

<b>Document:</b>	<b>Minutes FINAL &amp; APPROVED</b>	
<b>Meeting:</b>	<b>Board of Directors (session in public) 24 April 2014, 13:00 – 16:00, Council Chamber, East Court, College Lane, East Grinstead, West Sussex RH19 3LT</b>	
<b>Present:</b>	Peter Griffiths (PAG)	Chairman
	Ginny Colwell (GC)	Non-Executive Director
	Steve Fenlon (SF)	Medical Director
	Amanda Parker (AP)	Director of Nursing & Quality
	Lester Porter (LP)	Non-Executive Director
	John Thornton (JT)	Non-Executive Director
	Richard Tyler (RT)	Chief Executive
<b>In attendance</b>	Caroline Haynes (CH)	Deputy Head of Human Resources
	Brian Goode (BG)	Governor Representative
	Jane Morris (JM)	Directorate Manager: Clinical Specialities [item: 091-14]
	Bill Stronach (BS)	Deputy Director of Finance [item: 090-14]
	Lois Howell (LH)	Interim Head of Corporate Affairs & Co Sec
	Hilary Saunders (HS)	Deputy Company Secretary (minutes)
<b>Apologies:</b>	Richard Hathaway (RH)	Director of Finance & Commerce
<b>Public gallery:</b>	None	

## WELCOME

<b>080-14</b>	<p><b>Welcome, apologies and declarations of interest</b></p> <p>The Chairman opened the meeting. Apologies had been received from Richard Hathaway. In addition GA was on leave and had arranged for CH to present the monthly workforce report in his absence.</p> <p>GC asked the board to note that as part of her existing declaration as NED for CSH Surrey, she was currently Acting Chair.</p>
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## STANDING ITEMS

<b>081-14</b>	<p><b>Draft minutes of the meeting session held in public on 27 March 2014 for approval</b></p> <p>The draft minutes were <b>APPROVED</b> as a correct record.</p>
<b>082-14</b>	<p><b>Matters Arising &amp; Actions Pending</b></p> <p>The board reviewed the current record of Matters Arising and Actions Pending; it was agreed that all complete actions would be removed from the log with effect from next month. Actions for which a date had been agreed, but which were still outstanding, would also be removed from the log and transferred to the board work programme.</p> <p>LP queried the accuracy of item 14, relating to capital expenditure. RT reminded the board that the operational budget had been approved at its meeting last month but acknowledged this had not included a detailed breakdown and undertook to circulate this. <b>[Action: RT]</b></p>
<b>083-14</b>	<p><b>Update from the Chief Executive</b></p> <ul style="list-style-type: none"> <li>▪ RT reminded the board of the impact the Specialist Commissioning Group's revised strategy could have on the trust's burns services; he confirmed any changes were being closely monitored;</li> <li>▪ The FTN had established a group to inform a review of sustainability of small hospitals. RT had been invited to join this group and would apprise the board of developments;</li> <li>▪ The remaining four theatres became fully operational at the beginning of April; as an aside, it was reported that Mike Bennett would be retiring in May and accordingly, RT would be implementing an interim operational restructure.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ A procurement exercise was currently underway for an external review of the Estates Department; its brief was how best to establish and maintain a robust estates function. This review would focus on only hard FM at this stage.</li> </ul> <p>The board <b>NOTED</b> the contents of the update</p>
084-14	<p><b>Update from the Medical Director</b></p> <ul style="list-style-type: none"> <li>▪ The revalidation process was continuing, however, SF asked the board to note the challenging timescales associated with the governance framework;</li> <li>▪ Excellent progress had been made in respect of consent targets this month, with huge improvement in Plastics, (thanks predominantly to surgeon Mark Pickford);</li> <li>▪ Recruitment for a project manager for the Outcomes work was underway. In the meantime, it was anticipated that the first outcome results would be published in May. Feedback from the Patient Experience Group suggested that age, experience and training were relevant to patient choice and a consultant profile would be developed with this in mind;</li> <li>▪ As part of the Clinical strategy, it was acknowledged that demand for services was good, although there were concerns as to how high levels of activity would be managed, particularly in trauma;</li> <li>▪ SF reminded the board of the 7/7 (weekend working) national agenda and asked it to take time to consider how this should be defined at QVH - whether in terms of elective or emergency cover, or both. There was no assumption this would be introduced at QVH, but if it were, consideration would be required as to how it could be managed within standard contractual terms and conditions. GC observed that there was evidence to suggest 7/7 working provided a more robust model from a clinical perspective;</li> <li>▪ SF observed that the model of CQC Specialist Trust inspections required adjustment for trusts such as QVH. AP advised that CQC teams would shortly begin visits to specialist trusts, but there was still little to indicate what these would entail; RT suggested that reference to the standard data-book might assist in identifying any gaps;</li> </ul> <p>In reference to recent national press reports, the Chairman asked SF if QVH should have concerns regarding patients vulnerable to dehydration and associated kidney failure. SF assured him QVH had policies in place, although this issue wouldn't apply to the majority of our patients. AP concurred that the trust wouldn't even have a sufficient cohort of patients with which to undertake such a study.</p> <p>The chairman thanked SF and the board <b>NOTED</b> the contents of the update</p>
<b>SAFETY &amp; QUALITY</b>	
085-14	<p><b>Quality &amp; Risk Exception Report</b></p> <p>AP reminded the board that this report provided information on an exceptional basis, against national and local targets.</p> <ul style="list-style-type: none"> <li>▪ <b>Infection &amp; Prevention Control</b> AP highlighted concerns regarding the high number of vacancies within the Domestic Services team, which could impact to the detriment of IP&amp;C within the trust. Whilst RT had been advised recently that a recruitment drive was underway in this area, CH agreed to clarify the detail and to expedite the process to ensure the department was recruiting to its full establishment figures. CH would also investigate why these posts were currently restricted to internal applicants only <b>[Action: CH]</b></li> <li>▪ <b>Safety Metrics</b> Investigation into a recent incident of a patient acquiring a pressure ulcer had identified lapses in nursing care; this was being followed up with the staff member concerned.</li> </ul>

	<p>WHO compliance, under patient safety, had been agreed as a CQUIN for 2014-15 and would be removed from this metric to avoid duplication of reporting;</p> <ul style="list-style-type: none"> <li>▪ <b>Incidents</b> No serious incidents reported in April. A previously reported spinal fracture had been identified as deterioration rather than as a result of acute injury.</li> <li>▪ <b>Risks</b> The board reviewed a list of risks which had been rated 12 or above. RT identified several risks that had already been addressed; AP reminded the board that the risk register was a live document it was likely these changes had already been taken into account but agreed to double check. The Chairman asked how easy it was to identify teams which were persistently non-compliant in respect of the WHO checklist. AP responded that reporting would be adapted from 2014-15 to facilitate this. RT reminded the board that he intended to bring Core Standards to the board for discussion next month.</li> <li>▪ <b>Patient Experience</b> The Chairman expressed concern at the low rate of F &amp; F responses in certain areas. AP assured the board that improvements would be seen shortly as this now formed part of the 2014-15 CQUIN targets.</li> <li>▪ <b>CQUINS</b> Results for 2013-14 had now been agreed and confirmation from the CCGs was due shortly.</li> </ul> <p>The board <b>NOTED</b> the contents of the update</p>
086-14	<p><b>National Inpatient Survey Results</b></p> <p>Results of the National Inpatient survey demonstrated the trust continues to be rated as one of the best hospitals in the country, achieving the highest scores of any trust in England in respect of quality of nursing care. RT asked the board to note the link between these results, and a recommendation from the recent C-Wing action plan whereby the it had reaffirmed its commitment to the highest standards of nursing care and behaviour as part of its wider commitment to excellence in patient care.</p> <p>The Chairman asked AP to undertake an exercise which would enable a trust comparison of these results against other specialist hospitals. <b>[Action: AP]</b></p>
087-14	<p><b>CQUINS 2014-15</b></p> <p>AP presented the proposed CQUIN framework for 2014-15 which had been agreed with lead commissioners. Locally mandated requirements included The Catering Mark which would be implemented in an attempt to raise food standards and improve patient experience.</p> <p>JT asked if accountability for each measure had been made clear to leads; AP gave this assurance and stressed that these measures were non-negotiable.</p>
088-14	<p><b>Safe Staffing</b></p> <p>AP presented a timetable of actions drawn up by the CQC and reminded the board that it was now mandated to receive and publish staffing for each inpatient ward on a monthly basis. In addition, a six-monthly staffing summary, including establishment data, was also required. A model, developed to meet requirements for board reporting of staffing capacity and capability data, was also presented.</p> <p>In addition, a Staff Escalation Plan was also submitted for approval. GC queried if the monthly and bi-annual reports could be combined; AP explained the logistics of why this would not be feasible but gave assurance that there would be adequate cross-referencing</p>

	<p>between the two.</p> <p>After due consideration, the board <b>APPROVED</b> the proposed reporting process.</p>
<b>BUSINESS PERFORMANCE &amp; DELIVERY</b>	
<b>089-14</b>	<p><b>Workforce Performance Report (monthly update)</b></p> <p>CH was in attendance to present the Workforce Performance Report for April which focused on exceptions and actions being taken to address areas of under-performance.</p> <p>It was highlighted that turnover at the trust was still higher than the NHS target but there was no perceivable trend. All exit questionnaires were reviewed and the situation closely monitored.</p> <p>Sickness absence had reduced again this month, showing a downward trend which was a positive sign of support being given to managers by HR in addressing sickness absence issues. CH outlined some of the new initiatives to be introduced to assist with work related stress.</p> <p>A new electronic ECF had been launched which improved efficiency of the recruitment process, while establishing tighter controls. CH reminded the board of the national shortage of nurses and advised that, in line with other trusts, recruitment drives would be extended to Ireland and other parts of Europe. A further potential source being investigated included ex-service personnel.</p> <p>CH reported that measures in place to address the Trust's financial position continued to take effect, with significant reduction in pay and an overall decrease in the use of bank and agency staff. AP concurred this was a positive outcome, and observed that whilst this was more cost effective to the trust, it also provided a safer nursing environment.</p> <p>GC sought clarification in respect of an employee relations case; CH advised that whilst the process followed by the trust had been robust and transparent, it was always difficult to predict the likely outcome of such cases.</p> <p>The Chairman thanked CH for her update and the board <b>NOTED</b> the contents of the report.</p>
<b>090-14</b>	<p><b>Financial Performance Report (monthly update)</b></p> <p>BS attended the meeting on behalf of RH and tabled the March 2014 update. Due to time constraints it had not been possible to circulate this report in advance.</p> <p>BS outlined the technicalities of reporting of the PCT bad debt. NHS England was engaging in the process to resolve the legacy debt issues national and in the meantime, the trust would continue to pursue late payments. BS assured the board that auditors were fully cognisant of the trust legacy debt issues.</p> <p>This month's surplus was £138k behind plan; the year end surplus was just under £2.1m (£419k below plan). This was however the worst case scenario as any debts received in respect of ERT before May could only improve the situation.</p> <p>The 2014-15 had a planned surplus of £2.2m, which this year included all CQUINs money. Whilst Pay was overspent by £177k, this included £89k of research costs released to match income released therefore leaving a net of £88k which was encouraging.</p> <p>The Sleep Services overspend of £294k was highlighted, with the board asking if this</p>

	<p>amount was reflected in income elsewhere in the report; BS explained that due to the reporting format it was difficult to show a direct correlation. It was noted that continued overspends had led to the financial performance being below plan.</p> <p>JT asked if the 2014-15 budget was realistic and one which managers could be held accountable for. The Chairman observed that with the introduction of tighter management controls, there would be no excuses for exceeding the non pay budget in the next financial year.</p> <p>BS reported that overall capital spend was below the phased plan. The costs for Phases 1 and 2 of the theatre project had been calculated but were still subject to final agreement; the concluding report was scheduled for the May board meeting. BS also reported that £800k would be carried forward into 2014-15 in respect of uncompleted projects.</p> <p>BS noted that debt was increasing and was currently higher than previously reported. He set out the issues for 2014-15 and was hopeful that some payments received this month, should reduce the debt from April onwards.</p> <p>LP repeated an earlier request for financial reporting to include previous year figures for comparative purposes. <b>[Action: BS]</b></p> <p>The Chairman thanked BS for his presentation and the board <b>NOTED</b> the contents of the report.</p>
<p><b>091-14</b></p>	<p><b>Operational Report (monthly update including RTT18)</b></p> <p>JM attended to present the Month 12 performance report. As predicted earlier, the trust had failed its RTT18 target for March, however there was now an Early Warning tracking system in place to monitor peaks in referrals and conversion rates and to assist capacity planning. Weekly monitoring by the senior management and the operations teams, and bi-monthly monitoring by the Clinical Cabinet was also undertaken. JM set out the reasons for failure last month but assured the board of a series of proactive actions which would be implemented going forward.</p> <p>Following the recent visit by the Intensive Support Team, the trust would be undertaking a further review of its administrative function and waiting list management; the formal report from the IST was due at the end of April.</p> <p>JT asked JM how confident she was that the trust would achieve its targets in April. JM responded that it was anticipated the trust would achieve both outpatient and inpatient aggregate targets. However she believed there is still a risk that the trust aggregate for inpatients in Q1 could be missed due to cancellations, trauma demand, shortages of theatre staff and continued reductions in backlog, particularly in Plastics and Corneo. A planned shutdown for the following weekend also presented risks.</p> <p>It was clearly important that the trust achieved its targets in Q1 to prevent intervention by Monitor; however, RT asked the board to note that trust inpatient aggregate target for Q2 would fail as backlog clearance was expedited in order to achieve a long term sustainable 18-week position. He assured the board that the trust would be working closely with Monitor throughout this process.</p> <p>JT commended JM on the revised style of reporting which had shown greater clarity than in previous months. The Chairman thanked JM for her input and the board <b>NOTED</b> the contents of the report.</p>

GOVERNANCE	
<b>092-14</b>	<p><b>Declaration of Interests 2014-15</b></p> <p>LH asked that all members of the board of Directors complete a new Declaration of Interest form for 2014-15, in line with the attached DoI Guidelines, and return to the Deputy Company Secretary by Friday 15 May 2014 for inclusion on the 2014-15 trust register.</p> <p>The board <b>NOTED</b> the contents of the report and associated request.</p>
<b>093-14</b>	<p><b>Monitor Declaration: Q4 2013-14</b></p> <p>BS reminded the board that the trust was required to submit its Q4 monitoring return by the end of April; he presented a report setting out the proposed Governance Statement which was to be submitted by the board. In addition, to a self-certification framework providing supporting evidence for the declaration was circulated. After due consideration, the board confirmed the following:</p> <ul style="list-style-type: none"> <li>• Finance: The board anticipates that the trust will continue to maintain a Continuity of Service risk rating of at least 3 over the next 12 months</li> <li>• The Continuity of Service risk ratings (COSRR): 4 - No evident financial concerns</li> <li>• The Governance Rating for Q3 was Green: No evident concerns.</li> <li>• The board confirms that there are no matters arising in the quarter requiring an exception report to Monitor (per the Risk Assessment Framework).</li> </ul> <p>However, in view of recent RTT18 failures, the board concurred it was unable to confirm that sufficient plans were in place to ensure ongoing compliance with all existing targets (as set out in Appendix A of the Risk Assessment Framework)</p> <p>AP highlighted sections of the self-certificate which required further updating. Notwithstanding these changes, the Board <b>NOTED</b> the contents of the schedules and <b>APPROVED</b> the declarations to be submitted to Monitor.</p>
<b>094-14</b>	<p><b>Equality &amp; Diversity Annual Report</b></p> <p>CH presented the annual Equality &amp; Diversity report which included an analysis of the activities the Trust carried out in 2013 to meet the requirements of the Equality Act 2010. It set out objectives for 2014 and also provided an analysis of workforce information across protected characteristics, (with detailed source data for reference)</p> <p>Key points the board was asked to note included:</p> <ul style="list-style-type: none"> <li>• By the end of 2013, the trust had achieved 63% of its actions and made progress towards 28% of actions (11% and 75% respectively the previous year) set out in its Equality Objective Scheme. Outstanding actions were linked to the use of PAS, which was a national issue, and outside the trust's internal control.</li> <li>• 76% of employees are female. RT noted that whilst this was an over-representation, it was in line with other NHS organisations.</li> <li>• In contrast, the trust employs 12% BME staff, whilst the Mid-Sussex BME population is 5%.</li> </ul> <p>CH reported that the Equality, Diversity and Human Rights steering group, (comprising the Executive and Deputy Directors of Nursing and Quality, Head and Deputy of Human Resources, two public Governors and representatives from departments across the trust) ensures QVH complies with all relevant legal requirements and delivers its strategy. The board was assured that this group would lead on key findings of the report.</p> <p>The Chairman thanked CH for the update and the board <b>NOTED</b> the contents of the report.</p>

STRATEGY	
<b>095-14</b>	<p><b>Delivering Excellence QVH 2020: Key Strategic Objectives 2014-15</b></p> <p>As part of the Delivering Excellence strategy, and in an effort to establish the overall accountability framework within which the board would operate during the current financial year, RT presented the trust's key strategic objectives (KSOs) and the work programme for 2014-15. The work programme was being developed into a series of individual action plans which would be cascaded throughout the organisation through an effective communications strategy including announcements through <i>Connect</i>.</p> <p>LP raised concerns that the KSOs and work programme did not include a longer term agenda with planning for the sustainability. GC concurred that objectives appeared to be operational rather than strategic. RT responded that the clinical strategy had been addressed, but conceded that the transformational agenda could be more explicit. He did note, however, that the organisation required momentum around smaller operational issues. The Chairman noted that in June the QVH 2020 strategy would be transformed into the 5-7 year plan which would inevitably flush out the strategic direction.</p> <p>JT suggested that the section relating to Trust Board Responsibilities could be removed but LP argued this document was still operational, lacking sufficient reference to strategy. RT reminded the board that the hypothesis he had been working to, which had been approved last September and revisited in December and March, was that QVH would survive by being excellent; this would be delivered by the KSOs and the growth strategy was defined within clinical strategy. LP concurred that the clinical strategy was the driver but needed to be more explicit.</p> <p>The Chairman suggested that it would be helpful to capture the timings of the strategy in a schematic form; however, the board would need to review the clinical strategy first. RT noted the hypothesis would not change fundamentally, but that delivery of the strategy would. Longer term sustainability depended upon ascertaining which areas might be affected by CCG and LAT policies. The Chairman agreed the trust needed to create a vision which would deliver quality of care with a strategy that was viable to commissioners. To this end it was agreed that the document would be approved in its current format and reviewed at a later date in view of the emerging clinical strategy.</p> <p>JT asked that reference to ensuring sustainability be made explicit within the strategy; notwithstanding this amendment, the board <b>APPROVED</b> the report.</p>
<b>096-14</b>	<p><b>Site Redevelopment (monthly update)</b></p> <p>There were no further changes to report and RT reminded the board it would receive the final account for the Theatres project at its meeting in May.</p> <p>The board <b>NOTED</b> the contents of the report</p>
<b>097-14</b>	<p><b>Capital Programme (monthly update)</b></p> <p>RT presented the Capital Programme on behalf of HB and asked the board to note that the RAG rating had reverted from Red to Green for the new financial year. He also asked the board to be aware of potential risks to MIU and Sleep Services during the Jubilee Heating works.</p> <p>AP observed that refurbishment of C-Wing was not specifically referenced in the 2014-15 programme, but agreed to take this up directly with HB.</p>

	The board <b>NOTED</b> the contents of the report
<b>REPORTS FROM THE CHAIRS OF THE SUB-COMMITTEES TO THE BOARD</b>	
<b>098-14</b>	<p><b>Clinical Cabinet</b></p> <p>As part of reviewing cabinet's effectiveness, RT advised he would be raising board level concerns with the Clinical Cabinet at the beginning of each month.</p> <p>The board <b>NOTED</b> the contents of the update.</p>
<b>099-14</b>	<p><b>Nomination &amp; Remuneration Committee</b></p> <p>The Chairman asked the board to note that the minutes of the recent Nomination &amp; Remuneration Committee were still to be finalised and would be submitted to the board next month; in the meantime he advised that the committee had met to discuss the executive leadership of the finance function, and changes pertaining to this. The Chief Executive had been asked to consider proposals to take account of these changes.</p> <p>The board <b>NOTED</b> the contents of the update.</p>
<b>100-14</b>	<p><b>Board Outcomes Committee</b></p> <p>LP reported that, as previously requested by the Chairman, the Terms of Reference of the Board Outcomes Group had now been expanded. These had been circulated to all members of the group.</p> <p>The board <b>NOTED</b> the contents of the update.</p>
<b>GOVERNOR REPRESENTATIVE &amp; NON-EXECUTIVE DIRECTORS</b>	
<b>101-14</b>	<p><b>Report from the Governor Representative</b></p> <p>BG had no further comments to add</p>
<b>102-14</b>	<p><b>Observations from the Chairman and Non-Executive Directors</b></p> <p>The board concurred with JT's observation that reporting of Operational Performance had greatly improved this month. There were no further comments and the Chairman closed the meeting with a motion to move to a private session to consider matters of a commercially sensitive nature.</p>

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