

Document:	Minutes FINAL & APPROVED		
Meeting:	Board of Directors (session in public) Thursday 27th November 2014, 13.00 – 16.00, The Council Chamber, East Court, College Lane, East Grinstead RH19 3LT		
Present:	Beryl Hobson, (BH)	Non-Executive Director and Chair Designate (Chair)	
	Lester Porter (LP)	Non-Executive Director	
	John Thornton (JT)	Non-Executive Director	
	Ginny Colwell (GC)	Non-Executive Director	
	Richard Tyler (RT)	Chief Executive	
	Stuart Butt (SB)	Interim Director of Finance	
	Amanda Parker (AP)	Director of Nursing & Quality	
	Steve Fenlon (SF)	Medical Director	
	In attendance:	Graeme Armitage (GA)	Head of Human Resources & Organisational Development
		Lois Howell (LH)	Interim Head of Corporate Affairs & Co Sec
		Brian Goode (BG)	Governor Representative
		Jane Morris (JM)	Interim Head of Operations
		Hilary Saunders (HS)	Deputy Company Secretary (minutes)
	Apologies:	Peter Griffiths (PAG)	Trust Chairman

WELCOME

297-14 Welcome, apologies and declarations of interest

As apologies had been received from the Peter Griffiths (QVH Trust Chair), today's meeting would be chaired by BH (Non-executive Director and Chair Designate) in his absence. BH opened the meeting and welcomed those present.

GA advised the board that he was undertaking work for CSH Surrey but that this work did not conflict with the interests of the QVH at present. Other than this, there were no new declarations of interest.

PATIENT STORY

298-14 Patient Safety

AP shared details of a letter received from a patient who was the main carer for his wife, who had both dementia and learning disabilities. Thanks to the care and support of consultant Asit Khandwala, the patient was able to undergo treatment whilst still able to provide support and assurance to his wife. The patient had expressed gratitude for the compassion shown and asked that thanks be conveyed to Mr Khandwala.

The Chair thanked AP for her update which was duly **NOTED** and also asked that the board's formal thanks be passed on to Mr Khandwala.

STANDING ITEMS

299-14 Draft minutes of the meeting session held in public on 30 October 2014 for approval

It was noted that under item 263-14, the figures should be amended to read £300k - £400k of provision.

Subject to this revision, the minutes of the meeting were **APPROVED** as a correct record.

300-14 Matters Arising & Actions Pending

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

	<p>was updated as appropriate.</p> <p>The update was received and APPROVED.</p>
<p>301-14</p>	<p>Update on behalf of the Chief Executive</p> <p>The CEO opened by reminding the board that AP would be leaving the trust in February to take up the post of Director of Nursing at Western Hospitals, and confirmed the trust had advertised a six-month secondment opportunity to provide cover during the recruitment period. Whilst recognising this new role as a great opportunity, the board also expressed regret that AP would be leaving QVH.</p> <p>RT highlighted significant changes to the way in which specialised services would be commissioned from 2015, with plans for NHS England to co-commission the majority of specialist services in partnership with CCGs; whilst noting it was not clear at this stage how these changes would work in practice, the trust would need to focus carefully on how it might affect future income streams.</p> <p>RT also asked the board to note that the 5-year forward plan indicated consolidation of services into a smaller number of specialist centres, which could pose a risk for QVH.</p> <p>In the meantime, RT was pleased to report that the trust's five-year plan had been rated as green; moreover, at the recent quarterly meeting held with Monitor there had been no indication of any change to the trust's risk rating.</p> <p>The Chair thanked RT and the board NOTED the contents of his update.</p>
<p>RESULTS AND ACTIONS</p>	
<p>302-14</p>	<p>Patients: safe staffing and quality of care</p> <p>AP presented the monthly update on Patient care, highlighting the following issues:</p> <p>Whilst safe staffing levels were met in October, this was only achieved through use of bank and agency staff. A number of medication errors had been attributed to agency staff. Whilst HR teams are developing a plan to address vacancy rates, recruitment concerns have been reflected within the risk register. There were also concerns that insufficient levels of substantive Intensive Treatment Unit (ITU) nursing staff had led to recent issues in the Unit. Whilst this was an ongoing concern, AP assured the board that any issues which emerge are handled by herself and the Medical Director to ensure the trust was maintaining safe levels at all times. On a more positive note, AP reported that she had recently signed an agreement with the Military for a 5-year collaborative contract, which would bring specialist trained nurses to QVH on a rotation basis from January.</p> <p>Two serious incidents had been reported to the Clinical Commissioning Group (CCG) in October; the first related to a patient who had contracted Legionella, and the trust was awaiting a formal response from Public Health England. The second incident related to a patient who, as a result of post-operative complications, had lost his sight. A root cause analysis was underway, the results of which would be reported to the board next month [Action: AP]</p> <p>There had been a significant increase in the number of incidents causing harm to staff, (with one being reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) although no trend had been identified.</p> <p>AP asked the board to note that an incident of C.Diff, would be reported in next month's figures.</p>

	<p>Despite this being acquired by the patient within the community rather than the hospital, the data capture system did not allow for true reporting. AP had highlighted this inaccuracy to both the Commissioning Support Unit (CSU) and the Clinical Commissioning Group (CCG) but there appeared to be no recourse at present.</p> <p>AP assured the board that the trust had disseminated information to staff regarding the risks associated with the potential spread of the Ebola virus, and also participated in a local multi-disciplinary exercise during October to confirm the local health economy's preparedness. The board also noted that the Deputy Director of Nursing had accepted a secondment to the Department of Health to support its programme of preparedness. It was recognised that whilst patients with suspected Ebola symptoms arriving at Gatwick Airport would normally be referred directly to East Surrey, there was still a risk that infected patients could present at the Trust's Minor Injuries Unit (MIU) with an unrelated complaint.</p> <p>Eight complaints were recorded in October, with staff attitude remaining a continuing theme. GC asked GA what was being done to address this and was advised that this issue was highlighted during the recruitment process, and within leadership training and management development programmes; RT reiterated this was also emphasised at induction, and recognised that a multifaceted approach was required in order to address this fully.</p> <p>AP had recommended that a provider be appointed to manage Friends and Family Test data as current manual systems were becoming unsustainable; an automated system was necessary in order to capture response rates. JM warned of survey overload, although AP provided assurance that an automated system would enable rules to be established to prevent patients being surveyed too frequently.</p> <p>SF asked for clarification regarding targets for keeping the number of patients who would be unlikely to recommend QVH to friends and family low; AP agreed to investigate and report back [Action: AP]</p> <p>An annual report setting out progress against key actions and achievements to date in response to the Francis enquiry had been circulated to the board. The plan also identified and included actions relating to the Cavendish and Keogh reports. AP confirmed that the Quality and Risk Committee routinely reviewed progress against the plan.</p> <p>AP asked the board to note there were financial implications associated with the provision of the observation recording system and that a nursing technology fund bid was being developed in time for the December deadline.</p> <p>In response to JT's concerns, AP observed that despite some recommendations being labour-intensive, on the whole processes introduced had enabled greater transparency.</p> <p>The Chair thanked AP for her update, the contents of which were NOTED by the board.</p>
<p>303-14</p>	<p>Operational performance: targets, delivery and key performance indicators</p> <p>JM presented the monthly operational update report, noting that since July considerable progress had been made in reducing the waiting list backlog; the trust was forecasting compliance with the open pathway target in November, one month ahead of schedule. In order to continue progress in achieving a sustainable waiting list whilst reducing the number of patients waiting over 18 weeks, the trust would be forecasting non-compliance for both admitted and non-admitted targets for November, but anticipated compliance by the beginning of December.</p> <p>SB reported that there were only around 5-6% of patients still waiting over 18 weeks, and only 20 patients still without a date (due predominant patient choice). He also noted a significant</p>

	<p>improvement on the quality of information now received on a daily basis, with improvements set to continue into the future.</p> <p>The board discussed how best to express its thanks to staff who had come in at weekends throughout November in order to assist in reducing the backlog; the importance of thanking staff in person, as well as via Connect or the staff briefing, was emphasised.</p> <p>JT sought clarification as to the level of penalties which would be levied by the CCG; SB confirmed these would not be applicable in October or November, but it was hoped that around £120k of penalties could be recovered. He also agreed to prepare a report on the financial implications of the additional work for the December board meeting [Action: SB].</p> <p>JM reported that the trust had breached the 62-day cancer target for Q2 due to performance in July and August; these were predominately at off-site clinics where other trusts were experiencing difficulty in managing patient pathways. As there did not appear to be a particular trend, there was no action plan in place at this stage, although JM assured the board this was not related to breast reconstruction surgery, which had previously been a problem. JM confirmed that the trust should achieve the 62-week target for October, although the 31-week target was still awaiting validation.</p> <p>The Chair thanked JM for her report, the contents of which were NOTED by the board.</p>
<p>304-14</p>	<p>Financial performance: monthly update SB presented the Finance report for October highlighting the following:</p> <p>The trust achieved a £431k surplus in October; the forecast surplus figure of £2.4m reflected the original £2.2m target plus donated income from the League of Friends (for anaesthetic machines). The downside forecast is for a surplus of £2.4m (with an upside of £3.4m), giving a midpoint of £2.9m. Cumulative surplus remains ahead of plan with October surplus on plan and consistent with the same period in 2013-14.</p> <p>Whilst the November position was more aligned to last year, the planned surplus of £350k was unachievable due to income profile; whilst staff are paid in equal 12th (twelfths) throughout the year, the way that weekends and week days fall during any given mean month means that potential income varies, and this had not been taken into account when the target for November had been set. However, future planning would be phased in a different way; SB noted it would not be unusual to see a similar downturn in December because of the Bank Holidays on that month.</p> <p>The trust is achieving 69% of the cost improvement plan, with work progressing to ensure further improvement. SB asked the board to note that the original plan was predicated on acquiring the OT6 building, however, the building is yet to be disposed of and in the meantime the trust is still paying rental charges.</p> <p>Cash balances are significantly above plan (c £7.5m), due in part to delays to capital expenditure; the capital plan and associated schemes continue to be managed robustly. Good progress has been made in respect of debtors, with balances below the prior year-end balance.</p> <p>SB asked the board to note a change to reporting, which now set out the headline financial position for each individual directorate (including a summary of variances). He hoped that future reporting will be further refined to provide narrative outlining key risks, issues and opportunities.</p> <p>JT sought clarification with regard to agency and bank expenditure and was advised that whilst some was included in the plan, there was also provision made for emergency cover.</p>

	<p>BG asked for information on how the additional work would be paid for and how this would be presented within the finance reporting; SB advised that this activity would be clearly identified in order to provide assurance to the board whilst also assisting with planning for next year.</p> <p>The board was also reminded by RT of the importance of remaining alert to referral criteria and of ensuring that funding would be available to pay for activity, taking into account the constrictions of the wider health economy.</p> <p>The Chair thanked SB for his comprehensive update, the contents of which were NOTED by the board.</p>
<p>305-14</p>	<p>Workforce</p> <p>GA presented the Workforce update for October, reminding the board that recruitment and retention remained high on the agenda, with challenges in both turnover and vacancy rates. A number of new initiatives were being implemented to help address the issue, including establishment of a recruitment taskforce. GA tabled a recruitment ‘dashboard’ and noted the first meeting of the Recruitment Taskforce had been well attended. A recruitment day for nursing staff was scheduled for 27th January, with a similar event for medical staff planned for March. In the meantime, the level of staff vacancies remained high on the risk register.</p> <p>BH advised that NEDs had been asked to provide feedback on the current state of recruitment at the next Council of Governors meeting in December. GA agreed to circulate the latest update to NEDs for information [Action: GA]</p> <p>Sickness levels had fallen and there was also a reduction in the number of episodes relating to stress and anxiety. The HR team continues to support managers in addressing cases affecting their departments.</p> <p>GC commended the workforce report but requested additional information around absence and vacancies, for example separating out different staff groups; JM cautioned that administrative and clerical did not relate only to medical secretaries and that maybe a breakdown into more specific groups would be more helpful; GA agreed to review and simplify the current report. [Action GA]</p> <p>AP noted that the taskforce considered retention as well as recruitment and reminded the board that as a small trust it couldn’t offer the same opportunities for development as a larger trust.</p> <p>SF noted that overseas recruitment had proved problematic within other trusts, but was assured the trust would never resort to taking on staff just to fill a gap; AP concurred, and confirmed the trust was currently investigating a range of alternative strategies.</p> <p>Whilst not a formal element of the Workforce report, GA asked the board to note that a new Leadership management development framework was being piloted and should be implemented next month.</p> <p>ERostering was under review at present (in an attempt to iron out issues which managers and the HR team had been experiencing since implementation). With these changes in place, it was hoped data could be used more effectively as part of an early warning system.</p> <p>The Chairman thanked GA for his update, and the board NOTED its contents.</p>

STRATEGIC PRIORITIES	
306-14	<p>Quarterly update on delivery of Key Strategic Objective (KSO) 5: Organisational Excellence</p> <p>GA presented a quarterly update on delivery of the KSO on which he was leading and reported that whilst overall progress was good, the launch of the Leadership and Development framework had been delayed whilst further refining took place; a revised launch date was set for the end of December; GA agreed to circulate the revised draft to members of the board for information [Action: GA]</p> <p>Following on from the monthly workforce update, GA reiterated changes which had been made to improve accuracy of eRostering information, and highlighted the importance of implementing the SafeCare system module. This was due to be completed by January/February 2015 and would provide up to date information about levels of staffing against the acuity of patients being cared for; until this was effective, the HR team would be instigating a temporary early warning solution.</p> <p>GA noted that strategic objectives were incorporated in the Workforce Strategy and where appropriate extended to reflect more detailed actions, for example long term workforce planning now dovetailed with the business planning process for Year 1, and extended further to enable the organisation to plan workforce requirements more effectively for the future. SB suggested that the strategy should also take account of the Directorate/Divisional perspective to achieve a more balanced picture.</p> <p>The Chair was assured by the amount of work being undertaken at present and thanked GA for his update, the contents of which were duly NOTED by the board.</p>
GOVERNANCE	
307-14	<p>Corporate Risk Register (CRR)</p> <p>AP presented the Corporate Risk Register (CRR) and asked the board to note the top four risks and in-month changes set out in the report.</p> <p>The board was pleased the report demonstrated clear engagement throughout the organisation. During discussions the following points were noted:</p> <ul style="list-style-type: none"> • ID 629: there had been an improvement in the risk score (the arrow should be changed to a downward direction); • RT suggested that whilst the Clean Room failure had been scored above 12, this should be recalibrated to reflect the lower level of impact; • JT noted that the fields for IDs and 648 and 749 were inaccurate and should be reviewed AP noted his comments and agreed to action as appropriate; • LP requested a status update in respect of ID711 and was advised by SB that Willmott Dixon had verbally agreed to replace all door mechanisms at no cost to the trust, (to include new warranties); written confirmation of this offer was awaited. <p>RT suggested that proposed changes to elective activity and tariff for 2015-16 should be captured within the risk register; SB agreed this could be done once details had been confirmed.</p> <p>The Chair thanked AP for her update the contents of which were NOTED by the board.</p>
308-14	<p>Working Capital Facility</p> <p>SB presented a report to the board regarding the Working Capital Facility (WCF) which provided</p>

	<p>the trust with a facility to draw down up to £4.1m to meet short term cash flow requirements. The figure of £4.1m represents approximately 27 days of operating expenses and whilst the trust has no plans to utilise this facility, it currently acts as a safeguard (at a cost of £20.5k with interest of Base Rate plus 2% on any funds drawn down).</p> <p>SB explained that whilst WCF was no longer a requirement under Monitor's Continuity of Service Risk Rating, it still remained best practice to have this facility in place.</p> <p>After due consideration, the board duly NOTED the contents of the report and APPROVED continuation of the existing Working Capital Facility arrangement.</p>
REPORTS FROM THE CHAIRS OF THE SUB-COMMITTEES TO THE BOARD	
<p>309-14</p>	<p>Clinical Cabinet The Chief Executive confirmed that he would provide a written report to the board at its meeting next month.</p>
<p>310-14</p>	<p>Nomination & Remuneration Committee As Chair of the Nomination and Remuneration Committee, LP had provided a written update on last month's meeting. He concluded there was very little to add to his report, the contents of which were duly NOTED by the board.</p>
<p>311-14</p>	<p>Quality & Risk Committee GC noted that the recent meeting had not been well attended due to a date change. Although GC had little to add to the written report, the Q & R committee was focusing on CQC inspection evidence in preparation for the trust's anticipated inspection next year.</p> <p>The board NOTED the contents of the update.</p>
STAKEHOLDER AND STAFF ENGAGEMENT	
<p>312-14</p>	<p>Feedback from events and other engagement with staff and stakeholders</p> <p>LH reported that she had undertaken a Compliance in Practice (CiP) session in the Minor Injuries Department; it was noted that despite the limited space, privacy and dignity was handled very well and patients appeared grateful to be seen at the local MIU, rather than at a larger Accident and Emergency Department. However, if a 'returners' clinic was underway in MIU, LH suggested this should be clearly communicated to all patients in order to alleviate concerns that some patients were 'queue jumping'. AP agreed to feed this back. [Action: AP]</p> <p>BH had met recently with the Chair of Brighton and Sussex University Hospitals Trust (BSUHT) who was keen to hold a 'board to board' event at QVH in the new financial year.</p> <p>GC had attended a Royal College of Nursing study day and reported that nursing revalidation would be introduced next year; it was noted that as with the medical revalidation programme this initiative would have associated costs but no additional funding.</p>
GOVERNOR REPRESENTATIVE & NON-EXECUTIVE DIRECTORS	
<p>313-14</p>	<p>Observations from the Chairman, Non-Executive Directors and Governor Representatives</p> <p>LH, RT and BH had all attended this month's Foundation Trust Network (FTN) conference which this year had focused on integrated care, innovation and efficiency and accountability. LH agreed to circulate her notes of the event to all board members.</p>

	<p>AP had recently attended the Chief Nursing Officers conference and advised that the Learning Disabilities report was due to be published. AP noted that QVH had performed well during a recent peer review and results would be reported to the board in due course.</p> <p>With regard to current non-executive director (NED) recruitment plans, BH reported that she had undertaken a skills analysis of the current NEDs and would feedback the results to the Chair of the Appointments Committee; this in turn would inform the candidate brief currently being developed by Odgers. The current timetable indicated that a new appointment should be in place for the start of the new financial year.</p> <p>BH reminded the board that the governance review had been progressing since October, with a further meeting scheduled for December; an interim report would be provided at the January board meeting.</p>
MEMBERS OF THE PUBLIC	
314-14	<p>Observations from members of the public</p> <p>One member of the public present at today's meeting advised she had particular interest in the 5 Communities Plan and raised concerns that local residents were having to travel further from home in order to receive treatment. RT confirmed he was working with local GPs to help provide more services locally; BH advised that the Chief Executive would be making a presentation on Community Services at Council of Governors meeting on 11th December and suggested any members of the public with a particular interest in this issue should attend.</p>
315-14	<p>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</p>

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