

Board of Directors (in Public) Item 9

minutes

Minutes of the Board of Directors' meeting held on 27th January 2015

Present :	Neil Large	Chairman
	Jane Tomkinson	Chief Executive
	David Bricknell	Non-Executive Director/ Senior Independent Director
	Lawrence Cotter	Non-Executive Director
	Mark Fuller	Non-Executive Director
	Debbie Herring	Director of Strategy and Organisational Development
	David Jago	Chief Finance Officer/Deputy CEO
	Mark Jones	Non-Executive Director
	Sue Pemberton	Director of Nursing and Quality
	Glenn Russell	Medical Director
	Marion Savill	Non-Executive Director
In Attendance:	Mark Jackson	Director of Research and Informatics
	Lucy Lavan	Associate Director of Corporate Affairs
	Tony Wilding	Chief Operating Officer
	Raph Perry	Deputy Medical Director
Governors / Members of the Public:		

1. **Welcome and Opening Matters**

Apologies for absence

There were no apologies for absence.

The Chairman welcomed Mark Jones, Non-Executive Director to his first Board meeting and also Dr Raph Perry, Deputy Medical Director who was in attendance.

The Chairman noted that this would be Mark Fuller's final Board

Action

meeting and thanked him for his valued contribution over the last two years, wishing him success in his new ventures.

The Chairman advised that the format of the Board's agenda had been re-structured to reflect learning from recent Board development work; quality and safety items would feature first and 'starred'* items had been introduced to facilitate more effective time management. Members of the Board would be required to review and note 'starred'* items and raise any questions on an exceptions basis, for example, where further assurance is required. There will be no requirement for the paper to be presented orally, unless any Board member requests this. The Chairman advised that there would be opportunity to evaluate these changes at the end of the meeting, and refine as required for future practice.

2. Declaration of interests relating to agenda items

The Chair asked Board members if they had any interests to declare in respect of items listed on the Board's agenda. All directors declared that they had no interests.

3. Patient Story

The Board received a video recording of 'Gina's Story'; this was not an LHCH case study but illustrated some valuable learning that has been cascaded throughout the Trust.

Patient Safety and Quality

4. SHO Cover – Short and Medium Term Plans

The Medical Director reminded the Board of the risks associated with reduced SHO cover from February 2015 associated with recruitment difficulties; and with the change in national policy from August 2015 which will see a reallocation of F2 posts in favour of community / primary care placements.

The paper presented outlined the action plan in place to mitigate risks and ensure patient safety. The plan had been developed by a multi-disciplinary group led by the Medical Director and implemented a week ahead of the February shortfall in order to check effectiveness. The plan had been designed to ensure robust arrangements for business continuity during normal working hours and medical response during evenings, nights and weekends.

The longer term strategy focused upon the need to improve the education and experience of junior doctors at LHCH and also the need to develop and retain the Advanced Nurse Practitioners, whose roles at been exptended.

The Board discussed the challenges associated with delivering the mitigation plans, including the need for consultants to fully embrace EPR; the importance of training and retaining the nursing staff who have been assigned to new roles; and the potential consequences for nurse recruitment in relation to backfill. In respect of the latter, it was noted that the forward quarterly recruitment process will begin in early February and if necessary, consideration given to overseas recruitment.

Following discussion the Board concluded that the action plan was robust and comprehensive and the continuation of weekly meetings of the multi-disciplinary group would ensure continuous review and refinement. In addition, the daily safety huddle provided a mechanism for the executive team to be immediately sighted on any safety issues.

The Medical Director advised that there had been an indication from the Deanery that the timeframe for reducing F2 numbers in line with national policy might now be extended, but this would simply delay the impact. The Trust will now focus on developing an education strategy that will provide a significantly improved training experience.

The Medical Director agreed to update the Board in March 2015.

GNR

5. Quality Governance Framework – MIAA Review of Compliance

The Board received MIAA's review of the Trust's self-assessment against Monitor's Quality Governance Framework noting that the interim score of 4 assigned in September 2014 had improved as a result of new evidence provided for the follow-up assessment in December 2014, resulting in an updated score of 3.5. The score of 3.5 means that overall the Trust is able to demonstrate that it meets Monitor's requirements for quality governance.

The Board discussed the amber-red rating assigned to question 3B and asked whether this assessment exposed any significant risk. The assessment reflected a view on the Trust's capacity to deliver action plans for risk management within a reasonable time-frame, primarily in respect of the people / OD changes identified within the Trust's action plan. The Board noted that the Quality Committee was fully sighted on the detail of work in progress and that the risk rating reflected delivery against the Trust's high aspirations rather than any other formal requirement. The Quality Committee would monitor work in progress and review the self- assessment again in 6 months' time.

LC/SP

The Board went on to discuss the report's finding that engagement with clinicians who do not routinely come into contact with the Board could be improved (Page 6), noting that the Chief Executive speaks to consultants on a regular basis in addition to regular walkabouts. It was agreed that this finding would be probed further in order to understand any further action required.

SP

In relation to the recommendation that the Trust ensures it can measure return on investment in new systems and processes and is able to effectively prioritise improvement work (Page 5), the Board noted that the new PMO structure would support this.

The Board noted the report and acknowledged the value of this review as a pre-cursor to the commissioning of the Trust's first external 'Well Led' review by the end of 2016/17.

6. 6 Monthly Review of Nursing Workforce

The Board received and reviewed the findings of the comprehensive 6 monthly review of staffing levels which is undertaken to ensure that staffing establishments reflect activity and acuity levels. It was noted that the Quality Committee had reviewed the report and was satisfied that the methodology applied to assess safe staffing was robust.

The Board acknowledged that it was impossible to prevent all gaps in staffing as a result of increased acuity and sickness absence but was satisfied with the proactive approach taken to monitor and manage staffing on a shift by shift basis and use of the daily safety huddle to identify and address any issues.

A point of accuracy was noted in relation to a statement on Cedar Ward as it was confirmed that beds are no longer 'commissioned'. (Appendix 1).

It was noted that the Quality Committee is closely monitoring KPIs for Cedar Ward as this is a complex ward with a high level of acuity where retaining newly qualified staff has been problematic. It was noted that leadership on this ward has been enhanced alongside additional input from consultant medical staff and Advanced Nurse Practitioners. The safety huddle provides an effective mechanism for daily review of issues.

The Board discussed agency staff usage noting that this is now a subject of national focus. Improvements have been made to recruitment and payment protocols in order to secure routine use of bank staff in favour of agency wherever this is possible. Plans are also being developed to establish a bank for locum medical staff.

The Director of Strategy and OD outlined the process for compiling workforce plans and advised that a Workforce and OD Plan will be brought to the Board in March 2015.

The Board noted the report and acknowledged the value of presenting quality indicators alongside staffing indicators to provide strong assurance in respect of patient safety.

DH

7. Publication of Monthly Staffing Data for Nursing and Care Staff

The Board received the monthly staffing report, noting the increased requirement for 1:1 care due to increased acuity, more patients presenting with confusion and more patients assessed at risk of falls.

The Board accepted the recommendations set out in the report and confirmed its satisfaction with the processes for deployment of staff to ensure the maintenance of safe staffing on all in-patient wards.

8. Quarterly Report on the number of DoLs Applications*

The Board noted that there had been two referrals made in relation to deprivation of liberty safeguards within the reporting period and that it is now a requirement to notify the Care Quality Commission of applications.

It was noted that Jo Shaw, Assistant Director of Nursing, is now designated DoLs lead with responsibility for supporting staff with completion of applications and delivering education and training to staff on the requirements of the new policy and guidance.

The Board noted the report.

9. Director of Infection Prevention and Control – Quarterly Report

The Board received the report, noting that there had been two cases of CPE which had been contained and that the development of a long term strategy for the prevention and control of multi drug-resistant organisms would be completed by Summer 2015.

GNR

It was confirmed that the tap replacement programme in critical care is complete and had shown significant improvements in water quality; regular testing for Pseudomonas continues.

The Board noted the report and work in progress to develop a strategy for management of CPE.

10. Safeguarding Annual Report and External Review Findings

The Board received the report and the findings of a comprehensive peer review of safeguarding which had identified several areas of positive practice and recommendations for improvement that have informed the action plan and priorities for safeguarding going forward.

It was noted that the separation of the safeguarding role of the Assistant Directors of Nursing has been addressed and developed as a single role (Jo Shaw) to provide a source expert knowledge and advice for staff.

The Board noted the report.

11. Sign Up to Safety

The Board noted progress with the 'Sign Up to Safety' campaign and supported the safety improvement plan which focused on two areas – the development of reliable care and improving the safety culture. The delivery of the action plan will be monitored by the Patient Safety Group.

It was noted that the safety improvement plan will be considered by the NHS Litigation Authority in relation to the level of the Trust's financial contribution to risk sharing for claims management.

The Board noted the report.

Strategy and Development

12. Chief Executive's Report

The Chief Executive noted the introduction of this new style report which aimed to formalise and update the Board on key issues, including partnership working. She invited questions from the Board and comment on the report in terms of format and content.

Members of the Board commented that the report was helpful and had captured a valuable update on stakeholder work as well as top risks, regulatory updates and other items of interest.

As there is still uncertainty surrounding the possible re-location of the Upper GI service, it was noted that the annual planning process will incorporate a scenario analysis to enable an understanding of the financial, workforce and capacity implications associated with each option.

The Board discussed the Trust's response to a request from Southport to provide outpatient capacity and the opportunity that this could bring in testing the concept of a single pathway for cardiology; a model which aligned well with the neighbourhood concept set out in the Healthy Liverpool proposals. It was noted that the Board would discuss the strategy for cardiology in further detail at the Board Strategy Day on 24th February 2015.

DH

In relation to the 'top risks' summary, the Board requested that this be extended to include the Top 10 risks. It was noted that at the present time, the 3x3 scoring matrix was still in place, pending development of the new policy on risk management which will see the re-introduction of a 5x5 matrix.

JT/MJ

In relation to the first risk relating to junior medical staffing which was rated red, the Board noted that it had evidenced a comprehensive mitigation plan and it was acknowledged that this would likely result in a re-assessment of the risk to a lower score at the next review date.

Similarly, the final risk which had been identified as a result of a serious untoward incident had been mitigated and the score would be moderated following review of audit data that will validate the effectiveness of new controls in place.

The Board noted the report and actions as set out above.

The Chief Executive took opportunity to recognise the work of Cath Barton and Ann Conley who had served the Trust as General Managers for periods of 10 years and 5 years respectively; both had secured posts with enhanced portfolios elsewhere within the NHS. The Board thanked them both for the great legacy that they would leave at LHCH and wished them the best for the future.

Targets and Financial Performance

13. Board Dashboard – Strategic Indicators and Operational Performance

The Board reviewed the strategic dashboard, operational dashboard and exception reports relating to falls, number of in-hospital deaths, 18 week admitted pathway, 26 weeks admitted and non-admitted pathway, cancelled operations and staff sickness.

It was noted that the number of patients recruited into CRN trials was as expected, due to the exceptionally high number participating in last year's major HEAT trial.

The Board discussed the failure to treat a patient within 28 days of cancellation of their operation, noting that this was not due to capacity but the exceptional circumstances associated with a clinically complex case.

It was noted that delayed transfers of care continued to pose a challenge, but the Trust continued to perform within the national target.

The Board noted that there had been an in-month increase in the number of in-hospital deaths and that whilst this included a higher number of palliative care patients, mortality reviews would be completed for all cases. The Board requested that the Quality Committee undertake a review of this 'spike' evidenced in December 2014.

LC/SP

The Board went on to highlight the risks linked to continued delivery of the 18 week RTT target, noting that performance was on track but within only 0.5% of the target. It was agreed that the Board would return to this risk when considering the Board declarations for submission to Monitor at Quarter 3 (Agenda Item 15).

The Director of Nursing and Quality delivered a short power-point presentation on falls and VTE.

The Board heard that falls improvement work had been a key area of focus since June 2014 and yet there has been 83 falls in the financial year to date. Detailed assessment of each case, including analysis of falls by patient profile, treatment type and ward area had highlighted that most falls are occurring post-surgery; and that 53 were unavoidable, for example due to patients wishing to be independent and failing to heed the 'call don't fall' advice. Benchmarking data indicated that the harms sustained by falls at LHCH is very low compared to other providers. However, the increased acuity of patients and greater numbers who are older and / or confused has meant that the number of falls is greater than that seen in the same period the previous year. The Board noted that improvement work including the programme of education for patients would continue but that a more realistic target should be considered for 2015/16.

SP

In relation to administration of VTE prophylaxis, performance to date is recorded at 91%, falling below the 95% target; the EPR system indicates that 97% of applicable patients are receiving prophylaxis but this is not adequately documented in individual patient records and therefore cannot be recognised.

The Board sought to understand the level of risk that this posed and heard from the Medical Director that the risk of pulmonary embolism (PE) is very low when compared to other risks such as major drug errors; and incidence of PE low in the context of the high level of surgical activity performed at LHCH.

Whilst the Medical Director would continue to communicate the

requirement for doctors to document the administration of prophylaxis, his focus currently is to prioritise the management of more significant risks to safety, in the context of the introduction of major changes affecting the medical workforce as a result of the shortage of SHOs.

It was noted that the Quality Committee would continue to monitor this target closely and also that performance in this area is features in the CQC's Intelligent Monitoring Report.

The Board returned to the Operational Dashboard noting the high level of expenditure on agency and bank staff. It was noted that a significant proportion of this expense was attributable to managerial support and administration, such as coders. It was agreed that the Integrated Performance Committee would review this further to understand the drivers for recruitment of agency staff and to assess the impact of the forward recruitment exercise being introduced in February 2015.

MS/DJ

The Board noted the report and actions, as described above.

14. Finance Report for period ended 31.12.14

The Board received the report noting an overall continuity of services rating of 4; income above plan by £4.2m; a normalised net deficit of £63k against a planned net deficit of £204k; cash balances at £9.4m, £2.1m below plan; capital expenditure at £1.4m against a revised plan that profiled capital expenditure at £2.7m; CIP delivery of £3.4m, £0.8m below the planned CIP to date of £4.2m.

In relation to clinical income being significantly above plan, the Board considered the potential risk of non-payment but noted that this was minimal as the commissioning contract is based on full Payment by Results.

The Board discussed the primary challenge in respect of the 2015/16 CIP and noted the financial position and forecast outturn at the end of Month 9.

The Chair of the Integrated Performance Committee advised that the Committee was satisfied with the assurances received to demonstrate continued compliance with a minimum CoSR of 3 going forward and had tested the thresholds at which this rating would be compromised. The Committee would now turn its focus towards testing the impact of the new PMO approach.

The Board discussed the slippage in capital expenditure and noted that a prioritised risk-based approach had been applied in respect of managing the slippage at year end by bringing forward the 2015/16 medical equipment replacement programme.

It was noted that CIP slippage was being mitigated in 2014/15 by increased activity and that the agreement of the baseline activity for next year would determine the level of financial risk for 2015/16. Capacity considerations would be important given that investment in

additional capacity could be more cost effective than continuing to absorb increased activity, funded at premium rates. It was agreed that the Board would consider further the assumptions underpinning next year's financial plan on 24th February 2015.

DJ

The Board noted the report and the action for consideration on 24th February 2015.

15. Q3 Return to Monitor and Board Declarations (for approval)

The Board noted earlier discussions and confirmation that the Integrated Performance Committee had reviewed the proposed Q3 submission in detail and had supported the proposed Board declarations, subject to highlighting in the accompanying narrative, the risks to maintaining delivery of the RTT target going forward.

The Board discussed this risk further in the context of increased non-elective activity, potential winter pressures and expected strike action which has involved the postponement of elective work on 29th January 2015. The Board noted also that the unforeseen absence for 6 weeks of a consultant cardiac surgeon was being covered by colleagues and would inevitably impact upon surgical capacity. It was noted that the backlog of patients waiting over 18 weeks in surgery had increased and that whilst cardiology is generally performing to plan, the EP waiting list is increasing. Whilst the Board remained firmly committed to delivering compliance at Q4, it was acknowledged that achievement of the target at Q3 was by a small margin and that the known risks for Q4 should be highlighted within the narrative which would support a compliant declaration. It was agreed that the Chief Finance Officer would ensure inclusion of a suitable narrative.

DJ

The Board supported the submission of the Q3 return reflecting a green governance rating and overall Continuity of Services Rating 4.

The Board declarations were confirmed as follows:

- For finance, the Board anticipates that the Trust will continue to maintain a CoSR rating of at least 3 over the next 12 months;
- For governance, that the Board is satisfied that plans in place are sufficient to ensure : ongoing compliance with all existing targets (after the application of thresholds) as set out in Appendix A of the Risk Assessment Framework; and a commitment to comply with all known targets going forward;
- Otherwise that the Board confirms there are no matters arising in the quarter requiring an exception report to Monitor (per the Risk Assessment Framework page 21, Diagram 6) which have not already been reported; and
- For capital, that the Trust's capital expenditure for the remainder of the year will not materially differ from the reforecast plan.

The Board noted the accompanying narrative for submission to Monitor and approved the Q3 returns, subject to adding to the narrative in relation to the risk to RTT as outlined above, for

submission by 31st January 2015.

Governance and Assurance

16. Update on Clinical systems Training

The Board noted the progress made towards ensuring that there is robust clinical systems training, tailored towards the requirements of individual roles and responsibilities, incorporated within the mandatory training programme. It was agreed that a further update will be provided to the Integrated Performance Committee in July 2015, to provide assurance that the new systems have bedded in.

DH

The Board noted the report and action for the Integrated Performance Committee.

17. Medical Revalidation 2013/14

The Board received the report noting that the issue of delayed reports from external providers and receipt of data from other Trusts was being addressed; and that the two GMC investigations reported had arisen from patients complaining directly to the GMC. One complaint had now been dismissed and the second is ongoing.

The Board noted the report and endorsed the signature of the Statement of Compliance by the Chief Executive on behalf of the Board.

18. Fit and Proper Persons Requirements for Directors

The Board received the report and approved the recommended actions that will support the fulfilment of the fit and proper persons' requirements as set out in the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

LL/NL

19. Certification of Independence of Mark Jones, Non-Executive Director

The Board considered the self-declaration provided by Mark Jones in respect of the criteria set out in the NHS Foundation Trust Code of Governance Provision B1.1 and certified that Mark Jones is independent.

The Board supported the continuation of the process of annual self-declaration by all Non-Executive Directors to inform the required disclosures on the independence of directors within the annual report.

20. Ratification of use of the Trust Seal

The Board noted the use of the seal on 5th December 2014 and ratified its application to documentation relating to the HSS Deed of Novation.

21. Ratification of Consultant Appointments

The Board ratified the appointment of Dr Vinoth Sankar as Consultant in Critical Care (part time with sessional commitments at other local NHS providers).

22. Report from Joint Board and Council of Governors Development Day 19.11.14*

The Board noted the report.

23. Monitor Letter on Q2 Performance*

The Board noted the Q2 letter from Monitor confirming a Continuity of Services Risk Rating of 4 and a green governance rating. The letter noted a failure of the RTT target for admitted patients resulting from a planned breach that had been agreed with commissioners. Monitor confirmed that no further action would be taken in relation to this breach at this stage.

24. CQC Intelligent Monitoring Report*

It was noted that the Trust was now placed in Band 6 (lowest risk banding) with one risk indicator highlighted in relation to the incidence of a never event in the period 1.9.13 – 31.8.14..

The Board noted the report.

Board Assurance

25. BAF Key Issues Reports and Minutes from Assurance Committee Meetings:

25.1 Quality Committee

As the Committee met last on Tuesday 20th January 2015, the Chair of the Committee provided an oral update highlighting ongoing risks relating to SHO cover, VTE prophylaxis and Cedar Ward, all of which the Board had already discussed.

25.2 Integrated Performance Committee

As the Committee met last on Wednesday 21st January 2015, the Chair of the Committee reported orally that the primary business had been to consider the evidence underpinning Q3 Board declarations which the Board had already discussed. She advised that a priority for the Committee going forward will be to develop a more forward looking focus to better understand risks to financial sustainability.

25.3 Charitable Funds Committee

As the Committee met last on Monday 26th January 2015, the Chair of the Committee provided an oral update highlighting that the Committee had considered a programme of work to develop a fundraising strategy; and also recommendations concerning the legal structure of the charity. Both subjects would be covered within a formal report to the March Board meeting.

DB

Minutes of the Meeting held on 24th November 2014

The Committee noted the unapproved minutes of the meeting held on 24th November 2014. It was confirmed that these minutes had been checked for accuracy and approved without any amendment at the meeting held the previous day.

Liverpool Heart and Chest Charity Annual Report and Accounts 2013/14

The Chair of the Charitable Funds Committee advised that the Committee had reviewed Grant Thornton's audit findings and unqualified opinion. The independent auditor's report was tabled.

The Board approved the Annual Report and Accounts 2013/14 for Liverpool Heart and Chest Charity for submission to the Charities Commission.

The Chief Executive requested that the reporting and approval cycle be aligned to that of the main LHCH annual report and accounts going forward. It was agreed that the Chief Finance Officer would explore this request with Grant Thornton.

DJ

26. Operational Board
Summary Report for meetings held on 12th December 2014 and 9th January 2015*

The Board noted the report.

Minutes of meetings held on 7th November 2014 and 12th December 2014*

The Board noted the approved minutes of meetings of the Operational Board held on 7th November 2014 and 12th December 2014.

27. Quarterly Review of Board Assurance Framework

The Board reviewed the BAF, noting and confirming the amendments made following Board's last quarterly review in October 2014 and further updates made at the November 2014 Board meeting.

The Board then considered the exceptions and changes to the BAF that had been recommended by the executive team.

The following updates were approved as follows:

- Risk 3 – recognition of the managed breach of the 18 week RTT target extended to Quarter 3 in order to reduce backlogs of patients waiting – this breach has been agreed with Commissioners and Monitor has advised that regulatory action is unlikely. Risk rating amended from green to amber.
- Risk 3 – recognition of work in progress to address findings of risk management review
- Risk 3 – recognition of internal review of governance arrangements to test effectiveness of new committee structures and recommend refinements as necessary (February – March 2015)

The Board acknowledged the continuation of risk relating to proposed industrial action, which would remain highlighted within the BAF.

The Board reflected on earlier discussions concerning risk of ongoing compliance in Q4 with the 18 week RTT and agreed that BAF risk 3 should remain rated amber.

The Board questioned whether Risk 7 should remain rated red given that the Board was assured at the end of Q3 that the Trust was on track to deliver the financial plan, albeit with continued slippage on the CIP programme. Following discussion it was agreed that this principal

risk should now be moderated to reflect a reduced likelihood score of 2, yielding an amber rating.

LL

The Board then confirmed that the approved revisions to the BAF reflected :

- i) the completeness of principal risks in relation to delivering strategic objectives
- ii) the systems of controls, assurances and gaps in controls / assurances
- iii) the risk rating applied to each principal risk.

28. Chairman's Briefing

The Chairman updated the Board on the success of the photography competition, noting that the selected canvasses would be displayed shortly for a 2 year period and that the winners would be invited to an 'unveiling' ceremony.

It was noted that the recent Governors' walkabout had involved an informative visit to Cath labs and discussion with the Cath Lab Manager. The Senior Independent Director would work with the Director of Nursing and Quality to coordinate Executive, NED and Governor walkabouts and identify themes for discussion with staff and patients.

DB/SP

The Chairman advised that he had recently attended the NHS Providers National Chair's Conference and a meeting of the Northwest Chairs.

The Board paid tribute to Mike Bowyer, former Governor, following receipt of news that he had sadly passed away in 2014 and noted the Trust's appreciation of his valued contribution.

29. Minutes of the Board of Directors Meeting held on 25th November 2014 (in public)

The minutes of the meeting of the Board of Directors held on 25th November 2014 (in public) were reviewed for accuracy and approved by the Board.

30. Action Log from Previous Meeting

The action log was reviewed and updated as follows:

- Actions 1,2,4,6,10 to 15 inclusive – completed and closed
- Action 3 – Report of Charitable Funds Committee to Board in March 2015.

All actions not listed above will carry forward per designated review dates.

31. Legality of Board Documentation and Decisions

Board members confirmed that the conduct of the meeting and decisions made by the Board, to the best of their knowledge, complied with the law. Board members confirmed they were satisfied with the format of the meeting.

- 32. Date and Time of Next Meeting:**
Tuesday 31st March 2015 at 9.30am
- 33.** The Board resolved to exclude the public at this point by reason of the private nature of business to follow.