

**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 24 October 2016 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
Prof J Glasby, Non-executive Director
Ms H Gunter, Director of Workforce & OD
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

IN ATTENDANCE: Mr K Bolger, interim Deputy Chief Executive - Improvement
Mr D Burbridge, interim Director of Corporate Affairs
Mrs A Hudson, Minutes
Governors
Members of the Public

16.128 APOLOGIES & WELCOME

The Chair welcomed everyone to the meeting.

Apologies had been received from Mrs Alexander. Dr Rosser would join the meeting later.

16.129 DECLARATIONS OF INTEREST

No new declarations were noted.

16.130 MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 25 July 2016 were considered and approved as a true record.

16.131 MATTERS ARISING

16.063 & 16.108 Inventory of equipment and buildings that needed replacement & Capex building development plans. The documents had been circulated to the Board by email.

16.111 Audit committee programme 2916/17. Following approval at the next Audit Committee meeting in January the programme would be presented to the Board.

16.132 CHAIRS UPDATE

The Chair reported that, as formal feedback from the CQC was still to be received, the Chief Nurse would give a report on initial feedback received in the private session of the Board.

The Chair and CEO had spent considerable time developing the Sustainability and Transformation Plan prior to its submission on 21 October. Contrary to NHS England wishes, the draft plan had been published on the Birmingham City Council website.

The Chair and CEO had met with the leaders from Birmingham City Council, Solihull Metropolitan Borough Council to discuss how the Trust could work more effectively with the council in relation to social care.

The Chair and CEO had also recently attended the joint Overview and Scrutiny Committee of Birmingham City Council and Solihull Metropolitan Council to update them on progress at the Trust and to talk about future plans.

The Chair had attended the Carers Conference in October which brought together Trust staff, members of the Carers Forum and organisations who provided support for Carers. Dame Caroline Spelman, MP and Jack Dromey MP had also attended. Feedback from the event had been very positive.

Resolved: to accept the report

16.133 CHIEF EXECUTIVE'S UPDATE

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

16.134 PERFORMANCE REPORT & 2016 /17 ANNUAL PLAN

The Board considered the Performance Report presented by the interim Deputy Chief Executive – Improvement. 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). A more detailed update would be provided to the next meeting.

It was reported that two of the Monitor Risk Assessment Framework targets had been missed: the A&E 4 hour and C.Diff target. The A&E target continued to be a challenge into October with performance at 86.79%. There was a discussion on the A&E 4 hour target and it was reported that although some trusts were achieving the target, over 80% of trusts were not. The winter plan would come to the next meeting.

All cancer targets had been met in month and the Board recognised the performance achieved.

The Trust had achieved 11 of the 13 national targets monitored locally by CCG Contract, missing the ambulance handover and sleeping accommodation targets. Ambulance handover performance for 30 minute waits had been 94.99%, the worst

performance year to date.

There had been two sleeping accommodations breaches in September affecting 5 patients. HDU and CCU at Heartlands had one breach each, RCAs were being undertaken.

The Trust had failed to meet the breast feeding target in September achieving 71.6% against a target of 72%.

The DTOC target had been missed in month achieving 2.06% against a target of 1.4%; despite the amount of work undertaken by the Trust to reduce internal delays. It was reported that the number of beds available in the community had reduced due to the closure of private care homes and local health authority beds.

Following the launch of the flu programme, 32% of front line staff against a target of 75% had received flu jabs. Staff sickness rates had increased to 4.18%. Staff turnover had increased slightly in month to 9.48% against 9.29% in the previous month.

Resolved:

1. to accept the report
2. to note progress made
3. the winter plan was to be presented to the next meeting.

16.135

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 27 September 2016. There were four investigations underway into doctors' performance. The clinical classification system of CUSUM (cumulative summation) and Hospital Standardised Mortality Ratio (HSMR) methodology used by the CCQ was explained, including how systematic problems were tracked; all cases that flagged were subject to a deep dive audit and discussed at an Executive RCA forum. One group, Acute Bronchitis breached the mortality threshold in June 2016 and had been subject to review, which had demonstrated no cause for concern. Fluid and electrolyte disorders, flagged at the meeting in July, had been investigated and had shown no cause for concern, it was noted that there had been some issues around coding.

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

There was a discussion about the recent Board of Directors Unannounced Visits that had taken place and the NEDs reported that they found the visits to be informative. The Chief Nurse reported that there had been some confusion from staff around open visiting, in particular protected mealtimes, and clarity had been given.

Resolved: to accept the report

16.136 CARE QUALITY REPORT

The Board considered the Care Quality Report presented by the Chief Nurse. There had been twelve cases of post 48 hour toxin positive *Clostridium difficile* (C.Diff) reported. A post infection review carried out in conjunction with the CCG established that seven of the cases were unavoidable. Of the five avoidable, three were due to inappropriate antibiotic prescribing and two were inconclusive. There had been one new case of CPE identified and an action plan had been put in place.

There had been a decrease in the number of avoidable hospital acquired Grade 2 pressures ulcers. There had been one avoidable Grade 3 pressure ulcer that, following a full RCA review, had been attributed to poor documentation. The Trust was introducing a pilot to increase the number of healthcare assistants to help with repositioning compliance. There was a discussion on pressure ulcers and it was suggested that photographs of what the different grade of ulcers looked like should be included in a future report.

The number of patients that suffered recurrent falls had increased from 23 in July to 36 in August.

Compliance against the 80% trust target for antibiotic STAT doses administered within one hour was 79% in August. Compliance had improved following the implementation of the first responder bleep holder role on all wards across the divisions.

Nursing and Midwifery staffing. Qualified nursing vacancies across all clinical areas had increased by 24 in month across the divisions. Compliance against e-rostering continued to be monitored.

The Review of Maternity had taken place in mid-October and the Chief Nurse and interim Director of Corporate Affairs had a telephone conference with the reviewer to receive feedback.

Work continued to improve the patient experience and complaints process. Positive responders against all areas of the Family and Friend Test had shown improvement. .

In preparedness for the full CQC inspection in mid-October, mock CQC inspections had taken place and sessions had been held with all divisions in order to feedback areas for review ahead of the CQC visit

Resolved: to accept the report

16.137 FINANCE REPORT

The Board considered the paper presented by the Finance Director and 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 6 the Trust had reported an overall I&E deficit of (£1.1m). This was £0.7m better than the plan for September. The reported position included £0.4m of donated asset income

which was excluded from the performance for the purposes of accessing STF. Despite the strong performance at Q2, the Trust was still forecast to miss the control total at Q4 due to the scale of improvement required in the second half of the year and risk around winter pressures. Overall, NHS clinical income was (£1.2m) below plan during the month but included a (£2.1m) year to date adjustment following resolution of outstanding payment queries. This had been fully offset by a reduction in the bad debt provision. Activity remained high, in particular emergency admissions which were 3.5% above plan in month and outpatients were 5% above plan. Divisional performance continued to improve and was (£421k) in month taking the year to date position to (£7.6m). This was supported by improved CIP. For the year to date the Trust had a deficit of (£11.1m) which was £0.5m ahead of plan. The Trust's cash balance at the end of September had fallen to £23.2m, £23.3m above plan due to slippage on capex and favourable working capital movements. As a consequence it was now forecasted that interim revenue support would not be required until January.

The financial risk rating remained at 2. As of next month this would be replaced by a new 'Use of Resources' (UoR) metric as part of the introduction of the Single Oversight Framework (to replace RAF). The Trust was expected to be rated 3 out of 4 for UoR with 1 being best.

The Trust is broadly in line with plan at month 6, however it remained challenging to achieve the year end control total. The capital programme for the year was £23.2m including £17.1m of externally funded schemes and £6.1m of externally funded estates work. The latest forecast was £17.9m with the reductions due to ACAD now forecasted to be £1.1m in year as opposed to £6.1m and £0.3m procurement savings on other schemes. The programme included £4.7m estimated contingency due to £3m likely IT slippage.

In response to the worsening national position, NHSI had tightened their grip and control over provider finances with additional requirements for providers in terms of explaining prior year pay bill growth, controlling agency expenditure in terms of publishing details of the top 20 high earners and sign off of all shifts above a certain threshold by the CEO. There was also a new protocol for changing forecasts adversely in year. 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.

Resolved: to accept the 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. As part of the preparation for the visit CQC Visit in October, the Trust had been required to complete a self-assessment for every division in Trust. A review of compliance against the 2014 formal CQC inspection enforcement actions completed by the Director of Corporate Affairs and the Chief Nurse had revealed that the Trust had completed 82% of required actions; midwifery staffing and recovery waiting times remained a challenge despite a number of actions being taken.

A full review of Trust compliance with NICE Guidance had been undertaken (dating back to 2007) with the current position noted as 89% full compliance against published

guidance. Where there was non-compliance for clinical reasons a process was place and these had been fed back to CCGs. A centralised database was being developed to track visits and peer reviews before they happen.

For 2016/2017, there were 62 active national audits and Clinical Outcome Review Programmes (CORP) that HEFT was eligible to participate in, with HEFT participating in 60. The two audits not participated in were the National Ophthalmology Audit and the National Diabetes Core Audit, reasons for non-participation were clinician and resource led respectively. The close down of all 2014 audits was under review and each directorate now had an audit lead.

36.7% of Clinical Guidelines housed on the Intranet were out of date. This was an improvement from the 50% reported last quarter and mirrors work underway with policy work.

National Safety Standards for Invasive Procedures (NatSSIPs) was a new NHS England project designed to improve patient safety and reduce never events. Each trust was expected to develop its own set of standards; HEFT was working with colleagues at UHB to produce unified standards.

The committee would continue to receive quarterly reports.

Resolved: to accept the report

16.139 BOARD ASSURANCE FRAMEWORK

The Board considered the paper presented by the interim Director of Corporate Affairs. The Board Assurance Framework (BAF) continued to be a work in progress and further work was underway to ensure that the corporate risk register was integrated further to ensure that operational risks were recorded on the strategic risk register where appropriate, specifically for the risks that had been raised by the CEO/Chair to both Board members and NHSI. Once this revised process was fully established, it would be cross checked with the performance report to ensure that all risks were captured on the relevant executive risk register. There were currently 4 red risks and 5 Amber risks and there has been no change since the last report provided to Board. There was a discussion on the scoring of risks and the monitoring risks. The meeting received assurance that systems and processes were in place to review the BAF and that Board discussions should reflect the risks therein. In order to gain reassurance around the scoring of risks a board seminar would be held.

Resolved:

1. to accept the report
2. to approve the framework.
3. to hold a Board Seminar.

16.140 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 there had been seen a real step change in the quality of papers and level of debate. The Audit Committee had met earlier that day, 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 audit committee work plan for 2016/17 would be presented to the next meeting.

Resolved:

1. to accept the report
2. to receive an update of the 2016/17 audit committee programme

16.141 DISTRESSED FINANCING APPLICATION

The Board considered the paper presented by the interim Director of Finance. As reported previously, the Trust's cash balance had reduced month on month due to the deficit and it was forecasted that interim revenue support from the DH would be required from early January 2017. Accordingly it was proposed to establish a facility for £16.6m to cover the remainder of the year. The agreement was a standard non-negotiable agreement. The Board discussed the terms and conditions of the agreement and agreed to delegate authority to the interim Director of Finance to execute and complete the application.

Resolved:

1. to accept the report
2. to approve the application to apply for distressed funding
3. delegate authority for the completing of and execution of the application to the interim Director of Finance.

16.142 RECEIVE

The Board received the following reports:

16.142.1 Safeguarding Adults And Children – Annual Report 2015/16

The report showcased the achievements for 2015/16 and the tremendous work and action taken by staff was recognised.

16.142.2 Adult inpatient and AMU/SAU acuity and dependency workforce review July 2016 – Presented October 2016 (SF)

The report set out the findings and recommendations from review undertaken in July 2016.

16.142.3 Midwifery Staffing Review Report (SF)

The report provided assurance that the Trust had funded establishment to deliver maternity services based on workforce analysis on birth rate plus acuity for 2015/16.

16.142.4 Emergency Preparedness - Update report

The report provided assurance of the Trust's compliance against 2016 national core standards.

Resolved: to accept the above reports

Consent –**16.143 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.

16.143.1 Audit Committee.
Minutes of the meetings held on 25 July 2016

16.143.2 Donated Funds Committee
Minutes of the meeting held on 02 June 2016

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

16.144 BANK ACCOUNT CHANGES

The Board considered the paper presented by the interim Director of Finance setting out the changes to a number of bank accounts that were no longer needed and updated signatories on the bank accounts retained due to the changes at senior level across the finance directorate.

Resolved:

1. to accept the report
2. to approve the closure of investment accounts no longer required
3. to approve the closure of the Citibank current account
4. to approve the proposed changes to the bank mandate signatories for the RBS and GBS Natwest current accounts.

16.145 INITIAL LOAN AGREEMENT FOR AMBULATORY CARE AND DIAGNOSTIC CENTRE (ACAD)

The Board considered the paper presented by the interim Director of Finance setting out the terms and conditions to access the capital loan funding associated with developing the full business case for the ACAD project.

Resolved:

1. accept the report
2. to approve the terms, and transactions contemplated, associated with the loan agreement
3. to approve the delegation of the authority to execute the loan agreement to the Interim Director of Finance
4. to approve the delegation of the authority to sign and/or despatch all documents and notices (including Utilisation Request) in connection with the loan agreement to the Interim Director of Finance
5. to confirm the Trusts undertaking to comply with the Additional Terms and Conditions as set out in Schedule 8 of the agreement

16.146 ANY OTHER BUSINESS

In response to a question on car parking, the interim Director of Finance reported that

the Trust did receive revenue from staff and public car parking and this was used to fund the security company that looked after the parking.

16.147 DATE OF NEXT MEETING

The next meeting of the Board of Directors was scheduled for 23 January 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