

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS**

**27 OCTOBER 2016**

Board

Antony Kildare	Interim Chair
Martin Sinclair	Non-Executive Director
Kirstin Baker	Non-Executive Director
Graham Hodgson	Non-Executive Director
Professor Malcolm Reed	Non-Executive Director
Gillian Fairfield	Chief Executive
Spencer Prosser	Chief Financial Officer
Steve Holmberg	Medical Director
Mark Smith	Chief Operating Officer
Helen O'Dell	Interim Chief Nurse

In Attendance

Peter Griffiths	Board Adviser
Dominic Ford	Director of Corporate Affairs
Rachel Cashman	Director of Strategy and Commercial Development
Helen Weatherill	Director of Human Resources
Alan Coffey	Turnaround Director
Alison Tong	Improvement Director
Lois Howell	Director of Clinical Governance
Mark Angus	Interim Deputy Chief Operating Officer (item 10.8)
Debi Fillery	Nurse Consultant for Safeguarding Children & Young People (item 10.11)
Duane Passman	Director of 3Ts

**10.1 APOLOGIES FOR ABSENCE**

The Chair welcomed the members of the public and staff attending the Board meeting.

There were no apologies for absence.

**10.2 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**10.3 MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 29<sup>th</sup> September were approved as a correct record.

**10.4 MATTERS ARISING FROM THE PREVIOUS MEETING**

The Board noted the items detailed under the progress log.

## 10.5 REPORT FROM THE CHAIRMAN AND CHIEF EXECUTIVE

### Chief Executive's report

The Chief Executive advised that NHS Improvement (NHSI) had published its shadow segmentation of NHS Trusts and Foundation Trust and the Trust was one of 22 Trusts placed in category 4, which comprised Trusts which had challenging and complex issues to address. The Trust had been commended for its reduction of spending on agency costs, both for nursing and medical staff.

The financial challenges facing the NHS nationally made for a difficult context locally and the Trust had been placed in financial special measures on 17<sup>th</sup> October, following the letter submitted by the Trust regarding its revised forecast outturn. A meeting was held with NHSI on 24<sup>th</sup> October to discuss the mobilisation of financial special measures. A financial improvement director would be appointed and the Trust would be required to develop a financial recovery plan, integrated with its broader recovery plan.

The Sussex and East Surrey Sustainability and Transformation Plan (STP) was submitted on 21<sup>st</sup> October. The Trust capacity plan had been discussed and welcomed by the STP and was appended to the submission.

The Interim Chairman asked what the next steps would be in the development of the STP and the Chief Executive advised that NHS England (NHSE) would provide feedback on the submission, which would be shared with the Board, with further discussion as the STP Plan evolved.

The Chief Executive further advised that the Courtyard Building had been handed over, representing a significant milestone in the 3Ts Programme, providing much improved environment for patients and staff.

The Board welcomed this development and noted the report

### PERFORMANCE AND ASSURANCE

## 10.6 INTEGRATED PERFORMANCE REPORT MONTH 6

The Chief Operating Officer introduced the Month 6 Integrated Performance Report. In relation to RTT performance, the Chief Operating Officer advised the Board of an exercise to map and validate the data flows supporting the management of RTT. This exercise had the potential to add to the RTT backlog, which would be known only on completion and the Board would be updated on the outcome.

### Action: Chief Operating Officer

The RTT backlog continued to reduce at a fast rate. However performance against the 92% (incomplete) standard at 76.8% in Quarter 2, remained significantly below the standard.

The Interim Chairman asked where the Trust performance sat in comparison to other Trusts and the Chief Operating Officer advised that the backlog was in the bottom quartile and performance overall for RTT was the worst in the country.

The Trust was currently ahead of the agreed RTT performance trajectory, however there remained a high number of patients waiting for longer than 52 weeks, 184 in September 2016, with a plan to reduce this to zero by March 2017, and the Trust was on track to deliver this.

Performance against the diagnostic wait standard had improved significantly and had achieved the national standard. The Interim Chairman noted and welcomed this improvement and its importance for patients and the Chief Operating Officer advised that a concentrated focus on process improvement and detail had enabled the improved performance.

Emergency Department performance was behind trajectory with an increase in attendance against the plan and previous years' activity. The Interim Chairman noted the increasing demand and its impact on the front door. The Chief Operating Officer also noted the reduction in bed capacity following the CQC inspection and problems with the performance of the broader system in relation to the 111 service, walk-in service, IC24 and SECAMB conveyances which added to the pressures on the hospital. Delayed transfers of care also remained high at 10% against the standard of 3.5%, with the health and care system often being log-jammed. The Chief Executive added that ED performance was now in the middle of the national performance, which also reflected national pressures on urgent care. Nevertheless this reflected a significant improvement in the Trust.

There had been one 12 hour trolley wait in September, with the Chief Operating Officer advising that the risk of 12 hour breaches was highest at the weekend with a mismatch in capacity and demand.

All of the cancer standards had been delivered in September and the Interim Chairman welcomed and noted the significance of this improvement for patients.

The Chief Financial Officer asked about the number of patients waiting longer than 52 weeks and the capacity of the Trust to reduce this number quickly. The Chief Operating Officer advised that the data validation undertaken had added a number of patients to this cohort, however there was forensic directorate review of each patient to ensure that their assessment and treatment was expedited.

**The Board noted the month 6 report, the risks to performance and the actions taken and planned to address areas of under-performance**

## **10.7 FINANCE REPORT MONTH 6**

The Chief Financial Officer advised that at month 6, the Trust was reporting a year-to-date unfavourable variance of £9.6m, with an actual deficit of £23.7m against a plan of £14.1m, and a forecast deficit of £59.7m that was in excess of the control total deficit of £15.6m. The year-to-date variance is made up of £3.6m underachievement of the STF income, £2.2m slippage on the efficiency programme, a £7.1m overspend on non-pay and £3.0m overachievement of income. The position reflected the Trust not meeting the requirements for receiving the £3.6m STF in quarter 2, and a revised assessment of income challenges. In addition there were overspends in both pay and non-pay. The Trust's cash position continued to deteriorate with a working capital shortfall and the

increasing revenue deficit. Delivery of the efficiency programme was below plan in the month by £0.3m, and year to date was below plan by £2.2m.

The Interim Chairman noted the extremely challenged financial position, with the Trust having been placed in financial special measures and the previous Board discussions which had concluded that the forecast outturn position could not be achieved and had resulted in the Trust formally writing to NHS Improvement to confirm this.

The Chief Executive noted the change in the forecast outturn position from £15.6m to £59m and the explanation for that variance, which related to income, investment in safety and quality following the CQC inspection and extra capacity. The Chief Financial Officer advised that appendix 3 to the report summarised the risks and opportunities to the forecast outturn position including the income settlement, CQC costs, patient flow, fines and penalties and challenges in the broader sector.

Martin Sinclair asked about the status of the income settlement with the CCGs and the CIPs programme and the Chief Financial Officer advised that a meeting would be held with the CCGs next week, and if this could not be concluded locally it would be escalated to NHSE and NHSI. The CIPs programme was monitored through the wave system, which reflected an up to date position, but with a time lag in reporting. Meetings would be held with the directorates this week which were likely to result in an increase in the level of CIPs delivered. Pipeline schemes also need to be delivered and would increase the savings in the overall programme. The Chief Financial Officer confirmed that the Executive remain committed to the CIPs target.

The Interim Chairman noted the offer from NHSI to support discussions with commissioners which might support the cash challenge and noted the importance of the Trust delivery of the CIPs programme and the additional controls agreed by the Board

**The Board noted the month 6 position the revised forecast outturn, the risks to delivery of the plan, and the actions taken and planned.**

## **10.8 EMERGENCY PLANNING, RESILIENCE AND RESPONSE**

The Chief Operating Officer advised that the Emergency Planning, Resilience and Response core standards Statement of Readiness had been completed as an assessment of the Trust state of readiness against national standards.

The interim Deputy Chief Operating Officer noted the changes this year in the way in which the assurance rating was calculated through the Local Health Resilience Partnership to achieve improved pace nationally in compliance with the standards. This change meant that although the overall Trust position had not changed since last year the Trust was now rated as non-compliant with the EPRR core standards, with 17 amber ratings and 1 red rating for non-compliance for fuel planning. This would need further discussion at the LHRP and at National level. Resourcing of emergency planning was a constraint on compliance and would be enhanced. The internal resilience group would be reinforced to drive change forward. The LHRP would monitor progress quarterly and the Deputy Chief Operating Officer was confident that the Trust would move from non-compliance to part-compliance in January and progress would reported to the Quality and Performance Committee.

**Action: Interim Deputy Chief Operating Officer**

Graham Hodgson asked about the reason for non-compliance with the fuel standard and it was confirmed that this related to getting staff to work and was an issue nationally.

Martin Sinclair asked about the testing of plans and alignment with the 3Ts development. The Deputy Chief Operating Officer advised that Trust had participated in 2 major exercises in the recent period and it was noted that there had been no major learning points from the exercises. The Chief Operating Officer advised that the emergency plans had worked effectively following the Shoreham incident and a major road traffic incident with some learning around the clarity of operational and strategic roles. An AAR is also undertaken after each incident including the recent flood from pathology, which leaked into the ED, when emergency plans worked effectively. The Chief Operating Officer and Director of Strategy and Commercial Development would also ensure the 3Ts Programme was fully integrated into emergency planning.

**Action: Chief Operating Officer and Director of Strategy and Commercial Development****QUALITY, CLINICAL AND PATIENT ISSUES****10.9 QUALITY AND SAFETY IMPROVEMENT PLAN**

The Director of Clinical Governance updated the Board on progress with the Quality and Safety Improvement Plan (QSIP), advising the Board that the QSIP Programme Board had been established overseeing delivery of the Plan which comprised 7 themes arising from the CQC inspection report and section 29a Warning Notice. The Board discussed the reporting and Board assurance of the Plan, noting that the Programmes Board and Quality and Performance Committee would receive monthly updates on progress. The Board would also receive direct assurance by exception and reports from the 2 relevant Board Committees with escalation as required by the Chairs of Committees.

The Board Adviser noted that further work was required on the quality and quantity of material reported to the Board.

The Director of Clinical Governance further advised that there were 2 red risks currently in the Plan, concerning the financing and resourcing of actions arising from the risk assessments which were being addressed. CQC had also undertaken a planned visit to radiology as part of an inspection arising from an incident which had been positive as had been a visit to ED on the same day.

The Chief Executive noted that the next CQC review visit would be in early November when progress with the Plan would be discussed.

The Board Adviser also noted the importance of the supporting clinical governance in enabling delivery of the plan and appropriate investment in it.

**The Board noted the report, progress with the delivery of the Plan and the risks to delivery.**

## 10.10 SAFER NURSING AND MIDWIFERY STAFFING

The Interim Chief Nurse introduced the 6 monthly report on safer nursing and midwifery staffing, noting the progress in neuro-intensive care and the actions taken to help to integrate the neurology nurses into the RSCH team, in respect of shift leadership, rota management and training in the care of neurological patients.

The report further advised on staffing in the four Trust EDs noting that structural changes to the ED at RSCH had required additional nursing staff. The report also included care hours per patient days, as recommended by the Carter review. The Interim Chief Nurse advised that there was limited comparative data currently available, but that the Trust staffing would be benchmarked when the data was available.

Nursing revalidation had been introduced in April 2017 and the Interim Chief Nurse had been revalidated in September. Usage of agency nursing staff continued to be monitored closely, with the cost of agency nursing having reduced significantly over the last 12 months. The acuity and dependency of all patients has also been measured on wards, and the data suggests that some ward staffing ratios appear higher than might be expected; mostly due to the environment.

The nursing and midwifery consultation was coming to a conclusion with new rotas and the rostering policy planned for implementation in the New Year, which will support wards and departments to work within their budgets. International recruitment had been successful in the last financial year, however the number of leavers was now in excess of joiners, and a business case would be submitted to the Finance, Business and Investment Committee in November to support the next phase of international recruitment.

The Medical Director asked about the reasons for the increase in leavers and the Interim Chief Nurse advised that work was underway to address this, particularly band 5 leavers and the Board would be updated on progress.

### **Action: Interim Chief Nurse**

The Director of HR advised that the number of leavers in their first 12 months was particularly high. The Interim Chairman noted the importance of streamlining the recruitment process and the Interim Chief Nurse advised that a one stop recruitment shop had been introduced at PRH to enable this.

The Chief Operating Officer asked about risks in particular areas and the need to prioritise recruitment in ED and neurosciences. The Interim Chief Nurse noted that the current gaps would be addressed through recruitment and supported by practice educator in the ED.

Kirstin Baker asked about the integration of this work with the broader workforce and leadership programme and the Interim Chief Nurse and Director of HR advised that this work would be taken forward through that Programme.

**The Board noted the six-monthly report on nursing and midwifery staffing; the current staffing position within the Trust and the further work planned**

## 10.11 SAFEGUARDING CHILDREN ANNUAL REPORT

The Nurse Consultant for Safeguarding Children & Young People introduced the safeguarding children and young people report, noting the national context and requirements on the Trust and advised the Board that CQC in its inspection had not identified particular concerns in respect of safeguarding, except the requirement to improve safeguarding training, and this was incorporated in the CQC plan.

The report further noted that the external review of safeguarding had been reported to the Board and the action plan would be monitored by the Quality and Performance Committee. The review had found that overall the Trust safeguarding duties were discharged effectively. However the Board needed to consider children and young people within its overall strategies and policies, including in adult services.

The Chief Executive asked about reporting from the Local Safeguarding Children Board (LSCB) to the Trust. The Nurse Consultant for Safeguarding Children & Young People noted that serious case reviews were reported to the Safeguarding Committee and lessons considered there. The Director of Clinical Governance added that a routine report on safeguarding children would be reported to the Quality and Performance Committee from the Safeguarding Committee. The Interim Chair noted the importance of fast-tracking reports to the Board by exception where required and the Chief Executive reiterated the importance of Board oversight of safeguarding children.

Martin Sinclair asked about the effectiveness of inter-agency working and exchange of information. The Nurse Consultant for Safeguarding Children & Young People noted that the Brighton and Hove LSCB was effective with good relationships, through the LSCB and sub-committees. East and West Sussex was more challenging because of the geographical spread and less well-developed relationships and representation.

The Chief Executive asked what was being done to improve safeguarding training and the importance of arranging a session for the Board. The issues around data quality for STAM training was noted and training in the critical areas of ED, children and maternity services was in the 80s. However further work was required in other areas. Suitable training would be arranged for the Board.

**The Board noted the report and the ongoing work and commitment of the safeguarding team and the importance of improving compliance with training requirements.**

## 10.12 INFECTION PREVENTION AND CONTROL REPORT

The Interim Chief Nurse introduced a six-monthly report on infection, prevention and control advising the Board that no cases of MRSA had been reported in the year to date and 27 cases of *c. difficile*. A Standard Operating Procedure (SOP) for hand hygiene had been introduced and 6 warning letters had been issued to non-compliant staff. The Trust was working closely with NHSI including advice on infection prevention and control governance and the infection prevention and control team was working closely with the 3Ts team.

The Interim Chairman asked about the reasons for the increase in *c. difficile* cases and the Interim Chief Nurse advised that the position was consistent with the previous year,

although behind the trajectory. However there was an enhanced focus on hand hygiene and cleanliness. The Interim Chairman also asked about the impact of the 3Ts programme and the Interim Chief Nurse noted the sizeable workload associated with the 3Ts programme and work to improve liaison between the 3Ts and infection prevention and control teams.

The Chief Operating Officer asked about antibiotic prescribing and cannula compliance and the Medical Director noted the ongoing focus in this area, which had been highlighted by the drugs and therapeutics committee in relation to e-prescribing.

The Chief Officer asked about the reasons for non-compliance with the hand hygiene policy and the Interim Chief Nurse advised that this largely concerned compliance with the uniform policy. The Medical Director also noted the educational need around hand hygiene compliance and the Director of Clinical Governance advised that a human factors workshop was planned in relation to hand hygiene.

The Director of Strategy and Commercial Development further advised on the importance of the skill set within the 3Ts team and this would be further improved with the appointment of a new 3Ts Clinical Director.

**The Board noted the report, the actions undertaken and planned, and the position at 30th September 2016.**

## **RISK AND GOVERNANCE**

### **10.13 BOARD ASSURANCE FRAMEWORK**

The Director of Clinical Governance reported on the revised Board Assurance Framework (BAF), submitted in its current format to the Board for the first time, noting that the BAF comprised the risks to the Trust objectives, their controls and assurance. The report had previously been submitted to the Quality and Performance Committee and was recommended to the Board. The strategic objectives concerned delivery of the constitutional standards and quality and financial improvement plans, and would be revised when the Trust objectives were further defined. Future reports would also focus on improved and managed risk, deterioration and stasis.

The Interim Chairman welcomed the improvement from the previous BAFs, including the focus on progress with the BAF appearing to be a more dynamic tool. The Board Adviser noted the importance of the Board understanding the substantive risks, including the impact of increased cancer referrals and the need to focus on those risks rather than process.

The Chief Operating Officer noted the need for the Board to also agree on the level of acceptable risk or risk appetite and the Director of Clinical Governance noted that this was defined in the risk management strategy.

**The Board noted the Board Assurance Framework**

#### **10.14 LOCAL COUNTER FRAUD SPECIALIST REPORT**

The Local Counter Fraud Specialist (LCFS) and Compliance Manager described the Trust responsibilities in relation to counter-fraud and the governance of counter-fraud within the Trust, including the reporting to the Audit Committee, and the proactive and reactive work undertaken. An important issue was staff working whilst on sick leave, both in the Trust and elsewhere. The Trust generally reflects national trends, with the majority of concerns relating to staff, and a smaller number, patients and contractors.

Malcolm Reed noted a similar issue nationally in doctors working in private practice and how this was monitored and controlled and the Medical Director also advised of concerns regarding marginal practice in relation to RTT, which was also encouraged by the system and the movement of patients between the NHS and the private sector.

The Chief Financial Officer noted the level of proactive work undertaken and sanctions taken. Graham Hodgson asked about the number of reported allegations and those proven and it was noted that this formed only part of the overall referrals to the LCFS. Martin Sinclair asked about trends and national issues around procurement. The LCFS noted that an increase in referrals could reflect higher awareness and advised that his investigations also often resulted in system recommendations and policy changes. Procurement had sometime worked autonomously historically and more work was required to embed their processes.

**The Board noted the report.**

#### **STRATEGY AND PARTNERSHIPS**

#### **10.15 SUSTAINABILITY AND TRANSFORMATION PLAN**

The Director of Strategy and Commercial Development reported that the Sussex and East Surrey STP submission was made on 21<sup>st</sup> October and advised that the 44 STP submissions were at varied levels of development. NHSE would provide feedback on the STP submission and this would be reported to the Board. The ongoing focus of the STP needed to be on clinical leadership and public and democratic engagement, in respect of the financial challenges facing the STP and the impact of changes in the health and care system on the broader system.

The immediate focus of the STP had been on the challenges regarding capacity and patient flow, particularly in acute hospitals and the Trust capacity plan was included in the STP submission. The STP would also impact on acute care configuration and models of primary care, with new models being developed in West and East Sussex.

#### **10.16 BRIGHTON AND HOVE CARING TOGETHER – STATEMENT OF INTENT**

The Director of Strategy and Commercial Development introduced the Brighton and Hove Caring Together, Statement of Intent noting its alignment with the STP.

**The Board supported the statement of intent.**

## 10.17 CHARITY STRATEGIC PLAN

The Charity Director introduced the Charity Strategic Plan advising that the Plan had been recommended to the Board by the Charitable Funds Committee. The Plan described the vision, the mission statement for the Charity, its core priorities, and the ambition for the Charity over 5 years, the regulation of the Charity and the role of the Board as the corporate Trustee of the Charity. The Charity Director also drew the attention of the Board to the summary strategic plan.

Martin Sinclair welcomed the Plan and noted the importance of independence and good governance of the Charity and the need for more effective internal marketing in the use of funds. Malcolm Reed welcomed the Plan and the Director of Clinical Governance commended the format and accessibility of the Plan.

**The Board approved the Charity Strategic Plan.**

## 10.18 REPORTS FROM COMMITTEES

### **Quality and Performance Committee**

Graham Hodgson noted the importance of continuing to improve statutory and mandatory training compliance. The Chair noted that this was included in the Board Assurance Framework, and had been discussed in relation to safeguarding children. The Director of HR added that the key issue now was releasing staff for training through the line management and accountability framework.

The Chief Executive noted that this would be addressed weekly in the Senior Management Team and through the Spotlight on Safety in the Monday Message.

**Action: Chief Executive and Acting Director of Communications**

### **Finance, Business and Investment Committee**

The Chair noted that the Committee had agreed that the current operational model was impeding progress which needed to be addressed in the next stage of development.

### **3Ts Programme Board**

Kirstin Baker noted the importance of the workforce modernisation programme for the 3Ts programme and this was now incorporated in business as usual and alignment was critical.

### **Charitable Funds Committee**

The Committee had noted the importance of the independence of decision-making.

## 10.19 QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no questions from members of the public.

**10.20 ANY OTHER BUSINESS**

The Director of 3Ts advised that wards would move from the Jubilee Block to the Courtyard Building on 2<sup>nd</sup> November.

**10.21 DATE OF NEXT MEETING**

The next meeting will be held on 1 December 2016.