

Document:	Minutes FINAL & CONFIRMED	
Meeting:	Board of Directors (session in public) Thursday 7 July 2016, 10.00 – 13.00, The Cranston Suite, East Court, East Grinstead RH19 3LT	
Present:	Beryl Hobson, (BH)	Trust Chair
	Ginny Colwell (GC)	Non-Executive Director
	Steve Fenlon (SF)	Medical Director
	Ian Playford (IP)	Non-Executive Director
	Clare Stafford (CS)	Director of Finance and Performance
	John Thornton (JT)	Non-Executive Director
	Richard Tyler (RT)	Chief Executive
In attendance:	Chipo Kazoka (CK)	Interim Company Secretary
	Sharon Jones (SJ)	Director of Operations
	Chris Orman (CO)	Governor Representative
	Nicky Reeves (NR)	Deputy Director of Nursing
	Hilary Saunders (HS)	Deputy Company Secretary (minutes)
Apologies:	Lester Porter (LP)	Senior Independent Director
	Geraldine Opreshko (GO)	Interim Director of HR and OD
	Jo Thomas (JMT)	Director of Nursing
Public gallery	Four members of the governing body	

Welcome

109-16

Welcome, apologies and declarations of interest

BH opened the public session and welcomed four members of the public to the meeting.

She then went on to congratulate RT and SF on their recent appointments. Although the board expressed regret at their departure, it recognised the respective exciting opportunities offered to each and wished them every success in the future.

The Chair also noted this would be CK's last day at QVH and thanked him for his support in recent weeks. Clare Pirie would be joining QVH as the new Head of Corporate Affairs next week.

Apologies were noted as above. There were no new declarations of interest.

Standing items

110-16

Draft minutes of the meeting session held in public on 5 May 2016 for approval

The minutes of the public meeting held on 3 March 2016 were **APPROVED** as a correct record, subject to the following amendments:

- Nicky Reeves to be included as an attendee in the public gallery;
- 81-16: 'rations' to read 'ratio'

111-16

Matters arising and actions pending

The board reviewed the current record of matters arising and actions pending.

Having assumed responsibility for the NHS Protect remit since the last meeting, CS updated the board of the extensive work carried out by JMT immediately following receipt of the NHS Protect report. She asked the board to note that the NHSP security specialist had commended the trust

	<p>for the calibre of its response. CS continued by apprising the board on the status of the actions recorded on the matters arising document. The board noted the contents of the update and proposed that as these actions were already incorporated into NHSP action plan they should be removed from matters arising. Instead the board would in future receive progress updated through the regular Q & GC assurance reports.</p> <p>The remainder of the matters arising update was then received and APPROVED.</p>
112-16	<p>Chief Executive's report</p> <p>RT presented his regular update on progress and risks to the main internal targets. He also apprised the board of external issues likely to impact on the trust's ability to achieve those targets. In particular he drew attention to the further iteration of the Sustainability and Transformation plan (STP) which had been released since publication of the board papers. This had been described as a 'plan for a plan' and as such did not require formal sign-off by individual organisation. The board's subsequent discussion on the current status of the STP included the following:</p> <ul style="list-style-type: none"> • The latest iteration would be reviewed by NHS England in July. Further work would be required prior to the next submission in September'; • Guidance as to how services might be consolidated was still anticipated and RT stressed the need for QVH to play an active part in developments; • Whilst there had been efforts to combine pathology services in the area in the past, these had been unsuccessful. (In the meantime, the medical director apprised the board of the reasons why it the trust's histopathology services would stay on site). • Consensus that the STP leadership stakeholder event held on 27 June had been limited and should not be defined as a consultation event. The Chair had agreed to feed back the views of those members of the board who had attended the event and also raise at the Sussex Chairs network. • A suggestion that the BAF 'green' competition rating for future threats should be carefully monitored in coming months. <p>There were no further questions and the Chair thanked RT for his report, the contents of which were NOTED by the board.</p>
113-16	<p>Corporate Risk register (CRR)</p> <p>RT presented the latest CRR, developed to provide assurance that risks were being identified, reviewed and updated in a timely manner. The following points were noted:</p> <ul style="list-style-type: none"> • An additional risk had been added in respect of the departure of both the CEO and medical director within a short space of time; • In addition to the ID number, the details of the risk itself should be included when reporting on those which had been removed from the register [Action: JMT] • That the risk relating to junior doctor industrial action should be reinstated following the recent decision by junior doctors to reject the latest contract reform proposals. [Action: JMT] <p>There were no further questions and the Chair thanked RT for his report, the contents of which were NOTED by the board.</p>
Key strategic objective 1: outstanding patient experience	
114-16	<p>Board Assurance Framework KSO1</p> <p>NR presented an update reporting that a breakdown of BAF risks in respect of KSO1 had been presented to the recent Audit committee. Discussion had included detail of controls and assurances, and of gaps in controls and assurances which were currently being progressed. The report also cross-referenced the corporate risk register (CRR) for items relating to patient experience. In addition NR drew the board's attention to the trust's nursing consultation which was currently in progress. Changes were due for implementation from 1 August. She also reported that a new quality and safety strategy was currently being developed.</p>

	There were no further questions and the board NOTED the contents of the update.
115-16	<p>Patient story: experience</p> <p>Natalie Jones, lead nurse for adult safeguarding, joined the meeting to report on a recent incident at QVH. Thanks to the intervention of nursing and safeguarding teams, an investigation involving social services and the police resulted in the patient being taken to a place of safety.</p> <p>The Chair thanked NJ and her team on behalf of the board, for their response to the situation and also for taking the time to share a heart-warming and inspiring story with the board.</p>
116-16	<p>Quality and Governance assurance report</p> <p>GC presented an assurance report on the work of the Q&GC. In particular, she asked the board to note that in order for the committee to be able to focus on high risk areas, the committee is considering whether to separate 'high risk' from 'mitigated risk' categories and manage them accordingly. A proposal would be considered at the July Q&GC and the board apprised of developments in September [Action: GC]</p> <p>GC reported that a review of the Q&GC's effectiveness was currently underway, the results of which would be reported to the Audit committee in due course.</p> <p>There were no further questions and the board NOTED the contents of the update.</p>
117-16	<p>Quality and safety report</p> <p>NR presented the Q & S report detailing the latest information and providing assurance that the quality of care at QVH was safe, effective, responsive, caring and well-led. She asked the board to note the following;</p> <ul style="list-style-type: none"> • Whilst the wording describing the C.Difficile case was ambiguous NR assured the board that the 'lapse in care' indicator was inaccurate. However, additional training had been identified in the light of updated CCG guidance; • The Minor Injuries Unit (MIU) was now meeting its targets; • Following an increase in the number of medication errors reported, a standard operating procedure was currently being developed for staff. Further work was ongoing to understand the issues impacting the measurement of controlled drugs and what actions were required to improve and sustain performance. GC assured the board that sufficient detail was being provided by Pharmacy to provide assurance to the Q&GC, and that the implementation of the standard operating procedure would also support improvement. In addition, training was being targeted in specific areas; • Following the serious incident (SI) reported in February, NR advised that the coroner's conclusion was 'misadventure'. In response to a question from the board, SF explained that there was no statutory obligation for the board to report the incident, however, it would always wish to launch an internal investigation and report conclusions at the Joint Hospital Governance meeting. • The results of the National Inpatient survey 2015 had been published and were included in the board report. Overall, QVH had scored better than other trusts across ten relevant sections of the survey and was also the top scoring trust in the South, achieving top scores in the country for 15 of the questions. The only question on which QVH had scored worse than average was choice of food. It was noted that the trust had made improvements to the quality and choice of food for patients. However, and whilst the score had improved from previous surveys this remained a priority for the coming year. <p>The Chair thanked NR for her update, the contents of which were NOTED by the board.</p>

118-16	<p>6-monthly nursing workforce review</p> <p>The latest nursing workforce review was presented to the board. This covered the period from 1 October 2015 to 31 March 2016, with the board noting that some information was already out of date. NR confirmed that this report included the impact of the 2016/17 cost improvement programme which reduced the nursing workforce, and also the potential impacts of the current nursing consultation. However, she stressed that data was triangulated on a monthly, weekly and daily basis to ensure safe staffing in all areas.</p> <p>The board went on to discuss the implications of the report, highlighting the following:</p> <ul style="list-style-type: none"> • Concerns with regard to retention of staff. Due to the size of the organisation, opportunities for career progression were limited although it was hoped the restructure following the nursing consultation would go some way towards alleviating this problem; • Concerns about education and training and the impact of the withdrawal of the NHS bursaries; • Confirmation that MIU would continue to close at 8pm in line with other trusts, unless there were exceptional circumstances; • Clarification in respect the high reference cost for burns critical care. The specialist nature of our intensive care coupled with limited scope for economies of scale would continue to inflate reference costs; • A description of the new mechanism for monitoring agency spend, (now imposed across the whole organisation), and the development of a 'ready reckoner' to assist the trust in managing its allocation. GC warned of the need to remember lessons learned following the Mid-Staffordshire report. NR assured the board that whilst the trust needed to be prudent, safety would always be the priority. <p>The board went on to:</p> <ul style="list-style-type: none"> • NOTE the staffing review; • AGREE that following this review, no additional nursing establishment is required in order to maintain safe staffing levels; • NOTE the efficiency work streams regarding flexible use of inpatient beds and flexible temporary redeployment of staff; • NOTE the introduction of the CHPPD tool to support safe care provision; • NOTE the reduction in the gap from funded versus actual establishment required; • NOTE the pilot to reduce staffing on the paediatric ward at night for a specific cohort of patients.
119-16	<p>Care Quality Commission (CQC) action plan</p> <p>The trust's official CQC action plan was circulated to the board for information. NR reminded the board that the CQC was keen to work with the trust to raise its rating from 'good' to 'outstanding'. There were no further comments and the board NOTED both the plan and the progress made to date.</p>
120-16	<p>National Inpatient survey report 2015</p> <p>The board received the National Inpatient survey report for 2015, and NOTED the excellent results achieved by the trust.</p>
121-16	<p>Annual report for child and adult safeguarding</p> <p>The board received the QVH safeguarding annual report for 2015/16. The board commended the safeguarding team for its significant improvement this year. GC queried the current level 2 training compliance rates and was assured these would rapidly improve in the coming year. There were no further comments and the board NOTED the contents of the annual report.</p>
<p>Key strategic objective 2: world-class clinical services</p>	
122-16	<p>Board Assurance Framework KSO2</p>

	<p>The current risk rating remained red. However, SF reported that changes to 'out of hours' cover would be implemented on 1 August and should be reflected in the BAF by September. Other factors affecting the rating included a shortage of dental middle grade posts. SF went on to describe the challenges the trust was facing and the impact a shortage of staff would have on the trust's ability to deliver the service at a reasonable cost.</p> <p>There were no further questions and the board NOTED the contents of the update.</p>
123-16	<p>Medical director's report</p> <p>The medical director update this month highlighted the following:</p> <ul style="list-style-type: none"> • The trust had recently held its annual research day which had been well attended; • A strong field of candidates had expressed an interest in applying for the post of Medical Director. Interviews would take place later this month; • The debate over seven-day services continues at national level. Whilst few disagree with the aims of the proposal, concerns had been expressed as to how these would be delivered within current resources • As described previously, as part of the out of hours urgent care improvements, job plan revisions for consultant anaesthetists were now complete and would come into effect in August. • Following the result of the junior doctors' ballot the trust intended to press ahead with the introduction of the revised contract. On the whole, the trust had a good relationship with its junior doctors and SF anticipated a gradual acceptance, but noted it might not be so straightforward elsewhere. No further details regarding consultant contract negotiations were available at this stage. <p>The Chair thanked SF for his update, the contents of which were NOTED by the board.</p>
Key strategic objectives 3 and 4: operational excellence and financial sustainability	
124-16	<p>Board Assurance Framework KSO3 and KSO4</p> <p>The BAF updates for KSOs 3 and 4, previously reviewed by the F&PC, were presented for information.</p> <ul style="list-style-type: none"> • There were no changes to KSO3 from the previous update. However, SJ reported that the National Cancer Breach Allocation guidance had changed with a fairer allocation of the breach for shared breaches when a referral was later than 38 days. • CS outlined reasons for the red rating for KSO4. These included the enhanced cost control and also delays in capital expenditure on backlog maintenance, (awaiting completion of the current 6-facet survey). <p>There were no further questions and the board NOTED the contents of the update.</p>
125-16	<p>Finance and operational performance assurance report</p> <p>JT reported that, due to time constraints, the F&PC had been asked, on behalf of the board, to consider a revised proposal by NHSI to accept a reduced control total. Board members had been invited to join the debate which had been led by BH. After due consideration, a decision had been taken to accept the proposal with a number of caveats.</p> <p>JT explained that as a result of the control total discussion, the normal F & PC agenda had been curtailed. Nonetheless, discussion had also focused on the recent decline in financial performance. Whilst mindful not to overreact at this stage, the committee recognised the need to identify additional interventions now to address any shortfall. It was also assured of the trust's plans in this regard.</p> <p>There were no further questions and the board NOTED the contents of the update.</p>

126-16	<p>Operational performance</p> <p>SJ presented the regular operational performance report detailing targets, delivery and Key Performance Indicators. The board went on to discuss the implications of the report, seeking assurance on the following:</p> <ul style="list-style-type: none"> • The trust was working hard to resolve issues in respect of diagnostics targets, although issues within the Sleep Disorder Unit would take longer to address; • QVH had achieved the 18-week RTT open pathway target; • A full analysis of data to ascertain reasons behind the breaches of the two-week cancer target was underway. Early indications suggest that due to recent changes in management teams at Darent Valley, breaches had not been escalated in the usual way. <p>There were no further comments and, the board NOTED the contents of the update</p>
127-16	<p>Financial performance</p> <p>CS presented the financial performance report for the two months to 31 May 2016. The Board was asked to note the following key points:</p> <ul style="list-style-type: none"> • Although the trust had delivered a surplus of £92k, this was £133k lower than plan; • The cumulative surplus was £123k, (£130k less than plan); • Patient activity income was £86k lower than plan in month. This was largely within Oral, Maxfac and Plastics and was of particular concern as previous month's activity had reflected cancellations due to industrial action; • The Cost Improvement Plan (CIP) had slipped by £77k YTD. (There was currently £250k of unidentified savings); • Although the Capital programme was currently £425k behind, the full year forecast indicated the plan would be achieved; • Performance review meetings had improved and were now very robust; • Recovery plans were being developed, and would also take account of revised control totals. <p>The board went on to discuss the implications of the report, seeking assurance on the following:</p> <ul style="list-style-type: none"> • The loss of income due to reduced MIU opening hours had been built into the CIP. The board was also reminded that changes would be balanced out by an associated reduction in costs; • The current downward trend in outpatient activity was being carefully monitored by business managers. <p>There were no further questions and the board NOTED the contents of the update.</p>
Key strategic objective 5: organisational excellence	
128-16	<p>Board Assurance Framework</p> <p>RT presented the KSO5 BAF on behalf of GO. GC noted that at present Organisational Development did not feature and reiterated the need for the trust to focus on culture, values and behaviours. RT assured the board it was GO's intention to develop this in the coming months.</p> <p>There were no further questions and the board NOTED the contents of the update.</p>
129-16	<p>Workforce report</p> <p>In GO's absence, RT presented the latest report containing information on establishment figures, staff in post, bank and agency usage, sickness absence, recruitment activity and statutory mandatory training. This report had previously been reviewed by the F&PC. There was a brief discussion during which the following was noted:</p> <ul style="list-style-type: none"> • The board commended the number of presentational changes which set out the data in a much

	<p>clearer, coherent way, in particular the new summary sheet;</p> <ul style="list-style-type: none"> • Work was currently underway to synchronise the general ledger, ESR and eRoster systems ; • As reported by NR under the earlier nursing review, work was currently targeted at reducing use of agency staff; • The board expressed regret at the recent decline in statutory and mandatory training rates, particularly in view of the hard work undertaken to achieve targets in the last year. <p>There were no further questions. The board NOTED the contents of the report.</p>
Board governance	
130-16	<p>Audit committee</p> <p>On behalf of the committee chair, GC presented an update on the recent Audit meeting, highlighting the following:</p> <ul style="list-style-type: none"> • As reported earlier during the meeting, the committee had received an in-depth account on KSO1 (Outstanding patient experience). RT raised concerns that the committee's focus had been on operational detail, which was already the remit of the F&PC and Q&GC sub-committees. He reminded the board that the focus of the audit committee should instead be to seek assurance of process. He suggested it would be helpful if he and JMT met with LP and GC in August to reflect on and revise the current format before the next committee in September [Action: RT] CS asked the board to note also that too much time dedicated to a detailed discussion on the KSOs would impact on the committee's ability to carry out its remaining statutory business; • The board was assured that there had been a marked improvement in the performance of internal auditors Mazars and therefore no change to current IA arrangements was anticipated. As a result, the tendering of the external audit contract would now proceed with the aim of appointing auditors from mid October. <p>There were no further questions and the board NOTED the contents of the update.</p>
131-16	<p>Draft agenda for September 2016 business meeting</p> <p>The board noted the content of the draft agenda for September. GC requested that an item on 'Freedom to Speak up' be included at next formal meeting.</p>
Any other business (by application to the Chair)	
132-16	There was no further business.
Observations and feedback	
133-16	<p>Feedback from key events and other engagement with staff and stakeholders</p> <ul style="list-style-type: none"> • SF reported on last month's meeting of the NHS Providers (NHSP) Medical and Nursing Directors Network, detailing discussions on strategic and policy issues, and also on the increasing challenges for quality within the constrained financial environment. • CS had also attended a recent NHSP network event for finance directors. She updated the board on the benefits of IT block contracts which would provide greater leverage and deliver more benefits for patients over time. • BH reported that at the recent NHSP network meeting of Chairs and Chief Executive, concerns regarding STP governance were a recurrent theme. These had also been highlighted at the recent meeting of Sussex Chairs.
134-16	Observations from members of the public

	Members of the public noted the value of seeing the board in action. There were no further comments and the Chair closed the formal session of the meeting.
135-16	Observations and feedback on the meeting These were taken during an informal private session of the meeting.

Chair Date