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| **Document:** | **Minutes FINAL & APPROVED** |
| **Meeting:** | **Board of Directors (session in public)****Thursday 4 May 2017, 10.00 – 13.00, Boardroom, Blond McIndoe Research Centre, QVH RH19 3DZ***(Please note that item 67-17 was taken ahead of 66-17)* |
| **Present:** | Beryl Hobson, (BH) | Trust Chair |
|  | Ginny Colwell (GC) | Non-Executive Director |
|  | Steve Jenkin (SJ) | Chief Executive |
|  | Sharon Jones (SLJ) | Director of Operations |
|  | Ed Pickles (EP) | Medical Director |
|  | Lester Porter (LP) | Senior Independent Director |
|  | Clare Stafford (CS) | Director of Finance and Performance |
|  | John Thornton (JT) | Non-Executive Director |
| **In attendance:** | John Belsey (JEB) | Lead Governor |
|  | Geraldine Opreshko (GO) | Director of Human Resources & Organisational Development |
|  | Clare Pirie (CP) | Director of Communications and Corporate Affairs |
|  | Hilary Saunders (HS) | Deputy Company Secretary (minutes) |
|  | Nicky Reeves (NR) | Deputy Director of Nursing |
| **Apologies:** | Jo Thomas (JMT) | Director of Nursing |
| **Public gallery** | Four members of the public, (including three governors) |
| Welcome |
| **63-17** | **Welcome, apologies and declarations of interest**The Chair opened the meeting and welcomed NR who was representing JMT today. She went on to welcome those in the public gallery. Apologies were noted as above. There were no new declarations of interest. |
| **Standing items** |
| **64-17** | **Draft minutes of the meeting sessions held in public on 2 March 2017 for approval**CS asked that additional text be added to item 48-17. Subject to this, the minutes of the meeting held on 2 March were **APPROVED** as a correct record. |
| **65-17** | **Matters arising and actions pending**The Board received and **APPROVED** the current record of matters arising and actions pending,  |
| **66-17** | **Chief Executive’s report**SJ presented his CEO report, asking the Board to note in particular that:* QVH had achieved its control total this year making it eligible for STF bonus funding from NHS Improvement. He recognised the hard work undertaken by all staff in attaining this goal. The Board recognised this as a fantastic achievement and asked that thanks be conveyed to everyone concerned;
* A good response had been received so far to the listening events being arranged this month to discuss the findings of the staff survey with staff members;
* Clare Pirie has been appointed Director of Communications and took up post on 1 May.
* MaxFacs services transferred from East Sussex Healthcare NHS Trust (ESHT) to QVH in April;
* As part of the ongoing programme leadership development for staff, Michael West gave a presentation in April on Cultures of High Quality and Compassionate Care which had been very well received;
* Following the latest publication of Segmentation ratings, QVH was again placed in segment 2. The Board was cognisant of the difficulties in meeting the RTT-18 target of 92%, and advised that NHSI had recognised this as an issue to be addressed. However, it was also noted that resolution of the issue was unlikely to be a priority for NHSI at present, and the Board agreed the Trust should keep the matter live;
* The risk score for KSO4 (Financial Sustainability) had improved as a result of the Trust achieving its control total, cost improvement and productivity plans. However, the risk score for KSO5 had increased due to the impact of difficulties in recruitment and retention, particularly in paediatrics, ITU and theatres;

The Board went on to discuss the implications of the latest update, including:* Assurance that improvement in the KSO4 rating should not infer that the Trust was backward looking; instead the rating reflected the Trust’s ability to deliver and maintain this key strategic objective;
* Agreement that the wording of KSO5 should be revised to better describe its aims and align to the Leading the Way initiative;
* Concerns regarding governance arrangements for the Sussex and East Surrey Sustainability and Transformation Plan (S&ES STP). Draft governance plans were due for consideration by the programme board this month. As Chair of the oversight group, BH agreed to keep the Trust Board apprised of developments.
* Although Clinical Commissioning Groups (CCGs) within the S&ES STP were financially challenged, SJ noted that the CCG appeared keen to meet with QVH and Surrey and Sussex Healthcare NHS Trust to formally progress the Five Year Forward View;
* Assurance that the new BSUH/Western management arrangements appeared to be working well;

There were no further questions and the Board **NOTED** the update. |
| **Key strategic objective 1: outstanding patient experience** |
| **67-17** | **Patient story**BH welcomed Natalie Butt to the meeting. She reminded those present that the rationale behind the ‘patient story’ session was to ensure that the patient remained at the centre of what we do as an organisation.Natalie began by describing a series of consultations at hospitals across the South East Coast, (including QVH) which she had attended whilst seeking treatment for a tooth extraction. She went on to explain that as an anorexic, she was aware that her physical and mental health could be severely impacted even by very straightforward procedures. However, despite explaining her case history in great detail and reiterating her concerns, Natalie felt that clinical staff had not listened to her. As a result, and despite the skill and professionalism of the team treating her on the day, following procedure she had been left in a great deal of pain, and without the appropriate medication. Asked what we could have done better, Natalie highlighted the importance of treating the patient as an individual and taking into account any specific concerns.BH said that it was important to learn from patient stories and the Board discussed various ideas which could improve the patient experience in the future. NR also emphasised the importance of recognising the patient as the ‘expert’ in his or her treatment.The Board thanked Natalie for taking the time to come in and to describe her experience. |
| **68-17** | **Board Assurance Framework**As part of the KSO1 update, NR reported that the inpatient paediatric service had been reduced due to vacancies. Her update described in detail how the Trust was currently working on developing an alternative staffing model in an attempt to address the issues. The Board then went on to consider the parameters that would enable or limit the achievement of KSO1, noting in particular:* Paediatric teams would require assurance that this service would remain at QVH for the foreseeable future. Whilst considerable work had been undertaken last year on the paediatric and burns service strategy, it was only recently that the Trust had been able to gain momentum in developing a revised service model;
* Issues with staffing on the Paediatric unit were not dissimilar to those within Critical Care - where high staff numbers would be required at crucial times, but were superfluous at others. There could be opportunities to upskill Paediatric staff using a similar model to the one introduced within Critical Care which would maximise resources whilst improving job satisfaction;
* Physicians would have to be made available at the Royal Alexandra Children’s Hospital, Brighton, but it was noted that planning for this was inextricably linked to the overall BSUH/QVH strategic review;
* Strategic progress would be developed by the Executive Management Team, whilst quality concerns would be monitored via the Quality and governance committee; both would ultimately report back to the Board.

NR closed by reminding the Board that despite current challenges, the Trust was still achieving positive feedback through the Friends and Family Test, and the inpatient survey.There were no further questions and the Board **NOTED** the contents of the update.  |
| **69-17** | **Corporate Risk Register (CRR)**NR reported that the new Head of Risk (Karen Carter-Woods) was currently undertaking a review of the CRR and this would be updated in the coming months. The latest register was noted by the Board who asked for further explanation in respect of Risk ID 936 (Eye bank facilities unfit for purpose): Although there was still much work to do, this risk had related specifically to space restrictions which it was believed was no longer the case. SLJ agreed to confirm and report back at the next meeting **[Action: SLJ]**There were no further questions and the Board **NOTED** the contents of the update. |
| **70-17** | **Quality and governance assurance report**GC presented the regular quality and governance report, providing information and assurance in respect of meetings and activities in March and April. The Board queried membership of the Clinical Governance Group. GC explained that of a total of 23 members, only 11 had attended the last meeting and so the Group’s membership would be reviewed.GC reminded the Board that the Quality and Safety strategy would be presented for approval later in the meeting, and asked members to note that a smart action plan would be incorporated into the strategy in due course.There were no further questions and the Board **NOTED** the contents of the update. |
| **71-17** | **Quality and safety**NR presented the regular Quality and safety report which included updated quality information and assurance on the quality of care at QVH. She began by drawing the Board’s attention to the three Quality Priorities for 2017/18 being presented for approval today. These comprised increased theatre productivity; mouth care matters and improving patient experience in outpatients. Whilst the Board was satisfied with the priorities identified, it suggested additional clarity was required to demonstrate how these would be measured. Noting that a decision was needed today in order to meet the Quality Account deadline, the Board **APPROVED** the priorities for 2017/18 with the proviso that specific targets be agreed through EMT, Q&GC and ultimately the Board. **[Action: JMT]**Other highlights included:* Details of the case of a patient who had suffered a fall. NR went on to explain that falls had been reviewed in February with checks undertaken for assurance that assessment and learning was appropriate. In the case of the individual patient who had a series of repeated falls, although preventative action had been taken, repeat falls were sustained due to the patient’s non-compliance;
* The Trust was on track to achieve 1% reductions for overall antibiotic use, although it would not achieve 100% on the 72-hour review of antimicrobial prescriptions;
* The recent increase in complaints. These were currently reviewed at performance review meetings and no particular themes had been identified. However, SJ advised that the team would be undertaking trend analysis to drive forward improvement. An update would be provided in due course. **[Action: JMT]**
* CS asked the Board to note that the recommendation for improvements to signage and walkways had been adopted, but that the programme would be undertaken in stages.

GC referenced an issue (included in the Medical Director’s update) relating to Mortalities. It was noted that details of these, plus patient cancellations would be considered at performance review meetings and reported back to the Board through the Quality and safety update. **[Action: JMT]**There were no further questions and the Board **NOTED** the contents of the report. |
| **72-17** | **Inpatient survey**It was noted that the Inpatient survey had previously been considered at length by the Council of Governors, the Joint Hospital Governance meeting and the Quality and governance committee. The subsequent action plan would be monitored through the Patient Experience Group and Quality and governance committee. There were no further questions and the Board **NOTED** the contents of the review. |
| **Key strategic objective 2: world class clinical services** |
| **73-17** | **Board assurance framework**EP reported that the BAF for KSO2 remained unchanged from the previous meeting. There were no further questions and the Board **NOTED** the update. |
| **74-17** | **Medical director’s report**EP presented his regular MD update, highlighting the following:* QVH mortalities. EP updated the board on progress since publication in December of the CQC report: “Learning, Candour and Accountability”. The National Quality Board has produced a framework for investigating mortality which requires the Trust to develop a policy on how it responds to, and learns from, deaths of patients who die under its management. EP and GC are leads for the policy and timetable for policy development and its requirement for Structured Judgement Review (SJR) of mortality case notes was approved at last month’s Q & G. As part of the MD’s report the numbers of mortalities and the numbers subject to SJR will be reported to Board from September 2017. An annual summary will be included as part of the Quality Account from 2018;
* No ‘never events’ or Serious Incidents had been reported since the last Board meeting;
* A visit by the SEC Critical Care Network on the 10th March to our Critical Care Unit. Its report highlighted progress, (particularly with the appointment of a consultant with Intensive Care accreditation). Plans to merge SDU and ITU/HDU into a combined, co-located critical care unit were almost complete.
* An update on the Clinical Sussex and East Surrey STP Clinical board;
* As reported under the CEOs report, transfer of inpatient maxillofacial surgery services from East Sussex Hospital (ESH) to QVH started on 1 April. These new trauma pathways appeared to be serving patients effectively.
* BSUH and QVH would be meeting shortly to discuss a draft Partnership Agreement for specialist services provision, (including paediatric burns, lower limb ortho-plastic trauma, dermatology and maxillofacial surgery). This was an important step in securing safe, sustainable pathways for patients. It was anticipated that any draft agreement reached would be presented to the Board of Directors for review at its meeting in July .**[Action: EP]** The Board highlighted the importance of a strong programme structure noting this had been instrumental to the success of the ESH transfer of work.
* Under Medical and Dental staffing, EP asked the Board to note that the NHSI Medical Locum spend reduction target for 2017/18 was actually £52,000 (not £520,000). CS noted this figure represented approximately one quarter of annual spend on medical agency staff in 2016/17, and that the Trust would be unable to achieve its control total under these circumstances.
* Two new consultant plastic surgeons had been appointed, one covering predominately breast and perineal reconstruction work at QVH and MTW, and the other covering breast reconstruction and orthoplastic work at QVH and BSUH.
* Junior Medical Staff & New Junior Doctors Contract: One ‘exception report’ had been submitted and was currently being investigated by the Guardian of Safe Working. Findings would initially be reported through the Quality and governance committee.

LP suggested it would be helpful to have a seminar on clinical audit. It was agreed this would be added to the programme of events. **[Action: CP]**There were no further questions and the Board **NOTED** the contents of the report. |
| **Key strategic objectives 3 and 4: operational excellence and financial sustainability** |
| **75-17** | **Board assurance framework**KSO3SLJ highlighted the demand and capacity issues in MaxFacs. These were exacerbated by the lack of the PTL or visibility of waiting lists at Medway, and the increase in referrals. She then drew the Board’s attention to capacity issues in referring trusts which impacted negatively on QVH. In addition, where QVH provided services at spoke sites, it was constrained in providing additional clinics as any host trust would naturally prioritise its own activity.The next KSO3 update would incorporate additional risks created by recently introduced clock starts.KSO4CS asked the Board to note:* As reported under 66-17, the risk rating had fallen from 20 to 16, a reflection of the Trust’s ability to deliver and maintain this key strategic objective;
* Under the capped expenditure process, (part of the STP) all organisations had been requested to identify £92m of savings as a means to getting to the breakeven total, which could impact on referrals from the CCG. This target was challenging within the CAPEX guidance and the assumption was that this target could be delivered without further changes to the target. Once details were finalised these would be reported through F&PC.
* The Board considered remaining gaps in controls and assurances, with CS explaining how some of these should gradually move across to the controls/assurance column in the coming months.
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| **76-17** | **Financial and operational performance assurance report**JT presented an assurance report in respect of matters discussed at the Finance and performance committee meeting on 24 April. Current workforce issues were of great concern to the Committee with no clear resolution in sight. JT also went on to advise that given the importance of the wards and outpatient efficiency/productivity programme, the Committee had requested a more co-ordinated and considered report.There were no further comments and the Board **NOTED** the contents of the update. |
| **77-17** | **Operational performance**The Board noted the contents of the operational performance report and went on to seek clarification on the likelihood that once Medway data was fully visible, it could result in deterioration in the 18RTT position. SLJ explained that Medway currently has the third longest RTT18 waiting list in the country - which gives an indication of the performance issues QVH might face. SLJ described both the long and short term plans being put in place to mitigate this, but warned that the levels of risk would be revised in light of the situation. There were no further comments and the Board **NOTED** the contents of the update. |
| **78-17** | **Financial performance**CS presented a report which had previously been considered by the Trust’s Executive Management Team and the F&PC. This detailed the Trust’s unaudited financial performance for the 12 months to 31 March 2017. The Trust had delivered a surplus of £886k in month, £626k above plan and £305K greater than forecast; the year to date surplus was £2.3m. CS reminded the Board that these figures did not take into account the impairments and evaluations process, and would be adjusted for the final review at the Audit Committee on 18 May.Other highlights included* That the CIPP was ahead of plan;
* That CAPEX was £60k under target, (although the roofing project on the Jubilee building was continuing);
* The Trust as in a strong position in respect of cash (£7.8m)
* The score for overall use of resources was currently 1; this was the highest score achievable.

CS noted that more could be done to ensure that annual leave was taken within the current financial year. GO suggested that the implementation of e-solutions could improve ways in which this was monitored.JEB highlighted a section of the report relating to fines and challenges. He noted that the value of the challenges rejected after investigation amounted to almost £1.9m and commended the Head of Commerce and her team for such an achievement. The Board paid tribute to everyone in the organisation who has played a part in achieving such challenging targets and again asked that thanks be passed on to all concerned.  |
| **Key strategic objectives 5: organisational excellence** |
| **79-17** | **Board assurance framework**GO presented the latest update, asking the Board to note:* As reported under 66-17, the wording of KSO5 would be revised to better describe its aims and align to the leading the Way initiative;
* The residual risk rating had been adjusted to 12 to reflect concerns raised at F&PC regarding staff engagement and the impact of recruitment and retention in key national shortage specialties;
* Additional risk had been identified through:
	+ the introduction of agency caps and IR35;
	+ The capacity of the recruitment team to support the initiatives required to address recruitment and retention challenges. GO advised that a new recruitment team leader had recently been appointed which should show improvements in the next couple of months.
* Further investment had been made in key workforce e-solutions which should make current processes more efficient and effective.

There were no further questions and the Board **NOTED** the contents of the update.  |
| **80-17** | **Annual Workforce review**GO presented the 2016/17 workforce review. In particular she drew the Board’s attention to:* Challenges with turnover and recruitment which the Trust had experienced this year;
* Improvement in both the compliance and the quality of appraisals this year. The compliance target had been raised from 85-95% with effect from April 2017.
* Statutory and mandatory training compliance rates would also increase to 95% from January 2017;
* The Q4 Friends and Family Test responses had been triangulated with the Staff Survey responses and results would be used to inform the QVH Conversation events taking place in May;

The Chair queried if the effects of Brexit had affected staff numbers. GO responded that there had been no direct effect to date, although the Trust would be affected by the impact on social care.There were no further questions and the Board **NOTED** the contents of the update. |
| **Board governance** |
| **81-17** | **Appointment of Senior Independent Director**CP reminded the Board that at its meeting in April, the Council of Governors had agreed with the Chair’s recommendation that John Thornton be appointed the new Senior Independent Director from September 2017. The Board **APPROVED** the recommendation, whilst noting that the SID would also assume the position of the Deputy Chair of the Council of Governors. |
| **82-17** | **Board of Director annual declarations**CP reported that annual declarations for 2017/18 had now been completed and returned to the Trust. |
| **83-17** | **Audit committee**LP presented a report of the meeting held on 22 March. The Board considered its contents and the following items were noted:* The final Head of Internal Audit opinion declared that substantial assurance could be provided that the Trust’s Assurance Framework was sufficient to meet requirements and that there was an adequate and effective system of internal control. A copy of this opinion would be included in the 2017/18 annual report.
* Auditors had completed the penetration test prior to the final cyber-security audit, and there were no issues of concern.
* Confirmation that KPMG would be unable to provide a clean limited assurance in respect of the 18-week RTT and 62-day cancer wait targets.
* A copy of the 2017/18 work plan would be circulated to the board for information;
* The Audit committee would review its process for circulation of draft minutes. At present circulation was confined to committee members and attendees only, plus the Trust Chair **[Action: CS]**
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| **84-17** | **QVH Charity**LP presented a report following the meeting held on 30 March. He reminded the Board that an application for funding for the redevelopment of the Emergency Burns Assessment Area had been approved via email by the Corporate Trustee (as permitted under the Trust’s standing orders).There were no questions and the Board **NOTED** the contents of the update. |
| **85-17** | **Quality strategy**The Board reviewed the Quality strategy which had been presented today. It noted that this was a good step forward, however concerns were raised that it was not clear how progress was to be measured. After further discussion, the Board **APPROVED** the Quality strategy noting that SMART objectives would be included at a later stage. |
| **86-17** | **Quality and governance committee: Terms of reference**Terms of reference for the Q&G had been revised recently to reflect that formal business meetings would in future be held on alternate months. The Board went on to **APPROVE** the updated Terms of Reference. |
| **Any other business** |
| **87-17** | There was none |
| **Observations and feedback** |
| **88-17** | **Feedback from key events and other engagement with staff and stakeholders**The Board acknowledged that it had referenced various key events that members had attended throughout today’s meeting, and that there was nothing further to add. |
| **89-17** | **Questions from members of the public**There were none. |

Chair …………………………………………………. Date ………………………