

BOARD OF DIRECTORS

APPROVED MINUTES OF FORMAL MEETING

27th February 2013

**BOARDROOM
EDUCATION CENTRE
ARROWE PARK HOSPITAL**

Present:

Michael Carr	Chairman
David Allison	Chief Executive
Cathy Bond	Non-Executive Director
Gary Doherty	Chief Operating Officer
Richard Dutton	Deputy Chair & Senior Independent Director
Sue Green	Director of Human Resources & Organisational Development
Jeff Kozar	Non-Executive Director
Lyn Meadows	Non-Executive Director
Tina Long	Director of Nursing & Midwifery
Evan Moore	Medical Director
Alistair Mulvey	Interim Director of Finance
Anne Parker	Non-Executive Director
Jean Quinn	Non-Executive Director
Nick Williams	Non-Executive Director

Apologies:

In attendance: Lucy Lavan, Associate Director of Governance
Sharon Gilligan, Deputy Chief Operating Officer
David Hounslea, Director of Estates (Item 5.3 only)

Reference	Minute	Action
BM 12-13/177	Apologies for Absence None.	
BM 12-13/178	Declarations of Interest There were no declarations of interest.	
BM12-13/179	<p>Chairman's Business The Chairman welcomed Sharon Gilligan to the meeting, noting that Sharon had been appointed Acting Director of Operations to take effect from 1st April 2013, following Gary Doherty's departure.</p> <p>The Board noted that the Trust had been de-escalated by Monitor and was no longer in significant beach of authorisation. On behalf of the Board the Chairman extended thanks to all staff concerned for their contribution toward this outcome. It was agreed that the Chief Executive would formally notify the Clinical Commissioning Group.</p> <p>The Care Quality Commission (CQC) had issued its final report following the recent unannounced inspection and an action plan to address the findings in relation to record keeping would need to be submitted by 13th March 2013. The Board reflected upon the extremely positive feedback from patients as acknowledged by the CQC and recognised the importance of devising an effective action plan in relation to record keeping.</p>	<p>DA</p> <p>TL</p>

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	<p>The following Consultant appointments were noted:</p> <ul style="list-style-type: none"> • Dr Naveen Polavarapu – Consultant Physician and Gastroenterologist • Dr Julie Langton – Consultant Geriatrician • Dr Carol Paxton – Consultant in Respiratory Medicine <p>Forthcoming diary dates for note were:</p> <ul style="list-style-type: none"> • Council of Governors – Wednesday 13th March 2013 at 5.30pm • Board of Directors – Wednesday 27th March 2013 at 1.00pm • Board Development Day – Friday 12th April 2013 from 10.00am 	
BM12-13/180	<p>Chief Executive's Report</p> <p>The Board received the Chief Executive's report, noting the following:</p> <ul style="list-style-type: none"> • Ongoing contract negotiations indicated a potential significant financial gap for 2013/14 which was complicated by the lack of clarity concerning the categorisation of specialist services. It was clear that there would be a need for further strategic discussion. Relief for the residual fixed costs associated with the transfer of specialist vascular services to the Countess of Chester was a key requirement and the Chief Executive had emphasised that there would be no agreement to moving the vascular activity and related income until this had been resolved. • The Board noted that the Quality Handover Assembly had taken place on 15th February 2013 to support the transition of commissioning responsibilities from the Primary Care Trust to Clinical Commissioning Groups. • In relation to Partnering for Value, it was noted that further work on the detailed clinical pathways to support the vascular reconfiguration, including rehabilitation, was ongoing but that the financial implications remained a key risk. A discussion followed around the significant gaps in contractual settlements across the local health economy which would undoubtedly drive further strategic review, reconfiguration and support the integration of pathways. The Board noted the importance of maintaining and building relationships and partnerships across the sector. In particular it was agreed that consideration would be given to establishing a director –level forum to develop strategic discussions with the CCG following implementation of the current contract negotiations. • The progress and impact of the Listening Into Action programme, including the scheduling of a 'Big Conversation' with managers on 28th February 2013. 	DA
Strategy and Development		
BM12-13/181	<p>Francis Report- Initial Response and Next Steps</p> <p>The Board formally received the Report of the Mid Staffordshire NHS Foundation Trust Public Enquiry, Chaired by Robert Francis QC.</p> <p>The Chairman reported the respective letters from the Secretary of State and Sir David Nicholson regarding the dialogue and engagement required and went on to summarise the fundamental aspects of the report which</p>	

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	<p>would need to feature in these discussions.</p> <p>Board members shared their initial thoughts on the report, including the implications for the regulators, the ramifications of potential criminal liability for serious harm and death, the practicalities of certain recommendations, the culture change being promoted and the need for the Board to remain attuned to the spirit of the Report.</p> <p>The Board was encouraged to note that there were no significant recommendations that the Trust had not already identified and had at least started to address.</p> <p>It was noted that members of the Executive Team would be independently reviewing the report's recommendations and then jointly compiling a response. This would be dovetailed with the Listening Into Action work which had already provided a valuable vehicle for engaging with staff. It had been recognised nationally that the Listening Into Action programme demonstrated strong alignment with the engagement work required in response to the Francis Report recommendations.</p> <p>In response to a question from the Chairman it was confirmed that the Trust's employment contract had been legally reviewed and that where confidentiality clauses had been used these were compliant and did not prevent public disclosure.</p> <p>It was noted that the Government's response to the Francis Report is expected in March 2013; that the Board will receive a report from the executive Team following its review; and that a formal Board dialogue will take place during a meeting held in public, either at the end of April or as soon as practicable thereafter.</p>	DA
BM12-13/182	<p>High Level Strategic Vision, Goal and Priorities</p> <p>The Board received formally and approved the statements of the Trust's revised Vision, Goal and Priorities.</p>	
BM12-13/183	<p>Quality Account Update</p> <p>The Medical Director delivered a presentation on progress against 2012/13 Quality Account indicators and the priorities for 2013/14.</p> <p>The Board discussed the mortality metrics and sustainability of the improvement work including 7 day consultant working, noting also the process in place for reviewing hospital deaths and learning from the findings of mortality reviews.</p> <p>The mechanisms in place for obtaining regular feedback from patients and families were also discussed.</p> <p>The Board noted progress to date and supported the priorities for 2013/14 as outlined.</p>	
Quality & Safety		

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BM12-13/184	<p>Chair's Report Quality & Safety Committee Dr Quinn presented the report, highlighting the risks and mitigation plans in place in relation to the resilience of PCIS.</p> <p>The Board discussed this issue along with the following key items:</p> <ul style="list-style-type: none"> • Assurance received in respect of the proactivity of management in referring incidences of work-related stress to the Occupational Health service • Progress on the development of the Workforce dashboard • The review of patient experience within the Emergency Department <p>Reference was made to a statement within the report regarding the quality of care in A&E and it was clarified that this comment related to patient experience and not to clinical outcome.</p> <p>The report made reference to breach of the A&E target in Quarter 4 and the Board noted that this matter would be discussed in detail under agenda Item 7.4.</p> <p>The Board went on to consider proposals for Patient and Governor representation on the Quality and Safety Committee. It was agreed in principle that a nominated patient and a nominated governor should be included in the membership of the Committee.</p> <p>The Chairman advised that the Council of Governors already had in place a Patient Experience Committee and the role of the Governor representative on the Quality & Safety Committee would be to provide a clear link and ensure added value in respect of the Trust's work to develop and improve the patient and family experience.</p> <p>The Governors had previously discussed the Committee role and had proposed that a role specification, outlining the qualities required be drawn up. Governors would then be invited to express an interest by means of submitting a written statement for consideration. The statements would be reviewed by the Chair of the Quality & Safety Committee and a recommendation made to the Board of Directors. A key requirement would be that the selected Governor must also sit on the Patient Experience Committee. This proposal was supported.</p> <p>Whilst it was agreed that a Patient Representative should also be sought, it was acknowledged that there was a need for further thought as to how a suitable individual would be identified and / or selected.</p> <p>The Board noted the report.</p>	<p>JQ</p> <p>JQ/ TL</p>
Finance, Performance and Business Development		
BM12-13/185	<p>Chair's Report Finance, Performance & Business Development Committee The Board received the report and discussed in detail, the ongoing issues surrounding the Cerner contract and the resilience of PCIS.</p> <p>The Chief Executive explained the technical and financial reasons</p>	

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	<p>surrounding the decision to delay the planned remote hosting arrangement until after completion of Phase 2b.</p> <p>Discussions with Cerner surrounding the contract and licence negotiations were ongoing, with a key meeting scheduled to take place on 5th March 2013.</p> <p>The financial implications and impact on the 2013/14 budget setting process were discussed.</p> <p>The Board went on to discuss the commissioning contract negotiations for 2013/14, noting that the planned signing date was 15th March 2013 and that the size of the potential financial shortfall could have a significant consequence for the deliverability of the consequently enlarged CIP. If this were to be the case then it was agreed that the Board would need to meet as a matter of urgency to fully understand the implications of the options to agree to a larger financial gap than planned; or to proceed to arbitration in the context of effective stakeholder working.</p> <p>On Item 3, the Chief Executive advised that he was still giving consideration to the final makeup of the executive team and associated sub structures.</p> <p>The Board noted that the new style of financial report had been well received by the Committee.</p> <p>A detailed discussion had taken place in respect of the WEHS Programme and the Committee had requested the identification of key metrics that would support a quarterly review of benefits realisation.</p> <p>The Board noted the additional investment of approximately £500k which the Committee had approved in neonatology to secure BAPM standards and noted that this would form part of a compliance report to the Welsh Health Service that would help to validate their decision to refer neonatal activity to the Wirral.</p> <p>The partnership with UKBC had been supported and the Committee had requested further assurance in respect of the legitimacy of the fees being charged to patients who opt for the private service.</p> <p>The Chief Executive updated the Board on the issues surrounding the Shared Informatics Service and advised his intention to service notice on the provider, allowing the exploration of alternative options. The FPBDC would be updated in April 2013.</p> <p>The Board noted the report.</p>	
<p>BM12-13/186</p>	<p>Legal Documentation for CHP Contract David Hounslea, Director of Estates was in attendance for this Item.</p> <p>The Chairman noted that the Board had previously approved the Business Case to re-provide energy and energy management facilities in partnership with Ener-G Combined Power Limited. The Board was now asked to</p>	

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	<p>consider the legal contract which was supported by a letter from Hill Dickinson Solicitors, the Trust's legal advisors, summarising the key features of the Scheme and the associated legal considerations.</p> <p>The Board discussed the letter and accompanying legal documentation and sought further clarity on the following issues:</p> <ul style="list-style-type: none"> i) The extent of the Trust's liability in being required to enter into a direct agreement with the Funder to protect the Funder from the risk of early termination; and the reasonableness of this clause. (Refer HD letter Para 3 – 'Funding') ii) Confirmation that TUPE does not apply (Refer HD letter, Para 3 – 'Staffing') iii) Rationale for applying RPI when there are more relevant price indices and also the inclusion of a minimum price index of 2.5%, in circumstances where RPI is lower (Refer HD letter, Para 3 – 'Payment Mechanism') iv) Rationale and materiality of the risk relating to unverifiable data (Refer HD letter, Para 3 – 'Unverifiable Data') v) Confirmation of insurance cover for any contingent liability beyond the defined cap in respect of the third party supplier (Refer HD letter, Para 3 – 'Liability Caps') <p>The Board noted that signing of the contract was not time critical, except that in the case of delay, this would also delay the realisation of financial benefits, which under the current schedule would be fully realised from February 2014.</p> <p>The Board recognised the significant work that had gone into the legal review of the documentation but requested that responses to the above points be brought back to the Board in March 2013.</p> <p>It was agreed that the Chief Executive and Interim Director of Finance would have delegated authority to sign and execute the contract following approval by the Board and should therefore review the detail of the contract ahead of the March 2013 Board meeting.</p>	<p>GD (/DH)</p> <p>DA/AM</p>
<p>BM12-13/187</p>	<p>Dashboard – January 2013</p> <p>The Board reviewed the Compliance metrics noting that all targets had been achieved and remain on trajectory, with the exception of the 4 hour A&E target. This breach is the subject of a separate report (Item 7.4).</p> <p>The Board discussed the 62 day cancer target, noting a deterioration in performance in January 2013 as a result of some patients choosing to defer their treatment over the Christmas period. It was fully expected that the target would be met for Quarter 4.</p> <p>The Board reviewed the Quality dashboard noting the following:</p> <ul style="list-style-type: none"> • Incidence of pressure ulcers was above trajectory; despite this, the data showed a significant improvement compared to last year and it was noted that a challenging target had been set for 2012/13; it was acknowledged that further improvement work is in progress. • The need to further define the metric and reporting of UTIs. 	

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	<ul style="list-style-type: none"> • The need for further action to mitigate the incidence of allergy to medicines – this work would be progressed by the Medications Safety Committee. • The results of the pilot 'Friend & Family' test within the Emergency Department • Further focused work to address the dip in assistance with eating and drinking; and relatives' view of patient appearance. <p>The Board noted the report.</p>	
BM12-13/188	<p>A&E Performance</p> <p>The Board discussed the exceptional pressures that had been experienced in the Emergency Department in recent weeks that would now almost certainly result in a failure to meet the A&E access target in Quarter 4. It was confirmed that full year performance was expected to be in excess of the 95% target.</p> <p>The action plan set out in the report was reviewed and it was noted that the Emergency Care Intensive Support Team had been asked to return to the Trust to review the systems and processes in place and provide external assurance that the action plan was sufficiently robust. This followed an earlier review undertaken in early 2012.</p> <p>Following discussion, the Board confirmed the view that the issues were not confined to A&E but also stemmed from blockages to patient flow across the Trust. The programme of work surrounding 'Right Patient, Right Bed' would remain of critical importance and key actions such as the creation of step down capacity on the Clatterbridge site were important, providing assurance of sustainable measures to alleviate pressure on staff and improve the experience of patients.</p> <p>The Board noted that it would be helpful to have sight of numbers of patients as well as measuring compliance with the target as a percentage, in order to give a greater sense of the increase in volume and a better understanding of where blockages were arising in terms of patient flow.</p> <p>The Board asked what further support the Executive required and it was noted that a workshop with Social Services would take place on 20th March 2013, following which further measures might be identified which might benefit from Board level influence. The importance of stronger relationships with primary care partners was also noted in the context of working together to better manage demand. It was agreed that the Clinical Leaders Forum might provide a key vehicle for collective internal dialogue to solve patient flow issues and significantly improve patient care.</p> <p>It was agreed that the Board would receive an update in the form of a presentation at the March 2013 Board meeting to include feedback from the planned workshop with Social Services. In the meantime the A&E staff would be supported and motivated to ensure that despite the failure in Q4 of this target, there is a clear understanding by the Board that at its heart the problem stems from a trust-wide patient flow problem and that every future patient counts and must continue to receive the best possible care. The Board noted that the Chairman and Chief Executive had already</p>	<p>GD (/SG)</p> <p>GD (/SG)</p>

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	flagged to Monitor, in conversations concerning the Trust's de-escalation, that the A&E target remained a significant challenge. Monitor would now be advised that the Trust is unlikely to meet the target in Quarter 4.	DA
BM12-13/189	<p>Financial Report at 31st January 2013 The Board received the financial report, noting that all metrics were on target to achieve at the year end and also the in-year issue relating to under-achievement of recurrent CIP.</p> <p>The Board reflected on its earlier discussions relating to financial risk going forward in respect of contract negotiations and magnitude and deliverability of the 2013/14 CIP.</p>	
Governance		
BM12-13/190	<p>External Assurances :</p> <ul style="list-style-type: none"> • Monitor – The Board noted the letter received from Monitor on 14th February 2013, setting out the reasons for the decision of Monitor's Compliance Board Committee to de-escalate the Trust from significant breach and noting that the Trust's Governance rating would now revert to Green. 	
BM 12-13/191	<p>McKinsey Governance Review The Board formally received the report from McKinsey following the follow up Governance Review conducted in January 2013.</p> <p>The areas identified for further improvement were emphasised and noted.</p> <p>It was agreed that the Governance Action Plan would be updated to reflect any residual actions, including further areas for action identified in the follow-up review, and that this would be brought to the March 2013 Board meeting.</p> <p>The Chairman advised that the McKinsey final report would be shared with the Council of Governors on 13th March 2013.</p>	SG MC
	Board of Directors:	
BM 12-13/192	<p>Minutes of the Previous Meeting (30th January 2013) The minutes of the previous meeting were reviewed for accuracy.</p> <p>The minutes of the meeting held on 30th January 2013 were received, approved and signed by the Chairman.</p>	
BM 12-13/193	<p>Board Action Log The Board reviewed the Action Log and confirmed that Actions 5, 9 and 11 could now be closed. Action 10 (to receive the legal documentation relating to the CHP contract) would be updated to reflect the further assurances requested by the Board.</p>	
Standing Items		

Reference	Minute	Action
<p>BM 12-13/194</p>	<p>Any Other Business The Chairman noted that today's Board meeting would be the last meeting attended by Tina Long, Director of Nursing and Midwifery.</p> <p>On behalf of the Board, the Chairman thanked Tina for her commitment and contribution to the work of the Board and paid tribute to the way in which she had increased the professionalism and standards of nursing care during her time in office. The Board wished Tina every success in her new post.</p>	
<p>BM 12-13/195</p>	<p>Items for Risk Register It was noted that the implications of serving notice on the Shared Information Service would be fully considered and risk assessed.</p>	<p>DA</p>
<p>BM 12-13/196</p>	<p>Date and Time of Next Meeting Wednesday 27th March 2013 at 2.00pm, in the Boardroom, Education Centre, Arrowe Park Hospital.</p>	

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Chairman

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Date