

Board of Directors (in Public)

minutes

Minutes of the Board of Directors' meeting held on 31st March 2015

Present :	Neil Large	Chairman
	Jane Tomkinson	Chief Executive
	David Bricknell	Non-Executive Director/ Deputy Chair and Senior Independent Director
	Lawrence Cotter	Non-Executive Director
	Debbie Herring	Director of Strategy and Organisational Development
	David Jago	Chief Finance Officer/Deputy CEO
	Mark Jones	Non-Executive Director
	Ken Morris	Interim 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
	Darryl Chung	Consultant Cardiac Surgeon (Item 1 only)
Governors / Members of the Public:		

		Action
1	Patient Story Darryl Chung, Consultant Cardiac Surgeon attended to present to the Board on a recent case study and sharing of reflective practice.	
2	Welcome and Opening Matters	
2.1	Apologies for absence There were no apologies for absence.	
2.2	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 Safety and Quality

3.1 SHO Medical Staffing Plan Update

The Medical Director presented the paper, advising the Board that the safety record had been excellent since introduction of the new arrangements to manage a reduction in SHO cover since February 2015 and that additional time had been ring-fenced for SHO training and supervision.

It was noted that an anonymous concern relating to the adequacy of the SHO rota between 5pm and 8pm on weekdays and at weekends had been raised with the Care Quality Commission (CQC). The detail of the concern had been factually incorrect and the Trust had provided a full response supported by evidence from the daily safety huddle which was accepted by the CQC and the concern closed down.

From a business continuity perspective, the middle grade surgical rota included provision for a 'Registrar of the Day' which also supported individuals' leadership development. These changes had resulted in a second concern being raised with the CQC. The Trust was able to demonstrate that more ward-based training, to supplement surgical procedures was in line with expectations, and again clarified the facts, resulting in confirmation of closure by the CQC.

It was noted that new SHOs had been recruited from overseas and were undergoing induction and advanced life support training. They were then to undergo two weeks of shadowing during days and nights as part of being assessed for fitness to practice.

The board heard that both the GMC and the Deanery were engaged in work being undertaken by the Trust to improve medical training provision and procedures were in place to ensure regular review of SHO log books, supported by a training contract clearly setting out expectations of both the trainee and the Trust.

The Medical Director advised that weaknesses with the current educational structure meant that problems had not been escalated and addressed in timely manner and there was a need for change. It was not acceptable for objectives to focus purely on achieving the requirements of the next Deanery visit, but rather a stepped change is required to position LHCH as a centre of excellence for training and education.

Medical training provision and wider education needs of other professional groups constituted a strategic risk requiring regular Board level scrutiny over the coming months. There continues to be insufficient provision of training opportunity for the numbers of doctors in training and as the Trust does not have F1 (Foundation Stage 1)

doctors, this can mean F2 (Foundation Stage 2) doctors being required to undertake tasks that they have already experienced during their F1 year.

The Board discussed the cultural attitudes of both consultants towards training and of the training grade staff in respect of their expectations and noted that the quality of education provision is key to positive staff experience. It was noted that learning from other centres such as Papworth would inform a new model of medical staffing for surgery.

The Board noted the actions taken to date and assurances provided in respect of patient safety.

A further update on the short-term action plan and assurances on readiness for Deanery visit planned for 1st June 2015 will be considered at the next Board meeting.

GNR

Further consideration is to be given to a longer term strategy for workforce and education. A further discussion on the timeline for development of the People Strategy, its milestones and deliverables, and supporting governance arrangements would follow.

GNR

3.2 *Response to 'Freedom to Speak Up' (Sir Robert Francis, February 2015)**

The Board noted the report and action plan for delivery by the end of June 2015.

It was noted that the Raising Concerns Policy would be refreshed and re-launched in Quarter 1 of 2015/16 and that the Chief Executive would appoint a 'Freedom to Speak Up' Guardian, as recommended in the review.

JT

A discussion followed in relation to the value of staff governors in promoting and supporting the 'Speak Out Safely' campaign and the importance of Board visibility through the more structured programme of walkabouts that is now in place and enhanced through a process of feedback and communication.

3.3 **LHCH Monthly Staffing – January 2015 and February 2015**

The Board received the reports on staffing levels by Ward for January 2015 and February 2015, noting that staffing is flexed to manage sickness absence, vacancies and the acuity of patients.

It was noted that Cedar ward continues to experience problems with recruitment and retention and in keeping with a number of other Trusts, opportunities for overseas recruitment would now be explored. The Critical care unit continued to experience high sickness levels and as a result there had been a continuation of reliance on bank and agency staff.

Elm ward regularly had higher than planned staffing due to increased patient acuity and it was noted that if this trend became the norm then

consideration would be given to increasing the establishment.

The daily safety huddle also provided a valuable source of assurance around staffing on a shift by shift basis.

It was noted that use of the term 'all shifts were reported as safe' was based upon the assessment of the Head of Nursing and Ward Manager and tested through the daily safety huddle and monitoring of safety issues.

The Board noted the report.

3.4 'Excellent, Compassionate, Safe' Framework

The CQC's new fundamental standards will come into force on 1st April 2015 and the Board received recommendations following a comprehensive review of ESQS (Essential Standards of Quality and Safety), the Trust's internal assessment process undertaken by the nursing team.

A new ECS (Excellent, Compassionate, Safe) Framework for assessments in 2015/16 had been developed and trialled on three wards. The ECS framework is based around 6 overarching standards and involves an unannounced two day visit by two members of the senior nursing team who assess the criteria for each standard through observation, discussion with patients and staff and review of supporting information including selected performance indicators and patient and staff survey feedback. Following assessment, one of four ratings is assigned based on the level of compliance. The rating system determines the timeframe for reassessment and is complemented by a system of recognition for those wards achieving 'outstanding' and escalation for action to the Directorate Head of Nursing in any area found to be inadequate.

The Board approved the new ECS framework, the documentation underpinning the assessment process and the recommendations for recognition, including the Board's involvement.

It was noted that the assessment process would begin in May 2015 with all ward areas assessed by July, following which a report will be brought to the Board. Consideration will then be given as to how the process can be adapted, where necessary for rollout to all diagnostic and support departments.

SP

3.5 Safety Culture Progress Report

The Director of Nursing and Quality provided a report updating the Board on progress with the action planning phase of the culture survey and shared on a slide an example of the actions identified by one team (Holly Suite), demonstrating the detail of the information logged for each team in respect of least positive item scores, most positive item scores, discussion in teams and actionable steps to move towards the perceived 'ideal' area / team.

It was noted that output from the culture survey is used to inform

executive team walkabouts, following which feedback on the top three issues is provided to the ward or department visited. Individual teams are also sharing issues and improvement work through the 'Your Chance to Shine' initiative, which involves presenting on culture survey findings and action at team brief.

The Board discussed overlap with the staff survey and noted that output from both the staff and culture surveys along with indicators on harm for each area are all brought together to inform improvement work, including the development of an organisational learning policy. This is complemented by the programme of walkabouts undertaken by Executives, Non-Executives and Governors.

The Board requested the introduction of a process for reporting of key themes from walkabouts to the Board on a regular basis from April 2015.

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3.6 Healthwatch Enter and View Visit*

The Board noted the extremely positive report received by the local Healthwatch following the recent 'Enter and View' visit.

4 Strategy and Development

The Board supported the Chairman's recommendation that the agenda be re-ordered at this point to enable consideration of the financial plan and compliance risk relating to the RTT target, prior to signing off the draft Operational Plan 2015/16 for submission to Monitor.

4.2 Draft Financial Plan 2015/16

The Board heard that the draft financial plan for 2015/16 and its underpinning assumptions had been considered by the Integrated Performance Committee on 26th March 2015 and that the Committee had recommended the financial plan to the Board for approval.

The Board's attention was drawn to Appendix 5 to the paper which detailed the downside risks and upside opportunities; and summarised financial viability from the modelling of the base case, best case and worst case scenarios.

The base case generates a normalised net deficit of £300k in 2015/16 with the continuity of services risk rating (CoSRR) maintained at 3 (4 in 2014/15).

The Board noted that the Integrated Performance Committee had scrutinised contingency plans in the context of risks, particularly in relation to CIP delivery and activity plans. Whilst the implications of setting a balanced budget had been considered fully, the proposed financial plan represented a challenging but realistic approach to CIP delivery and ensured the investment required to meet activity plans and increasing patient complexity and acuity.

The Committee was satisfied with the level of headroom available to give assurance that CoSRR 3 would be maintained throughout 2015/16.

The Board discussed plans to transfer the Upper GI service to the Royal Liverpool & Broadgreen University Hospital NHS Trust and the opportunities this would create in respect of releasing capacity, as well as financial risk associated with the residual fixed cost.

It was noted that whilst projecting a net deficit position for 2015/16, the financial plan incorporated significant investment that was essential to alleviate many of the capacity pressures experienced in 2014/15, including managed breach of the RTT target.

The Board noted that contractual agreements with commissioners for 2015/16 were not yet finalised but that contracts would be based upon full PbR (Payment by Results) at 2014/15 prices.

It was noted that the Trust had selected the Deferred Tariff Option and had it been forced to take the Extended Tariff Option, the financial outlook would have been significantly different. It was noted that future change to the tariff posed a potential significant risk for the future.

The Board concluded that whilst there were inherent risks, particularly in relation to a challenging CIP, RTT compliance and workforce capacity, this was a strong and proportionate financial plan which would see a stepped change in capacity to meet 2015/16 activity projections and increased complexity of case-mix.

The Board approved the draft financial plan 2015/16 as a basis for setting 2015/16 budgets and compiling the financial templates required to be submitted to Monitor on 7th April 2015.

5.3 RTT Action Plan

The Board received a paper setting out the issues that have affected compliance with the 18 week target throughout 2014/15 and forecast breach of this target in Quarter 1 of 2015/16.

The Chief Operating Officer described the three RTT targets that the Trust is required to meet (admitted pathway, non admitted pathway and incomplete pathway) and reminded the Board of the respective targets.

The Trust had met the RTT targets in Quarter 1 of 2014/15 and had utilised the 5 month 'amnesty' for the period July – November 2014 with the aim to reduce the backlog of long waiters in surgery, returning to compliance for the month of December 2014.

In January 2015, the backlog of surgical patients waiting over 18 weeks increased from 87 (end of December 2014) to 125 (end of January 2015), peaking at 148 at the end of February 2015.

The factors driving this increase included an increase in referrals, an increase in the number of elective cases being displaced by non-elective cases and consequential increase in cancellations, a greater number of all-day cases, more late referrals, consultant absence and delays in test results and dictation which extended the pathway.

The Board noted that the expected year end position is 132 surgical long waiters, resulting in a breach of the 18 week RTT target.

The Board noted the actions taken to date and received a high level version of a detailed action plan which is aligned to the key reasons for the increased backlog.

The trajectories presented indicated that the Trust would be unable to deliver the admitted and incomplete pathway targets in Quarter 1 and it was recommended that this period be used to further reduce the backlog and put in place the measures necessary to achieve compliance in Quarter 2.

The Board noted the rigorous review of information used to support RTT compliance and the improvements made with renewed focus on review and management of forward trajectories.

The Chief Executive advised that she had scheduled a telephone call with Monitor following the meeting and intended to communicate confirmation, as previously notified to Monitor, of a breach for Quarter 4 and a forecast Quarter 1 breach position, together with the action plan to reach a position of sustainable aggregate compliance from July 2015.

A discussion followed to clarify the additional assurances required by the Integrated Performance Committee at its next meeting in April 2015. This will include further detail such as the 'churn' (waiting list size at start and end of the month, with number of new referrals and number of patients treated) and a clear trajectory mapped to the delivery of activity and capacity. The action plan must clearly demonstrate the stepped change required between June and July 2015 and data will be collated to demonstrate the impact of factors such as increased non elective activity.

The Board supported the recommendation to declare a planned breach at Quarter 1 in respect of the admitted and incomplete pathways; and approved the high level action plan presented, subject to further detailed review at Integrated Performance Committee in April 2015.

The Trust's RTT position in the national context was noted.

The Board determined that Risk 3 in the Board Assurance Framework be upgraded from amber to red, pending consideration of further assurance to demonstrate return to sustainable compliance in Quarter 2.

4.1 Draft Operational Plan 2015/16 – for submission to Monitor
Members of the Board had previously commented on earlier drafts of the Operational Plan 2015/16 and feedback had been incorporated.

The Board was directed to inclusion of new text on Page 2 which signalled that the Trust will breach the 18 week RTT in the first

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Quarter of 2015/16, due to the growth in emergency activity, patient complexity and acuity; thereafter returning to a position of sustainable compliance.

The Board supported this amendment and approved the draft Operational Plan 2015/16 for submission to Monitor by 7th April 2015.

4.3 Mutuels in Health – Research Report

Members of the Board had previously reviewed earlier drafts of the Mutuels in Health Research Report and feedback had been incorporated.

The Board noted the four options that had been evaluated as part of the study and endorsed the preferred option to improve staff engagement and propose areas for potential future changes to legislation to facilitate further empowerment of staff. It was noted that Options 2 and 3 had yielded a negligible difference in terms of the scoring process.

The Board approved the report for submission to the Cabinet Office, subject to some minor refinements to the wording of Section 1.7 (para 4) and agreed to further explore the recommendations.

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Following submission to the Cabinet Office, it was confirmed that the report would be made available to staff, stakeholders and members of the public via the Trust's website.

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4.4 Sustainability Strategy: Annual Report and Forward Plan

The Board noted the report.

4.5 Chief Executive's Report

The Chief Executive presented the report, noting at Section 5 (Strategic Partnerships Update) that recent discussions with University Hospital South Manchester had highlighted potential opportunities for collaboration in areas of joint strength including clinical expertise, education and cardiac research. The Board supported further exploration of opportunities, particularly where this could improve workflow across the region.

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With reference to Section 3, the Board noted that appointments had been made to the two new Divisional Head of Operations posts following a thorough assessment process and it was expected that both post-holders would start in July 2015. The internal candidate for the Head of Operations – Clinical Services had been successful having also been through the same assessment process and would take up post on 1st April 2015, supported by a leadership and development programme. It was agreed that the new leadership team would be invited to join the Board for part of the development day in June 2015.

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The Board was briefed on 'Listening into Action' which the Trust had signed up to as a vehicle for leveraging solutions and programmes of change through the workforce, harnessing the engagement work that had begun through the Mutuels in Health research project. The

Executive Team would meet on 1st April 2015 when it will agree the membership of the sponsorship group and the first 10 teams to begin the programme.

The Board discussed the Healthy Liverpool Programme (HLP) and confirmed intent for LHCH to be network leader for cardiology across the city and beyond, ensuring that clinical standards dictate service provision and flow. It was noted that from July 2015, Dr Glenn Russell will provide one day per week as clinical lead to support the HLP.

The Board noted the Top 10 risks and ongoing work to refine the risk scoring matrix.

The Board noted the report.

4.6 Cardiology Services Strategic 5 Year Plan 2015-20

The Board received the final draft of the cardiology plan, noting that this was the first component of an overarching clinical strategy.

The cardiology plan aimed to set the direction of travel but recognised that flexibility is required in recognition of the rapid pace of change of the external environment.

The Board approved the Cardiology Services 5 year strategic plan and endorsed the development of strategic plans for surgical and respiratory services by Summer 2015.

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5 Targets and Financial Performance

5.1 Board Dashboard – Strategic Indicators and Operational Performance

The Board noted the dashboard and reviewed exception reports in relation to :

- Falls
- In-hospital deaths – it was reported that the Quality Committee has reviewed and noted slippage in timeliness of mortality reviews which is being addressed.
- SUIs - 6 in year to date, including a Grade 3 pressure ulcer in February 2015 – root cause analysis determined this was unavoidable;
- 18 weeks admitted pathway
- 18 weeks incomplete pathway
- 26 week admitted, non-admitted and incomplete pathways (Welsh patients)
- Cancelled operations
- Sickness absence; and
- Turnover

The Board discussed the time-lag in availability of HSMR data and noted that the data is provided in retrospective quarters by Dr Foster. Consideration is being given to subscribing to real time data.

The Board discussed the slight deterioration in CABG mortality, noting that this was due to the recalibration of the risk adjusted

benchmark (as discussed by the Board previously) and did not point to an underlying deterioration in performance. However, the recalibration had triggered internal reviews for two further practitioners (four in total) which involves consideration of performance in the context of case-mix and volumes, as small numbers of procedures and treatment of high risk patients affect the reported outcome. The purpose of this early trigger is to provide opportunity for early intervention and support if this is needed.

Delivery of strategic objectives is on track as measured by the KPIs with the exception of 'Value' (slippage in CIP delivery) and 'Workforce' (sickness absence and turnover)

The Board noted the report, identifying the key risks as RTT compliance (capacity and demand), CIP delivery and challenges relating to workforce recruitment and retention in some areas.

It was noted that the Integrated Performance Committee is focussing on the detailed plans relating to activity and finance which underpin RTT and CIP delivery and that the Board would shortly receive the completed People and OD Strategy which would set out plans to ensure future sustainability in relation to the workforce.

5.2 Finance Report for period ended 28.2.15

The Board received the report noting an overall continuity of services rating of 4; income above plan by £4.9m; a normalised net deficit of £212k against a planned net deficit of £2k; and activity continuing to perform above plan. It was reported that the Trust is forecasting a year end normalised net surplus of £0.4m, marginally below the planned level and a CoSR rating of 4.

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. The Chair of the Integrated Performance Committee highlighted the risk relating to a significant proportion of the capital programme (£2.8m) profiled for delivery in March 2015. At the end of February 2015 the revised forecast capital expenditure is £5.2m.

It was noted that CIP slippage continued to be mitigated in 2014/15 by increased activity. CIP slippage will be contained at a maximum of £1.1m for the financial year, resulting in full utilisation of the risk contingency reserve.

The Board discussed the aged debt, noting in particular work underway to recover sums due from private patient insurance companies.

The analysis of risks and mitigating actions was noted.

The Board noted the financial position at 28th February 2015 and the assurances received in relation to delivery of year end financial

metrics including a CoSR rating of 4.

5.4 Staff Survey 2014 – Summary Report

The Director of Strategy and OD delivered a power point presentation to supplement the report, in order to provide the Board with detailed feedback from the 2014 staff survey.

The Trust had achieved a response rate of 63% which is an improvement on the previous year (58%) and well above the overall national response rate of 42%.

The presentation enabled the Board to compare LHCH's results with the previous year (2013 staff survey), as well as the specialist trusts average and national average results for 2014.

The next steps were set out for the Board and included the identification of 3-4 areas upon which to focus improvement work through the Listening into Action programme.

Departmental results will be shared with managers who will be asked to put in place their own improvement actions.

The Board noted that a leadership development programme has been put together and will be implemented as soon as the new directorate teams are established.

From the comparative data it was noted that the Royal Brompton had scored particularly well in relation to staff recommending their organisation as a place to work, and that there may be opportunity to learn and share good practice.

Whilst LHCH had generally performed very well on the staff survey, the Board noted that of the staff groups, feedback from non clinical staff was the most negative and that the significant focus of the Trust on patient and family care may have made those staff who are further away from the front line feel less valued. This finding was also mirrored in the culture survey work.

The Board went on to discuss appraisals, noting that whilst the rate of appraisals had increased the perceived value showed scope to improve the quality of the appraisal. Further work is underway to ensure that individual objectives link directly to the Trust's vision and strategic objectives and that each member of staff has a personal development plan to support them in their role.

The importance of supporting staff to do their job well was endorsed and it was noted that small environmental improvements such as reviewing the cleaning programme for offices, could make a positive difference.

The Board noted the 2014 staff survey results, concluding that the feedback was generally very positive and accepted the recommendations for next steps.

5.5 NHS England Workforce Race Equality Standards Metrics

The Board noted the report.

6 Governance and Assurance

6.1 Proposed amendment to Constitution – New Election Rules

The Board considered the paper and proposal to adopt the new model election rules that will enable more flexible ways for members to vote in governor elections, including via the internet, SMS and telephone voting. The new rules have been piloted and are now endorsed by NHS Providers and Monitor.

The Board was advised that adoption of the rules would require an amendment to the constitution at Paragraph 10.2 and Annex 4. The detail of the revised wording was set out for the Board in the accompanying paper.

The Board was asked to approve the amendments by means of a vote. All 11 voting directors were present at the meeting and voted by show of hand to give unanimous support for the recommended amendments.

It was noted that as the Council of Governors had also approved the amendment to the constitution on 2nd March 2015, the revised constitution, incorporating the new model election rules (and removal of the previous version of the rules) was now adopted.

The Associate Director of Corporate Affairs will now publish the revised constitution and forward a copy to Monitor.

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6.2 Annual review of Board Directors' Disclosures

The Board was asked to review annual disclosures from directors in relation to interests declared, NED independence and self certification of continued compliance with the new fit and proper persons' requirements.

The Board reviewed the Register of Directors' Interests and confirmed that there were no material conflicts in relation to the Board's business. It was noted that Board members are routinely prompted to declare any interests relating to items on the Board agenda at the start of each Board meeting, in order that these can be considered and dealt with appropriately. Any interests declared at the start of a Board meeting and how any declared conflict is dealt with are recorded in the minutes.

All Non Executive Directors were determined to be independent. The Chairman had highlighted that he is coming up to his sixth year in office since authorisation of LHCH as an NHS Foundation Trust. The Council of Governors had considered this and had expressed a wish to consider re-appointment on an annual basis at the end of the Chairman's second 3 year term in office, as Governors believed there is considerable value in ensuring stability for the Board given the significant challenges that lie ahead and the pace of change of the external environment. This was noted.

All Board members declared full compliance with the fit and proper

persons test as set out in the new 2014 Regulations (Health and Social Care Act 2018, Regulated Activities). The Board concluded that there is no evidence to suggest that the Trust is non-compliant with the new regulation or with Condition G.4 of the Provider Licence.

The Board noted the report.

6.3 Review of Compliance with NHS Foundation Trust Code of Governance

The Board of Directors undertook its annual review of compliance with the recommended good practice and mandatory requirements set out in the NHS Foundation Trust Code of Governance. The Trust is required to 'comply' or 'explain', ensuring that any areas of non-compliance are disclosed in the Trust's annual report.

It was confirmed that the Trust complied with Provision C.1.4a (the word 'comply' had been erroneously admitted from the schedule).

The Board confirmed the Trust's compliance with all provisions and requested that the report be shared with Governors at the next Council of Governors meeting.

The proposed developmental actions in relation to executive appraisals and setting the Board development plan for 2015/16 were supported.

The Board reviewed the proposed disclosure that had been drafted for inclusion in the 2014/15 annual report, noting the inclusion of text to explain the Board's decision to complete its first 'Well Led' review in 2016/17. The disclosure was approved.

6.4 Monitor Letter on Q3 Performance*

The Board noted the Q3 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.

7 Board Assurance

7.1 BAF Key Issues Reports and Minutes from Assurance Committee Meetings:

7.1.1 Quality Committee BAF Key Issues Report

The Board noted the BAF key issues report and discussed the need for improvement work in the management of sepsis. The Medical Director advised that the introduction of EPR (electronic patient record) had posed some challenges for compliance with the order set but that a Trust-wide programme is in place including a Sepsis Campaign which is to be launched on 1st April 2015. A compliance audit will be undertaken at the end of April 2015 and reported to the Quality Committee.

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Minutes of meetings held on 20th January 2015 and 10th March 2015*

The Board noted the approved minutes of the meeting of the Quality Committee held on 20th January 2015 and the unapproved minutes of the meeting of the Quality Committee held on 10th March 2015.

7.1.2 Integrated Performance Committee

BAF Key Issues Report

As the Committee met last on Thursday 26th March 2015, the Chair of the Committee reported orally that the primary business had been to consider the operational and financial plans for 2015/16 and underlying risks associated with RTT compliance and CIP delivery. It was recommended that the draft plan for submission to Monitor be updated to explicitly highlight that the Trust would breach the RTT target in Quarter 1 of 2015/16.

The Committee had also highlighted the need for a deep dive into cancelled operations and was sighted on possible changes to the way in which the 62 day cancer target is reported, which if implemented (removal of the breach re-allocation process applicable for referrals made late in the pathway) would pose a risk to compliance.

Minutes of meeting held on 21st January 2015

The Board noted the unapproved minutes of the meeting of the Integrated Performance Committee held on 21st January 2015.

7.1.3 Audit Committee

BAF Key Issues Report

The Board noted the BAF key issues report which highlighted the Committee's consideration of the findings of the external review of risk management; the timetable for compilation of the 2014/15 annual report and accounts; internal audit progress report and draft forward plan; external audit update; review of quarterly checklist for licence compliance; and approval of an Audit Committee induction programme for new NEDs.

It was noted that the Audit Committee had met most recently the previous day and had been alerted to IT risks relating to access controls and scanning of patient records. The Board asked for clarity on the process for identifying risks highlighted by the internal auditors within the risk register.

The Board was advised that on receipt of a limited assurance report, a full management response is requested for review by the Audit Committee. The relevant responsible manager is required to compile a comprehensive response and ensure that any risks are articulated on the risk register and a mitigation plan put in place.

Minutes of meeting held on 24th February 2015

The Board noted the unapproved minutes of the meeting of the Audit Committee held on 24th February 2015.

**7.2 Charitable Funds Committee
Charity Independent Status**

The Chair of the Charitable Funds Committee presented a paper outlining the considerations of the Committee in response to new guidance issued in relation to independent charity status.

The Board supported the conclusions reached in respect of the size of the fund and level of fundraising activity being insufficient at the present time to warrant independent status. It was noted that this position could be reviewed at any time in the future, should the nature of fundraising activity change.

The Board accepted the recommendation.

Fundraising Strategy

The Chair of the Charitable Funds Committee presented a paper summarising the work undertaken with Tarnside Consulting to develop a revenue fundraising strategy and possible case for a capital campaign.

It was noted that an advert has been placed for a Head of Fundraising who will recruit and head up a small team.

A discussion followed in relation to the anticipated return on investment and it was agreed that the full report prepared by Tarnside would be circulated to all Board members as this contains a detailed analysis to support the preferred strategic option.

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The Board noted that a detailed work plan with cost and income projections will be worked up by the post-holder, once in post and delivery of the plans monitored by the Charitable Funds Committee.

The Board noted the progress to date and supported the programme of work as outlined to develop and implement a new fundraising strategy which will aim to increase charitable income to £1.6m (£1.1m net) after 5 years.

Minutes of meetings held on 26th January 2015 and 10th March 2015*

The Board noted the approved minutes of meeting of the Charitable Funds Committee held on 7th November 2014 and 12th December 2014.

7.3

Operational Board

Summary Report for meetings held on 6th February 2015 and 6th March 2015*

The Board noted the report.

The Board noted the approved minutes of meeting of the Operational Board held on 9th January 2015.

8

Chairman's Briefing

The Chairman noted that the recent Open Day held on Saturday 28th March 2015 had been a success and thanks were expressed to Michelle Laing, Governor, and the John Moores student nurses who had attended to provide healthchecks; the staff in cardiac diagnostics,

outpatients, radiology and theatres who had opened up their departments to provide tours; the staff members who attended to conduct lifestyle, smoking cessation and dietary advice; the massage therapists and smoothie bike operator; the support services manager; volunteers and governors themselves.

The Chairman congratulated Dr Raphael Perry on his appointment as Medical Director, noting that he will take up post on 1st July 2015.

The Chairman advised that the Chairs in Liverpool were engaging further in the Healthy Liverpool Programme and watching closely the developments in Manchester following devolution.

The Chairman commented on the positive impact of the photographs now in place along the corridors and noted the plaques and other communication plans in progress to raise awareness of the Trust's vision.

On behalf of the Board, appreciation was expressed for the staff at the end of another successful financial year.

9 Minutes of the Board of Directors Meeting held on 27th January 2015 (in public)

The minutes of the meeting of the Board of Directors held on 27th January 2015 (in public) were reviewed for accuracy and approved by the Board.

10 Action Log from Previous Meeting

The action log was reviewed and updated as follows:

- Actions 1-3, 5-7, 9, 11-15 – completed and closed

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

11 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.

12 Date and Time of Next Meeting:

Tuesday 28th April 2015 at 9.30am

13 The Board resolved to exclude the public at this point by reason of the private nature of business to follow.