

**Minutes of Trust Board meeting held in Public
Thursday 26TH May 2016 from 11:30 to 13:30
Room AD77, Trust Headquarters, East Surrey Hospital**

Present

(AM) Alan McCarthy	Chairman
(RD) Richard Durban	Non-Executive Director and Deputy Chairman
(MW) Michael Wilson	Chief Executive
(DH) Des Holden	Medical Director
(FA) Fiona Allsop	Chief Nurse
(AS) Angela Stevenson	Chief Operating Officer
(PL) Pauline Lambert	Non-Executive Director
(PB) Paul Biddle	Non-Executive Director
(AH) Alan Hall	Non-Executive Director
(RS) Richard Shaw	Non-Executive Director

In Attendance

(GFM) Gillian Francis-Musanu	Director of Corporate Affairs
(MP) Mark Preston	Director of Organisational Development and People
(SJ) Sue Jenkins	Director of Strategy
(IM) Ian Mackenzie	Director of Information and Facilities
(PBU) Peter Burnett	Deputy Chief Financial Officer
(CP) Colin Pink	Head of Corporate Governance

1.	<u>General Business</u>	
	1.1	Welcome and Apologies for absence The Chairman opened the meeting by welcoming Trust Board members, members of the public, shadow governors and staff. Apologies for absence were noted from Paul Simpson.
	1.2	Declarations of Interest – For approval The Chairman asked whether any of the Board members had any additional declarations of interest; none were recorded.
	1.3	Minutes of the last meeting held on 28th April 2016 The minutes of the meeting held on 28 th April were discussed and approved as a true and accurate record with minor non-material changes agreed.
	1.4	Action Tracker
	1.4.1	GFM updated the Board on the following actions which were due: TBP-04: DH confirmed that this Action is now closed. The remaining actions are due in July 2016. There were no other matters arising.

1.5	<p>Chairman’s Report <i>for Assurance</i></p> <p>AM stated that he had nothing to report or discuss with the Board that was not already covered in the Chief Executives report or other agenda items.</p> <p>AM noted that ‘NHS providers’ had just updated its good practice guidance on good governance, which included acknowledgement of the Trust’s contribution. This relates to the Board assurance framework and review of risk.</p>
1.6	<p>Chief Executives report <i>for Assurance</i></p> <p>The Board received and noted the Chief Executive’s report in advance of the meeting.</p> <p>MW updated the Board on the development of Sustainability and Transformation Plan (STP). The focus remains on the development of financially stable system that that improves quality and reduces geographic gaps in outcome and quality metrics.</p> <p>The Trust’s International Nurses Day events had gone well, there had been some particularly inspiring speakers.</p> <p>The Pediatric Diabetes Team had been shortlisted as finalists at the recent BMJ Award relation to the innovations they had made in service delivery.</p> <p>The Board duly noted and took assurance from the report.</p>
2.	<p>Safety, Quality and Patient Experience</p>
2.1	<p>Chief Nurse and Medical Director’s Report <i>for Assurance</i></p> <p>The Board received and noted the report in advance of the meeting.</p> <p>FA reported on the Safer Staffing report which indicates that the Trust has delivered the planned versus actual staffing levels in the inpatient areas and maternity unit against existing template. Reminding the Board that the data format was being reviewed and would change shortly.</p> <p>FA went to update the Board on the overall position for nursing recruitment which was providing good assurance against the plan.</p> <p>The Board discussed the Leading Change, Adding Value framework launched by NHS England’s Chief Nurse in May. FA commented that initial reviews suggested that the Trust’s alignment with the framework is good and that detailed reports would go to the Finance and Workforce Committee.</p> <p>DH discussed the pause in junior doctor’s industrial action and the Trust’s CQUIN position detailed in the paper.</p> <p>The Board discussed the impact of the industrial action and contract negotiations on Junior Doctor moral. DH stated that morale was bruised but there was confidence that the Trust would implement changes in a compassionate and pragmatic way. There is still detail to be resolved particularly the development of rotas. MW reflected on the impact of the STP and delivery of equitable 7 day services.</p> <p>AH asked for an update on end of year position for CQUIN. DH stated that the</p>

		<p>final end of year position was still to be agreed and that it would be reported to SQC shortly. The Board noted that 2016/17 CQUINs were still being agreed and that some will span over a two year period.</p> <p>The Board duly noted and took assurance from the report.</p>
	2.3	<p>Safety & Quality Committee Update (SQC) for assurance</p> <p>The Board received and noted the report in advance of the meeting.</p> <p>RS presented the report highlighting conversations at the meeting relating to a review of March's activity and impact on quality metrics.</p> <p>There had been good assurance taken from the quarterly incident report and meaningful discussion of data and themes presented in the complaints and PALS reports.</p> <p>The Committee had discussed the clinical audit program and are expecting an updated end of year position when all data is available. There was not confidence that each audit is considered appropriately to identify learning and action. It was felt that more can be done to gain value from the efforts already undertaken within clinical audit.</p> <p>RS went on to say that future plans included a deep dive into issues that have manifested in diagnostic serious incidents to build a full picture and level of assurance.</p> <p>PL asked for an update on the discussion relating to numbers of still births recorded in March. DH confirmed that the issue was being reviewed but that the Trust's data indicated that incidence was 10% lower than the national average. An audit had identified no issues or concerns in individual cases focusing on growth scans and their interpretation.</p> <p>PL asked for an update on the Trust's safeguarding training, FA confirmed that the position was improving at 70% coverage and that alternative vehicles for delivery are being explored to deliver training. The Board agreed that the proportion needs to continue to improve and be monitored.</p> <p>The Board went on to discuss the local framework for management and reporting of safeguarding issues. The system as it stands does not provide feedback to alerts that are raised by the Trust. The Trust is working with the system to strengthen processes such that learning can be shared across multi organisations. MW confirmed that children's services are part of the review undertaken by the STP although the focus is service provision rather than the detail of safeguarding.</p> <p>The Board duly noted and took assurance from the report.</p>
	3.	<u>Operational Performance</u>
	3.1	<p>Integrated Performance Report (M01) for Assurance</p> <p>The Board received and noted the report in advance of the meeting.</p>
	3.1.1	Operational & Quality Key Performance Indicators

	<p>AS presented the operational elements of the paper highlighting ED performance at 91.3% and the overall national picture. Medically ready for discharge numbers remain on average at circa 135, this remains an area of local focus as does the management of handover delays between the ambulance service and the ED.</p> <p>Cancer access standards remain an issue, it is unlikely that we will meet the 2 week target for May. There is significant management focus on providing patient choice to improve compliance with the standard. The Board noted how NICE guidance was driving increases in referral rates across all cancer pathways.</p> <p>Referral to treat standards is being met and the Trust remains on its planned trajectory. There is also a drop in number of cases being cancelled on the day.</p> <p>AH asked what needed to be done to reduce the number of medically ready for discharge patients. MW reflected that at any time a percentage of those patients need continuing health care to be in place and that the focus remains on efforts to speed up the process and make clinical decisions that start the process as early as possible. The STP will drive this with the national focus on managing patients at home. Locally there is a need for affordable houses to support the demands on supply of workforce which is acutely felt in recruitment of nurses.</p> <p>FA presented the safety elements of the report highlighting that the Trust's safety thermometer data is moving in the right direction which is positive and that there had been 2 cases of trust apportioned clostridium <i>difficile</i>. The risk of gastroenteritis remains high.</p> <p>DH presented the clinical effectiveness elements of the report, the Trust's HSMR remains better than average. The Clinical Chiefs have agreed that we want, as an organization, to be very good at learning from deaths and as such we will move towards increasing the seniority of review of all deaths. The Effectiveness committee has also resolved to look what can be learnt from all readmissions.</p> <p>FA highlighted that patient experience metrics had improved with particular note of the maternity community response rate for the friends and family test which had significantly improved during April.</p> <p>The Trust's visiting hours trial had finished, which had been well received. Feedback was being reviewed and the plans are being altered to take into account all the learning.</p> <p>3.1.2 Workforce Key Performance Indicators</p> <p>MP noted that the Trust's vacancy rate has increased as has turnover rate which is driving the use of agency. Sickness rate has improved in month.</p> <p>The Board discussed achievement review compliance with completion targets, noting that it remained a high focus and that individual management targets are being set.</p> <p>RS noted the agency use and asked if it was known why overall usage had dropped. FA confirmed that this is due to reduction in escalation areas and the first impact of overseas nurses converting to substantive posts.</p>
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	<p>3.1.3</p>	<p>Finance Key Performance Indicators</p> <p>PBU introduced the financial elements of the report noting that the Trust had reported a £1.3 million deficit at the end of April which is better than the planned position. This is being driven by extra outpatient activity and good delivery of saving plans to date. With the exception of Surgery there is overspending in all, Divisions. These overspends are being reviewed within the performance management framework in the Trust.</p> <p>The overall cash position is better than expected and indicators such as payment performance indicators are favorable.</p> <p>The Board noted that Capital plan was on track.</p> <p>RD agreed that payment to suppliers was improving and remained a focus. The Finance and Workforce Committee is reviewing the implementation of cost improvement plans as there is a £3 million risk attached to end of year delivery, there is however anticipation that this risk will be reviewed regularly.</p> <p>AM welcomed the news that the Trust had reported that the Trust was underspent by £1 million against the plan at the end of April.</p> <p>PBU asked that the Board delegated authority to the Audit and Assurance Committee to review and approve the Trust's 2015/16 annual accounts. This was approved.</p> <p>The Board duly noted and took assurance from the report.</p>
	<p>3.2</p>	<p>Finance & Workforce Committee (FWC) Chair Update – for Assurance</p> <p>The Board received and noted the report in advance of the meeting.</p> <p>RD introduced the report echoing the issues discussed in the earlier agenda item.</p> <p>RD highlighted that the committee had received an overview of the Trust's training plan which was a very positive start, noting that management were still working on the full detail. This had included a strategic review of the main mandatory and statutory training delivery.</p> <p>The Board duly noted and took assurance from the report.</p>
<p>4. <u>Risk, Regulatory and Strategy Items</u></p>		
	<p>4.1</p>	<p>2016/17 - Vision, Values, Strategic Intent & Strategic Objectives – for Approval</p> <p>The Board received and noted the report in advance of the meeting.</p> <p>SJ introduced the paper for approval. As part of the business planning cycle each year a review is undertaken of vision, values, strategic intent and strategic objectives had been undertaken. This had been developed with comments and feedback from the Shadow Council of Governors.</p> <p>The vision has been updated to reflect our desire to be in pursuit of perfection in our journey to become an outstanding organisation.</p> <p>Our four key themes defined as our strategic intent remain the same but</p>

		<p>leadership has been clarified as to being leadership across the system to differentiate it from the well led strategic objective.</p> <p>The Board discussed the emphasis on patient led versus a patient focussed. DH stated that he believed it should be a patient led strategic intent rather than a patient focussed. This was discussed at length and the proposal was not agreed the emphasis would remain on patient focus and clinical leadership.</p> <p>The Board went on to ask SJ to put greater emphasis on IT, medically ready for discharge and development of local services. Action SJ</p> <p>The Board discussed what was meant by local services and agreed that this referred to the development and availability of accessible services aligned to right place first time.</p> <p>With the changes of emphasis agreed the Board duly noted and approved the 2016/17 - Vision, Values, Strategic Intent & Strategic Objectives.</p>
4.2		<p>Finance and Workforce Committee Annual Report – for Assurance</p> <p>The Board received and noted the report in advance of the meeting.</p> <p>RD introduced the report and the Committee adherence to the terms of reference. RD highlighted that there has been increased focus on assurance over productivity and financial planning and performance, reflecting their importance to the Trust.</p> <p>It had been a challenging year and the Committee had applied scrutiny to the assumptions and detail in forecast and financial reporting.</p> <p>There has been less focus on strategy, in part because of the stage reached in our FT journey but also because of agreement that the Board lead on strategy development with sub-committees seeking assurance over strategic delivery.</p> <p>There had been a positive shift in reporting of workforce and organisational development information in year, driven by Mark Preston.</p> <p>The challenge for the next year would be to ensure monitoring of benefits of investment are realised, development of service line reporting and output of the ‘Carter Report’ on costing.</p> <p>The FWC considers that it had met it’s Terms of Reference during 15/16.</p> <p>The Board went on to discuss the Trust’s FT journey the development of a refreshed long term financial model and board governance assurance framework compliance.</p> <p>AM drew the conversation to an end thanking RD for the report and agreeing that the committees objectives and terms of reference are sound.</p> <p>The Board duly noted and took assurance from the report.</p>
4.3		<p>SaSH + transformation partnership with the Virginia Mason Institute – Progress Update – for Assurance</p> <p>The Board received and noted the report in advance of the meeting.</p>

		<p>SJ introduced the paper which detailed an update on progress since February 2016.</p> <p>SJ highlighted the progress that had been made in each of the 3 initial value stream, the leaders training plan that had been developed and the extra advanced lean training that had been agreed.</p> <p>RS asked how the leaders program might impact on the value streams. SJ confirmed that the value streams are specific focus area and ran separately from the ideas and issues that managers may choose to work on.</p> <p>PL expressed concerns over the initial results following the cardiology work. SJ stated that there had been issues at the start of the program but that this resolving and was now back on track.</p> <p>The Board discussed the plan for organising opportunity walks for Board members. The current plan was to develop a schedule that aligns with the value streams. The Board asked for a more structured approach to be developed Action: GFM/SJ.</p> <p>AM highlighted the importance of the Board meeting the expectations in the 'compact' noting that its implementation and supporting communications plan would be key.</p> <p>The Board duly noted and took assurance from the report.</p>
4.4		<p>Update from the Shadow Council of Governors - for Assurance & Approval</p> <p>The Board received and noted the report in advance of the meeting.</p> <p>GFM introduced the report highlighting that The third Shadow Council of Governors had took place on 12th April 2016. The meeting had discussed the annual report from the Audit & Assurance Committee and initial involvement opportunities for governors.</p> <p>The Council had considered the review of the draft constitution and approval of a recommendation to reduce the number of nominated governor seats as Healthwatch had expressed a perceived conflict of interest. This agreement would reduce the council of governors from 29 to 28.</p> <p>The Board was asked to ratify this recommendation from the Shadow Council of Governors.</p> <p>The Board duly approved the recommendation to reduce the overall numbers of nominated governors and took assurance from the report.</p>
<u>Other Items</u>		
5.1		Minutes of Board Committees to receive and note
5.1.1		<p>Finance and Workforce to receive and note The minutes of the Committee were noted with no questions raised.</p>
5.1.2		<p>Safety and Quality Committee to receive and note The minutes of the Committee were noted with no questions raised.</p>

5.2	Any Other Business	AH asked for an update on the development of the Board Assurance Framework. GFM confirmed that the 2016/17 BAF was being developed by the Executive Team and would be considered at the June Private Board.
5.3	Questions from the Public	There were no questions raised.
5.4	Date of the next meeting	Thursday 30th June 2016 at 11.00am in Room AD77, Trust Headquarters, East Surrey Hospital

Note: This is a public document and therefore will be placed into the public domain via the Trust's website in the interests of openness and transparency under Freedom of Information Act 2000 legislation.

<p>These minutes were approved as a true and accurate record. Alan McCarthy</p> <p>Chairman: _____ Date: _____</p>
