

**Minutes of a meeting of the Board of Directors
of Heart of England NHS Foundation Trust
held in the Education Centre, Birmingham Heartlands Hospital
on 23 January at 12.30am.**

PRESENT: Rt Hon J Smith, interim Chair
Mr J Brotherton, Director of Operations
Mr A Edwards, Non-executive Director
Mrs S Foster, Chief Nurse
Mrs J Hendley, Non-executive Director
Dr M Kinski, Non-executive Director
Ms K Kneller, Non-executive Director
Mr J Miller, interim Finance Director
Dame J Moore, interim Chief Executive Officer
Dr D Rosser, interim Medical Director
Prof M Sheppard, Non-executive Director
Mrs H Wyton, Director of Workforce & OD

IN ATTENDANCE: Ms Alexander, interim Director of Communications
Mr D Burbridge, interim Director of Corporate Affairs
Mr T Cannon, Governor
Mrs A Hudson, Minutes
Mrs S Hutchings, Governor
Mrs J Thomas, Lead Governor
Mr D Treadwell, Governor
Members of the Public

17.001 APOLOGIES & WELCOME

The Chair welcomed everyone to the meeting.

Apologies had been received from Mr K Bolger and Prof J Glasby.

17.002 DECLARATIONS OF INTEREST

Prof Sheppard, Dame Julie Moore and Dr Kinski advised that there were some updates to their details required. The register would be updated accordingly.

17.003 MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 24 October 2016 were considered. There was an amendment to the final paragraph of 16.137, the last sentence should read: 'An additional board meeting was planned for mid-November to consider the draft financial plan 2017/18 at which the agency checklist for boards would also be discussed'.

Following the above change the minutes were approved as a true record.

17.004 MATTERS ARISING

16.063 The documents had been circulated to the Board by email and work had commenced. Complete.

16.112 WRES update – The Director of Workforce presented a 6 month progress report against the Workforce Race Equality Standard (WRES). The purpose of the WRES was to ensure employees from Black, Asian and Minority Ethnic (BAME) backgrounds had equal access to career opportunities and received fair treatment in the workplace. Good progress against the actions had been achieved that included embedding agreed trust values and behaviours through the implementation of Values Based Recruitment initiative and Values Based Appraisals, implementation of revised Leavers Policy, launch of a new Dignity at Work Policy and the introduction of the Speaking Up Guardian Role in line with the national initiative. Overall the Trust had made solid progress against the action plan. The Trust was also working closely with UHB to align its efforts on key areas of improvement across both organisations. Complete.

16.134 Winter Plan – A verbal update would be given alongside the performance paper later on the agenda.

16.151 No formal feedback from the CQC had been received as yet.

17.005 CHAIRS UPDATE

The Chair reported that the work of the Sustainability and Transformation Plan (STP) continued. There was a new board to direct the work and it was focussed on pushing forward the work on new models of care, better integration with adult social care and a new focus on prevention and working with other bodies to improve the overall health of the Birmingham and Solihull population. There would also be a new push to engage more widely on the work. The Chair had addressed the NHS Providers conference on the governance lessons from chairing two NHS trusts. A meeting had been held with Chair of NHS Improvement to talk about our STP and about the progress here at HEFT. The Chair and CEO had met with Simon Stevens from NHSE to talk about local progress and challenges as well as the need for the work of the national organisations to be supportive.

The Chair had opened the first NHS Litigation Authority conference held in Birmingham.

The Chair and CEO had attended the excellent Building Healthier Lives Awards that acknowledged those individuals and teams who had constantly gone that extra mile in caring for our patients or improving their experience at our hospitals and community services over the past 12 months.

The Chair had met with the Police, clinicians and voluntary sector organisations to consider how we can better support the victims of violence who present at our Emergency Departments. There was real scope for intervening and signposting people at this critical moment for them, but with the departments under so much pressure, there was a need to find external support for this to work alongside our staff.

Interviews for the remaining NED vacancy had been held on 19 December 2016 and the CoG Appointments Committee would be making a recommendation to the Council of Governors later that day to approve the appointment.

Resolved: to accept the report

17.006 CHIEF EXECUTIVE'S UPDATE

The Chief Executive reported she had nothing further to add to the Chair's update.

17.007 PERFORMANCE REPORT & 2016 /17 ANNUAL PLAN

The Board considered the Performance Report presented by the Director of Operations. Following the NHS Improvement consultation that ended in August 2016, the new final framework had been introduced from 1 October 2016. The key principles of the new framework remained. Providers would be assessed against five domains (Quality of Care, Finance and Use of Resources, Operational Performance, Strategic Change and Leadership and Improvement Capability (Well-Led). Of the five operational performance indicators, the Trust had delivered against 4. The A&E 4 hour standard had not been met and remedial action plans were in place. There had been a 0.63% rise in activity in December compared to the previous month. The Trust had failed to meet the STF trajectory for quarter 3 and the associated funding was at risk. The Trust would be following the appeal process to NHSI for the loss of income.

The Winter Plan had been agreed by the Chief Executive on 15 December 2016. The Board received an update and were reassured of the actions that had been implemented to deal with increased activity seen during January when demand had increased above planned activity. The Trust's bed model was running at close to, if not at, 100% occupancy. Actions implemented included the transfer of some surgical procedures to the private sector. The day-case unit at GHH had been closed and had been reassigned as an inpatient area. A separate area had now been opened as a day-case unit whilst the de-escalation plan was managed. The Trust had agreed a temporary increase in the rate paid to bank staff from the start of January for 6 weeks to encourage the use of bank staff compared to agency staff. Although difficult to predict, it was expected that the winter pressure had peaked although it would take time to return to a more standard way of working. It was noted, however, that levels rarely dropped to those seen prior to the peak in winter activity.

The Board discussed the increase in the number of ambulance handovers that had breached the 30 minute target as well as the number of patients who had waited over 60 minutes, in particular, at GHH. The increase was a reflection of the rise in activity. The Trust had commissioned a similar GP service to that at Heartlands for 3 days per week.

In terms of the other performance targets, the Trust had met the 18 week referral to treatment target, the 62 Day Cancer target, and % of patients waiting less than 6 weeks for 15 key diagnostic tests target. There had been one case of MRSA in December bringing the year to date (YTD) total to 4 and 6 cases of CDiff in month against a target of 6, the Trust remained ahead of the YTD target of 46 having had 56 cases in total. Three urgent operations had been cancelled for the second time, further scrutiny of the target would be undertaken at the next Divisional Review Meeting. There had been one mixed sex breach that had affected 3 patients at GHH.

The Trust had failed to meet the DTOC target in month and work was underway to improve performance. It was reported that at any one time the Trust had between 60 and 100 patients in acute beds who could be discharged.

There were two quarterly maternity indicators that were non-compliant and would be

reviewed at the next divisional review meeting.

Health visiting KPIs had shown an improvement following a detailed review of performance.

The Trust had achieved the planned Trust Flu Programme exceeding the 75% vaccination target.

Resolved:

1. to accept the report
2. to note progress made.

17.008 CLINICAL QUALITY MONITORING REPORT

The Board considered the Clinical Quality Monitoring (CQM) Report presented by the interim Medical Director. The report provided assurance on clinical quality and detailed action being taken following the CQM Group held on 20 December 2016. There were currently six investigations in progress into doctors' performance. CUSUM (cumulative summation).

One group, Peritonitis and Intestinal Abscess, had breached the mortality threshold in September and was subject to review. A report would be presented to the next meeting on the outcome of the review.

The Trust SHMI (Summary Hospital – Level Mortality Indicator) and HSMR (Hospital Standardised Mortality Ratio (HSMR) performance were within acceptable limits.

CRAB (Copeland Risk Adjusted Barometer). The Trust had been reviewing the utility of CRAB tool that had, to date, not alerted the Trust to any surgical mortality outliers. The Trust was meeting with the company who supplied the software to consider whether to renew the contract.

There was a discussion about the recent Board of Directors' unannounced visit to the Children's Assessment Unit (CAU) at GHH. In order to optimise medical skill mix for Paediatrics across the Trust, the potential for rotating medical staff was to be reviewed and implemented as appropriate. There were challenges presented by the environment on CAU and a full Estates review would be undertaken in conjunction with a programme of rationalising equipment and optimising storage space. An action plan has been sent to the Divisional Management Team for completion.

Resolved: to accept the report

17.009 CARE QUALITY REPORT

The Board considered the Care Quality Report presented by the Chief Nurse. There was one MRSA bacteraemia reported for October 2016 in division five. A post infection review had been carried out with the clinical teams and there were no breaches in policy and no lapses of practice identified although it had not been possible to determine the focus of infection. A review of the cleaning strategy was in progress.

There had been a reduction in the number of avoidable grade 2 pressure ulcers and avoidable grade 3 pressure ulcers. Wards where there was non-compliance had presented at divisional quality meetings and action plans including daily metrics had been put in place. Further to a request at the last meeting, the Chief Nurse had

included photographs of the different grades of ulcers within the papers.

The number of patients not screened for VTE (Venous thromboembolism) in October had been the highest in the previous 12 months and had risen by 85 on the previous month. Action plans had been implemented and were subject to review.

Nurse staffing. Compliance for staffing in October was 100% with the exception of division 2 who were at 94% for qualified staffing in both Neonatal and Paediatric High Dependency. Qualified predictive starters for December 2016 had been 49 and 132 for January 2017.

The results of the planned audit around non cubicle nursing in the emergency department undertaken in November 2016 had outlined good compliance against the revised Intentional Care Plan within ED.

Resolved: to accept the report

17.010 PATIENT EXPERIENCE REPORT

The Board considered the report presented by the Chief Nurse. Progress against the Trust Complaints Handling policy and contractual requirements had been made. Targeted work with Divisions 3 and 5 was being undertaken to reduce the number of older complaints. Training and complaints refresher sessions for ward sisters, matrons and operational staff had been arranged.

Positive responders against all areas of the Family and Friend Test had shown improvement. Staff attitude remained the most likely to generate a comment, both positive and negative.

Resolved: to accept the report

17.011 FINANCE REPORT

The Board considered the paper presented by the Finance Director. It was noted that the Trust has agreed a planned deficit of (£13.6m) for the 2016/17 financial year, in line with the control total set by NHS. However, after the plan had been submitted, it was confirmed that emergency readmission penalties had not been included within the wider suspension of fines and penalties, as had originally been understood. This had worsened the Trust's financial position by £5.4m and the latest forecast was a deficit of (£19.0m), this assumed full delivery of planned efficiency savings. During month 9 the Trust had reported an overall I&E deficit of (£0.7m). This was (£0.2m) adverse against the plan of (£0.5m). As at Q3 the year to the deficit was (£13.2m) which was (£0.3m) above the planned deficit. It was reported that the position included a £0.3m favourable variance related to asset donations, which was excluded by NHSI from their evaluation of delivery against plan for the purposes of accessing STF. Within the position, (£0.7m) of STF had been removed for the under-performance against the A&E target trajectory in quarter 3. Under the double jeopardy principle, this was discounted for the purposes of accessing the remaining STF for the quarter. It was expected that the A&E deduction would be recouped in February following an appeals process and therefore the forecast of (£13.6m) was predicated on the Trust obtaining full STF of £23.3m for 2016/17. The December deficit included an adverse variance of (£2.7m) on NHS clinical income in addition to the loss of STF described above. The seasonal decrease in elective and outpatient income had been greater than in recent years and had not been mitigated to the expected level by increases in non-elective income. Further work was underway to validate this position in particular around work in progress at the end of

the month.

The cash balance at the end of December was £23.0m against a planned overdraft of (£0.9m), a favourable movement of £23.8m. The previously introduced cash management initiatives were continuing and it continued to be likely that the need for interim revenue support may be pushed back past the year end.

The deficit at the equivalent point last year was (£5.6m) in month and (£51.4m) cumulative.

CIP delivery was (£0.6m) below plan YTD but forecast to be fully achieved by year end. FRP slippage was (£1.6m) YTD largely due to procurement and nursing schemes but partially offset by MARS savings and the payroll transfer.

Capital expenditure at Q3 was £6.1m although a further £3.8m of orders had been placed by 31 Dec taking the committed total to £9.9m. Year-end expenditure was forecast to be around £17.5m with the main risk of slippage related to some IT schemes.

In summary, the Trust was broadly in line with plan at month 9, and was forecasting a year end deficit in line with the control total, albeit with some risks over the next few months.

Resolved:

1. to accept the report
2. authority was delegated to the Director of Finance to bring forward prioritised schemes from next year into 16/17 to replace FRP schemes that had slipped.

17.012 COMPLIANCE AND ASSURANCE REPORT

The Board considered the paper presented by the interim Director of Corporate Affairs that set out the actions being taken on the internal and external assurance processes. In September and October 2016 the CQC carried out an unannounced inspection. This had included medical and surgical wards, critical care, the Chest Clinic and Community services. Paediatrics and Maternity services had not been included. A planned external review of Obstetric services had been commissioned by HEFT to take place during October which coincided with the main CQC visit.

The draft reports for both reviews were awaited.

The draft Maternity report had now been received and would be reviewed.

For 2016/2017, HEFT was currently participating in all 60 active national audits that it was eligible to participate in.

A review of total NICE guidance to-date had been undertaken with 961 published NICE guidelines reviewed. The Trust was fully compliant with 81% of applicable guidelines. Where actions were outstanding a proper process was in place to achieve full implementation.

37% of Clinical Guidelines housed on the Intranet were out of date. This was stable but an improvement from the 50% reported for quarter 1.

An information sharing agreement was now in place between the Trust and NCEPOD for participating in NCEPOD studies from January 2017. The information

sharing agreement defined arrangements between the two organisations to facilitate and govern the efficient, effective and secure sharing of good quality information. The Trust was one of the few trusts in the country to have such an information sharing agreement in place.

The Board would continue to receive quarterly reports.

Resolved: to accept the report

17.013 BOARD ASSURANCE FRAMEWORK

The Board considered the paper presented by the interim Director of Corporate Affairs. The Board Assurance Framework (BAF) provided assurance that the Board was aware of the risks to its key objectives and had a robust system of internal control. The BAF had been reviewed and updated over the last quarter, 1 red risk was closed as the operational structure was now in place. Three new risks were proposed Brexit, Case for Change and Social Care. There was a discussion on the proposed risks and the Board approved the additional proposed risks and recommended that controls and assurances were included in the next quarters report.

Resolved:

1. to accept the report
2. to approve the addition and removal of the risks identified.

17.014 REPORT FROM THE CHAIR OF AUDIT COMMITTEE

The Board considered the paper presented by the Chair of the Audit Committee. The committee had met earlier that day and it was reported that not all the NEDs would be members of the committee going forward. The meeting had been constructive and the quality of the reports presented to the meeting had improved and both internal and external auditors were reassured that the work of the committee had improved.

The meeting had received reassurance and an update on the overdue outstanding ICT from the interim Director of ICT. He had been invited to attend the next Audit Committee meeting to give a presentation of the work undertaken to date. It was noted that there Payroll Audit report had provided substantial assurance not moderate as stated in the Audit Committee draft minutes.

Included in report was the Audit Committees proposed programme of business for 2016/17 and 2017/18 for approval. Following minor amendments at the meeting held earlier in the day the updated programme of work was circulated.

Resolved:

1. to accept the report
2. to receive the updated programme of work for 2016/17 and 2017/18..

CONSENT –

17.015 BOARD COMMITTEE REPORTS

The Chair reported the minutes of the following meetings were presented for information and would be approved unless the Board had any comments.

17.015.1 Audit Committee.

Minutes of the meetings held on 24 October 2016

17.015.2**Donated Funds Committee**

Minutes of the meeting held on 15 November 2016

Resolved: to accept and receive the minutes of the meetings.

17.016 BUSINESS CASES FOR APPROVAL

The Board considered the following business cases

17.016.1 Replacement Consultant Stroke Physician**17.016.2 Replacement Consultants Elderly Care****17.016.3 Replacement Infectious Diseases Consultant**

Resolved: to approve the proposed business cases.

17.017 ANY OTHER BUSINESS

There was none.

17.018 DATE OF NEXT MEETING

The next meeting of the Board of Directors was scheduled for Monday 24 April 2017, to be held in in the Education Centre, Birmingham Heartlands Hospital.

EXCLUSION OF THE PRESS AND PUBLIC

The Board resolved "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 the business to be transacted, publicity on which would be prejudicial to the public interest".

PRIVATE SESSION

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Chair