

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS**31 MAY 2016**Board

Antony Kildare	Non-Executive Director
Martin Sinclair	Non-Executive Director
Kirstin Baker	Non-Executive Director
Kirit Patel	Non-Executive Director
Malcolm Reed	Non-Executive Director
Gillian Fairfield	Chief Executive
Spencer Prosser	Chief Financial Officer
Steve Holmberg	Medical Director
Sherree Fagge	Chief Nurse
Mark Smith	Chief Operating Officer

In Attendance

Dominic Ford	Director of Corporate Affairs
Brendan Ward	Director of Change
Duane Passman	Director of 3Ts (item 5.10)

5.1 APOLOGIES FOR ABSENCE

The Chairman welcomed Martin Sinclair and Kirstin Baker, Non-Executive Directors to their first Board meeting.

Apologies were received from Farine Clarke, Non-Executive Director.

5.2 DECLARATIONS OF INTEREST

There were no declarations of interest.

5.3 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 29th March were approved as a correct record.

5.4 MATTERS ARISING FROM THE PREVIOUS MEETING

The Board noted the items detailed under the progress log.

5.5 REPORT FROM THE CHAIRMAN AND CHIEF EXECUTIVE**Chief Executive's report**

The Chief Executive advised the Board that the NHS provider sector ended 2015/16 with an overall deficit of £2.45 billion. This would have major implications for the NHS and made the work being undertaken as part of the Surrey and Sussex Sustainability and Transformation Plan (STP) all the more important. The Trust has been selected to participate in the NHS Improvement (NHSI) sponsored Financial Improvement

Programme working with McKinsey and Company and this was critical to ensuring the financial sustainability of the Trust.

The Trust Accident and Emergency performance had shown relative improvement against the national position, with performance in April of 84%, ahead of the agreed improvement trajectory.

The Trust had very effectively planned for the Junior Doctor's Industrial Action and an *After Action Review* had identified useful learning from the strike. The Chief Executive advised the Board that any further action was contingent on the outcome of the BMA referendum on whether to accept the new contract. The Medical Director added that there were other issues including difficulties in recruitment and rota gaps, which were also affecting the morale of junior medical staff.

The Chief Executive concluded by noting that CQC had published its 5 year strategy, designed to develop a more proportionate and risk-based approach to regulation.

The Board noted the Chief Executive's report

PERFORMANCE AND ASSURANCE

5.6 FINANCE REPORT MONTH 1

The Chief Financial Officer reported that at month 1 the Trust was reporting an in-month deficit of £4.7m, £1.8m above plan, as the Trust had taken a prudent approach to income from teaching (SIFT) and in relation to the Sustainability and Transformation Fund.

Expenditure in the month was overspent by £513k, comprising £160k on pay and £353k on non-pay costs.

Delivery of the efficiency programme was ahead of plan in the month by £215k, but would become more challenging later in the year.

The key risks to the 2016/17 concerned income as the Trust activity plan was higher than the Commissioner contracts; securing of all CQUIN income; an assumption that penalties and fines would be reinvested in the Trust; and SIFT income being higher than the current schedule. There were also risks around operational costs, relating to nursing expenditure and the delivery of the planned efficiency programme in full. The Trust's cash position remained extremely challenging and was dependent on the achievement of the planned level of deficit and revenue support funding from NHS Improvement.

The Chairman asked about the control of nursing spend, including agency spend and the Chief Nurse advised that there had been an unavoidable increase in agency spend over the Easter Bank Holiday, including spend on extra capacity, and in the acute floor, and for 'specialling' or one to one care of patients. Further work was planned to address the latter issue.

The Chairman also asked about the frequency of reporting of the Trust financial position to NHS Improvement and it was confirmed that this remained on a monthly basis although the Chief Executive advised that there was significant oversight and scrutiny of

financial performance through the monthly Integrated Delivery Meeting and System Monitoring Meeting.

The Board noted the month 1 financial position

5.7 BOARD PERFORMANCE DASHBOARD

Urgent care

The Chief Operating Officer reported that a refreshed trajectory for performance against the four hour Accident and Emergency standard had been agreed and asked the Board to note that while the Trust was currently ahead of the trajectory, the Q4 trajectory of 89% would be extremely challenging to achieve. Trust performance had been 84% in April, an improvement relative to the national position.

There continued to be an increase in the number of patients medically ready for discharge, which was being addressed through a joint programme of work with health and social care partners. 12 12-hour breaches had been reported in April and reported and investigated as Serious Incidents. A detailed analysis of the 12 hour breaches had been undertaken and the strongest correlation was with the number of patients waiting for admission at the start of the day. Problems continued with the Patient Transport Service (PTS) which continued to impact on the experience of patients, and their discharge from hospital.

Kirit Patel, Non-Executive Director, noted the ongoing problem with delayed transfers of care and questioned the rate of progress. The Chief Operating Officer advised that a Director-level meeting had taken place with the CCGs and the community provider to discuss this issue, which had been helpful, although there was not yet a shared view of the work required. Work would continue to improve the position. Martin Sinclair, Non-Executive Director referred to the recent National Audit Office report on discharging older patients from hospital, which would be circulated to the Board.

Action: Director of Corporate Affairs

The Chair asked about access to the STF funding aligned with the Trust performance trajectories and the Chief Financial Officer advised that the process had not yet been clarified, also advising on the importance of system support in delivering the trajectories. The Chief Executive further advised the Board that the financial plan was predicated on the STF funding, and delivery of the CIPs and CQUINs programmes, and that it was important that the Board was aware of the risks and caveats to delivery.

The Board further agreed the importance of ongoing dialogue with partners, including the CCGs and ambulance Trust, and the need to monitor trends in attendances, delays in discharge and ambulance conveyances and their impact on the Trust.

The Board noted urgent care performance, the improvement trajectory and the risks to delivery in Quarter 4

Planned care

The Chief Operating Officer advised the Board of progress with the Planned Care improvement plan, noting that the revised trajectory for delivery of the 92% standard had been submitted and Trust performance was currently ahead of the plan, with the backlog of patients standing at 8,954 patients as of 10th May. The key challenge remained the imbalance between capacity and demand in Digestive Diseases and Neurosciences, and additional capacity would be provided in the Independent Sector and in other sites and providers. The Chief Operating Officer also advised the Board of concerns regarding the lack of choice offered by the new referral management provider, which was now largely resolved.

The Chairman noted that aggregate performance for planned care would not be delivered until March 2018, and asked why this was the case and the Chief Operating Officer advised on the scale of both the internal work and system support required to achieve this position.

QUALITY, CLINICAL AND PATIENT ISSUES

5.8 SAFER NURSING AND MIDWIFERY STAFFING

The Chief Nurse reported on safer nursing and midwifery staffing in April, advising the Board that there was only 1 ward with a fill rate of 80% or less in April, compared to 16 the year before. The agency nurse ceiling for the Trust was 3% in 2016/17, with particular pressures in achieving this cap because of the requirement to use extra capacity areas to support the challenges around patient flow. Local and national starters and leavers were broadly at the same level, but there was an overall positive balance in turnover because of the international recruitment, of 216 trained nurses in 2015/16. Revalidation of nurses was required from 1st April 2016, and was progressing with 127 nurses and midwives revalidated in April, and only 1 lapsed.

The Medical Director asked about the risks around nursing staff nearing retirement age and the Chief Nurse confirmed that this was a particular challenge at PRH.

The Board further discussed the Trust workforce modernisation plans and the Chief Executive confirmed that this would be taken forward through the Workforce and Leadership Programme.

The Board noted the nurse to patient ratios in April 2016

STRATEGY AND PARTNERSHIPS

5.9 SUSTAINABILITY AND TRANSFORMATION PLAN

The Chief Financial Officer advised the Board of progress with the Sustainability and Transformation Plan (STP) within the Sussex and East Surrey 'footprint' and the Trust was working with other health and care organisations within the 'footprint' to develop a Plan which would drive transformation in patient experience and outcomes. The STP was chaired by Michael Wilson, the Chief Executive of Surrey and Sussex Healthcare NHS Trust. The STP Plan would be submitted in June.

The Board agreed that it would be helpful to have a detailed discussion at the Board Seminar in June.

Action: Director of Corporate Affairs

REPORTS FROM COMMITTEES

5.10 Finance, People and Performance Committee

The Board noted the report from the Chair of the Finance, People and Performance Committee

3Ts Programme Board

The Director of 3Ts reported on progress with the programme, advising that the Courtyard and Hanbury buildings were scheduled for handover in June and July respectively. The main focus of work had been in implementing the revised decant plan to enable handover of the site.

The Director of 3Ts further advised that the Clinical Administration Building FBC which was approved by the Board in March had been submitted to NHSI, and was likely to be funded from the contingency in stage 1, equating to £1.8m of the £3.5m contingency. The Chief Financial Officer advised that this would require the Trust to reduce costs elsewhere in the programme. The Board noted the funding source for the CAB and the broader implications for the programme, with the Chief Executive advising on the need to treat the associated risk.

The Chief Executive advised of the significant scrutiny of the delivery of the 3Ts Programme, including through the 3Ts National Programme Board, whose next meeting was on 8th June. This would include discussion of the delays in the decant programme.

5.11 QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no questions from members of the public

5.12 ANY OTHER BUSINESS

There was no other business

5.13 DATE OF NEXT MEETING

The next meeting will be held on 30 June 2016 in the Boardroom, St. Mary's Hall, Royal Sussex County Hospital.

5.14 CLOSED SESSION RESOLUTION

The Board agreed that representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of business to be transacted, publicity on which would be prejudicial to the public interest.