

<b>Document:</b>	<b>Minutes FINAL &amp; APPROVED</b>	
<b>Meeting:</b>	<b>Board of Directors (session in public) Thursday 28 August 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
	Stuart Butt (SB)	Interim Director of Finance
	Ginny Colwell (GC)	Non-Executive Director
	Beryl Hobson (BH)	Non-Executive Director and Chair Designate
	Amanda Parker (AP)	Director of Nursing & Quality
	Lester Porter (LP)	Non-Executive Director
	John Thornton (JT)	Non-Executive Director
<b>In attendance:</b>	Graeme Armitage (GA)	Head of Human Resources & Organisational Development
	Brian Goode (BG)	Governor Representative
	Jane Morris (JM)	Interim Head of Operations
	Lois Howell (LH)	Interim Head of Corporate Affairs & Co Sec
	Hilary Saunders (HS)	Deputy Company Secretary (minutes)
<b>Apologies:</b>	Steve Fenlon (SF)	Medical Director
	Richard Tyler (RT)	Chief Executive
<b>Public gallery:</b>	Ali Strowman, Deputy Director of Nursing	
<b>WELCOME</b>		
<b>199-14</b>	<b>Welcome, apologies and declarations of interest</b> The Chairman opened the meeting and welcome Ali Strowman who was attending today's public session.  Apologies had been received from the Chief Executive and the Medical Director.  There were no declarations of interest.	
<b>PATIENT STORY</b>		
<b>200-14</b>	AP apprised the board of an issue raised by one of the Site Practitioners concerning a patient treated recently at the hospital. Whilst commending the excellent care she had received, the patient had raised concerns in respect of the behaviour of another patient which she had found to be very intimidating. Staff had attempted to address the situation themselves without recourse to the on-site Security officer which might have meant that dealing with the issue was easier. Accordingly a reminder of this resource, and how it should be used, was now emphasised within the Risk training module.  The Chairman thanked AP for her update and the board <b>NOTED</b> its contents.	
<b>STANDING ITEMS</b>		
<b>201-14</b>	<b>Draft minutes of the meeting session held in public on 31 July 2014 for approval</b>  JT asked that Item 187-14 be amended to read: 'only extend' and not 'extend only'. Subject to this revision, the minutes of the meeting were <b>APPROVED</b> as a correct record.	
<b>202-14</b>	<b>Matters Arising &amp; Actions Pending</b> The board reviewed the current record of Matters Arising and Actions Pending and the document was updated as appropriate. The following items were highlighted:	

	<p>Under item 12 (151-14) JT asked the board to note that whilst the Board Assurance Framework (BAF) had indeed been presented at its meeting in July, the document was still a work in progress and as such, he queried whether the status should be shown as 'complete'; however, LH assured him that the BAF was on a rolling programme of quarterly board updates to the board and would continue to be reviewed on a regular basis.</p> <p>In respect of item 22 (082-14), LP expressed concern that the original reasons for raising the issue had become blurred. In order to clarify his original concerns, he suggested Capital Expenditure proposals be included as part of overall budget setting for the new fiscal year. SB assured him that this would be the case in the future; in the meantime, he would be providing additional detail on the capital programme during the closed session of the board meeting. Accordingly, it was agreed that this item could now be removed from the Matters Arising document.</p>
203-14	<p><b>Update on behalf of the Chief Executive</b></p> <p>AP had been asked by the Chief Executive to provide a monthly update in his absence. Highlights included the following:</p> <ul style="list-style-type: none"> <li>• A 'Never Event' had occurred within an off-site minor oral surgery clinic; appropriate action had been taken and a full investigation was underway. The Chairman reminded the board that in June the Chief Executive had agreed to undertake a review into 'never events' to determine if there were underlying concerns regarding the current level. Findings were due to be reported to the board at its meeting in September but in the meantime, AP advised of several initiatives being introduced to mitigate associated risks which included the Medical Director writing to all medical staff informing them of the trust's expectations of them; inclusion of medical staff in the Manchester Patient Safety Framework programme; and the joining the Trust to the 'sign up to safety campaign'. JM reported that the Ops team was also reviewing 'never events' and a paper around risks and compliance would be submitted to the next Quality and Risk Committee;</li> <li>• A patient being treated within the Burns Unit had received insufficient overnight care from an agency nurse. AP was assured that this incident had been highlighted by a substantive member of staff and the appropriate action taken. In the meantime, the nurse in question had been reported to the Nursing and Midwifery Council under the 'Fitness to Practice' regime.</li> <li>• Safeguarding concerns had been raised in respect of a doctor working for the trust under a Service Level Agreement; a full investigation was currently underway.</li> <li>• AP and SB had undertaken the quarterly telephone update with Monitor at which the following issues were discussed: <ul style="list-style-type: none"> <li>• The trust's continued difficulties in meeting all RTT18 targets; AP advised the board that Monitor was assured by the actions which the trust was taking to address this.</li> <li>• The recent MRSA outbreak within the Burns Unit; again, AP felt Monitor was satisfied with the course of action the trust was following;</li> <li>• Formal notification of the recent 'never event';</li> <li>• Current slippage of the Capital Expenditure programme; and</li> <li>• The trust's strategic plan, including its Cost Improvement Programme.</li> </ul> </li> </ul> <p>Following the phone call, Monitor would be writing to formalise its responses.</p> <p>The Chairman thanked AP and the board <b>NOTED</b> the contents of the CEO's update.</p>

**RESULTS AND ACTIONS**

**204-14 Patients: safe staffing and quality of care**

AP presented the monthly update on Patient care, highlighting the following issues:

- Safe Staffing  
Safe staffing levels were achieved throughout July; however, there were areas of concern regarding vacancy rates within the Burns ward as a result of staff on long term sickness. AP was working closely with the HR team in reviewing recruitment opportunities. (AP asked the board to note that the low appraisal rate reported within the Intensive Treatment Unit (ITU) was a data anomaly).
- Quality & Risk
  - Investigations into the recent 'never event' and Serious Incident (SI) recently reported to the board had now been carried out; summary reports were provided, (and it was noted these had also been submitted to the Clinical Commissioning Group).
  - An additional SI had been declared recently following the outbreak of hospital acquired MRSA. JT and GC queried if this could have been partly as a result of current staffing issues; AP did not believe this to be the case but the review was ongoing and results reported back to the board in October. AP highlighted concerns that vacancies within the hotel services department were impacting on the capability to clean; whilst HR was supporting a recruitment drive for this area, an external company would be appointed to decontaminate the burns unit. AP asked the board to note that the risk score for Hospital Acquired Infection (HAI) had been raised from 12 to 16 on the Corporate Risk Register (CRR) due to the infection outbreak, and would impact on the burns ward non pay budget and ITU temporary staffing use.
  - The Care Quality Commission (CQC) raised a concern in respect of infection control practices for QVH patients at Darent Valley Hospital. The Head of Risk, infection control nurse specialist and decontamination lead visited a QVH clinic at Darent Valley hospital in July to undertake a review of infection control and health and safety aspects related to QVH patients and staff; findings have been communicated back to Dartford & Gravesham NHS Trust at Darent Valley Hospital and the Trust's Chief Nurse will be providing an action plan to QVH to provide assurance that concerns raised have been addressed, (which will include actions for QVH to fulfil).
- Patient Complaints
  - Eleven complaints were acknowledged during July; these are under investigation and progress is reviewed monthly by the Chief Executive and Director of Nursing. (AP reminded the board that all complaints that are signed personally either by the Chief Executive or Director of Nursing). AP noted that patient feedback remained positive with a good response rate to the friends and family test (FFT); however, this was now a requirement for all outpatient areas (including off-site locations) and with limited resources, careful consideration was required as to the most effective way of collecting data.
  - LP raised concerns at the increased level of complaints this month. Although there were no clear trends emerging, the Chairman suggested reporting could be honed to triangulate this information and it was agreed that AP would work with LH to develop a score card which would enable the board to better correlate the data provided [Action: AP]
  - On page 57 of the report, it was noted that the comment/action for Peanut had been duplicated in error for Canadian Wing; this should have read '*Still undergoing investigation and awaiting comments*'.

	<p>The Chairman thanked AP for her update, the contents of which were <b>NOTED</b> by the board.</p>
<p><b>205-14</b></p>	<p><b>Operational performance: targets, delivery and key performance indicators</b> JM reported that trust income from patient activity was above plan in Month 4.</p> <p>As predicted, as a result of a determination to clear the backlog of long waiting patients (and complete validation of open pathways), the trust had failed to meet all three aggregate 18-week targets as a consequence of failing to meet the following service level targets:</p> <ul style="list-style-type: none"> <li>• The admitted target in Ophthalmology, Oral Surgery and Plastics;</li> <li>• The non-admitted target in Oral Surgery, Plastics and Cardiology, and</li> <li>• The open pathway target in Oral Surgery, Plastics and Ophthalmology.</li> </ul> <p>However, the trust was now introducing additional waiting list management systems alongside extra capacity to reduce the backlog, and anticipated achieving aggregate compliance with all 18-week targets from the beginning of October (Q3). JM was also pleased to report that an internal solution to the issues within Ophthalmology had been identified; JM assured the board that the trust continued to work with commissioners and the Intensive Support Team (IST) in monitoring trajectories to ensure compliance by the end of September.</p> <p>GC raised concerns that increased workload to reduce backlog may not be sustainable in the long term; JM assured her that within the Plastics directorate, additional activity had been achieved through the reallocation of caseloads, and also as a result of extra capacity gained by opening Theatre 11; supplementary sessions within Ophthalmology would be undertaken as a one-off exercise until the a gap between demand and capacity had been addressed. Moreover, JM was confident that the IST action plan now enabled better forecasting.</p> <p>JM reported that the trust had also failed its 31-day first definitive treatment (FDT) and 62-day wait for cancer patients in June, and the 31 FDT for Quarter 1. There was concern that whilst the numbers involved were small, these failures would impact on the reputation of the trust and there was a need to ensure that operational arrangements with third parties were more robust. SB suggested that the trust should be looking to reduce its maximum waiting time to 15- weeks, rather than just aiming to achieve the minimum target.</p> <p>Whilst noting that trust income was above plan, JT sought assurance that budget phasing would allow for more activity from July. SB was assured there was no need for a separate business case; additional funding would be required, and whilst this would be outside routine budgets, he was confident the plan was affordable. SB was also optimistic that with better information on demand and capacity, the trust would be in a much stronger position in the future.</p> <p>In summarizing, the Chairman emphasised the need for the trust to return to a sustainable, fully compliant position from October. He thanked JM for her update, and the board endorsed the actions being taken to improve performance where required.</p>
<p><b>206-14</b></p>	<p><b>Financial performance: monthly update</b></p> <p>SB reminded the board that as agreed last month, all financial reporting was now contained within the public section of the board report.</p> <p>SB opened by reporting that the trust remained significantly ahead of the surplus plan (just under £1.1m) for the year, with additional income only marginally offset by additional costs. pay and non-pay spend was also closer to the budget than in the previous year, with any variances reflecting activity and non-recurrent costs. However, he warned that pay costs</p>

would be under pressure due in part to agency cover and sickness.

SB referred the board to the Month 4 forecast, noting that the downside position was for a surplus of £2,174k, (with the upside at £4,481k), giving a midpoint of £3,328k. He was confident that the planned surplus budget of £2,203k was consistent with the downside, providing for a strong financial forecast. Re-iterating last month's comments, SB emphasised the need for the board to consider how best it should utilise improved surplus for investment in future years.

JT noted that whilst the current financial position was gratifying, the trust had set a cautious budget this year. BH raised concerns regarding conveying these details to the organisation whilst at the same time attempting to implement the 2015/16 Cost Improvement Programme. SB concurred and emphasised the need to impart such information within an accurate context to avoid any distortion.

SB reported that cash balances were significantly above plan because of reduced debtor balances and delays to capital expenditure. However, this in turn meant that capital expenditure was significantly below the phased plan. Currently, the original plan was being subjected to a more comprehensive review, and SB reminded the board that a detailed update would be provided during the closed session of today's meeting.

The Chairman thanked SB for his comprehensive update the contents of which were **NOTED** by the board.

**207-14 Workforce**

GA presented the Workforce report for the month, highlighting areas of significance as follows:

Turnover had increased to 16%, although there was no overall trend emerging and core stability remained good. GA noted that whilst issues on Canadian Wing were improving, there continued to be concerns within Hotel Services. There did not appear to be any obvious trends in the high level of turnover, although this was being monitored closely with the aim of reducing levels closer to 11%. GA assured the board that the Workforce Information Team continued to focus on vacancy levels (and associated reasons for leaving); in addition, improvements in the exit interview process were underway. June saw a very large number of leavers, although numbers for July had returned to a more reasonable level. However, whilst the vacancy level was falling, turnover remained an issue at present which would not be resolved by overseas recruitment.

SB noted significant variances within different areas of the hospital, with some departments not working to full establishment, and reminded the board that underspend was as much a concern as overspend.

GA reported that bank and agency levels remain lower than in previous years whilst vacancies and overall pay had increased from last year. He advised that he was working closely with SB to ensure future reporting between the two directorates was more consistent, with fewer anomalies.

Sickness absence in the Trust rose in July however this did not appear to be linked to incidents of stress or anxiety which had remained static.

As requested by the board last month, GA had undertaken further research into the high levels of stress and anxiety reported. He confirmed that all sickness was reviewed on a weekly basis. Out of a total of 30 cases of stress and anxiety, only nine were work related.

	<p>These were predominantly due to increased workload, although some were linked to capability. However, of the nine cases examined, seven had now returned to work with only two outstanding.</p> <p>The Chairman asked GA what plans were in place to reduce the current rate; GA responded that the aim was to return to the target of 2% by year end through careful use of resources and better planning. GA assured the board that managers were now better equipped to deal with episodes of long term sickness than in the past, through proactive collaboration between line managers, Human Resources and Occupational Health.</p> <p>The Chairman thanked GA for his update which had been very helpful, particularly with regard to the issues of stress and anxiety and asked that this remain a component of future board reporting.</p> <p>The board <b>NOTED</b> the contents of the update.</p>
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**STRATEGIC PRIORITIES**

<p><b>208-14</b></p>	<p><b>Quarterly update on delivery of Key Strategic Objective (KSO) 5: Organisational Excellence</b></p> <p>GA presented the board with the first of the quarterly updates against the objectives / actions associated with KSO 5, Organisational Excellence. GA explained that the report was designed to provide assurance against the workforce elements of the Trust strategy (mainly relating to the current fiscal year). However, whilst providing progress updates on main objectives, it also linked actions to overall aims associated both with the QVH 2020 strategy (Delivering Excellence) and the emerging Workforce Strategy.</p> <p>GA reminded the board that the initial vision for QVH had led to the development of the QVH 2020 strategy; once vision and aims were established it had then been possible to develop the Key Strategic Objectives (KSOs) to ensure the trust achieved a sustainable future for the organisation. The Workforce Strategy had been developed from the KSOs and was built around six key themes, namely:</p> <ul style="list-style-type: none"> <li>• Developing staff (improving flexibility of the workforce);</li> <li>• Improving business (driving up quality and value for money);</li> <li>• Being accountable (strengthening leadership capability);</li> <li>• Sharing the journey (engaging with staff, patients and their carers);</li> <li>• Managing the change (workforce planning and effective change management);</li> <li>• Designing our future (working with staff / external stakeholders on future of delivery of services)</li> </ul> <p>Having reiterated the link between the KSOs and Organisational Excellence, GA explained that initial projects to deliver organisational excellence included leadership development, performance management and innovation and apprised the board of progress to date.</p> <p>GC queried how the board could be assured that the trust was on track. GA suggested there might be a number of indicators including Friends and Family Test result; however, he reminded the board that a series of open staff engagement sessions would be launched shortly to discuss how best to take the organisation forward, and staff feedback would be considered prior to the formal consultation.</p> <p>The Chairman commended GA for the excellent framework in which the update had been presented which gave a clear picture of how this connected overall to the trust's 2020 vision. He suggested it would be helpful to the board to receive regular progress updates, with</p>
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	<p>enhanced data where appropriate.</p> <p>In the meantime, the Chairman noted the need to allocate a dedicated NED to support development of this work; he noted that Organisational Excellence would impinge on the wider sub-committee review and was equally as important as Audit and Quality and Risk. The board agreed this merited careful consideration.</p> <p>The board <b>NOTED</b> the contents of the quarterly update.</p>
<b>GOVERNANCE</b>	
<p><b>209-14</b></p>	<p><b>Corporate Risk Register (CRR)</b> AP presented the quarterly Corporate Risk Register (CRR) and asked the board to note that two new risks, rated above 12, had been identified. She assured the board that mitigating actions had been taken and further actions to further reduce risk identified.</p> <p>After consideration it was suggested that one of the newly identified risks (ID732 relating to storage of long term model boxes) did not warrant a rate of 12+; AP agreed to review and adjust as necessary.</p> <p>The Chairman thanked AP for her update the contents of which were <b>NOTED</b> by the board.</p>
<p><b>210-14</b></p>	<p><b>Annual Seal Register Report</b></p> <p>LH reminded the board that, in line with the Trust's Standing Orders, it was required to receive a report of all sealings on an annual basis. Accordingly, an report had been prepared; this stated that a resolution to apply the trust seal was last brought to the board in September 2012 and confirmed there had been no further requests to apply the seal since that time.</p> <p>The Chairman thanked LH for her update and the board <b>NOTED</b> its contents.</p>
<p><b>211-14</b></p>	<p><b>Statutory Duties of Co-operation/Stakeholder Engagement</b></p> <p>LH reminded the board that during the self-assessment against the Board Governance Assurance Framework model conducted earlier in the year, it was highlighted there was no definitive statement in the trust of how its various statutory duties of cooperation were fulfilled. Accordingly, LH had prepared a report which provided assurance to the board the these duties were understood and appropriately met.</p> <p>The board <b>NOTED</b> the contents of the report and accepted the assurance contained therein.</p>
<p><b>212-14</b></p>	<p><b>Audit Committee Terms of Reference and Work Plan</b></p> <p>LH presented the revised Terms of Reference for the Audit Committee, together with a draft Audit Work programme. Both documents had been revised to reflect Healthcare Financial Management Association (HFMA) guidelines and best practice.</p> <p>JT asked the board to note that, with the exception of Whistleblowing (which was a recent addition), headings for the new ToRs remained the same as in previous versions, (whilst containing greater detail); however, it was likely these could be subject to further changes, depending on the outcome of the current wider review of sub-committees.</p> <p>Likewise it was noted that the work plan could change and JT advised he was working closely with GC, (as Chair of the Quality and Risk Committee) to minimise overlap.</p>

	<p>JT reminded the board of its responsibility to identify areas requiring additional scrutiny, rather than delegating this to the Audit Committee as was current practice.</p> <p>The Chairman noted the need for clarity around the correlation between the Quality and Risk (Q&amp;R) and Audit Committees. He hoped this would emerge from the current review and proposed that in the meantime, both the ToRs and work programme be approved, pending the review outcomes.</p> <p>Accordingly the board <b>APPROVED</b> the current ToRs and associated work programme.</p>
<b>REPORTS FROM THE CHAIRS OF THE SUB-COMMITTEES TO THE BOARD</b>	
<b>213-14</b>	<p><b>Clinical Cabinet</b></p> <p>On behalf of the Chief Executive, AP apprised the board of matters which had been considered by the Clinical Cabinet over the last month. These included:</p> <ul style="list-style-type: none"> <li>• 18-week performance targets;</li> <li>• Finance (including the 2015/16 Cost Improvement Programme);</li> <li>• The proposed Education Centre (with agreement to undertake an options appraisal to determine options for location). In the meantime, a short term location for a simulation suite would be determined, pending a longer term decision;</li> <li>• Signing off two serious incidents (previously reported to the board) which included wrong tooth extraction and histopathology late reporting;</li> <li>• A 'never event' relating to wrong tooth extraction;</li> <li>• A successful bid to support the development of Schwartz rounds;</li> <li>• An update on the current MRSA situation, with agreement to engage external company to undertake deep clean of the unit due to the lack of internal resources at present, and</li> <li>• An update on progress against Key Strategic Objectives 3 &amp; 4</li> </ul> <p>The Chairman was assured that the contents of the Clinical Cabinet update reflected issues raised at today's board meeting; he also commended the Chief Executive on the succinct and clear reporting format.</p>
<b>214-14</b>	<p><b>Nominations &amp; Remuneration Committee</b></p> <p>LP presented an update following last month's Nomination and Remuneration Committee, of which he was Chair.</p> <p>In echoing JT's comments, he asked the board to note that the Committee's work plan was a document which would evolve as part of the overall review of the trust's committee structure.</p> <p>The Chairman asked the board to note that the appraisal process for the Chief Executive was now complete.</p>
<b>STAKEHOLDER AND STAFF ENGAGEMENT</b>	
<b>215-14</b>	<p><b>Feedback from events and other engagement with staff and stakeholders</b></p> <ul style="list-style-type: none"> <li>• GC reported she had undertaken a Compliance in Practice session in August and had received very positive feedback from patients.</li> <li>• AP had visited theatre staff and was encouraged by staff awareness of the trust's culture and values.</li> </ul>



<b>GOVERNOR REPRESENTATIVE &amp; NON-EXECUTIVE DIRECTORS</b>	
<b>216-14</b>	<b>Observations from the Chairman, Non-Executive Directors and Governor Representatives</b> There were none
<b>MEMBERS OF THE PUBLIC</b>	
<b>217-14</b>	<b>Observations from members of the public</b>  There were none
<b>218-14</b>	Further to paragraph 39.1, and annex 6 of the Trust's Constitution, it was agreed that members of the public should be excluded from the remainder of the meeting in order to enable the board to discuss confidential information concerning the trust's finances and matters of a commercially sensitive nature