

**MINUTES OF THE TRUST BOARD MEETING
HELD IN PUBLIC ON TUESDAY, 7 JUNE 2011
AT 1.00PM IN THE BOARD ROOM, WEST
CUMBERLAND HOSPITAL, WHITEHAVEN**

- Present:**
- Mr M Little, Chairman
 - Mr M Evens, Non Executive Director
 - Ms J Cooke, Non Executive Director
 - Professor V Bruce, Non Executive Director
 - Mr P Day, Non Executive Director
 - Dr N Goodwin, Interim Chief Executive (from TB74/11)
 - Mr K Clarkson, Deputy Chief Executive/Chief Operating Officer
 - Mr M Walker, Medical Director
 - Mr A Mulvey, Director of Finance
 - Mrs C Platton, Acting Director of Nursing, Quality and Governance
- In Attendance:**
- Mr S Brown, Acting QIPP Director
 - Mr D Gallagher, Director of Human Resources & Organisational Development
 - Mrs R Duguid, Company Secretary
 - Mrs J Stockdale, Head of Corporate Affairs
 - Miss E Kay, Head of Communications & Reputation Management

TB65/11 WELCOME AND APOLOGIES FOR ABSENCE

Apologies for absence were recorded from Mr M Bonner.

TB66/11 DECLARATIONS OF INTEREST

There were no interests declared by the Board.

TB67/11 MINUTES OF THE LAST MEETING

The minutes were **APPROVED** as a correct record.

TB68/11 MATTERS ARISING AND ACTION PLAN

The Director of Finance drew attention to page 9 of the minutes, specifically the work being undertaken by Deloitte and Finnamore.

The Director of Finance explained that further reiterations around these workstreams were being undertaken by the Trust and the PCT,

particularly historic data and future provisions in relation to the clinical strategy.

In relation to the action plan, the Company Secretary outlined progress, as follows:

TB44.10/10: Governance Framework for the Management of Charitable Funds: the Director of Finance would be preparing a report to progress this which would be discussed at the next Board Development Session or Charitable Funds Committee.

TB69/11 CHAIRMAN'S REPORT

The Chairman presented his update report to the Board.

Following the announcement made regarding Carole Heatly, Chief Executive, taking up a new post with Advancing Quality Alliance North West (AQuA) the Chairman formally announced the appointment of Dr Neil Goodwin CBE as interim Chief Executive and Accountable Officer for the Trust.

The Chairman formally thanked Carole on behalf of the Board for the significant contribution she had made to the Trust and the leadership she had given to the Board since her appointment in September 2008.

Dr Goodwin had taken up the interim Chief Executive position from 6 June 2011 and the Chairman welcomed him to the Trust.

The Board **NOTED** the revised Board Cycle.

The report was **NOTED**.

TB70/11 CHIEF EXECUTIVE'S REPORT

The Deputy Chief Executive/Chief Operating Officer presented the Chief Executive's Report, which gave an update on the following:

- Merger and acquisition
- Clinical Strategy update
- Top 40 Hospitals
- Support with breastfeeding
- Flying the flag
- Licensing of new chaplain
- Consultant nurse advises TV show
- Senior appointment

The report was **NOTED**.

TB71/11 STRATEGY AND POLICY

a) **New West Cumberland Hospital Development**

The Deputy Chief Executive/Chief Operating Officer presented an update report in relation to the new West Cumberland Hospital development.

The Deputy Chief Executive/Chief Operating Officer reported that the FBC had been formally issued to NHS Cumbria to secure a statement of commissioner support, which it was hoped would be obtained following the NHS Cumbria Board meeting in June. It had also been submitted to NHS North West to secure SHA Board approval. Following SHA approval, the final stage in the approvals process was to secure Department of Health (DH) and HM Treasury approval, which it was hoped would be achieved in September so as to allow a start on site with the main construction works in October 2011.

Work was continuing on the programme of decanting and refurbishment to the on-site relocation of Yewdale Ward, which was the one remaining area of the current site to be demolished to allow the new build to take place.

The Deputy Chief Executive/Chief Operating Officer explained that the overall programme had been reviewed to take into account the changes required by the clinical strategy, the reduction in the capital budget and the changes to the agreed solution for mental health services. Achievement of the milestones outlined would be subject to the timely approval of the revised FBC by NHS North West and the DH.

Ms J Cooke enquired as to whether the programme had taken into account a period of bad weather during the winter months which could impact on progress. The Deputy Chief Executive/Chief Operating Officer explained that although the programme of works was aggressive, this would be managed by the contractors.

The report was **NOTED**.

TB72/11 OPERATIONAL PERFORMANCE

a) **Performance Report**

a) **Operating Framework**

The Deputy Chief Executive/Chief Operating Officer presented the Operating Framework report, which included the updated Dashboard, which had been aligned to the integrated performance measures outlined in the Technical Guidance for the 2011/112 Operating Framework.

The Deputy Chief Executive/Chief Operating Officer outlined the report drawing attention to the structure for the new Dashboard and the 11 distinct sections under which performance would be reported. The Deputy Chief Executive/Chief Operating Officer explained that the Dashboard would continue to be refined and updated, as required, throughout the year.

In relation to Month 1 performance (April 2011), the Trust had started in a good position in respect of a large number of the new integrated performance measures.

In relation to the 18 week target, the pressure in ophthalmology was continuing to affect the Trust's 95th percentile performance position. The previously reported recovery plan had been put into place to clear a large proportion of the long waiters.

Mr M Evens queried the median wait numbers in relation to A&E and the Deputy Chief Executive/Chief Operating Officer agreed to look into these and report back to the Board.

The Deputy Chief Executive/Chief Operating Officer explained that in relation to the plan for ophthalmology, a great deal of work had been undertaken with the team, following which, it had been agreed to increase the number of nurse practitioners in outpatients so that the ophthalmologists could undertake additional surgical lists.

The Deputy Chief Executive/Chief Operating Officer updated the Board on the current position in relation to neurology services and explained that following the commissioning decision to transfer the service to the Cumbria Partnership Foundation Trust, the interim service would mean patients going out of the area for treatment. The Deputy Chief Executive/Chief Operating Officer explained that traditionally neurology services were usually provided in a tertiary centre.

b) **Quality Report**

The Acting Director of Nursing presented the Quality Report.

The first draft of the Trust's local Quality Dashboard was presented to the Board and Board members were invited to comment by Friday, 17 June 2011.

The report highlighted progress to date in the following areas:

- MRSA bacteraemia: the Trust continues to perform very well against the DH's targets.
- Clostridium Difficile: the target continues to be challenging for the clinical teams who are committed to maintaining the excellent achievements made in 2010/11. The performance for April 2011 showed the Trust just about the 2011/12

trajectory with 8 attributed cases. All 8 cases were being reviewed.

- Mortality rates: data showed a decrease in trend in the risk adjusted mortality index for March 2011.
- Slips, trips and falls: excellent performance continues in relation to slips, trips and falls prevention.
- Fractured Neck of Femur sustained following a slip, trip or fall: excellent performance continues.
- Venous Thromboembolism: the Trust had achieved the DH 90% target for patients to be risk assessed.
- Pressure ulcers: the pressure area pilot had commenced across both sites.

In answer to a question from the Director of Finance as to how the mortality data was reviewed at speciality level, the Acting Director of Nursing explained that the Governance Facilitators 'drilled' down to this level of detail and reported the findings via divisional meetings and the Governance Committee. The Acting Director of Nursing also explained that one of the quality priorities for this year was to design a Trust-wide framework to ensure consistency with how mortality and morbidity was reviewed across the Trust.

The Director of Finance also enquired as to whether there was any comparator data in relation to slips, trips and falls. The Acting Director of Nursing confirmed that this data was available via the National Patient Safety Agency and would be incorporated into future reports to the Board. The Company Secretary enquired as to the process for ensuring that the root cause analysis regarding falls that result in a fracture was sufficiently robust. The Acting Director of Nursing explained that this was compiled by the clinical teams and the Governance Facilitators, then these were formally signed off by the Deputy Director of Nursing.

In relation to the pressure ulcers, grades 3/4, the Acting Director of Nursing explained that the Trust was working in conjunction with the health economy in north and south Cumbria to address this, which would also involve integrated working with the tissue viability nurses.

c) **Workforce Report**

The Director of Human Resources presented the Workforce Report, with the following key points being noted by the Board.

- Staff in Post: there had been a reduction of 7.67 WTE, compared to month 12.
- Overtime: the figures reported had been enhanced and were a total of overtime and 'additional basic pay' that had been worked. Following discussion, it was **AGREED** that the Director of Human Resources would present the overtime

and additional hours separately, with year on year comparisons, in future reports.

- Sickness Absence: the rate for Month 1 was 8.86% lower than at the equivalent month in 2009/10 and a decrease of 0.25% from Month 12.
- Appraisals: the annualised figure for the number of appraisals completed at Trust level was 79.38%, an increase of nearly 2% from the previous month.

The Director of Finance queried the increase in headcount in relation to the Estates & Facilities Department. The Director of Human Resources explained that this was due to additional staff being appointed in this area, as previously, overtime had been paid to existing staff to cover the workload. The Director of Finance highlighted that although this was the case, overtime and sickness absence remained high within this area and this needed to be addressed. Mr Evens commented that this had been consistently raised at Board meetings and requested a full explanation as to what was happening within Estates and Facilities and what action was being taken. The Deputy Chief Executive/Chief Operating Officer confirmed that a specific report relating to Estates & Facilities would be presented to the Board in September.

d) **Finance Report**

The Director of Finance presented the Finance Report, with the following key points being **NOTED** by the Board:

- The Trust had reported a deficit of £1,334k at the end of Month 1 against a planned deficit of £998k, producing a negative variance of £336k.
- The Trust has delivered CIP in April of £126k against a full year plan of £15,232k. The focus was now on delivering the agreed plans for 2011/12 within the agreed timescales and ensuring that the schemes were cash releasing.
- The Trust's overall income was £297k above the plan for the month.
- Pay was overspent by £388k in April, however, the run rate continued to improve month on month, continuing the trend established in the previous financial year. Non-pay was overspent by £322k in April, which was in line with the run rate established on non-pay expenditure in the last financial year.
- The Trust has agreed a budget to deliver a surplus of £1m at the end of March 2012. This was predicated on delivering the CIP target and securing further additional income from NHS North West to support strategic change during the year once the contract with NHS Cumbria was agreed. The

Director of Finance envisaged signing the contract with NHS Cumbria by 30 June 2011.

The Director of Finance commented that it was a very challenging financial environment, and although the Trust was slightly behind with plans at present, every effort would be made to achieve financial targets, which would involve the Trust changing the way it delivered its services and workforce, whilst ensuring the delivery of high quality services to patients.

ACTION:

1. Deputy Chief Executive/Chief Operating Officer to clarify data in relation to median wait numbers in A&E.
2. Director of Human Resources to present data relating to overtime and additional hours on a separate basis in future and also with year on year comparisons.
3. Deputy Chief Executive/Chief Operating Officer to present a report to the Board in September in relation to the Estates & Facilities Department.

TB73/11

GOVERNANCE

a) **Statement of Internal Control**

The Deputy Chief Executive/Chief Operating Officer presented the Statement of Internal Control 2010/11 to the Board and asked the Company Secretary to highlight the key issues to the Board.

The Company Secretary stated that the Statement of Internal Control (SIC) was produced annually to outline the governance processes and controls that are in place to ensure that the organisation meets its aims and objectives and to ensure that public funds are safeguarded.

The Board is accountable for all aspects of internal control and it is the responsibility of the Chief Executive, as the Accountable Officer, to ensure that sound systems exist to reduce risk across the organisation.

The SIC had been reviewed by the Executive Management Team, External Audit and the Audit Committee during May 2011. A final version was presented to the Audit Committee on 2 June 2011. This resulted in further refinements being made to the SIC in relation to status/delivery of the Cost Improvement Programme as a significant control issue for the organisation during 2010/11.

A final review of the SIC was undertaken by the Audit Committee on 7 June 2011, to review the additions highlighted at the meeting on 2 June, in order for the Committee to approve the SIC for 2010/11. The Audit Committee requested that the eight specific objectives regarding the review of clinical governance should be inserted into the SIC to provide clarity on the areas which were being reviewed.

The Company Secretary explained that the SIC would be outlined in the Trust's Annual Report and duly communicated to stakeholders.

Mr M Evens, in his role as Chairman of the Audit Committee, confirmed that the Audit Committee had reviewed the document several times, and subject to further amendments agreed at the meeting earlier that day, had formally approved the document.

The Board **APPROVED** the Statement of Internal Control and **NOTED** that the final version would be included in the Annual Report.

TB74/11 **ANNUAL REPORTING**

a) **Annual Report 2010/11**

The Deputy Chief Executive/Chief Operating Officer presented the Annual Report 2010/11.

The Trust's Annual Report for 2010/11 had been prepared in accordance with best practice guidance issued by the Audit Commission and it complied with the requirements laid out in the NHS Manual of Accounts. The draft report had been approved by the Audit Commission and reviewed by the Trust's Audit Committee.

The Report summarised the Trust's activities and performance for the year ending 31 March 2011. It included the organisation's Summary Financial Statements, which may be subject to change following the completion of the audit.

The Annual Report would be distributed to the Trust's key stakeholders for consultation and it would also be made available to the public at the Trust's Annual General Meeting on 6 September 2011.

The Deputy Chief Executive/Chief Operating Officer commended the Communications and Governance Team for producing the report in-house and at no cost to the Trust.

Mr M Evens commented that although the narrative in the Report could be approved, the accounts in the document were to be revised following the Audit Committee and, therefore, the whole Report was not in a position of being approved. The Director of Finance confirmed that the Audit Committee had approved, earlier that day, the accounts and the Statement of Internal Control, which would be inserted into the Annual Report.

The Board, therefore, **APPROVED** the Annual Report, subject to the insertion of the updated accounts, financial statements and Statement of Internal Control.

b) **Annual Accounts 2010/11**

The Director of Finance presented the 2010/11 Annual Accounts to the Board for approval, subject to a final opinion being made by the external auditors.

The Accounts had been prepared in line with all known guidance and were due to be submitted to the Department of Health on 10 June 2011.

In relation to the statutory financial duties, the Trust achieved the following:

Income and expenditure plan	Achieved
External financing limit	Achieved
Capital resource limit	Achieved
3.5% rate of return	Achieved
Best practice payments code	Failed

The Annual Accounts for 2010/11 were **APPROVED** by the Board, subject to final opinion being made by the external auditors.

c) **Annual Quality Account 2010/11**

The Acting Director of Nursing presented the Trust's Quality Account for 2010/11.

The Trust was required to produce an annual Quality Account, which detailed progress delivered during the year regarding its quality priorities as well as setting out new priorities for the forthcoming year.

The account had been developed in accordance with the Department of Health Toolkit for 2010/11.

The Acting Director of Nursing reported that feedback from stakeholders such as the Overview and Scrutiny Committee and LINKs had been positive and would be incorporated into the Account.

In reviewing the report, the Acting Director of Nursing **AGREED** to pick up a number of issues specifically relating to the identification of a Non Executive Director and Director leads for each of the core domains and the revision of a number of the tables, particularly the MRSA data in relation to occupied bed days.

Mr M Evens enquired as to the implementation of the Productive Ward. The Acting Director of Nursing reported that although it was not yet rolled out fully across all ward areas, it was expected that this would be during 2011/12, however, all wards would be working at different stages due to their implementation stage.

The Acting Director of Nursing informed the Board of the 'dry run' exercise that was being undertaken on the Trust's Quality Account, which would not be concluded until mid June.

The Quality Account was **APPROVED** by the Board and **NOTED** that any final changes on the Quality Account resulting from the review by the auditors would be reviewed and signed off by the Chairman and Chief Executive on behalf of the Board.

TB75/11 STANDING COMMITTEES OF THE BOARD

a) **Audit Committee Minutes and Action List (unratified) – May 2011**

The minutes were **NOTED** by the Board.

TB76/11 ANY OTHER BUSINESS

a) **Questions from the Public**

In answer to a question regarding the monitoring of pressure sores, the Acting Director of Nursing gave reassurance that monitoring and prevention was of the highest priority to the Trust and wider health economy.

In relation to additional specialist nurses being put into the ophthalmology service as part of the action plan and whether this could be extended into other specialities from a nursing development perspective, the Acting Director of Nursing and Medical Director confirmed that it would be important to look at innovative roles and necessary skills as the development of services across the economy progressed.

In answer to a question relating to the progress of training Trust nurses to develop skills in the community linked to Closer to Home, the Acting Director of Nursing explained that the Trust's specialist nurses worked across all the pathways, including outreach, and is also working with staff in CHOC/primary care assessment.

In answer to a question as to when the nursing review would be presented at a public Board meeting, the Acting Director of Nursing advised that due to the nature of identifiable information relation to the MARS scheme, the nursing review was to be discussed in a private meeting of the Board that day. Since the commencement of the consultation process last year, the Board had been kept updated on progress and as soon as a decision was made, staff would be notified immediately.

b) **Sandy Brown, Acting QIPP Director**

On behalf of the Board, the Chairman extended his thanks and appreciation to Mr Brown and wished him well in his new post at West Midlands Ambulance Service.

TB77/11 DATE, TIME AND PLACE OF NEXT MEETING

**Tuesday, 5 July 2011 at 1.00pm in the Medical Common Room,
Education Centre, Cumberland Infirmary, Carlisle.**