

Document:	Minutes FINAL & APPROVED	
Meeting:	Board of Directors (session in public) 27 February 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
In attendance	Graeme Armitage (GA)	Head of HR & Workforce Development [item: 029-14]
	Jane Morris (JM)	Directorate Manager: Clinical Specialities [item: 030-14]
	Brian Goode (BG)	Governor Representative
	Lois Howell (LH)	Interim Head of Corporate Affairs & Co Sec
	Hilary Saunders (HS)	Deputy Company Secretary (minutes)
Public gallery:	3 members of the public, (including one member of staff)	

WELCOME

022-14	<p>Welcome, apologies and declarations of interest</p> <p>The Chairman welcomed all to the meeting, including three members of the public. Apologies had been received from Heather Bunce.</p> <p>There were no new Declarations of Interest</p>
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STANDING ITEMS

023-14	<p>Draft minutes of the meeting session held in public on 30 January 2014 for approval</p> <p>The draft minutes were APPROVED as a correct record, subject to the following amendments:</p> <ul style="list-style-type: none"> • Item 001-14: SW's appointment was as Strategic Advisor to the South London Commissioning Support Unit; • Item 005-14: A new clinical research support network had recently been established at Surrey University (Guildford); • Item 009– 14: SW observed that with the implementation of the new theatres, utilisation of the whole dynamic of clinical areas would need to be managed. • Item 011-14: The non pay budget had been reduced this year in anticipation of cost improvements, however, to date there had been a failure to define the full benefits
024-14	<p>Matters Arising & Actions Pending</p> <p>The Matters Arising log was reviewed and updated as follows:</p> <ul style="list-style-type: none"> • Item 6: SW requested that evidence of analysis of costs for phase 1 theatres, be made available at the March meeting (brought forward from May); • Item 4: SW queried the timescales relating to provision of consultant level data. It was agreed that, in addition to the current service line reporting, data (against activity & income) be provided at the next meeting; • Item 8: LP observed that the review of allocation of capital expenditure was still outstanding and noted that this should not relate specifically to charitable funding; it

	<p>was agreed that overall priorities would be included as part of the business plan for the next financial year.</p> <p>The board NOTED the contents of the update</p>
025-14	<p>Update from the Chief Executive</p> <ul style="list-style-type: none"> • RT reported on a recent meeting with members of the Local Action Team for Burns which he had attended in an effort to engage early in specialist commissioning strategy; he stressed the importance of clear lines of communication between QVH and commissioners and advised he would also be meeting with Amanda Fadero (LAT Director) shortly; • RT had undertaken a series of departmental visits throughout the trust to assess staff morale; • Following last month's report, RT provided an update on the recent power outage and gave assurance that this situation had been resolved as far as was practicable. <p>The board NOTED the contents of the update</p>
026-14	<p>Update from the Medical Director</p> <p>SF asked the board to note the following:</p> <ul style="list-style-type: none"> • The new R & D appointment appeared to have settled into the role well; an initial report would be presented to the Charitable Funds Committee next month; • A job description and personal specification had been developed for a project manager to be appointed to develop the work of the Board Outcomes Group; • The procedure for consultant appointments had been reviewed and now included stakeholder as well as selection panels. The Chairman concurred that the new appointment process seemed to be very effective. SF provided an update on some of the trust's recent appointments. <p>The board NOTED the contents of the update</p>
SAFETY & QUALITY	
027-14	<p>Quality & Risk Exception Report: January 2014 (monthly update)</p> <p>AP advised that one serious incident had been reported following the death of a patient; however, post mortem results concluded this should be reduced from a SUI to an internal investigation. Other highlights included:</p> <ul style="list-style-type: none"> • Safety metrics: four falls had been identified, although none had caused significant harm; staff incidents had increased, mainly linked to slips and trips during the wet weather conditions; • Incidents: AP asked that item 4.4 be amended to remove '<i>all these incidents...medical staff</i>' which had been a formatting error; • Risks: SW sought clarification on the risk register and was advised by AP that risks rated as 12 or above were currently presented to the board. The register was updated, with new risks and controls added, on a monthly basis. RT updated the board on the current risk to estates services; he was assured that the necessary steps had been taken to manage the risk in the short term, but would be initiating an external review of the estates function to identify a longer term solution. • Patient Experience: JB raised concerns that complaints predominantly related to staff attitude and could cause reputational damage. AP advised that trust values were now an integral part of the appraisal and recruitment process. RT concurred and added that these would also be picked up as part of the C-Wing report

	<p>outcomes; The Chairman sought clarification in respect of the Friends & Family test scores; AP reminded the board that scoring for Therapies and Outpatients was not mandatory at present, as data had to be input manually, (although Outpatients had chosen to go ahead and produce its own results on this basis). No returns had been received from the Sleep Disorder Centre and this was being followed up; AP asked that item 6.0 be amended to remove 'Outcome Upheld' which had been a formatting error;</p> <ul style="list-style-type: none"> • Quality Account Priorities: It was noted that the trust was still failing to meet its targets on obtaining patient consent, mainly within the Plastics directorate; this item would be removed from the rolling action list but be added to the board agenda as a standing item. SF to provide an update at the April board meeting. [Action: SF] • CQUINS: The Q3 report had been submitted to commissioners and a response was imminent. <p>The board NOTED the contents of the update</p>
028-14	<p>Emergency Preparedness, Resilience & Response Assurance (EPRR)</p> <p>AP reminded the board of the trust's annual obligation to complete an emergency preparedness, resilience and response self-assessment (EPRR). It was also required to confirm compliance and highlight areas where additional work was still required. QVH had completed the necessary EPRR and was awaiting a formal response.</p> <p>The trust had raised the issue of having to provide information at short notice during winter on resilience arrangements; the area team had given assurance that in future, information would be collected in advance of the onset of winter.</p> <p>The board NOTED the contents of the update</p>
BUSINESS PERFORMANCE & DELIVERY	
029-14	<p>Workforce Performance Report: February 2014 (monthly update)</p> <p>GA joined the meeting to present exceptions in respect of the February Workforce Performance Report. Highlights included:</p> <ul style="list-style-type: none"> • A higher than optimal turnover rate which would be monitored closely to identify if this had been caused by current stringent financial controls; • The vacancy rate had dropped, which showed a similar trend to previous years. Controls implemented in recent months would be maintained after the new financial year; • There were significant reductions in pay, bank and agency costs, demonstrating that measures put in place to address the trust's financial position were now taking effect; • Sick absence was showing an increasing trend; stress and anxiety continued to rise and GA outlined some of the measure being introduced to address this, including additional training and support to managers and staff. Whilst QVH compared well against other trusts within the Kent, Surrey and Sussex area GA reminded the board that the current rate cost the trust £1m in additional expenditure. • Statutory and mandatory training remains one of the key areas to be addressed, although there had been an overall improvement with compliance now at 77%. The Chairman asked GA whether the trust was yet in a position to suspend those staff not compliant in respect of statutory and mandatory training. GA reiterated that it would not be practical to implement this sanction until the trust had full confidence in its data but he would continue to update the board in this regard. It was noted that Trust Board compliance was below target and in order to lead by example,

	<p>training updates would be introduced at future board workshops [Action: AP/LH]</p> <p>The Chairman thanked GA for his update and he left the meeting. The board NOTED the contents of the report.</p>
030-14	<p>Operational Performance Report: January 2014 (monthly update)</p> <p>JM joined the meeting to present the January operational performance report with RH.</p> <p>RH reminded the board that the trust had failed the 18 week admitted pathway waiting time target in November (achieving 88.8% against the target of 90%), which had caused the Monitor Governance risk rating to fall to amber-green at the end of Q3. A further failure of the target in January (achievement of 89.05% against the target of 90%) would mean the Q4 rating was likely to decline to amber-red. He also warned that failure in three successive quarters would trigger intervention by Monitor.</p> <p>JM summarised the contributing factors were due to combined effect of three specialities. Plastic Surgery was still experiencing the effect of the shortage of junior doctors between Sept 2013 and Jan 2014, which in turn had impacted on capacity both in terms of operating sessions and outpatient clinics. Where possible the number of outpatient clinics and operating sessions cancelled had been minimised using locums, but due to increase in new referrals in Q2, a shortage of doctors and the loss of regular Saturday sessions had resulted in a backlog of outpatients and patients waiting for surgery. This issue had adversely affected the Plastic speciality for inpatients particularly in Hands and Breast which had been managing the target up until November 2013. Hands has a significant number of 'Consultant to do only' cases and due to the inexperience of the current fellow in this sub speciality there is not the capacity to deal with these despite a couple of extra sessions taking place within Plastics during January. Breast has also seen a significant increase in the number of immediate reconstructions resulting in other patients having to wait longer for surgery. In January, Corneo had seen a significant increase in the number of patients who waited longer than 18 weeks, again due to being 'Consultant to do only' cases which had built up following leave taken in Nov and Dec.</p> <p>To exacerbate the situation further, the board was reminded that as a tertiary centre, QVH also had to absorb the knock-on effect of referrals from those hospitals that had already breached. RH and RT concurred this was prejudicial and should be taken up with the CCGs.</p> <p>JM was asked to explain what actions were being taken to address the issues and responded as follows:</p> <ul style="list-style-type: none"> • In Corneo, additional operating sessions had been organised between December and March on a monthly basis; a Locum Associate Specialist was now in place to maintain increased OPD capacity for Corneo; the trust was liaising with Centre for Sight for extra theatre sessions for Corneo patients who required treatment that could not be provided at QVH due to lack of specialised lasers; job plans were under review to increase elective operating further including extra cataract lists. • In Plastics, extra Saturday sessions between January and March were underway; all junior doctor vacancies had now been filled from mid-January; plans were underway to improve LOPA capacity; following the imminent retirement of one consultant, it was anticipated that his replacement would get an additional theatre session every month whilst still retaining the requisite PAs for direct clinical work; another consultant would be undertaking an additional Saturday list (between now and end of March) plus pooling some appropriate patients; Breast cases were also being pooled to reduce waiting times of some breast consultants; the trust was also considering an external provider to assist in reducing backlog in the short term as not able to accommodate any further increase in activity internally due to Theatre staff shortages. In parallel to this,

	<p>the trust would continue to train staff on 18-weeks and validation.</p> <p>With the above action plan in place, it was anticipated that the trust would achieve all aggregate targets for February, but JM stressed the likelihood of Plastics continuing to fail until the longer term capacity plans were implemented.</p> <p>SW raised concerns in respect of the high waiting list with a huge number of people who were 18 plus weeks and sought assurance that the trust was cognisant of the waiting list profile.</p> <p>The Chairman asked what had led to this happening now. JM explained that problems were predominantly within Plastics, and not Corneo or the Sleep Disorder Unit. The existing situation had been exacerbated by staff sickness, and issue over junior doctors; steps were being taken to rectify this but there was still an inherent backlog.</p> <p>GC asked for the level of the financial penalty which would be applied by the CCG; this was confirmed as £25k.</p> <p>RT advised the board that in the immediate term, efforts were being made to increase capacity as much as possible. In the longer term, the next year's business plan incorporated the utilisation of Theatres 8 and 9; this would result in an increased throughput of patients, reduced waiting times and enable extra activity at weekends. He reiterated concerns that the trust was relying too much on Junior Doctors and needed more staff grade doctors</p> <p>SF highlighted concerns in respect of consultant holidays, and noted that the smaller the team the bigger the impact this had on the trust. In the longer term the trust aimed to achieve better engagement with its medical workforce with more ownership and an obligation to deliver on targets. Job plans would be linked to with business plans , however, this would all take time to take effect.</p> <p>The Chairman expressed his extreme concern and disappointment at the current situation and charged the executive team with developing plans to prevent a recurrence of this in the future. The board NOTED the contents of the update.</p>
<p>031-14</p>	<p>Financial performance report: January 2014 (monthly update)</p> <p>RH reported that results for month 10 were better than in recent months. The trust was still behind plan but moving in the right direction. Achievement of the annual plan surplus of £2.5m appeared to be challenging, though every effort would be made to get as close as possible whilst maintaining standards and ensuring patient safety. The current forecast was £2.2m based on latest trends</p> <p>A comparison with the financial position in January 2013 showed that whilst total income is higher this year, pay is also £1.805m higher, with non-pay showing an increase of £414k. This demonstrated that there had clearly been an increase in the cost of delivering services, as discussed at recent meetings. Whilst the rate of overspend on clinical pay was higher than for several months, there were also encouraging signs that the rate of overspend was gradually slowing.</p> <p>Income continues to be above plan but significant overspends on pay and non-pay remained. Main factors continued to be those identified in earlier reports such as increased levels of sickness and absence, agency costs and additional non pay spend in some service areas related to activity levels. Additional controls over expenditure have been imposed in January which will continue for the foreseeable future. Additional activity is also being scheduled for the final quarter of the year as the Trust needs to reduce waiting lists</p>

	<p>further in order to meet waiting time targets. RT assured the board that stronger financial controls implemented recently would be maintained in the next financial year.</p> <p>The Chairman urged the executive team to continue to ameliorate the position over the coming few weeks. The board NOTED the contents of the report and update.</p>
STRATEGY	
032-14	<p>Delivering Excellence: QVH 2020 (monthly update) RT provided a brief summary of progress to date. Members of the board were invited to next week's Clinical Cabinet for an appraisal of the first phase of the strategy outcomes. He advised that objectives in respect of patient experience and operational excellence would be next under consideration. There would be a slight delay in the appointment of a project manager to oversee the scheme. The board NOTED the contents of the update</p>
033-14	<p>Site Redevelopment Programme: January 2014 (monthly update) The Phase II Theatres had now been handed over the theatre manager for commissioning. The Chairman expressed his thanks both to staff and Willmott Dixon team. The board NOTED the contents of the update</p>
034-14	<p>Capital Programme: January 2014 (monthly update) Three items on the capital programme currently showed red on the RAG rating; RT hoped a new project manager would be appointed to the Estates Department soon, which should improve the situation. The board NOTED the contents of the update</p>
035-14	<p>Storm Damage A report updating the board on recent storm damage had been circulated. RT estimated a 10-12 week programme of work would be required to carry out remedial work. In addition, a decision would need to be made as to future capital investment on areas of the site. The board NOTED the contents of the update</p>
REPORTS FROM THE CHAIRS OF THE SUB-COMMITTEES TO THE BOARD	
036-14	<p>Clinical Cabinet The trust was seeking to develop a more formal relationship between the board and its sub committees; to this effect, future board agendas would include a regular updates from the chairs of the sub-committees.</p> <p>RT summarised the format of the Clinical Cabinet meetings, held bi-monthly and outlined the content of discussions. The board NOTED the contents of the update.</p>
037-14	<p>Audit Committee SW advised that the committee currently met four times per year; membership included internal and external auditors and the local counter fraud officer. The risk framework was considered as part of the agenda. The next meeting was scheduled for 18 March at which an update on the trust capital project process would be available. The board NOTED the contents of the update.</p>
038-14	<p>Quality & Risk Committee JB reminded the board that as he was stepping down at the end of March, GC would become the new Chair of Q & R; He reminded the board that the committee currently met four times a year and provided the following update:</p> <ul style="list-style-type: none"> • A new head of Risk had recently been appointed and was undertaking a review of incident reporting during the time of the recent Burns investigation;

	<ul style="list-style-type: none"> A plan was underway for review of policies to ensure they were in line with CQC requirements. <p>The board NOTED the contents of the update.</p>
039-14	<p>Nomination & Remuneration</p> <ul style="list-style-type: none"> The Nomination & Remuneration Committee had met prior to today's board meeting, at which succession planning for the chairman's role had been discussed As SID, JB was currently Chair of the N & R, but would be succeeded by LP after the end of March. <p>The board NOTED the contents of the update.</p>
040-14	<p>Charitable Funds Advisory Committee</p> <ul style="list-style-type: none"> LP reported that the trust had decided regrettably it could not justify investing in fundraising in the current financial climate and accordingly, the post of trust fundraiser had been made redundant; The next meeting of the CFAC was scheduled for Thursday 27th March, (prior to the board meeting). <p>The board NOTED the contents of the update.</p>
GOVERNOR REPRESENTATIVE & NON-EXECUTIVE DIRECTORS	
041-14	<p>Report from the Governor Representative</p> <p>BG sought clarification on the composition of the board following the departure of SW and JB next month; he was advised that constitutionally the structure was still appropriate, with the chairman having the casting vote.</p>
042-14	<p>Observations from the Chairman and Non-Executive Directors</p> <p>There were none</p>
ANY OTHER BUSINESS (BY APPLICATION TO THE CHAIRMAN)	
043-14	<p>There was none.</p>
QUESTIONS FROM OBSERVERS	
044-14	<p>There were none</p> <p>The Chairman closed the meeting at 15:25</p>

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