***For accuracy, it should be noted that items [119-19] and [120-19] were taken ahead of [117-19]***

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| **Document:** | | **Minutes FINAL AND APPROVED** | |
| **Meeting:** | | **Board of Directors (session in public)**  **Thursday 4 July 2019, 10:00 – 13:00, Education Centre, QVH site** | |
| **Present:** | | Beryl Hobson, (BH) | Trust chair (voting) |
|  | | Kevin Gould (KG) | Non-executive director (voting) |
|  | | Steve Jenkin (SJ) | Chief executive (voting) |
|  | | Abigail Jago (AJ) | Director of operations (non-voting) |
|  | | Michelle Miles (MM) | Director of finance (voting) |
|  | | Gary Needle (GN) | Non-executive director (voting) |
|  | | Karen Norman (KN) | Non-executive director (voting) |
|  | | Ed Pickles (EP) | Medical director (voting) |
|  | | Clare Pirie (CP) | Director of communications and corporate affairs (non-voting) |
|  | | Jo Thomas (JMT) | Director of nursing (voting) |
|  | | John Thornton (JT) | Non-executive director (voting) |
| **In attendance:** | | Hilary Saunders (HS) | Deputy company secretary (minutes) |
|  | | Nicolle Ferguson (NF) | Patient Experience Manager **(item 98-19)** |
|  | | Dave Hurrell (DH) | Deputy director of workforce |
| **Apologies:** | | Geraldine Opreshko (GO) | Director of workforce and OD (non-voting) |
| **Public gallery:** | | Five members of the public including three governors. | |
| **Welcome** | | | |
| 97-19 | **Welcome apologies and declarations of interest**  The Chair opened the meeting and welcomed members of the public. She noted GO’s apologies and welcomed DH who was representing her at today’s meeting.  There were no new declarations of interest. | | |
| **Standing items** | | | |
| 98-19 | **Patient story**  A patient (Mr S.) had written recently to the Director of Nursing commending the quality of care he had received from the team in MIU. His wife (Mrs S.) had subsequently agreed to join today’s meeting to feedback on his experience. She opened by explaining that although her husband had been attending MIU following a fall, he was also managing a range of co-morbidities. Gill McMurdie, the nurse treating him had been concerned at how he had presented initially and urged him to attend East Surrey Hospital for further investigations. As a result of this assessment, Mr S. had subsequently been admitted by East Surrey NHS Trust for emergency surgery which had probably saved his life. Whilst he was still very frail his mobility had improved and Mrs S. applauded the holistic care and attention provided by Gill, and also praised Lesley Fritter, the receptionist on duty at the time.  Whilst noting that this case reflected the majority of care provided at QVH, the Board asked if there was anything that could have improved their overall experience. Although not affected directly, Mrs S. remarked on the frustration expressed by other patients at the length of waiting times. JMT advised that the Trust was currently looking into the feasibility of an MIU appointments system, which may go some way to addressing this.  The Chair thanked Mrs S. for attending today’s meeting and on behalf of the Board would write to thank Gill McMurdie and Lesley Fritter.**[Action: BH]** | | |
| 99-19 | **Draft minutes of meeting held in public on 2 May 2019**  The draft minutes of the meeting held in public on 2 May were **approved** as a correct record, subject to the following amendments:   * 82-19 (Paediatric burns business case): The wording of the Board’s decision to engage with commissioners and the LSEBN to seek support for provision of additional mitigations, (including a temporary divert of inpatient paediatric burns patients), would be made more explicit. * 87-19: Operational performance to read: *‘… e-Vetting has been rolled out on DeRS; eRS e-vetting is being piloted with a view to roll out but will be dependent on fit with other projects*.’ | | |
| 100-19 | **Matters arising and actions pending**  The Board received and approved the current record of matters arising and actions pending. As part of this, the Board formally **approved** a decision taken at the June seminar (acting on the advice of CQC) regarding revised Statutory and Mandatory training requirements. The new standard would now be 90%. | | |
| 101-19 | **Chair’s report**  The Chair presented her report, asking the Board to note that this should have read: *‘at the last board meeting we congratulated the* ***Maxfacs*** *team for a significant improvement in their waiting times, which is due to a great team effort.’*  There were no further comments and the Board **noted** the contents of the update. | | |
| 102-19 | **Chief executive’s report**  SJ presented the content of his regular update as follows:  CEO report:  Highlights of his report included:   * Publication of the Care Quality Commission (CQC) report, with QVH retaining its overall Good rating and maintaining Outstanding for the caring domain. * Results of the NHS inpatient survey 2018, with only eight acute specialist trusts categorised within the highest band, including QVH. * Thanks to the League of Friends which had been a tremendous supporter of the hospital, last year committing expenditure of over £475,000. * The recent Volunteers coffee morning, which SJ and JMT had attended to thank all volunteers for their work in supporting the hospital. * National issues:   + The Provider sector deficit was £571m at year-end, £177m worse than the planned deficit of £394m.   + The number of patients waiting longer than 52 weeks is improving significantly, although QVH is an outlier in this respect, partly as a result of patient choice.   + Following concerns raised in respect of child cancer standards, SJ noted parallels with regard to the Trust’s provision of inpatient paediatric burns; although safety and clinical outcomes remained of a very high standard at QVH, the Trust has always been cognisant of the national direction of travel around children’s services and will ensure any relevant learning from this review will be carefully considered.   The Board sought additional clarification in respect of the Patient First initiative, noting that the Executive Management Team (EMT) would consider priorities against available resources. Some elements had been introduced immediately, for example the performance review process is now aligned directly to the Trust’s KSOs.  BAF  The entire BAF had been reviewed at its meeting on 17 June, together with the corporate risk register. Improvements had been seen in Workforce, although key risks remained in respect of financial sustainability.  Dashboard  The Board reviewed the latest integrated performance dashboard summary which highlighted key indicators from all areas within the Trust. It showed sustained improvement in workforce and also that KSOs 1 and 2 were performing well, but also highlighted deteriorating performance of the financial plan YTD. Focus on achieving CIP was continuing.  The Board suggested that an additional statistic might be included relating to waiting lists. It was agreed that EMT would consider this proposal further. Feedback would be provided through the Finance and performance committee (F&PC). **[Action: SJ]**  Media  The Board focused on the article published in The Guardian raising concerns about the Trust’s gender pay gap. CP emphasised that equal pay for equal work is of course the law, and that the gap was due to 54 of our highest-earning consultants being male, compared with only 18 female consultants. It was anticipated that this ratio would improve as more female consultants join the Trust, and as current female doctors progress into more senior roles, but this would take a prolonged period of time.  The Board commended a video which had been produced recently by Kathryn Langley, Trust Communications manager, thanking staff for all their hard work following publication of the CQC inspection report.  There were no further comments and the Board **noted** the content of the update. | | |
| **Key strategy objective 5: organisational excellence** | | | |
| 103-19 | **Board assurance framework**  DH presented the latest BAF for KSO5, noting in particular progress in finalising ESR hierarchy with the ledger which should be complete by the end of July. MM commended the effort by all teams, (including operations and nursing), in achieving this.  DH also noted that the NHS interim people plan had now been published. | | |
| 104-19 | **Workforce monthly report**  DH presented the latest workforce report asking the Board to note in particular:   * The continued improvement in annualised rolling turnover position. * The referendum being undertaken by the BMA with junior doctor members around proposed changes to the 2016 terms and conditions. * The quarterly update on the People and OD strategy. QVH had been awarded the full allocation of £51k funding for the 2018/19 CQUIN due to its detailed health & wellbeing plan. * The Board was asked to disregard the final sentence in the KPI appraisals narrative, which had been carried over from a previous report.   The Board sought and received clarification in respect of the following:   * As the risk regarding recruitment and workforce team constraints had been reduced following appointment of a permanent recruitment manager, it was noted that resource implications on the report’s front cover should be updated. **[Action: GO]** * How the diverse range of intelligence gathered from the online staff feedback initiative would be utilised. DH explained that analysis would take around 2/3 weeks after which key themes would be fed back through the Hospital Management Team. It was agreed results would also be reported at the August Finance and performance committee. **[Action: GO]** Wider corporate communications would include *‘you said, we did’* updates through Connect and the CEO blog. * Key themes from the national interim people plan included the need to address the acute shortage of nurses; however, there were no tangible plans at present, and whilst discussions around reintroduction of bursaries had opened, no progress had been made to date. * The reasons why there had not been a corresponding fall in use of bank and agency staff, despite high levels of substantive staff now in post. DH explained that some recent appointments were recruited to support operational requirements and whilst there had been some early success following the international recruitment programmes, a fall in bank and agency staff might not become apparent until at least Q4. * When the Trust might expect to be able to establish its business as usual running costs. AJ reminded the board that in parallel the theatres and outpatient productivity work would also support a drive towards this. However, it was noted that given national shortages, it would be unrealistic to expect zero use of bank and/or agency staff.   There were no further comments and the Board **noted** the contents of the update. | | |
| **Key strategy objectives 1 and 2: outstanding patient experience and world-class clinical services** | | | |
| 105-19 | **Board assurance framework**  KSO1  Given the extensive programme of backlog maintenance undertaken over the last year, EMT had met to consider whether KSO1 (risk 2) relating to the condition of the estate was still relevant. The proposal was for wording to change to *‘In a complex and changing health system, commissioner or provider led changes in patient pathways, service specifications and location of services may have an unintended negative impact on patient experience’.*  The Board sought and received assurance that controls and assurance would be updated accordingly, and **approved** the revised statement.  KSO2  There were no changes to current risk ratings for KSO2. The Board also noted that KSOs 1 and 2 had been subject to the routine ‘deep dive’ assurance process at the June Audit committee meeting.  The Board went on to discuss the difference between *‘Future risks – specialised commissioning future intentions’* and *‘Future opportunities – QVH led specialised commissioning’,*  receiving additional clarification as to the distinction.  There were no further comments and the Board **noted** the contents of the update. | | |
| 106-19 | **CQC inspection report**  JMT formally apprised the Board of the outcome of its Care Quality Commission (CQC) inspection. The Trust had retained ‘Good’ overall with ‘Outstanding’ patient care.  The report had listed 14 minor recommendations which had been added to the action plan, together with a further five minor actions identified following review of the CQC evidence appendix report. The action plan will be monitored on a monthly basis by the Clinical Governance Group and implementation evidence will be stored and presented to the CQC for assurance.  JMT would meet with CQC to establish how the Trust might move from ‘Good’ to ‘Outstanding’ overall.  The Board considered the report and associated action plan and sought clarification as follows:   * CQC do not rate effectiveness in Outpatients anywhere, because there is a lack of nationally reported data specific to outpatients that would allow them to make that assessment. * The Patient First methodology, which the Trust was introducing, would be the overarching strategy into which all action plans were aligned. Adopting this continuous improvement programme was part of the CQC action plan, but no detailed plan for this was in place at this stage. * Organisations with significant challenges are often still awarded an Outstanding rating if they are able to provide clear assurance as to how such challenges are being managed.   There were no further comments and the Board **noted** the outcome of the CQC inspection and subsequent action plan. It also commended JMT and her team for the way in which this process had been managed. | | |
| 107-19 | **Quality and governance assurance**  KN presented a verbal update following the recent Quality and governance committee meeting, asking the Board to note in particular:   * The risk which had been added to the corporate risk register relating to reduced numbers of Corneo Fellows. This was being carefully monitored by the executive lead and business unit manager. * Concerns cited in the Ofsted report for West Sussex Safeguarding.   There were no comments and the Board **noted** the contents of the update. | | |
| 108-19 | **Corporate risk register (CRR)**  In addition to the risk previously highlighted by KN, the Board was again reminded that the risk regarding recruitment and workforce team constraints and limitations had been reduced following the appointment of a permanent recruitment manager.  The Board queried whether the risk relating to Canadian Wing staffing vacancies could be reduced in light of the success of the international recruitment programme; however, JMT advised that this rating should be maintained until staff had been fully inducted into the organisation.  There were no further comments and the Board **noted** the contents of the update. | | |
| 109-19 | **Quality and safety report**  JMT presented the KSO1 element of the Quality and safety report, asking the Board to note in particular details of the South East Critical Care Network’s visit to the Trust’s critical care unit and improvements seen since its last visit. The network had fully accepted that our service provision was safe.  EP provided an update on discussions around networked care between BSUH, QVH, WSHT and ESHT as follows:   * Job plans for three new posts for networked Oral and Maxillofacial Surgery have been finalised, providing an on-call rota to the Major Trauma Centre (MTC) at Royal Sussex County Hospital, and orthognathic, head and neck cancer and trauma surgery to the Sussex area. * The discussions regarding improved plastic surgery for trauma support to the MTC have progressed and a new proposal is in development but may require significant investment from both trusts. The immediate risk regarding lower limb orthoplastic surgery remains, and a small number of cases are being referred from BSUH to other orthoplastic centres. * EP and SJ had attended the first Sussex Acute Collaboration Network meeting. Draft terms of reference and governance structure had been developed and would be brought to the September board meeting. **[Action: EP]** The Board sought and received assurance that QVH was still looking towards Kent as part of the overall solution and would not divert all its energy to Sussex.   There were no comments and the Board **noted** the contents of the update. | | |
| 110-19 | **National inpatient survey results**  JMT presented the results of the 2018 national inpatient survey which had ranked QVH as one of only eight acute specialist trusts to be given the CQC’s branding of ‘much better than expected’ by patients, and drew the Board’s attention in particular to the significant positive improvements reported for patients at QVH.  In response to questions raised by the Board, JMT confirmed:   * The Trust had anticipated the comments regarding rating of hospital food (relating to choice rather than quality), but significant work had since been undertaken to improve this. * The survey coordination centre used the same methodology in every hospital to ensure consistency of results.   There were no further comments and the Board **noted** the results of the 2018 national inpatient survey. | | |
| 111-19 | **Paediatric burns update**  EP provided an update following the Board’s decision to engage with commissioners and the LSEBN to identify additional mitigations in respect of the current paediatric inpatient burns service. Key points included:   * With the support of the burns network and NHS England, the Trust was now making arrangements for a temporary divert from 01 August 2019 of all inpatient paediatric burns patients from Kent, Surrey and Sussex to the specialist centre for children’s burns at St Andrew’s Burn Centre, Broomfield Hospital, Chelmsford or the specialist unit for children’s burns at Chelsea and Westminster Hospital, London. * This was a temporary divert only at this stage as the Trust would still wish to consider if this could eventually be managed as a shared service with BSUH, following opening of new buildings in 2021. * A reminder of the longer term impact this may have on other paediatric inpatient and outpatient burns care at QVH. * The communications plan ensuring full engagement with the Health Oversight and Scrutiny Committee (HOSC), Healthwatch, commissioners, governors and other stakeholders.   A further report would be provided to the Board at its meeting in September. There were no more comments and the Board **noted** the contents of the update. | | |
| 112-19 | **Clinical strategy priorities update**  EP reported that priorities would be aligned to the Trust’s strategy of people, productivity and partnerships; a formal paper would be presented to the Board at its meeting in September. | | |
| **Key strategy objectives 3 and 4: operational excellence and financial sustainability** | | | |
| 113-19 | **Board assurance framework**  KSO3  The KSO3 BAF had been reviewed at the recent Finance and performance committee (F&PC). Changes since the last report were highlighted, with risks aligned to the corporate risk register.  KSO4  MM drew the Board attention in particular to:   * 2019/20 cost improvement plan gap and under delivery year to date. * Detailed forecasting will commence from M03 onwards, earlier than in previous years. * All clinical areas had signed budgets, and there was evidence of better engagement this year.   There were no further comments and the Board **noted** the contents of the update. | | |
| 114-19 | **Financial, operational and workforce performance assurance**  JT presented his assurance report following the (F&PC) meeting on 24 June. The highlights included:   * Evidence of continued improvement in Operations, but a lower level of assurance within Finance. * EDM roll out will recommence in plastics. An external consultant has been appointed to assess any clinical risks within the project. This was a significant project and more time would be dedicated to this subject at the next F&PC.   There were no further comments and the Board **noted** the contents of the update. | | |
| 115-19 | **Operational performance**  The Board received the latest update on current operational performance, seeking additional clarification as follows:   * Whilst it may still be a challenge to achieve 52 week performance targets by September, (excluding the patient choice factor), risks continued to reduce. * Plans in place to reverse the decline of performance in Ophthalmology, including the appointment of a short term locum, capacity and demand managed at sub-speciality level and the appointment of a new business unit manager whose focus would be on this specialty. * Clinical outcomes of virtual follow up clinics had not been specifically factored into an evaluation plan, although the Board was assured that the model adopted by QVH had been tested and was already in use elsewhere.   There was a brief discussion as to the reason for the 21% rise in increase in referrals under the two week wait standard compared to January/February data. AJ confirmed that she was monitoring this and would include any indicators of the drivers of this in future F&PC reports.  The Board commended the Total pathways metric which provided additional assurance on data.  There were no further comments and the Board **noted** the contents of the update. | | |
| 116-19 | **Financial performance**  MM presented the latest financial performance update asking the Board to note in particular:   * QVH was one of only four providers nationally not to agree their control total. Instead the Board had agreed to submit a revised operating plan for 2019/20 with a forecast deficit of £7.4m. * The Trust had delivered a deficit of £2.1m year to date (YTD) which was £0.5m worse than plan. A backlog in clinical coding had created a reporting lag which would result in an adjustment of £0.2m behind plan. Capacity within the coding team had now been increased. * YTD under performance was largely due to reduced income from change in case mix in inpatient Plastics. Improvements in income elsewhere had been offset by reduced activity and income in Oral electives. * The pay position is £136k above plan due to vacancies within all staff groupings, apart from medical. Compared to the last six months of 2018/19 there had been a decrease in use of agency staff largely within Nursing. * The non pay position was slightly over budget due to clinical supplies overspends. * The cost improvement plan (CIP) dashboard showed the Trust on plan for MO2, but an additional £600k was yet to be identified. In June, NHSI/E had met with the executive team to help pinpoint additional opportunities to close the unidentified CIP gap but this had led to the identification of only minimal gains so far. * As a result of monthly deficits the Trust has had to borrow money from NHS Funds, which it has started to draw down.   The Board discussed the latest update noting in particular:   * Disappointment that central support to achieve its CIPs had not been forthcoming as this had been part of the basis on which the Trust submitted the revised deficit plan. In the meantime, performance reviews considered ways in which to drive down costs, and the executive team continued to meet on a bi-weekly basis with a specific focus on CIPs. * Whilst the Trust had little influence over underperformance of non-elective activity, this impacted detrimentally on income. * A brief discussion on the likelihood of the Trust meeting forecast at year-end. Key priorities included achieving the 92% referral to treatment standard, eliminating 52-week waits, and addressing challenges around costs. * Cash flow management had resulted in a delay in payments in the final week of May and the Board sought assurance that invoices would be approved on a timely basis, particularly remaining mindful of small suppliers.   There were no further comments and the Board **noted** the contents of the update. | | |
| **Governance** | | | |
| 117-19 | **Review of committee chairs and membership**  The recent appointment of two new NEDs and the planned departure of JT at the end of September meant that new committee chairs needed to be appointed and NED attendance at committees agreed. BH presented a report which included a proposal maximising resources available to the Board and as far as possible fairly distributed committee attendance across the NEDs.  There were no comments and the Board **approved** the recommendation. | | |
| 118-19 | **Appointment of Senior Independent Director**  The Chair presented a report with a recommendation for GN to become the next Senior Independent Director with effect from 01 October 2019.  BH confirmed that GN had expressed an interest in taking on this role, assuming Council of Governors and the Board of Directors were in agreement.  The Board sought and received assurance that GN would be available for the additional commitments this role would require.  There were no further questions, and BH confirmed that Council would be consulted on this recommendation at its meeting in July. | | |
| 119-19 | **Annual approval of Standing financial instructions**  MM provided the Board with an update on changes made to Trust Standing Financial Instructions and accounting policies over the last twelve months. The current Standing Financial Instructions (SFIs), showing tracked changes were appended to the report.  MM advised that Audit committee had recently reviewed these and was recommending to the Board for approval.  After due consideration, the Board **approved** the revised SFIs, noting these would come into effect immediately. | | |
| 120-19 | **Annual approval of Standing orders and reservation of power/scheme of delegation**  MM provided the Board with an update on changes made to Trust Standing Orders, and Reservation of Powers and Scheme of Delegation over the last year. Changes were itemised on the report’s cover sheet.  The Audit committee had reviewed these and was recommending to the Board for approval.  Following a short discussion, the Board **approved** the revised Standing orders and reservation of power/scheme of delegation, noting these would come into immediate effect. | | |
| 121-19 | **Audit committee assurance**  The Board received an assurance report following the meeting held on 19 June. | | |
| 122-19 | **AOB**  On behalf of the Board, BH thanked John Belsey who had been the lead governor for almost three years. He had stepped down this year due to his many other commitments but will remain as a governor. BH had appreciated in particular his wise counsel and support. | | |
| 123-19 | **Questions from members of the public**  A member of the public gallery commended the level of scrutiny applied to the business discussions today. | | |

Signed: ………………………………………… (Chair)

Date: …………………………………………….