP Leads, Mrs Bullock explained that this would likely occur during the next round of contract negotiations which would begin in September. However, Mrs Bullock emphasised that relationships were continually being strengthened through the productive work programmes that are currently under way and that a joint after action review of the previous contract negotiations would take place to ensure the best possible starting point for the discussions.

11.08.9.6 Monitor Chief Executive Officer

Mrs Bullock advised that Monitor had not appointed to the Chief Executive Officer role and would now be waiting for Parliaments view on the Health and Social Care Bill, ensuring that the future CEO is aligned to the new remit.

11.08.9.7 Occupational Health – Employee Assistance Programme

Mrs Bullock advised that Occupational Health will be launching an Employee Assistance Programme from 1 September 2011 to provide support services to staff which will be run by Oakdale.

Resolved

- **To note the Chief Executive's Report**

MEDICAL DIRECTOR'S REPORT

11.08.10.1 Orthopaedic Surgeon

Dr Dodds explained that Mr Howard Davies, a second Orthopaedic Surgeon specialising in foot and ankle surgery had been appointed and that a start date was awaited.

11.08.10.2 Dr Foster Mortality Alert re Liver Disease, Alcohol Related.

Dr Dodds explained that the Care and Quality Commission had written to the Trust advising that no further enquiries would be necessary. The Regional Team may wish to follow up progress against the Trusts action plan.

11.08.10.3 Serious Untoward Incidents and RIDDOR Events

Dr Dodds advised of one RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences) reportable incident and noted there were no Serious Untoward Incidents to report to the Board.

11.08.10.4 Board Assurance Framework (BAF)

Dr Dodds explained the updates to the BAF and that these had been approved by the Strategic Integrated Governance Committee. Dr Dodds outlined that this is a live document and has been recognised by the auditors, RSM Tenon, who stated in a draft report that they were assured following a recent audit with no recommendations made.

In response to the Chairman's enquiry regarding the Quality Accounts risk rating being set at 15, Mrs Smith explained that as the Quality Accounts start afresh each year, with potentially new guidance and therefore the risk rating is adjusted.

11.08.10.5 Board Assurance Framework Quarterly reports for January – March 2011 and April - June 2011

Dr Dodds presented the report advising that there were two quarterly reports to be presented. Following the recent staff survey results, Mrs Godfrey asked if further assessments in respect of staff morale and attitude, were conducted. Mrs Alcock explained that local staff surveys are not undertaken however there are a range of meetings and forums with staff to assess these issues and the Investors in People testing will begin again shortly with further focus groups planned. Dr Dodds also explained that bi-monthly meetings are held with the Consultants, Mrs Bullock and himself and sub-speciality meetings are being arranged to allow further feedback with Mrs Smith. Mrs Bullock also outlined the change in delivery of team brief.

Resolved

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

QUALITY SAFETY & EXPERIENCE

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

Mrs Smith presented the report noting that the number of formal complaints received for the month of June was 14. Mrs Smith outlined that meetings with complainants were continuing and that there had been no complaints received by the PCT. Mrs Smith noted that one complaint had been referred to the Ombudsman and this had been discussed at the Complaints Review Panel.

Mrs Smith outlined that the Ombudsman have informed the Trust that they will be investigating a complaint where the final independent review has now been received and that this could take up to six months.

Mrs Smith explained that the complaint trends had shown a decrease in all areas with communication and nursing issues remaining the main trends. Mrs Smith noted that there were 33 closed complaints with 11 upheld, 20 partially upheld and 2 not upheld, with themes including communication, diagnosis and care given.

In response to the Chairman's enquiry regarding C1011/189 recommendations, Mrs Smith outlined the discharge process was audited and in response the check list has been updated and moved to a more prominent place in patient notes.

Mrs Smith noted that there were 2 new claims, 1 new clinical negligence claim, which was partly defensible and 1 employee liability due to a Nurse slipping.

Mrs Smith explained that there had been 249 contacts with the PALs office, with an increase in Surgery and Cancer, 25 relating to the Eye Care Centre with 17 being due to changing of appointments. Mrs Smith noted that this was expected to be reduced due to additional phone lines being installed.

Mrs Smith noted that NHS Choices had four new positive comments.

Mrs Smith highlighted that Patient Experience surveys have been undertaken in Physiotherapy, Audiology and Outpatients with encouraging results, which will be fed back to the Patient Experience Committee.

Mrs Smith explained that Nursing Care Indicators for falls prevention had shown a decrease in the completion of the bedrail assessment documentation, therefore, the layout of the document is being reviewed. Also, that documentation for fluid balance remains an issue.

Mrs Smith did note that there had been a decrease in falls following the Falls Awareness Day. Mrs Smith explained that there had been 2 grade 4 pressure ulcer serious incidents reported and an action plan and root cause analysis is being undertaken.

Mrs Smith outlined that the Pulmonary Embolism reported last month had been removed following the root cause analysis and that there were no Deep Vein Thrombosis in the month. Mrs Smith noted that the VTE assessment compliance was at 78.6% with action plans to improve this to full compliance.

Mrs Smith outlined that nine medication incidents had been reported and in response to Mr Chandler's enquiry regarding the increase in medication incidents, Mrs Smith outlined that there was no particular themes and that each incident is reviewed individually.

Mrs Smith advised the number of crude deaths remained low at 84 and that our mortality rate continued to reduce and was just one point above peer.

Resolved

- **To note the report**

11.08.11.2 Strategic Integrated Governance Committee – 11 July 2011

Dr Dodds presented the Minutes noting the items to be raised to the Board of Directors, including the patient safety action plan which has been signed off as completed by the Strategic Integrated Governance Committee. Dr Dodds also explained that the NHSLA had undertaken a further informal visit and feedback will be given regarding progressing to level 3 in September.

In response to the Chairman's enquiry regarding the Deanery Report, Dr Dodds outlined that only two minor recommendations had been given in the verbal report.

Discussion took place regarding the gaps in junior doctor rotas and Mrs Alcock explained that this is changing on a daily basis and that the Trust has been vocal regarding the fairness of the allocation of trainee Doctors in the region.

Resolved

- **To note the Minutes of 11 July 2011**

11.08.11.3 QuEST – 14 July 2011

Mrs Bullock presented the Minutes noting the items to be raised to the Board of Directors included the provision of the Critical Care Outreach Service, VTE results against targets and delivery against 10/10.

Resolved

- **To note the Minutes of 14 July 2011**

11.08.11.4 Review of Night Time Nursing Care

Mrs Smith explained the background to the night time visits by the Executive and Senior Management teams stating that the first visit took place in December 2010. As this was found to be of such value it was agreed that further visits would take place on a 6 monthly basis and the repeat visit took place in July 2011. Mrs Smith outlined the findings of the visits and explained that this was a valuable exercise and reports would be shared with the Divisions. It was agreed that these reviews should continue.

Mr Craig asked if the Divisions were undertaking their own reviews and Mrs Smith confirmed that Matrons and Lead Nurses within the Divisions do one full night per month.

Resolved

- **To note the report**

11.08.11.5 The Northwest Reducing Mortality Collaborative

Dr Dodds outlined that following the November 2009 Dr Foster Good Hospital Guide, local Chief Executives formed a collaborative to look at improving mortality rates. Dr Dodds explained that the Trust had received an award for the reduction in death from sepsis and that overall the Trust had reduced its mortality rate by 16 points against a planned reduction of 10 points. Dr Dodds noted that the collaborative has now ended but that the work will continue.

In response to Dr Wood's enquiry regarding the figures and possible reduction as a result of the Nursing Home pilot funded by the Trust, Dr Dodds outlined that this had since been rolled out to all Nursing Homes.

In response to Mr Craig's enquiry, Dr Dodds noted that the work on mortality reduction would remain a high priority and outlined the measures in place to ensure this is the case. The Chairman noted that mortality rates would remain high on the board agenda.

Resolved

- **To note the report**

11.08.11.6 Business Case for the appointment of a 7th General Surgeon

Mrs Frodsham outlined the paper and explained that a concept and strategic options paper had already been to the Board of Directors. Mrs Frodsham outlined that the addition of a 7th General Surgeon was

an investment decision based on quality and ensuring the sustainability of the General Surgical on call rota. Mrs Frodsham added that this post was needed to ensure we retained our reputation of excellence in the provision of laparoscopic bowel surgery.

Mr Oldham asked that the key performance indicators are made specific and measurable and that they be reported back to the Board as a benefits realisation paper. Mr Oldham also requested that the investments in radiology and pathology in the business case would only be funded when the increased efficiencies and income were being realised. Mr Oldham asked for assurance that the investment was linked to delivering improvements in the trading position in general surgery in the medium to long term, recognising the upfront investment required to stabilise the service.

Dr Woods noted the trading position for general surgery presented in the business case and the adverse impact this investment will have on the trading figures. It was noted by the board that whilst this is an investment for quality the Trust should look for ways of improving the overall trading position. The Chairman noted that the Clinical Service Strategy review will once again look at all the clinical imperatives and the trading position of all specialties and consideration given to minimising trading deficits and maximising trading surpluses.

Resolved

- **To approve the business case**
- **A benefits realisation paper will be presented to the Board six months after appointment of the 7th Consultant.**

OPERATIONAL DELIVERY

11.08.12.1 Performance Report

Finance Focus

Mr Oldham outlined the income and expenditure position of a surplus of £76K, noting concern regarding high pay costs in month and the actions to ensure that costs are being managed. Mr Oldham outlined that he and Mrs Smith had met with all Ward managers regarding the overspend and would meet again monthly with wards identified as a significant financial risk. Mr Oldham noted that non-pay costs continue to be under spent and that there is a short fall on elective activity in general surgery and orthopaedics, with the revised annual forecast of £719K taking into account these risks.

Mr Oldham outlined the better than anticipated cash position and explained that debts over 3 months old to the Trust have reduced due

to the improvement in payments received from East Cheshire Trust. Mr Oldham went on to highlight that the capital programme is on track. A contingency is in place to potentially slip the restaurant atrium scheme, the third ward refurbishment and the theatre scheduling system totalling circa £1M should the Income and Expenditure position deteriorate.

Mr Oldham detailed progress about the CIP schemes highlighting that the Forecast for delivery of the identified schemes in this financial year was a shortfall of £900K, of this most divisions have plans to cover with non recurrent savings until the recurrent scheme is delivered. The one area of concern remains in Emergency Care where no mitigation has been identified at this stage where a forecast shortfall of £455K is reported. The division are currently working up mitigation against this.

System Delivery Focus

Mr Oldham explained that referrals had increased by 4% from inpatient and other referral activity; however there had been a 4% decrease in General Practitioner referrals. The non-elective activity is above plan, primarily driven by increases in activity in maternity.

Mr Oldham noted that the 18 week Referral to Treatment target had not been achieved in the first quarter but was back on target for June. Mr Oldham also noted that the A&E Target had been achieved and the four additional key performance indicators which will be monitored from quarter 2 had also been achieved for quarter 1.

Mr Oldham outlined that Turnaround times for letters remained at unacceptably high levels in some specialties and that there has been an external review and action plan developed.

Mr Oldham noted that against the national target on 62 day cancers the trust was currently hitting the target; however there were some risks around local targets that may impact on Monitor's interpretation. In response to Dr Wood's enquiry regarding Monitor ratings Mrs Bullock explained that a decision is awaited on whether the Trust will be monitored against the national 62 day cancer target or the local 42-day target. Mrs Bullock outlined that there is continued scrutiny of patient pathways within the Trust.

Mrs Godfrey noted the increase in the number of delayed discharges and Mrs Frodsham explained that there had been an increase in June and this is being closely monitored.

Workforce Focus

Mr Oldham noted the Trust's performance against targets for attendance, retention and appraisals. Mr Oldham noted that Divisional

action plans have been developed with the expectation that the RAG rating will be green by November.

Resolved

- **To note the report**

11.08.12.2 Performance & Finance Committee – Minutes of 1 July 2011

Mr Oldham asked if there were any questions in relation to the minutes of the 1 July 2011, noting that the issues to be escalated from that meeting were discussed in the Board of Directors meeting on the 4 July 2011. No questions were raised. Mr Oldham gave a verbal report on the meeting held on 29 July 2011, noting that the items for escalation to the Board were continuing high levels of Bank and Agency spend, Cost Improvement Programme delivery, Elective income for general surgery and Orthopaedics, and turnaround times in Ophthalmology.

In response to the Chairman's question regarding the ophthalmology issues, Mr Oldham explained that Mrs Frodsham is working closely with the team and Mrs Frodsham outlined that there has been increased growth in ophthalmology and this has proved difficult to maintain with the established workforce, therefore two extra Doctors have been appointed.

Resolved

- **To note the minutes of 1 July 2011**

FIT FOR PURPOSE INFRASTRUCTURE

11.08.13.1 Capital Programme 2011-2012

Mr Oldham highlighted that the paper was to coming to board for final sign off and that Board had previously discussed the detail of this programme during the annual plan sign off. The paper has been through the infrastructure committee where approval to recommend to the Board was received.

Mr Oldham presented the paper and outlined the additional detection systems requested by Cheshire Fire and Rescue of £7K, the restaurant and atrium scheme being subject to full business case, and the increases in backlog maintenance required.

Mr Craig enquired into the link between the atrium and the restaurant given the current image problems with the main atrium and Mr Oldham explained that to increase income the restaurant needs to move to where there is an increased foot fall. Mr Oldham explained that the Estates Department have been asked to look at all commercial opportunities in the business case.

Resolved

- **To approve the paper**

LEGAL ADVICE

Mrs Bullock advised of new legal advice regarding two potential employment tribunal claims and one in respect of Bank Staff regarding the pension scheme.

Resolved

- **To approve the report**

VISITS OF ACCREDITATION, INSPECTION OR INVESTIGATION

11.08.15.1 Towards Excellence – level 2 Accreditation

Mrs Bullock advised that the trust had achieved accreditation at level 2 for the financing function.

11.08.15.2 Care Quality Commission – Dignity and Nutrition Inspection Programme Final Report for Mid Cheshire

Mrs Bullock advised that the Trust had now received the final report which highlighted that the Trust had met the two essential standards for privacy and dignity and nutrition. There had been minor recommendations made in respect of nutrition and an action plan has been developed. Mrs Bullock noted that this report has been shared through the organisation and to the media.

11.07.17.2 LINKs Enter and View Reports for 21 and 22 June 2011

Mrs Bullock advised that reports had been received for the visits on 21 and 22 June and these had been discussed with the Council of Governors. Mrs Bullock noted that these reports had been largely positive with some minor concerns regarding the use of bathrooms on wards for storage. Mrs Bullock also noted that there had been a further visit to ward 4 from LINKs and the report is awaited.

In response to the Chairman's enquiry regarding which Committee these reports are reviewed in, Mrs Godfrey explained that this is the Patient Experience Committee and LINKs have been invited to attend.

11.08.15.3 CPA Visit to Macclesfield Biochemistry Department – 18 July 2011

Mrs Bullock explained that she was pleased to note that the Macclesfield Biochemistry Department had been accredited.

11.07.17.1 DSSA Quality Visit by the PCT/Commissioning Group

Mrs Bullock referred the Board to the circulated positive report.

Resolved

- **To note the report**

BOARD ACTIONS

After discussion, it was

Resolved

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

ANY OTHER BUSINESS

11.08.17.1 Use of the Trust seal - Leases for Third Party

Mr Oldham outlined the lease for the Registry Office, which has been collated by Hill Dickenson. In response to the Chairman's enquiry over the rights of tenure and the flexibility to move the office if required, Mr Oldham outlined that the lease was to 3 January 2014 and there was the flexibility to move the office if required. Mr Oldham also confirmed following an enquiry from Mr Craig, that the lease is at a commercial rate.

TIME, DATE AND PLACE OF FORTHCOMING MEETINGS

9.30am Monday, 5 September 2011 in the Board Room at Leighton Hospital.

Signed

Chairman

Date