

MINUTES OF THE TRUST BOARD

30 April 2015

H2.5 Board Room, 2nd Floor, Hunter Wing, St George's Hospital

Present:	Mr Christopher Smallwood	Chair
	Mr Miles Scott	Chief Executive
	Mr Steve Bolam	Director of Finance, Performance and Informatics
	Mrs Wendy Brewer	Director of Human Resources and Organisational Development
	Ms Jennie Hall	Chief Nurse
	Mr Peter Jenkinson	Director of Corporate Affairs
	Mrs Kate Leach	Associate Non-Executive Director
	Dr Simon Mackenzie	Medical Director
	Mr Eric Munro	Director of Estates and Facilities
	Ms Stella Pantelides	Non-Executive Director
	Mr Martin Wilson	Director of Improvement and Delivery
	Mr Rob Elek	Director of Strategy
	Ms Sarah Wilton	Non-Executive Director
	Mr Mike Rappolt	Non-Executive Director

In attendance:

Apologies:	Professor Peter Kopelman	Non-Executive Director
	Dr Judith Hulf	Non-Executive Director

15.04.11 Opening remarks

Mr Smallwood welcomed the governors and members of public present. He reminded all present that this was a meeting of the Board in public rather than a public meeting. However members of the public present would be given the opportunity to raise questions at the end of the meeting.

15.04.12 Declarations of interest

No declarations of interest were noted in relation to this meeting's agenda.

15.04.13 Minutes of the previous meeting

The minutes of the meeting held on 26 March 2015 were approved as an accurate record.

15.04.14 Schedule of Matters Arising

The board received and noted the schedule of matters arising, noting updates given on the schedule.

15.04.15 Chief Executive Report

The Board received and noted the chief executive's report. Mr Scott highlighted the trust's involvement in the 'breaking the cycle' initiative, a national programme aimed at improving patient flow. Ms Hall summarized some of the recommendations flowing from the programme, with action taken already beginning to show benefit.

Mrs Pantelides asked what messages were coming back from staff through the

Team Brief system, in particular with regard to the financial climate. It was agreed that the findings from the Team Brief and other staff briefings would be shared with the board.

Mrs Wilton welcomed the selection by the Council of Governors of the community outcome measures to be audited as part of the quality account, and asked what they were. Ms Hall explained that she was working with the community services division to develop them, and that for that reason she also welcomed this choice of indicator to be audited.

15.04.16 Quality and performance report

Performance report

Mr Bolam presented the performance report for month 12, highlighting areas of concern including compliance with RTT, cancer standards and ED waiting time standards. The Board noted that this resulted in a rating of 2 in the Monitor risk ratings, down from 3 reported the previous month. The board noted the risk of a governance rating of 4, once RTT performance was reinstated as a standard and should any further cancer breaches occur. This could lead to Monitor launching an investigation in potential breach of licence, based on their judgement as to the extent of the breach and any other information available to them.

The board noted that the trust expected to continue to breach the RTT target, despite the expectation that the standard would be met from April. Mr Bolam reported on the ongoing 'joint investigation' with commissioners, with a view to agreeing a joint action plan to address underperformance. In addition, the trust's capacity planning was ongoing to ensure sufficient capacity to meet requirements. However he advised that a sustainable and affordable solution to RTT was unlikely currently. The board noted that the outcome of the joint investigation would be reported to the finance and performance committee.

Mr Bolam also advised the board of a spike in diagnostic waiting times. This meant that the trust had not achieved the required trajectory as quickly as it should, but it was expected that this would be resolved by end of quarter one.

The board noted that improvement plans for the A&E 4 hour wait standard and Cancer had been reviewed in detail by the finance and performance committee.

Mrs Wilton asked what assurance the board could take that the A&E waiting time standard would be met in May. Mr Wilson reported that the trust had seen improvements in performance in April, with performance up from 88% to 92% for the month; he was therefore optimistic that the standard would be met in May, but advised that the trust was working with commissioners to ensure sustained achievement of the standard.

Quality report

Ms Hall presented the report and highlighted key points in each section.

Safety domain

Ms Hall highlighted an increase in the number of serious incidents being reported, as discussed at the previous meeting. She advised that there were no consistent themes emerging in the increased number, but that there was an upward trend. An investigation to determine any themes was currently ongoing. Ms Hall also reported a never event which had occurred during March, involving wrong site surgery. This was currently under investigation.

Mr Rappolt referred to a discussion at the quality and risk committee and recommended that mortality monitoring should be measured for Queen Mary's Hospital as well as the main hospital site. Ms Hall agreed that the current systems would need to be understood and developed to accommodate this.

The board also noted that the quality inspection programme would be relaunched from the beginning of June.

Ms Hall also highlighted the update on pressure ulcer incidence, reported improved performance in completion of VTE assessments and confirmed the achievement in continued reduction in clostridium difficile infections resulting in below-trajectory performance and one of the lowest rates in tertiary centres. Mr Rappolt congratulated the team for the continued improvement in infection control over the past few years.

Experience domain

The board noted the updates in the friends and family test, noting the need for consistency across the trust, and welcomed the continuing signs of improvement in complaints performance, with three of the four divisions expected to achieve the year-end target.

Safe staffing

The board noted the February return, and welcomed the current good level although it was noted that this was slightly down.

Ward heat-map

The board noted the current heat-map showing ward-level quality indicators and noted the particular areas of pressure. It was agreed that the map should include trends and comparison versus peers for the next report.

The board noted the impact that run-rate controls were having on staffing levels, and noted that a clearer view of the impact would be seen in the April figures available at the end of May.

Report from quality and risk committee

Ms Wilton presented a summary of key points raised at the last quality and risk seminar. She advised that the committee had welcomed the current low mortality rates being reported – one of only nine trusts nationally below expected levels – but noted signs of deterioration and movement towards the expected level. The committee therefore sought assurance regarding the monitoring process and noted the need for increased surgical input into that process and the need for data resource.

Ms Wilton reported on the presentations by two clinical divisions, CWDT and Community Services. CWDT had highlighted risks in availability of medical records following a recent deterioration in performance and high staff turnover, which was being investigated by the divisional governance board. Community services had reported risks in patient experience at QMH and high staff turnover.

Ms Wilton summarised other discussions, including an update on the nutrition and hydration strategy, being one of the key objectives within the quality improvement strategy, and a review of the first draft of the quality account.

15.04.17 Finance report

Mr Bolam presented the month 12 (year-end) finance report, highlighting a year-end deficit of £16.8m, £20m adverse to the plan set at the beginning of the year. He highlighted an in-month variance of £2.4m to the forecast position, which was being analysed to understand the reasons such significant variance.

The board noted that the cash forecast had been met, but only with the working capital loan and facility included in the position.

The board noted a deterioration in activity and revenue. Mr Smallwood reported on discussions at the finance and performance committee meeting the previous day, where the initial findings regarding the reasons for deterioration were discussed. There would be an additional extra-ordinary meeting of the finance and performance committee on the 13th May, prior to the submission of the annual plan on the 14th.

Mrs Pantelides asked about CIP performance. Mr Bolam explained that CIPs are entered into budgets at the beginning of the year and would then be profiled for delivery during the year. Therefore if the plans are then not delivered, there would be a negative income for that month.

15.04.18 Workforce performance report

Mrs Brewer presented the workforce report for month 12, highlighting key points.

Reducing turnover

Mrs Brewer presented a proposed trajectory for the reduction in turnover, advising that a conservative target had been proposed as it was difficult to manage some of the variable that affect turnover. The trend over the past five years was noted, with the board noting a significant increase in 2014, reflecting an increase seen nationally. The board noted the actions being taken to reduce turnover, including the use of internal transfer or promotion, as well as action being taken to address inappropriate behaviour.

The board noted particular concern regarding the turnover rate within community services, due in large to the aged staff profile and a lack of recruitment to fill those retirements, and welcomed the support being provided to the division by Mr Wilson and Mrs Brewer across a range of issues. The board also noted particular issues with turnover within HMP Wandsworth offender healthcare.

Mr Rappolt noted the trust's intention to submit a bid for the Merton community services and asked whether the issues being addressed in community services were useful in that context. Mr Wilson advised that the Merton community services would be a welcome opportunity that the trust should pursue, but that the operational risks and need for support should be acknowledged.

Mr Smallwood asked about progress in reviewing bank rates, sharing anecdotal evidence that such an increase had worked in theatres in terms of reducing agency spend. Mrs Brewer agreed that it had worked in theatres but advised caution over a blanket approach. There was a need to review the issues in each specialty to identify specific opportunities, as the trust compared reasonably well against other London providers. Mrs Pantelides agreed, advising that there was not a clear correlation between increased bank rates and decreased agency spend, and that this would need to be considered further. Ms Hall confirmed that this was being considered, but cautioned that the economic case was not

supported due to the lack of impact. There was no evidence in the few specialist areas where bank rates had been increased that agency rates had decreased.

Mrs Brewer advised that the most common reason for staff turnover was the staff experience rather than remuneration.

Transferring agency to back

Mrs Brewer presented an update, focusing on medical locums and reporting achievement of target in bank usage in administrative posts.

Mr Scott advised that the trust would need a flexible workforce and asked what the trust was doing to develop such a workforce. Mrs Brewer agreed that this was the strategy, including the development of roles such as physicians' assistants. It was agreed that this would be the subject of a more detailed briefing in due course.

Mrs Pantelides pointed out that if all the actions were implemented successfully then turnover would be reduced by 2%, and asked whether that was enough. Mr Bolam added that there had been a specific spike in turnover in November 2013, and asked whether there had been a fundamental change in working patterns or practices over the period from then until now. The board acknowledged that the national economy had improved over that period and this led to more opportunities outside of the NHS; Mrs Brewer added that the safe staffing standards had also been introduced. The board therefore agreed that the pre-November 2013 levels may not be achieved, unless other factors came to fruition – therefore the conservative approach to a target was appropriate, but the trust should still aim to surpass the target. Mr Rappolt recommended that some areas in the trust faced more significant challenges than others and therefore there should be local targets which took this into account. Mrs Brewer agreed, citing the example of paediatrics where a change in bank rates had no impact but focused work on the culture of that area had had an impact on turnover.

Report from the workforce committee

The board noted that there had not been a workforce committee meeting during the last month.

15.04.19 Quarter 4 2014/15 submission to Monitor

Mr Bolam introduced the quarterly submission process as a foundation trust, including the requirements for board to sign off finance and governance statements. He took the board through the proposed submission for quarter 4 and highlighted the proposed responses for the governance statements for that quarter, that:

For finance, the board could not confirm that “the board anticipates that the trust will continue to maintain a Continuity of Service risk rating of at least 3 over the next 12 months”. The board agreed that this was appropriate due to the current financial position and the predicted challenges for the next financial year.

For governance, the board could not confirm that “the board is satisfied that plans in place are sufficient to ensure ongoing compliance with all existing targets as set out in Appendix A of the Risk Assessment Framework.” The board agreed that this appropriate due to the ongoing risks of non-compliance with ED and RTT standards in particular.

For governance, the board could confirm that there were no matters arising in the quarter requiring an exception report which had not already been reported. The board agreed that this was the case – there had been one never event recorded in the quarter, which had been reported to Monitor.

The board noted and agreed exception statements to support the declarations of 'not confirmed'. The board agreed that the statement page of the submission template should be presented to the board each quarter for it to agree the statements.

15.04.19 Quarter 4 corporate objectives monitoring

Mr Elek presented the year-end summary of achievement against the corporate objectives set for 2014/15, and progress made during the quarter. He acknowledged the subjectivity of the assessment and advised that a number of other strategies or plans supported the delivery of these objectives. He highlighted that progress had been made in a broad range of objectives, but also highlighted areas where the trust had not achieved what it set out to at the beginning of the year, in particular in developing additional capacity and delivery of business cases (approval and implementation).

Mrs Pantelides agreed that a lot had been achieved but queried why finance had not been included as an area of underachievement. The board noted this as an appropriate challenge.

Mr Rappolt agreed that the summary was optimistic in nature and that in his opinion the alignment of demand and capacity was still 'red', with more work to do. Mrs Leach opined that with so many objectives it was difficult to measure achievement and recommended that more use of indicators and measures was needed for the 2015/16 plan.

**R Elek
May 2015**

15.04.20 Draft annual plan

Mr Elek presented the draft narrative which made up part of the annual plan submission to Monitor. It was noted that the financial plan and governance statements would be approved by the finance and performance committee on 13th May, prior to submission of all parts of the annual plan on 14th May. The narrative presented an introduction to key priorities, risks and objectives.

Mr Smallwood opined that the focus for the next year should be on reconfiguration of local hospital services and community services, from financial and quality perspectives. There was a need for the trust to be more ambitious in its pursuit of the integration agenda and in identifying how it could lead to savings. Mr Bolam agreed but advised that it was not just the local community services that needed to be included in this, but the wider population. Mr Rappolt added that the plan needed to be consistent with other plans and targets, for example delivery of cost improvement targets and the IM&T plan.

The board acknowledged that the output of the programme of work to revise the integrated business plan and long term financial model, would probably lead to a review of these priorities, but that there needed to be a plan for the interim. The output of the IBP / LTFM review was expected in the autumn so the board would review the annual plan at that stage.

The board approved the narrative for submission to Monitor along with the financial plan and statements when approved by finance and performance committee.

**R Elek
May 2015**

15.04.21 Communications plan 2015/16

Mr Jenkinson presented the draft communications plan for 2015/16, summarising progress made against the priorities set for last year and the proposed priorities

for the following year. He highlighted particular progress made in external communications and promoting the profile of the trust, and the focus for the next year being internal communications and staff engagement.

The Board welcomed the progress made in the last year and agreed the proposed emphasis on internal communication but added that the plan should include promoting the role of the charity, research and education should be promoted and in particular the trust's relationship with the university. The Board also noted that the plan should include raising the profile of the board, with particular emphasis on their role, contribution and connection with staff.

15.04.22 Divisional presentation – Cancer services

The board welcomed the cancer management team to the meeting, including Chloe Cox, Divisional Director of Operations and Mr Anderson, clinical lead. Mr Anderson gave an introduction to cancer services – the board noted that the trust treated over 4,000 cancer patients each year and around a fifth of the London Cancer Alliance activity. Mr Anderson also highlighted the achievement of being the most improved trust in the London Cancer Alliance and in the top ten of most improved in the UK.

Mr Anderson highlighted performance of the service, including the need to improve the recording of contacts by the clinical nurse specialists and completion of holistic needs assessment. He also highlighted that the trust had less clinical nurse specialists than other peer trusts.

Mr Anderson outlined the strategy and vision for cancer services, including the development of a dedicated cancer centre. Macmillan had contributed £2.4m towards this development, but on a matched funding basis. The trust would therefore need to be able to commit to this in the near future in order to secure the funding. This would include identification of a location including the ambulatory care setting requirement. Formal proposals for this development would be presented to the board in due course.

The board noted the key challenges and risks facing the service, including capacity, informatics, service configuration and the conflict between elective and emergency activity.

Mrs Wilton asked about trust performance in cancer waiting times and dependence on the other providers. Mr Anderson confirmed that the trust was using the Transforming Cancer Services which had been successful in north London, to develop relationships with other providers and provide a forum to resolve issues between providers.

Mr Rappolt asked why the trust had not been able to resolve the issues regarding IT systems to enable the trust to link in with IT systems in other providers and therefore enable delivery of waiting time standards. Mr Anderson explained that the previous version of the Infloflex system had not allowed this but that this should be resolved by July; however it was dependent on all trusts using a common system. The London Cancer Alliance were driving this forward but timescales for implementation were still to be confirmed.

The board concluded that key to improving the trust's performance against cancer standards was both IT systems but also building good relationships with other providers.

Mr Rappolt asked about the profitability of the service. Mrs Cox explained that it was difficult to separate cancer patients from others so it was difficult to assess the profitability of cancer services. However it was noted that, if the service were to be seeking investment then it would need to know this level of information.

The board welcomed the update on the increased use of the surgical robot, particularly in urology but also with plans to extend its use into head and neck surgery and discussions ongoing with gynaecology and lower gastroenterology.

C Cox
tbc

The board thanked the team for the presentation and noted that proposals for the cancer centre development would return in due course.

15.04.23 Risk and compliance report

The board received and noted the risk report, noting the most significant risks from the board assurance framework and noting that the controls for the most significant risks had been picked up in discussions through the agenda.

Mr Jenkinson outlined the approach to reviewing the risks on the framework, agreed by quality and risk committee, which would enable a 'deep dive' review of individual risks and assurances and therefore provide the board with greater assurance around the management of risks. The board noted that the first risk to be reviewed using this methodology would be the risk of impact on quality from cost savings, which would be reviewed at an extra-ordinary meeting of the quality and risk committee in May.

Mr Rappolt asked whether any risk assessment had been completed regarding the outcome of the general election. Mr Jenkinson noted that it had not been completed.

15.04.24 Audit committee annual report and work plan

The board received and noted the annual report from the audit committee and noted that it would also be presented to the council of governors at their next meeting.

P Jenkinson
May 15

Mr Smallwood asked how satisfied the committee were regarding the quality of the audit, for example audits on the fundamental financial systems. Mr Rappolt advised that the review includes whether systems captured and recorded activity appropriately and therefore would judge the data quality of the accounts. However the audits did not include forecasting. The audit programme had also not included management accounting but this would be discussed at the next audit committee meeting.

Mr Rappolt added that the committee assessed the performance of auditors on an annual basis and had agreed at the last review that the performance of the auditors had been satisfactory. However the current internal auditors had been with the trust for at least the past five years so it would be good practice to retender the service; therefore this would be completed for the next financial year.

The board agreed the internal audit plan for 2015/16.

15.04.26 Use of the trust seal

The board noted that the trust seal had not been used during the last period.

15.04.27 Questions from the public

Doulla Manoulas asked whether the governors could get involved in the

management audit. Mr Scott advised that audit was different from accountability and that governors should hold the non-executive directors to account for the performance of the board. The involvement of governors should be developed from that principle.

Hazel Ingram raised issues of patients having to queue for the triage service in the A&E department. Ms Hall reported that action was being taken to reduce the queuing in the triage area, with additional staff being put in place at busy times and identifying attendees who didn't need the triage service, for example visitors.

Felicity Metz asked about the future of urology services and the robot. Mr Scott confirmed that urology services would remain at the trust – it was an important service to the trust and the trust would therefore work to retain it.

Doulla Manoulas asked whether there had been any progress in the implementation of electronic health records. Mr Bolam gave a summary of developments including access to records – however this would be for clinicians only at first as public access would need to be agreed nationally.

15.04.28 Any other business

There was no other business.

15.04.29 Date of the next meeting

The next meeting of the Trust Board will be held on 30 April 2015 at 9.00am.