

Board of Directors (in Public)

Item 9.3

minutes

Minutes of the Board of Directors' meeting held on 25^h July 2017

Present :	Neil Large	Chairman
	Jane Tomkinson	Chief Executive
	David Bricknell	Non-Executive Director/ Deputy Chair and Senior Independent Director
	Nicholas Brooks	Non-Executive Director
	Julian Farmer	Non-Executive Director
	Mark Jones	Non-Executive Director
	Sue Pemberton	Director of Nursing and Quality
	Marion Savill	Non-Executive Director
	Darren Sinclair	Non-Executive Director
	Tony Wilding	Director of Strategic Partnerships & Chief Operating Officer
	Claire Wilson	Chief Finance Officer
In Attendance:	Mark Jackson	Director of Research and Informatics
	Lucy Lavan	Director of Corporate Affairs
	Nigel Scawn	Associate Medical Director
	Joanne Twist	Director of Workforce Development
	Michael McGhee	Local Security Management Specialist (Item 1.1 only)
Apologies for absence :	Raphael Perry	Medical Director / Deputy Chief Executive
Observers: Governors / Staff/ Members of the Public:		

1 Welcome and Opening Matters

1.1 Apologies for absence

Action

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Chair's
Initials

Apologies were received from Raphael Perry and Dr Nigel Scawn was welcomed to join the meeting in Dr Perry's absence.

The Chairman also welcomed Nicholas Brooks and Darren Sinclair to their first Board meeting.

1.2 Declaration of interests relating to agenda items

The Chairman 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.

1.3 Presentation from Michael McGhee, Local Security Management Specialist.

The Chairman welcomed Michael McGhee to the meeting and invited him to present to the Board on the Trust's response to the requirement for heightened security, in light of recent national security incidents.

The Board noted the arrangements that had been put in place to ensure an increased physical presence of security officers; to maintain effective access control and use of CCTV; awareness raising for staff; and procedures to enable lockdown and evacuation of the site in the event of a major incident.

The Board discussed the recent security audit which had demonstrated a significant improvement in the attention of staff to ensuring that the premises were secure out of hours.

The joint service provision with RLBUHT had seen a heightened security presence and provided an opportunity to work to resolve issues such as the ownership of CCTV cameras.

The Board thanked Michael McGhee for his work and he then left the meeting.

1.4 Patient Story

Sue Pemberton shared a staff story relating to a patient shadowing exercise.

1.5 Chairman's Briefing

The Chairman reported on the recent governor elections, noting the strong level of interest in the public governor positions in Merseyside and Cheshire and good election turnout. Each of the candidates would now be informed of the outcome of the elections ahead of the publication of the election report. One seat for North Wales remained vacant.

The Board discussed the fact that there would be a significant number of new governors joining the Council in September 2017 and the Chairman indicated that this was an opportune time to consider ways in which the Council of Governors' working arrangements could be further streamlined. The Chairman, Chief Executive and Director of Corporate Affairs would meet to discuss this and would also consider the operation of Board

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²
Chair's
Initials

Assurance Committees and identify any further opportunities to ensure 'lean' working.

It was noted that following the Board's agreement to participate in Gatenby Sanderson's Insight Programme for aspiring NEDs, Lee Omar would begin a 6 month attachment to the Trust from September 2017.

The Chairman noted that the new charity office was well placed and much more visible to patients and visitors; also that the fundraising campaign for the surgical robot was progressing well and arrangements in place for the robotic showcase event on 1st August 2017.

The Chairman had now stood down from the Cheshire and Merseyside STP following the appointment of an independent executive chair, Andrew Gibson. The recently published STP ratings were noted and Andrew Gibson's appointment would be a catalyst for change with renewed focus on pace and delivery.

The Board discussed the need for the health system to target transformation funds in the most effective way. It was noted that capital funding secured in other localities had been based on robust business cases that demonstrate return on investment. There was further work to do in Merseyside to provide evidence to support propositions for service reconfiguration and the new leadership arrangements would offer the challenge and support necessary to develop investable propositions for the local health economy.

2

Patient Safety and Quality

2.1

LHCH Monthly Staffing – May 2017 and June 2017*

The Board received and noted the reports on staffing levels by ward for May 2017 and June 2017 and also noted data on care hours provided per patient day for each Ward.

A discussion followed in relation to the increased number of 'red flags' reported in June for Mulberry Ward. The Director of Nursing and Quality explained that the national standards required a least two trained nurses per shift and a minimum one trained nurse for every eight patients. As Mulberry Ward was an admissions ward and was not fully utilised, it did not make sense to deploy two trained nurses when occupancy levels and acuity were low. She advised that the daily assessment of patient acuity was the critical factor in deciding the number of trained nurses required and that this was assessed on a daily basis by the senior nursing team; hence there were no concerns about staffing levels or safety. At times when Mulberry Ward was closed, the staff were redeployed to other wards. She advised that the Board could take strong assurance from her annual comprehensive review of ward staffing which also explained the daily processes in place to assess the acuity levels on all wards to ensure that every shift was safe. It was also noted that the Surgical Division was currently undertaking a review of surgical

beds and a service re-design would consider the future of Mulberry Ward and ensure optimal configuration of beds to better manage patient flow.

2.2 *Deprivation of Liberty Report**

The Board noted the report.

2.3 *National Inpatient Survey Report*

The Board received the report, noting that LHCH had ranked second in the country for overall patient care and had improved on the previous year's score for which the Trust achieved first place. The response rate of 65.8 % was excellent and exceeded the national average.

The Board was directed to the full report and discussion then focussed on one key area requiring improvement. This related to the emotional support provided to patients by staff during their hospital stay. The reasons for a deterioration in this score were thought to include the use of EPR carts which took staff away from the bedside to complete documentation; also the changing profile of the nursing workforce which was skewed towards younger, less experienced staff; and an increasing trend in the emotional support needs of the patient population. Whilst there had always been strong psychological provision for cystic fibrosis patients, this now needed to be extended to all patient groups.

The Director of Nursing and Quality advised that this issue had also been highlighted in the recent mock CQC inspection and that the senior nursing team were working on an action plan which included closer working with the Macmillan nurses and improved psychologist provision; plans to attract more experienced nurses back to the workplace through, for example, consideration of more flexible hours; raising awareness amongst staff of the need to offer emotional support; completion of a pilot on three wards whereby healthcare assistants were relieved of observation work in order to focus on care rounds which would enable more emotional care and could also help to reduce falls; Ward Managers to be relieved of some administrative work to enable them to spend a minimum of three days per week on the front line modelling best care; introduction of handheld devices to enable documentation to be completed with the patient at the bedside; increased focus on patients with enhanced needs; introduction of an 'own clothes' campaign to overcome the impact of 'pyjama paralysis'; and greater use of informative videos.

The Board commended the Director of Nursing and Quality on this comprehensive response and acknowledged the excellent survey results.

A brief discussion followed in relation to the requirement for hospitals to tell all patients how to complain and that this might not set the best tone for the patient experience to follow. The

Board heard that details of how to raise concerns or complain were set out in the Trust's 'Welcome' booklet; there were also posters in each patient area; and plans to introduce 'HALT' for patients and families. The customer care team also undertook regular ward rounds to check on patient experience and gather feedback. It was noted that LHCH's results from this survey question were similar to those of other Trusts and were not a matter for concern.

The Board discussed the impact of excellent patient survey results on talent recruitment and retention and questioned whether these were sufficiently visible. It was noted that the Trust's 'outstanding' rating from the CQC had made a strong impact with many new starters noting this as something that attracted them to seek work at LHCH. Ways of further promoting the visibility of the 'outstanding' status were discussed and noted.

In respect of the young age profile of the nursing workforce, the need to adapt the workforce strategy to meet different generational aspirations was acknowledged, as was the fact that as a specialist centre, career pathways were limited to cardiothoracic specialties and often trainees sought to expand their portfolios into other areas. The Trust had a fairly high ratio of 'returners' indicating that a number of leavers subsequently chose to return. The importance of the Trust's culture was acknowledged and consideration would be given in the future to how managed rotations might be offered to provide a wider range of training experiences.

The Board noted the report.

2.4

Director of Infection Prevention Report - Quarter 1

The Associate Medical Director highlighted the recent change in reportable infections which now included e-coli and the national target to reduce hospital acquired e-coli infections by 50% by 2020. The Board noted that the Trust's target for 2017/18 was to achieve a 1% reduction on the number of cases reported the previous year. There were 9 cases in 2016/17 and hence the Trust's target for the year was 8, with 4 cases reported in Quarter 1. It was noted that numbers were low as e-coli was generally associated with conditions of the bowel, and that the low numbers could compromise the achievement of the target. It was noted that benchmarking data from other cardiac units was not yet available. The e-coli indicator had been included on the Board dashboard to ensure the Board retained regular oversight.

The Trust's MRSA target was zero and the Board noted that there had been no incidence of acquired MRSA bacteraemia in the last four years. However one case was reported in Quarter 1. A full root cause analysis had been undertaken and the patient was found to have been a chronic carrier which had not been reported to LHCH by the referring hospital. MRSA had passed into the patient's bloodstream via a cannula. The root cause

analysis did not identify any systemic failings that required action.

The Board noted the report.

2.5

Learning from Deaths – Quarter 1 Report

The Associate Medical Director updated on the new national guidance, noting that the Board had recently devoted time at a development day to review the guidance and receive advice on the legal implications from the Trust's solicitors.

The report was noted and this confirmed that there had been no deaths classified as avoidable in Quarter 1. The mortality dashboard was reviewed and it was noted that there had been 56 deaths in the quarter, with 41 having gone through the mortality review process.

The Director of Research and Informatics explained the screening process and the remit of the mortality review group noting that any learning is shared at audit day and via other learning fora.

The Director of Nursing and Quality highlighted that family involvement was a key part of the new guidance and the process for family engagement was discussed along with the need for greater focus on deaths of patients with learning disabilities.

The requirement for comprehensive documentation of discussion with families was highlighted and work was underway to identify a consistent way of managing documentation within EPR. The documentation requirements would be set out for medical staff at audit days.

The national guidance required Board level accountability for learning from deaths and it was agreed that Dr Raph Perry, Medical Director would be the designated Director of Patient Safety and that Nicholas Brookes would be the designated Non Executive Director with responsibility for oversight of the mortality review process.

The Board noted the report.

2.6

Deanery Report and final Action Plan

The Board received the report noted the action plan that had been submitted in response to the post-graduate education monitoring visit in November 2016.

It was noted that the Health Education NW had acknowledged notable improvements and the recent GMC survey results had shown good improvement in all areas with the exception of senior cardiothoracic trainees. The decision to remove the Trust's 'enhanced monitoring' status had been deferred pending further review of the senior cardiothoracic training programme.

The Board discussed the issues surrounding the experience of this cohort of doctors in training noting that HEE NW had confirmed from the feedback survey that the issues were not cultural but concerned the training programme itself and were thought to be related to the particular difficulties in securing sufficient time in operating theatres.

Operational demands had required this cohort of doctors to spend significant time in critical care but introduction of the 'Consultant of the Week' had enabled their participation in a daily teaching round and there were longer term plans to enable the release of these doctors from critical care. It was also noted that a number of new consultants had been appointed recently and were providing an improved teaching ethos.

The Board noted the improvements made in respect of all other areas and training grades and supported the action plan and continued focus on improving the experience of the senior cardiothoracic trainees.

2.7 Guardian of Safe Working – Quarter 1 Exception Report*

The Board noted that the Trust currently employed only one medical trainee on the 2016 terms and conditions of service and that no exception reports had been submitted since the start of the trainee's placement in February 2017. It was noted that a new cohort of trainees would join the Trust in August 2017.

The Board noted the report.

3 Strategy and Development

3.1 Health Economy Update – Cheshire and Merseyside 5YFV and CVD Pathway

The Chairman advised that he had nothing further to report and it was noted that the Chief Executive had included an update on the CVD pathway work in her report, to follow.

3.2 Team LHCH Strategy Framework

The Board received the new People Strategy which had been re-titled 'Team LHCH at its best' and noted that the content had been the subject of wide consultation and engagement across the Trust.

It was noted that the People Committee dashboard comprised the detailed workforce indicators and this Committee would receive assurance on delivery of the strategy.

A discussion followed around how the productivity of the workforce could be measured. It was noted that the Integrated Performance Committee had begun to consider measures for reliable care and received benchmarking data around resource utilisation compared to other organisations. Service Line Reporting was also under development and NHBC data provided some consultant based productivity measures.

The staff survey and recent safety culture survey also provided a good 'temperature check' on staff motivation.

The Board noted the strategy's opening ambition to attract the best staff, governors and volunteers and requested that the document's content on delivery be expanded to include the plans in place to achieve this in respect of governors and volunteers.

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Subject to this amendment, the strategy framework for 'Team LHCH at its best' was approved.

4

Targets and Financial Performance

4.1

Strategic and Operational dashboards- period ended 30th June 2017

The Director of Strategic Partnerships & Chief Operating Officer presented the report, noting that there were no new or emerging risks relating to performance. The Board was briefed on the Secretary of State's renewed focus on delivery of the 62 day cancer pathway, compliance with which would be reinforced from September 2017.

The Chief Executive noted that there had been a significant change in the way in which some commissioners were holding providers to account and that this would be discussed at the Chairs and Chief Executives Forum in the near future.

It was noted that the Integrated Performance Committee had recommended a review of the Board dashboard to provide greater focus on exceptions. A discussion followed with the Chief Executive advising that the report contained only the dataset that the Board was accountable for, noting that the quarterly frequency of assurance committee meetings prevented any dilution of the dashboard. She advised that the opening narrative would be reviewed to ensure that a clear executive summary set out the key risks and mitigations.

MJ

The Board noted the report.

4.2

Finance Report for period ended 30th June 2017

The Chief Finance Officer advised that the first quarter's financial data would be monitored against the control total to assess the Trust's eligibility to receive the first tranche of 2017/18 sustainability and transformation funding (STF). She confirmed that the Trust's financial targets had been met through use of £137k non-recurrent slippage on investments. The Trust's contingency reserve remained intact.

There had been detailed debate at Integrated Performance Committee (IPC) around the management of historic debt which was now being actively resolved with improved processes going forward. The reserves position was also reviewed with reports presented providing good clarity.

The key performance indicators demonstrated that the delivery

of the control total, overall financial position, income, agency costs and use of resources rating were all on plan and rated 'green'. Capital expenditure was rated 'amber' with slippage expected to recover and indicators for cash and CIP delivery were rated red. In relation to cash, the 2016/17 STF monies were not received until July 2017, and therefore the cash position to the end of June was below plan. The CIP plan underperformed in Quarter 1 by £189k with a projected £475k shortfall for the year end. A number of non-recurrent schemes had been identified to bridge the gap around delay of implementation of agreed recurrent schemes.

The Chief Finance Officer advised that the most significant financial risk related to the delay in agreement of funding to enable NHS Wales to adopt the new national tariff, HRG4+. She advised the Board that the Month 3 financial position included an accrual of £600k for income from Wales. This continued to be a live dispute and regulators were aware of the Trust's assumptions around receipt of this income.

She went on to highlight a second risk to the Board surrounding £119k over performance of the 'Acting as One' block contract with local CCGs, advising that if the activity trend continued, the Trust would not receive sufficient income to cover the cost of providing these services. The Quarter 1 financial position included an adjustment for the loss at Quarter 1 pending ongoing work with other providers with the aim to secure a volume based 'cap and collar' clause within the contract.

The Board discussed the possible reasons for the over-performance, noting that reduced demand had been evident in one area where a clear service improvement programme was in place. There was an urgent need to progress with plans for managing demand for CVD in Liverpool and a clear commitment to collectively manage the over performance in Liverpool had been signalled. Work was underway to gain an understanding of the factors impacting on performance and to agree principles to support transfer of resources. This issue was being explored further through Divisional reviews and Operational Board and a progress update would be included in the next finance report.

The Board went on to further discuss the CIP programme, noting that Divisional deep dives at the recent IPC meeting had provided good assurance around the work underway to identify opportunities to close the gap.

It was noted that in 2016/17, 67% of the CIP target was delivered and that at the end of the first quarter of 2017/18, 78% of the plan to date had been achieved, with a number of non-recurrent bridging schemes identified to mitigate slippage. Plans to develop a longer term CIP programme were discussed and aided by the long term financial planning model and requirement to gather pace on consolidation of corporate service functions.

CW

The Chair of the IPC summarised the remaining discussions of the recent IPC meeting highlighting that the Divisional deep dive had demonstrated a strong sense of ownership and confidence that mitigating actions were in hand. She went on to advise that whilst agency expenditure was within trajectory for Quarter 1, an upward trend had been noted in Month 3 relating primarily to the requirement for surgical registrar cover, and that the trajectory to the year end was being further explored.

It was noted that the IPC was satisfied that debt management was much improved with the historic issues with BUPA close to resolution. The Chair of IPC confirmed that she was now satisfied that there was sufficient capacity and processes in place to collect income, and hence to manage a potential expansion in private patient work going forward.

5 Governance and Assurance

5.1 Governance Manual Annual Review

The Director of Corporate Affairs advised that the annual review and update of the Corporate Governance Manual had been completed, with the support of MIAA who had provided assurance that the content was comprehensive and consistent with best practice.

She highlighted to the Board the schedule of key changes and explained the reason for introduction of a new policy on 'Managing Conflicts of Interest' which would enable the Trust to meet new national guidelines.

The Chair of the Audit Committee confirmed that the Audit Committee had reviewed the revised manual and had recommended the Board's approval.

The Board approved the revised Corporate Governance Manual for immediate adoption.

5.2 Workforce Monitoring Report 2016/17*

The Board noted the report and a discussion followed in relation to the diversity of the workforce split by pay and whether the data provided evidence that there were no gender inequalities relating to pay. It was noted that the NHS utilised standard frameworks for pay but this did not guarantee that there were no inequalities in the way in which roles which were dominated by a particular gender were banded. Historically there had been some legal challenges relating to the differential pay grades attributed to domestic and portering roles which a tribunal found should be banded on similar pay scales.

5.3 Ratification of Consultant Appointments

The Board ratified the appointment of the following consultants:

- Dr Diana Penha – Consultant Radiologist
- Dr Benjamin Murray - Consultant Cardiothoracic Anaesthetist
- Dr David Mayhew- Consultant Cardiothoracic

Anaesthetist

- Dr Robert Cooper – Consultant Cardiologist with special interest in inherited cardiac conditions
- Dr Bilal Kirmani – Consultant Cardiac Surgeon
- Dr Mohamed Zeinah – Locum Consultant Cardiac Surgeon

It was noted that David Mayhew and Bil Kirmani were both locally trained and would shortly be leaving the Trust to undertake 6 month fellowships in other providers and would therefore not commence in their consultant roles until early 2018.

A discussion followed in relation to the unusually high reliance on locum doctors in cardiothoracic surgery due to a number of unforeseen consultant absences. It was noted that this could also have a temporary impact on the Trust's ability to improve the senior cardiothoracic training programme. There was however no underlying recruitment problem.

6

Board Assurance

6.1

Board Assurance Framework (BAF) Review – Quarter 1

The Director of Corporate Affairs explained the purpose of the Board Assurance Framework and provided a brief overview for new Board members on its content and the Board's responsibility for regular review.

She then presented the paper and highlighted the proposed key updates to the BAF at Quarter 1, including:

- Receipt of a limited assurance report from MIAA following their review of the community service's administrative processes – it was noted that the management response had been discussed at Audit Committee and a number of short term measures put in place to improve controls, pending implementation of EMIS;
- The Board's review of service line strategies in June 2017;
- Development of a new People Strategy – 'LHCH at its best';
- Provision of clarity for the Board around the revisions made to the financial plan to secure delivery of the 2017/18 control total (April 2017) – this was subject to the risk relating to income from Wales in relation to HRG4+;
- Launch of the fundraising campaign to support the development of robotic surgery;
- Well Led action plan in progress with Divisional response to the Operational Board, July 2017;
- Delay in GMC decision around removal of 'enhanced monitoring' for medical training provision;
- Renewed focus on Organisational Learning and in particular the need to evidence impact on learning;
- Capacity issues within the informatics function and

- external review commissioned;
- Ongoing operational pressures and continuation of flow work.

It was noted that there were no recommendations to amend the principal risk scores.

The Board reviewed each principal risk in turn and supported the assigned risk scores. In relation to Risk 3.1, the Board requested inclusion of a note on the risk relating specifically to the 'Acting as One' contract.

LL

Subject to this amendment, the Board:

- Confirmed the completeness of principal risks in relation to delivering strategic risks and meeting regulatory requirements;
- Confirmed its satisfaction with the systems of controls, assurances, gaps in controls and assurances and the actions to address these;
- Accepted the risk rating assigned to each risk; and
- Confirmed its satisfaction with the progress made at Quarter 1 in addressing the gaps in controls and assurances identified at the last review.

The updated BAF was approved.

6.2 **BAF Key Issues Reports and Minutes from Assurance Committee Meetings:**

6.2.1 **Audit Committee**

The Board noted the BAF key issues report from the Audit Committee meeting held on 17th July 2017.

The Chair of the Audit Committee highlighted the following:

- The identification of gaps in the management of risk registers and incident reporting and the Audit Committee's request that these be escalated to the Executive Team for review and action by Divisions, pending Audit Committee follow up at its next meeting;
- The Committee's decision to focus periodically on a key risk and the recent review of the risk relating to CIP planning and delivery; the purpose of this work being to seek wider assurance on the effectiveness of risk management systems and of the work of the assurance committees. The Board discussed the potential for duplication in relation to this item and it was agreed that this objective would be considered further as part of the reflection opportunities to streamline the assurance committees;
- The limited assurance report in relation to community administration and receipt of a comprehensive action plan.

The Board received the approved minutes of the meeting of the Audit Committee held on 30th May 2017.

6.2.2 Quality Committee

The Board noted the BAF key issues report from the Quality Committee meeting held on 11th July 2017.

It was noted that the outstanding Quality Impact Assessments (QIAs) had been reviewed and oversight of selected QIAs would continue.

Improvements had been made in the processes for review of secure health messaging and radiological alerts, with data produced to enable an audit of follow up by individual consultants.

The Board received the approved minutes of the meeting of the Quality Committee held on 27th April 2017.

6.2.3 Integrated Performance Committee (IPC)

The Chair of the IPC advised that all BAF key issues had been previously discussed in consideration of the finance and performance reports.

6.3 Operational Board

The Board received the Summary Reports of the Operational Board meetings held on 26th May 2017 and 30th June 2017.

The Board received the approved minutes of the meetings of the Operational Board held on 28th April 2017 and 26th May 2017.

7 Minutes of the Board of Directors Meeting held on 30th May 2017 (in public)

The minutes of the meeting of the Board of Directors held on 30th May 2017 (in public) were reviewed for accuracy and approved by the Board.

8 Action Log from Previous Meeting

The action log was reviewed and updated as follows:

- Action 1 – for follow up in October 2017
- Actions 2 – 11 and 13-14 : completed and closed;

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

9 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.

10 Date and Time of Next Meeting:

Tuesday 31st October 2017 at 8.30 am.

11

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