

Document:	Minutes FINAL & APPROVED	
Meeting:	Board of Directors (session in public) 27 March 2014, 13:00 – 16:00, Council Chamber, East Court, College Lane, East Grinstead, West Sussex RH19 3LT	
Present:	Peter Griffiths (PAG)	Chairman
	Jeremy Beech (JB)	Non-Executive Director and SID
	Ginny Colwell (GC)	Non-Executive Director
	Steve Fenlon (SF)	Medical Director
	Richard Hathaway (RH)	Director of Finance & Commerce
	Amanda Parker (AP)	Director of Nursing & Quality
	Lester Porter (LP)	Non-Executive Director
	John Thornton (JT)	Non-Executive Director
	Richard Tyler (RT)	Chief Executive
	Shena Winning (SW)	Non-Executive Director
	Graeme Armitage (GA)	Head of HR & Workforce Development [item: 060-14]
In attendance	Heather Bunce (HB)	Programme Director [items: 063-14 to 079-14]
	Brian Goode (BG)	Governor Representative
	Jane Morris (JM)	Directorate Manager: Clinical Specialities [item: 062-14]
	Lois Howell (LH)	Interim Head of Corporate Affairs & Co Sec
	Hilary Saunders (HS)	Deputy Company Secretary (minutes)
Public gallery:	3 members of the public	

WELCOME

051-14 Welcome, apologies and declarations of interest

The Chairman opened the meeting and welcomed those present, including three members of the public. He reminded the board that this was SW and JB's final meeting after more than eight years as non-executive directors. On behalf of the board, the Chairman thanked them for their enormous support and professionalism, and acknowledged the considerable contribution they had made to the success of the hospital during their tenure.

There were no apologies and no new Declarations of Interest

STANDING ITEMS

052-14 Draft minutes of the meeting session held in public on 27 February 2014 for approval

The draft minutes were **APPROVED** as a correct record, subject to the following amendments:

- The minutes to record that BG was in attendance;
- Detail of the discussion held under item [030-14] to be expanded;
- Clarification was sought in respect of provision of consultant level data; however, it was agreed that this month's financial report accurately captured what was required.

053-14 Matters Arising & Actions Pending

The Matters Arising log was reviewed and updated as follows:

- **Item 9 [076-13]:** SW requested this be amended now to include an interrogation of costs for both phases of the theatre development, and asked the board to note that KPMG had also been asked to include review of final Phase I and II costs in their Capital report before it was finalised;
- **Item 11 [133-13]:** To be removed;
- **Item 13: [196-13]:** To be removed and instead included as part of strategic priorities for future business planning.

054-14	<p>Update from the Chief Executive</p> <p>RT advised the board of the following:</p> <ul style="list-style-type: none"> • The annual Staff Awards event had been very successful and contributed towards a recent improvement in morale; • The Senior Team had undertaken an away day to agree the new Key Strategic Objectives and the work plan for next year; • As part of the action plan to ensure the efficacy of the generator, a power shutdown had been planned for the weekend of 26 and 27 April; • RT had attended a further LAT burns meeting, and reminded the board that specialist services were currently reviewing all options before deciding the future strategy; • The additional four theatres were scheduled to open on Monday 7 April. <p>The board NOTED the contents of the update</p>
055-14	<p>Update from the Medical Director</p> <p>SF asked the board to note the following:</p> <ul style="list-style-type: none"> • Rates of compliance for mandatory training had improved; • Ian Francis had now been appointed as substantive Radiologist for QVH, an appointment which was aligned to the new clinical strategic aims; • A senior medical workforce manager had now been appointed to the trust; this appointment was timely in that it would support developmental work required in preparation of the KSS Deanery visit. • The opening of the remaining four theatres would be of great benefit to the theatre teams as they would no longer have to work on a split site. SF assured SW that a lessons learned exercise would be undertaken once all ten theatres were fully functioning; • Following on from RT's update, SF advised that the electrical shutdown would extend across the whole site, with the exception of the new theatre buildings; BG sought confirmation there was a comprehensive communication plan for the planned shut down and was assured this was the case; • The trust was currently advertising for a project manager for outcomes programme of work. <p>The Chairman asked for an update in respect of medical manpower planning and asked the board be provided with an update in the near future. [Action: SF]</p> <p>The board NOTED the contents of the update</p>
SAFETY & QUALITY	
056-14	<p>Quality & Risk Exception Report</p> <p>AP advised that further to recent reports in respect of the trust's microbiology contract, the issues raised now appeared to have been addressed. Other highlights included:</p> <p>Safety Metrics:</p> <ul style="list-style-type: none"> • The investigation into a patient acquiring a pressure ulcer had concluded that all necessary steps had been taken to prevent pressure damage occurring; • None of the three patient falls identified could have been predicated, but thankfully all injuries sustained were minor; • Concern was raised at the WHO compliance levels which had dropped recently; this

	<p>issue was being investigated by the Medical Director;</p> <ul style="list-style-type: none"> The high level of staff incidents recorded related partly to a problem with the new theatre doors, whose weight was causing issues for those staff members with existing musculoskeletal injuries. Attempts being made to resolve the issue but in the meantime staff have been urged to take extra care. <p>Incidents</p> <ul style="list-style-type: none"> The serious untoward incident (SUI) reported to the CCG last month had now been downgraded; however, an internal investigation was underway and the outcome would be reported to the board in due course. Following the recent power failure; generator testing was now undertaken weekly rather than monthly, AP reported that three neighbouring trusts had also experienced failures in power and water during the recent storms. <p>Risks</p> <ul style="list-style-type: none"> JB noted that the risk relating to inadequate health record storage should be split to reflect two separate issues, ie one relating to a trip hazard (currently under review by the risk manager) and the one to a delay in delivery of health records. SW asked why the IT infrastructure risk was not rated between 12 and 15; RT advised SW that recent issues had not been internal, but an external issue which he was assured had been described properly and assessed to the correct level of risk. <p>Patient Experience</p> <ul style="list-style-type: none"> AP assured the board that the Friends & Family red-rated test score for Sleep Studies was a statistical issue rather than a quality one. <p>Quality Account Priorities 2013/14</p> <ul style="list-style-type: none"> AP reported that there had been an improvement in reporting in respect of consent taken prior to the day of surgery. By speciality, Corneo plastics had achieved 83.3%, MaxFacs 71.4%. It was reported that errors had recently been identified in previous recording of plastic surgery team targets and regrettably had given a misleading picture in recent months. Whilst commending SF and AP for their responsive action in resolving this issue, the Chairman asked what action would be taken against those individuals who remained non-compliant. SF noted that errors in data collection had highlighted the trust's need to be absolutely certain of the facts before applying sanctions. Moreover, it would be necessary to ensure those concerned were fully aware of the implications of non-compliance before instigating any penalties. RT concurred core compliance standards should be agreed and clearly communicated to the organisation and it was agreed this would be discussed as part of a future board seminar [Action: RT] <p>CQUINS</p> <ul style="list-style-type: none"> The CQUINS for 2014/15 had been agreed with commissioners; On 18 February, the CQC had undertaken a short notice inspection of compliance with the Ionising Radiation regulations. In general, results had been positive, and further details would be provided at the next Quality & Risk Committee; AP noted that the current F & F response rate requires improvement and reminded the board that next year, there would be a CQUIN target associated with this; The staff F & F test starts on 01 April and will be reported each quarter. This will also be included as part of next year's CQUINs target. <p>The board NOTED the contents of the update</p>
057-14	<p>Board Assurance Framework</p> <p>AP reminded the board that the BAF was updated quarterly by Executive leads; this version had been reported to the Quality and Risk Committee in February and the Audit Committee in March;</p> <p>SW noted that historic data still appeared on the current version. RT assured the board</p>

	<p>that AP and LH were currently reviewing the reporting cycle in order to bridge this gap; JT observed these issues had already been identified at last week's Audit Committee. In addition, it had also been agreed that current format was not helpful and would therefore be updated and aligned to the new KSOs.</p> <p>The board NOTED the contents of the update</p>
058-14	<p>Quality Account Priorities</p> <p>AP summarised the proposals for the Quality Account priorities for 2014/15 as follows:</p> <ol style="list-style-type: none"> 1. Provision of clinical outcome measures 2. Scheduling of elective surgery 3. Increase in number of elective patients receiving treatment on the day ('see and do' clinics) 4. Introduction of electronic system to evidence staff staffing levels are provided on wards <p>RT asked the board to note that these aligned well with streamlining and operational efficiency, and that the Clinical Cabinet was broadly in agreement with the proposals, with the proviso in respect of elective surgery scheduling. AP stressed the importance in particular of providing evidence relating to safe staffing levels and reminded the board that this was linked to the Francis Inquiry, and further supported by the National Quality Board. The Chairman suggested that this report be made more meaningful for a member of the public. RT concurred and explained that he was currently realigning the new KSOs with QVH 2020; these in turn would be aligned to the Quality Account priorities and a more appropriate document would be developed for the general public.</p> <p>The board NOTED the contents of the update</p>
059-14	<p>C-Wing Report: formal response and action plan</p> <p>In presenting his formal response and associated action plan, RT stressed the importance of distinguishing between his role as a member of the 'lessons learned' group and his formal role as the trust Chief Executive. He reminded the board that it was in respect of his role as CEO that he had taken responsibility to translate the board's endorsement of the C-Wing report into a detailed action plan.</p> <p>The action plan was reviewed and RT advised updates would be provided to the board on a quarterly basis; moreover, the action plan would be cross-referenced with emerging priorities from QVH 2012 to ensure common themes were identified.</p> <p>BG reminded the board that this should be communicated to governors and was assured this was now in the public domain.</p> <p>With reference to item [10.6a] LP asked that the wording be changed from annual board 'report' to 'discussion'. LH agreed to update and recirculate any changes via email [Action: LH]</p> <p>The Chairman commended LH and RT on setting out the requirements with such clarity and the board NOTED the contents of the update</p>
BUSINESS PERFORMANCE & DELIVERY	
060-14	Workforce Performance Report

	<p>GA tabled several additional reports at the meeting to expand on this month's standard update. Key points were as follows:</p> <ul style="list-style-type: none"> • Sickness levels had improved but were still not on track. GA reminded the board that a more challenging target of 2% would be implemented next year. GC queried this decision believing it might be deemed too aggressive, although GA assured that this could be achieved through efficient and effective use of staffing, and noted that this was also the target within KSS. • Measures implemented to address the trust's financial position were now taking effect, with significant reduction in bank and agency costs. These would remain in place for the foreseeable future. • The bi-annual safe staffing levels review, undertaken by the Director of Nursing, had been incorporated into this month's report; whilst levels in Burns and Peanut were being maintained, there had been an increase of bank and agency in C-Wing and this would need to be addressed by using eRostering more effectively • Statutory and mandatory training percentages had increased steadily throughout the year, even taking into account that the figures didn't include those staff booked to undertake training. Whilst there were still timing issues in the reporting of data, GA asked the board to note that the figure provided a more accurate position now than had been in previous years and therefore the baseline for 2014/15 will be an improved starting position. The trust was moving towards greater uptake in online training, which would also be used to address the issue of short notice cancellations and DNAs. The Chairman observed that even meeting the target of 80% compliance, 20% of staff would remain non-compliant. GA explained why there would always be a small number of staff in this category, for a variety of reasons, but assured the board that action would be taken for any member of staff who remained non-compliant for a period of longer than 3 months. RT concurred 20% was a reasonable level of non-compliance and the trust would manage the risk accordingly; • A presentation tabled at the meeting described a review of workforce productivity reporting which would encompass both quality as well as financial productivity. GA had been working with AP to develop a scorecard using existing information in a more meaningful way. This would be introduced first in the wards and then rolled out across other areas within the trust. If the board was satisfied with this new approach, the resultant changes would be produced in a working example format for the April board meeting, followed by the first formal report in May and then monthly updates and quarterly trend data analysis. The board commended GA on the model and looked forward to seeing further development in future. <p>The Chairman thanked GA for his update and the board NOTED the contents of the report.</p>
061-14	<p>Financial Performance Report</p> <ul style="list-style-type: none"> • RH reported the financial position had improved this month but was still £436k below plan at a surplus of £1.6m. Whilst the trust had taken action to improve the financial position by year end, achieving the planned surplus would remain challenging. • RH drew the board's attention to the cash balance which was lower than had been in the past standing at £4,334k, (and below plan); RH warned that pressure on cash was likely to continue. • SW asked for clarification regarding Pay and Non-Pay and was advised that both were overspent in the month; pay largely within medical staffing and some nurse agency, Non Pay because of general activity related and other overspends • Despite recent difficulties, RH asked the board to note that the new Continuity of Service Risk Rating for the trust was at the top rating, being a 4. <p>The Board NOTED the contents of the report.</p>

062-14	<p>Operational Performance Report:</p> <p>JM joined the meeting to present on the key issue of RTT18 with RH. RT advised that an exception report had now been submitted to the CCG and to Monitor, advising that the trust would need to fail its corporate target in order to clear backlog; however, he stressed the importance of maintaining the confidence of commissioners and regulators by presenting a structured plan.</p> <p>JM reported that the trust had failed the target in February and explained contributing factors to this breach were due to combined effect of Sleep Studies, Plastics and Corneo, although it was still possible that current figures could change following validation. JM stressed that the Plastics team was striving to get back on track but there was still a significant backlog of patients who had waited longer than 18 weeks following the earlier shortages of junior doctors, coupled with a sharp increase in referrals in July (more than 300 referrals than ever before) 'for consultants to do cases' which were now emerging through the system. Corneo had continued to experience capacity issues particularly surrounding Cataract patients and 'consultant to do only' cases. This had been further compounded by the lack of experience of the current fellows within the speciality. Early warning systems had been developed for the future, and extra sustainable capacity would be provided with the opening of Theatre 11; in the meantime, however, March was likely to fail the target and the shutdown over Easter could exacerbate the situation further, although the trust was planning not to fail the April target. In the meantime, an intensive support team from PWC had been invited into the trust in April to provide support and advice.</p> <p>RH advised that the Monitor risk rating remained green for 2013/14 however, it should be noted a third consecutive quarter failure in Q1 of 14/15 would place organisation 'under review' RT reiterated that whatever the final outcome, the trust still intended to provide Monitor with its action plan to provide continued assurance</p> <p>The board NOTED the contents of the update.</p>
063-14	<p>Site Redevelopment Phase 1: Analysis of Costs</p> <p>RH advised there that a meeting had taken place on 26th March to discuss the final account for the Theatres project. The format for the final report of costs was agreed but not all subcontractors had yet submitted invoices so final costs were not yet available. It was anticipated this would be brought to the May Board for information.</p> <p>The board NOTED the contents of this update.</p>
GOVERNANCE	
064-14	<p>Information Governance Toolkit Submission</p> <p>RH reminded the board that the IG toolkit was a self-assessment of compliance against information governance requirements. He reported that the trust had submitted evidence which increase its 2012/13 score from 76% to 81% for 2013/14. This represented a satisfactory score.</p> <p>The board NOTED the contents of the report</p>
STRATEGY	
065-14	<p>Delivering Excellence: QVH 2020 (monthly update)</p> <p>RT advised that the first phase of the QVH 2020 Clinical Strategy was now concluded and</p>

	<p>had been approved by the Clinical Cabinet. A more detailed update would be provided in the closed session of the meeting. A work programme was being developed and a new project manager had been appointed to start in April. It was anticipated that tangible benefits would start to be seen from 2014-15.</p> <p>The board NOTED the contents of the update</p>
066-14	<p>Site Redevelopment Programme:</p> <p>HB presented the monthly report and confirmed that the Phase II theatres were still on target to open on 7 April.</p> <p>The board NOTED the contents of the update</p>
067-14	<p>Capital Programme:</p> <p>HB reported that the capital programme for 2013/14 would be carried over to 2014/15. A project manager had been appointed to lead on the Jubilee heating work (including Burns heating and the hot water system in Prosthetics). Work was scheduled to commence on 01 May.</p> <p>The board NOTED the contents of the update</p>
068-14	<p>Business Plan for 2014/15</p> <p>RH summarised the business plan process which had taken place over the previous few months. Budget setting/business planning had been developed in two stages, ie the two-year operational plan and the five-year strategic plan. A surplus of £2.2-£2.5m was forecast, with investment assigned to improvements in the IT infrastructure and the estate.</p> <p>The Monitor plan would be circulated for information to the Board [Action: RH]</p>
REPORTS FROM THE CHAIRS OF THE SUB-COMMITTEES TO THE BOARD	
069-14	<p>Clinical Cabinet</p> <p>RT reported that week one of this month's meeting had focused on the clinical strategy, with members of the board in attendance. At the week three meeting, issues relating to performance and quality had been discussed.</p> <p>The board NOTED the contents of the update.</p>
070-14	<p>Audit Committee</p> <ul style="list-style-type: none"> SW advised that the quarterly Audit Committee meeting had taken place on 18 March, with no major issues to report. She did however, wish to draw the board's attention to the draft KPMG report on the trust's capital projects and contract management review which contained significant recommendations; these would need to be implemented to ensure best practice before undertaking the anticipated IT investment programme. SW confirmed that Internal Audit were on track for the KPMG final account deadline, and also asked the board to note that the existing contract had been extended for this financial year. Finally, SW noted that PWC would be supporting the trust on the RTT18 review. <p>The board NOTED the contents of the update.</p>
071-14	Charitable Funds Advisory Committee

	<p>LP updated the board on the committee meeting which had taken place earlier in the day. New legislation had been introduced in respect of Charitable Trusts but he was assured this would not cause significant issues for a trust the size of QVH.</p> <p>The Committee had also received its first quarterly update in respect of the new R & D appointment, which had been very positive.</p> <p>The board NOTED the contents of the update.</p>
GOVERNOR REPRESENTATIVE & NON-EXECUTIVE DIRECTORS	
072-14	<p>Report from the Governor Representative</p> <p>BG asked for an update in respect of the Savile report. AP advised she would be meeting with the DoH shortly and confirmed that a final report would be published in June.</p>
073-14	<p>Observations from the Chairman and Non-Executive Directors</p> <p>The Chairman reported that, at its meeting on 13 March, the Council of Governors had approved a recommendation for the trust to start the recruitment process for a new Chairman. It was anticipated the new appointment would join the board in June 2014 as a NED and assume the substantive role of Chair in April 2015.</p> <p>The board NOTED the contents of the update.</p>
QUESTIONS FROM OBSERVERS	
074-14	<p>One member of the public, (and former governor) asked the board to confirm to what extent it recognised Dr Bull's observation, whilst still in the post of CEO at the trust, that QVH would need to identify new methods of good economic clinical practice in order to advance organisational (and financial) efficiency. He also asked to what extent the trust was moving in the direction of a modified organisational structure in order to promote economic medicine for the benefit of both patients and the wider community.</p> <p>RT responded by concurring with Dr Bull's statement that the trust certainly needed to develop a sustainable model in order to survive in the long term. He provided a synopsis of the QVH 2020 Delivering Excellence strategy which was designed to identify excellent - but sustainable – services whilst joining productivity with growth. SF cautioned that maintaining an appropriate workforce was paramount regardless of any technological advances that might be made and noted there could be no substitute for the human element in patient care.</p> <p>The Chairman thanked those members of the public present. There being no further questions, the meeting was closed at 15:45</p>

Chairman..... Date.....