

The Shrewsbury and Telford Hospital NHS Trust

TRUST BOARD MEETING

Held on Thursday 26 April 2012 at 9.30 am

Seminar Room 1&2, Shropshire's Education & Conference Centre, Royal Shrewsbury Hospital

PUBLIC SESSION MINUTES

Present:	Dr J Davies Mr M Beardwell Mr B Simms Dr P Vernon Mr D Jones Mrs S Assar Dr S Walford Mr A Cairns Mrs V Morris Mr N Nisbet	Chair Vice-Chair/Non Executive Director (NED) Non Executive Director (NED) Chief Executive (CEO) Chief Nurse/Director of Quality & Safety (DQS) Finance Director (FD)
	Mrs J Clarke	Company Secretary (DCRM)
In attendance	Mr M Cheetham Mrs B Graham	Value Stream Lead for Scheduled Care (for Item 47.1) Committee Secretary
Observers	Mrs C Bond Mrs M Fellows	Shropshire Link Telford & Wrekin Link
Apologies:	Mrs D Vogler Mr C Beacock	Director of Business & Enterprise (DBE) Deputy Medical Director (DMD)

2012.1/43.1 WELCOME

The Chairman welcomed everyone to the meeting. It was noted that Debbie Vogler was making good progress.

2012.1/43.2 CHAIRMAN'S AWARD – The winners were the Clinical Site Managers following recommendations and endorsements from the Chief Nurse/DQS and Interim Director of Operations for managing the flow and capacity in the hospitals at a particularly busy time. The Award was presented to Steve Fisher - Clinical Site Manager and Heidi Smith – Matron on behalf of the full Clinical Site Manager team.

2012.1/44 DECLARATION OF INTEREST by members in relation to any matters on the agenda : None.

2012.1/45 MINUTES OF THE MEETINGS HELD IN PUBLIC on 28 March and 16 April 2012 were **APPROVED**.

	MATTERS ARISING FROM THE MEETING HELD ON 29 MARCH 2012
(83.1)	Productive Operating Theatre Project – the follow up report was on the Agenda. Item complete .
(20.1)	Annual Review of SFI/SO and Scheme of Delegation – Terms of Reference (ToR) for Board Committees: The Chairman said that he planned to take this item to the Board Development session in May. Reference will be made in the Chair's Report with regard to Deloitte's being contracted to do additional work on Board Development.
(21.1)	Future Configuration of Hospital Services: A Special Board meeting on 16 April 2012 approved the Full Business Case – approval of minutes referred to above. Item complete .
(29.1)	Quality Improvement Strategy: Dr Vernon (NED) said he had met with three Centres and they confirmed that Q&S issues were being discussed at Centre Performance meetings. A full review at Centre level will be scheduled for June/July. Action: DQS.

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Chairman
31 May 2012

MATTERS ARISING FROM THE MEETING HELD ON 29 MARCH 2012 (Continued)	
(30.1)	Finance Update <ul style="list-style-type: none"> ▪ Rapid Increase in Non Pay Costs: The FD said that meetings were currently taking place to identify the reasons for this growth and that a full reconciliation over the last 12 months will be taken to May's F&P Committee. Action: FD. ▪ Increase in Medical Agency staff costs in February – The FD said that he had met with the MD and the issue related to a timing issue of spending. The MD had been happy with the explanation. Item complete.
(30.7)	Annual Plan 2012/13 was signed off by the Chairman, DQS, FD and CEO and was submitted to the SHA by 30 March 2012. Copies would be circulated to the Board. Item complete.

2012.1/46.1 CHAIRMAN'S REPORT - Members NOTED the following verbal report:

- **Board Development** – Deloitte had been contracted to support the FT application and to review Committee structures. They are currently conducting 1 to 1 interviews with Directors and the outcome will be presented at the Board Development Day in May to ensure alignment of responsibilities and terms of reference. Risk Management and a revised Board Assurance Framework had been the main themes at the April Board Development Day. The output from the session will be circulated for review and comment so that an updated Board Assurance Framework can be confirmed at the May Board. **Action: DCRM.**
- **FT Development:** The first Stakeholders Conference is scheduled to take place on 10 May 2012. Over fifty invitations have gone out to patient and community organisations. This meeting will concentrate on current issues and challenges and the work that is being done to improve services for patients.
- **Update on Recruitment process for a new Chief Executive:** Good progress is being made. The Trust has received expressions of interest from a number of current CEOs across the country as well as aspiring Deputy CEOs and Operations Directors. The closing date is 30 April 2012 and final interviews will take place on 29 May 2012.
- **Update on Consultant Recruitment:** Five new Consultants were appointed in March and there are interviews scheduled for medicine and A&E consultant positions in May.
- **Cluster PCT:** There has been a lot of discussion with regard to the robustness of the Cluster QIPP plan and its impact on SaTH. A Board to Board meeting with the Cluster and also involving the CCGs has been arranged for 9 May 2012.

2012.1/46.2 CHIEF EXECUTIVE'S REPORT - Members NOTED the following verbal report:

▪ **FCHS - Full Business Case Update**

- The FBC submission to the SHA has been approved by the West Mercia PCT Cluster Board and T&W Clinical Commissioning Group (CCG). The PCT Cluster Board approval is contingent on approval by Shropshire CCG on 2 May 2012. The SHA will consider the FBC at their Board meeting on 24 May 2012.
- A programme of public discussions is continuing. Next month workshops will be held to look at Travel and Transport plan proposals.
- A plan to accelerate elements of the reconfiguration is being developed. In particular, it is proposed to centralise Acute Surgical Services at RSH site from 16 July 2012 and to transfer Head & Neck Services from RSH to PRH site at the beginning of September 2012.

▪ **New Financial Year**

This year is best characterised as a "Year of Delivery" for SaTH, in which delivery of financial and performance targets is an absolute essential in order to continue with our FT application. The CEO noted that there is confidence across the organisation in our ability to deliver based on the progress that was actually achieved last year in successfully addressing the pending list problem, delivering the service reconfiguration and establishing a new devolved organisational structure.

CHIEF EXECUTIVE'S REPORT (Continued)

▪ Education and Training

Education and Training in the NHS is being reorganised following passage of the Health Care & Social Care Act. Training Boards will be set up based on the existing Cluster footprint - West Mercia Board – and these Boards will have substantial responsibilities for workforce planning and commissioning education and training. The Learning Education & Training Board (LETB) will shape workforce planning and commission university places for workforce training and development. The detail of the new arrangements is expected to be clarified within this financial year.

Mr Beardwell (NED) paid tribute to the clinicians and managers who had worked hard to make significant improvements during the past year but was concerned about the low staff morale and he asked what was being done to restore the staff's enthusiasm in the future. The CEO said that despite progress made last year we needed to continue to improve the delivery of our services. This will involve changing the way people do their work and challenging some settled views. This is expected to create some turbulence but our aim is to improve the employee experience whilst making these changes. Mr Beardwell (NED) responded that, although he found this background information helpful, he felt staff needed to better understand the Chief Executive's message and this needed to be carefully and sensitively managed. He wanted to see these matters being followed closely over the next year.

2012.1/47.1

QUALITY AND SAFETY

47.1

PRODUCTIVE OPERATING THEATRE REPORT

Mr Mark Cheetham, Value Stream Lead for Scheduled Care, attended the meeting to report on progress since the Board received his presentation on the Productive Operating Theatres programme in July 2011. The launch of the programme concentrated on four domains:

- i) **Improving patients experience and outcomes** - Pre-op assessments will be reviewed to make sure that processes are rigorous. The Newton work has proved useful, particularly with clinic work. There are currently 2,000 clinic codes on the books and the aim is to focus on removing redundant codes and changing them into formats that are more recognisable. The Continuous Improvement Office will first concentrate on prioritising theatres and booking processes for operations, appointments and clinics.
- ii) **Efficiency** - by the end of the last financial year 85% of theatre capacity was being utilized and to ensure that utilization of operating capacity is maximized, in the future Centres will be charged for booked theatres slots which are not used. Mr Cheetham reported that there has been a dramatic reduction (from 350 pre-op bed days per month to below 100), however, more work is required in Telford. He also noted that the Newton work on booking and scheduling will provide better reporting and a capability for "live" visits in each theatre at a glance, thus producing a real platform for changing practices. Mr Simms asked about future plans to further improve theatre utilisation on both sites and expressed concern that the Performance Report indicated that there had been little progress at PRH since June 2011. Mr Cheetham advised that the current aim was to set a minimum standard so that all areas achieved at least 85% theatre utilisation, as over-performance in some areas was masking poor performance in others. Discussions were also taking place with the Centre Chief for Surgery about moving from two to three x four hour sessions per day in some areas when acute surgery moved to RSH in July. It was recognised that this would require additional staffing and job plan rescheduling.
- iii) **Quality and Safety** - one of the key elements to improve theatre quality and safety was the introduction of the WHO Safer Surgery checklist. Mr Cheetham said he felt this process had been introduced with a reasonable degree of success and that, as a result, the culture has begun to change. Regular audits are carried out on results and compliance. A new specialist ophthalmology checklist has been introduced which specifically addresses the technical nature of lenses that are being used and Mr Cheetham believes there is now a safe and stable position in ophthalmology.

PRODUCTIVE OPERATING THEATRE REPORT (Continued)

- iv) **Improving team working** - the team working module has been re-launched

The Chairman on behalf of the Board thanked Mr Cheetham for his report.

2012.1/48

PERFORMANCE

48.1

YEAR END FINANCIAL REPORT

The Finance Director (FD) introduced the report which described the Trust's performance over the period April 2011 to March 2012 and detailed the year end outturn position. The key messages were as follows :

- The Trust recorded a cumulative surplus at the end of March amounting to £58,000 versus a Planned breakeven position.
- In the month of March, a surplus of £782,000 was recorded versus a planned surplus of £1.497 million. This variance was largely due to year end adjustments.
- Underlying income in March increased by £445,000 against the Plan but this was non recurrent.
- Pay Expenditure in March increased in the month by £225,000 by comparison with February as a consequence of the Trust increasing the number of staff employed by 40 posts.
- Non Pay Expenditure in March reduced significantly, principally as a result of incorporating the benefit arising from increased stock levels.

It was noted that three key statutory duties had been achieved by the Trust in 2011/12 : In-year breakeven achieved (£59k surplus); Capital Reserve Limit achieved (underspent by £998k); and External Finance Limit (EFL) underspent by £2k.

Other factors of significance to note included :

- Cash Growth of £1 million, primarily driven by CRL underspend.
- £2 million capital was received in March 2012 for the first phase of reconfiguration.
- Year end valuation of the Trust estate increased by £9 million.
- Payment to Suppliers compliance was 84% compared to 36% last year.
- Annual Accounts were submitted to the Department of Health by the deadline.

The FD informed the Board that the Trust has an ongoing contractual dispute with Powys Health Board mainly relating to the introduction during the year of a Referral Management System (RMS). Provision for this dispute has been increased to £1.79 million. In terms of the new financial year, the FD said that the Trust had received a letter from Powys on 5 April 2012 which presents a reduction in our contract from £21 million to £17 million in 2012/13. There are further discussions to be held on this issue. The Board will be kept informed. **Action: FD.**

The Chairman said that taking into account the ward closure programme he did not understand the reasons for the unbudgeted increase in staff numbers over the last two months of the year (100 increase in February – March). The FD said that in February and March the Trust went through a particularly difficult period as well as trying to achieve RTT and he pointed out that SaTH was busier than any other hospital in West Mercia over the Easter period. He said that this had been discussed at a recent meeting of the Performance Regime with the SHA. The Chairman was not satisfied and asked for a detailed explanation for the increase in staff numbers and confirmation procedures were in place to control staff numbers within budget. **Action: FD.**

The CEO advised that work was underway to reduce temporary staff by approximately 150 wte by the end of May, and it is expected by the end of the year to more than double the number in terms of headcount. The challenge is to deliver lower numbers of staff whilst retaining sustainable services.

YEAR END FINANCIAL REPORT (Continued)

Following discussion the following issues were noted :

- Mr Simms (NED) expressed concern and felt that there was a need to identify a system of control to record on a weekly basis the number of staff employed in the organisation.
- Following on from the “unresolved” items, the FD was asked to provide the F&P Committee with a detailed analysis of non pay costs and his understanding of the underlying issues. **Action: FD.**
- The FD confirmed that all budget holders are now in receipt of their budget and they will be required to sign them off as evidence that they will work to the budget - the only exception is the nursing service which is still being finalised. The CEO said that ward staff budgets have been given 22% uplift; and with Maternity cover being managed separately. Dr Walford (NED) said that over the last 18 months a complete nurse staff review has been undertaken to ensure wards have safe staffing levels comparable with other Trusts so that there should be no excuses for failing to manage to the agreed budget.

The Board recognised the contribution of the Finance Director and the Finance team throughout the year.

The Board **NOTED** the Month 12 position.

STRATEGIC PERFORMANCE REPORT

The FD introduced the Strategic Performance Report for Month 12 and advised that, of the 9 headline measures, 2 had been assessed as 2 RED (not achieving); 6 AMBER and 1 GREEN. The FD specifically **NOTED** the following key points:

- Referral To Treatment (RTT) - the Trust was in a greatly improved position at the end of March. Non Admitted performance overall was 95.20% in March (compared to 92.12% in February) and exceeded the 95% target. Admitted performance was 82.02% in March (compared to 73.46% in February). He recognized that in the future it would be essential to be compliant at speciality level and this will present some challenges:
 - Orthopaedics: Work continues to bring down the backlog and there is an expectation that a sustainable position will be achieved by the end of June 2012.
 - Orthodontics: SaTH is actively seeking clarity from Commissioners in terms of who takes responsibility for these patients because SaTH does not have the capacity to do the work.
 - Ophthalmology: There is an expectation that the target position for both admitted and non admitted will be achieved in April, but in May/June we expect Admitted performance to dip following the recommencement of cataract surgery. It was noted that these issues has been discussed with SHA.
- A&E Performance in the month against the 95% target was 94.39% and 94.31% year to date. The aim is to be in a position to achieve the 95% target by the end of May based on a whole series of improvements, including the establishment of an Unscheduled Care Board which is to be chaired by Dr Kevin Eardley. There will also be a daily review of every single breach that takes place in A&E and a whole Health Economy review of discharge arrangements will be undertaken. Telford & Wrekin Council has agreed a new model of delivering social care support to our patients (“Discharge to Assess”) which has already seen a decrease in the numbers of delayed discharges. SaTH hopes that Shropshire Council will adopt the same process. SaTH is confident that it can achieve 95% by the end of May and a detailed plan will be submitted to the next F&P Committee as reassurance that effective actions are being taken.

The Board fully acknowledged the importance for SaTH to demonstrate to SHA its ability to sustainably achieve the A&E target. The CEO said there has been real pressure on RSH site partly due to lack of capacity but with the proposed moves of Acute Surgery and Head & Neck, the Trust will have more “net” available beds on both sites.

STRATEGIC PERFORMANCE REPORT (Continued)

In discussion, Mr Simms (NED) recognised that the Strategic Performance Report was in the process of being revised but made a plea that it should be useful as a “live” management document not just for reporting to the Board and F&P Committee. The FD confirmed that a revised Strategic Performance Report format would be presented to the May F&P Committee. **Action: FD.**

Mr Simms (NED) also questioned the C3 Objective (Providing the Right Care, Right Time, Right Place and Right Professional) and, in particular, why when working towards a zero medical outlier target are 153 medical outliers being reported. He queried who was responsible for achieving the target and when will the action plan be implemented. The CEO confirmed that Dr Eardley is driving this activity and that his leadership has been exemplary. A Capacity Manager is due to start in May. The CEO said that he was confident that by the end of May, SaTH will be in a better position.

The CEO also briefed the Board on two further schemes to help with admission avoidance and these will be set up before the end of the year and will contribute to our efforts to shrink bed day numbers :

- Geriatrics – RAID Model for managing co-morbidities and mental health issues in acute settings. Our Commissioners have applied for a share of the Strategic Change Reserve to implement this scheme, which is expected to commence in September/October
- Complex Frail Tool which seeks to identify frail patients attending A&E and to develop a whole team approach to improve the patient journey and avoid long term stays. In a two month trial a 37% reduction in long term stays had been achieved against a 10% target. This service now needs to be set up on a sustainable basis.

The Board **RECEIVED** and **NOTED** the Month 12 Performance Report.

2012.1/48.3 PROVIDER MANAGEMENT PERFORMANCE REPORTING TEMPLATE

The FD advised that the templates for March had been reviewed by the F&P Committee. The DQS said that she was not present at the F&P Committee and would provide input to the “Acute Governance Risk Rating 2011/12”, Ref 17 relating to Patient Experience. The DQS will circulate the detail. **Action: DQS.**

With regard to CQC Moderate Concern about the safety of healthcare provision – the DQS said that this related to a CQC visit in October 2011. Although the CQC Team is pleased with progress until the CQC returns on site this issue has to remain on the return.

Following discussion, the CEO accepted that there was some overlap and inconsistency between the SHA reporting requirements and SaTH's internal control reporting requirements. It was agreed that the work currently going on to revise SaTH's internal reports should aim to pull together both documents. A revised format will be presented to the F&P Committee in May. **Action: FD.**

2012.1/49.1 DECLARATIONS OF INTEREST – UPDATE

The Director of Compliance & Risk Management (DCRM) introduced the item and advised that the Code of Accountability required Board members to declare interests which are relevant and material to the NHS Board of which they are a member. The DCRM on behalf of Dr Fraser wished to declare that his interest had changed from Chair of SECC to Trustee. The following was the most current list of declarations :

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|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dr John Davies | <ul style="list-style-type: none">▪ Trustee of Market Drayton Action for Health▪ Councillor of Moreton Say Parish Council |
| Mr Martin Beardwell | <ul style="list-style-type: none">▪ Director, Impact Alcohol Advisory Services |
| Dr Peter Vernon | <ul style="list-style-type: none">▪ Managing Director of Alberi Limited▪ Director of H10 Limited▪ Related to the Directorate Manager of Facilities |
| Mr Dennis Jones | <ul style="list-style-type: none">▪ None |

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|---------------------------|----------------------------------------------------------------------------------------|
| Mr Barry Simms | ▪ None |
| Mrs Sue Assar | ▪ Director of Assar Consulting Limited which seeks to do business with the NHS. |
| Dr Simon Walford | ▪ Chairman of Governing Body, Wolverhampton Grammar School |
| | ▪ Governor, University of Wolverhampton |
| | ▪ Director, Wolverhampton Academies Trust |
| | ▪ In receipt of an NHS Pension |
| Mr Adam Cairns | ▪ Occasional paid consultancy work for Guidepoint Global Advisers |
| Mrs Vicky Morris | ▪ None |
| Mr Neil Nisbet | ▪ Trustee, Citizens Advice Bureau, Wolverhampton |
| Dr R Ashley Fraser | ▪ Trustee of Shropshire Education and Conference Centre Company Limited; |
| | ▪ Hon. Colonel 202 (Midlands) Field Hospital; |
| | ▪ Co-opted Member of the BMA Medical Managers sub committee |
| Mrs Julia Clarke | ▪ Chairman of Shropshire Council's Standards Committee |
| | ▪ Deputy Chairman of the National Security Management Professional Accreditation Board |
| | ▪ Shropshire Education & Conference Centre SECC) Trustee |
| Mrs Debbie Vogler | ▪ None |

Board Members **CONFIRMED** that the declarations listed were correct and agreed to advise the Committee Secretary or DCRM immediately or within 6 weeks of any future changes.

2012.1/49.2 REPORT ON THE USE OF THE CORPORATE SEAL

The Board **NOTED** the Common Sealing of documents recorded in the Corporate Seal Register for the period 19 October 2011 to 16 April 2012. It was agreed that the DCRM would clarify the 2nd paragraph of the Executive Summary **Action: DCRM.**

2012.1/50 MINUTES AND OUTCOME SUMMARIES FROM COMMITTEES

50.1 Finance & Performance Committee meeting held on 27 March 2012 – Noted.

Mr Simms (NED) briefed the Board on the issues that had been discussed, the majority of which had already been covered by the FD. It was noted that the budget for next year remains challenging but achievable. Whilst the pay budget continues to represent a challenge, the assurances from the CEO/FD on its achievement were accepted. The CIP for 2012/13 was £13.6 million, £2.5 million having already been categorised as Green and £4.8 million as Amber. The PMO had confirmed that activity was proceeding on several other projects categorised as Red for which she was awaiting formal documentation.

50.2 Hospital Executive Committee meeting held on 27 March 2012 – Noted.

It was noted that the plan to redevelop space in the Lofthouse Unit had been deferred but is now back on the agenda. There are good reasons to go ahead with this but the business case needs to be worked through.

50.3 Foundation Trust Programme Board held on 29 March 2012 – Noted.

2012.1/51 ANY OTHER BUSINESS – None.

2012.1/52 QUESTIONS FROM THE FLOOR

Q1 Mrs Fellows (T&W Link) raised several issues regarding transport and the Acute Surgical move in July 2012.

A1 The CEO said the Trust will do what it can to offset the impact on the small number of patients travelling to RSH. We are running workshops and consulting on how best to address the transport issue. The CEO said the Acute Surgical move is driven by safety concerns and we understand for a period of time that a small number of patients will be affected by the move. There is a plan to make some enhancements on both sites. Reconfiguration will add more car parking spaces and there is a plan to improve facilities. He said that there may well be a need to revise car parking prices to reflect these improvements.

Q2 Mrs Bond (Shropshire Link) referred to poor communication from medical staff at RSH; and Mrs Fellows (T&W Link) also referred to poor communication at PRH.

A2 The CEO said that this was very disappointing. The DQS advised that the Patient Panel will undertake observations of care to come up with trends and themes to take forward. The CEO explained that there is a new way in which all doctors are to be regulated, the MD is leading on this and will address some of this as a part of the revalidation process

Comment Mr Jones (PALS Volunteer) thanked the Board for producing a Birthday Cake at the last meeting.

- Whilst visiting Ward 8 at PRH on 19 April 2012 he noted that patients were pleased with the food and care received from clinicians and nursing staff.
- Automatic Doors by the Lofthouse Unit have not worked for some time. The DQS said she would look into this. **Action: DQS.**

2012.1/53 **DATE OF NEXT MEETING :**

Thursday 31 May 2012 at 9.30 am in Lecture Theatre, Education Centre, Princess Royal Hospital.

The meeting then closed.

UNRESOLVED ITEMS FROM PUBLIC TRUST BOARD MEETING ON 26 APRIL 2012

Item	Issue	ACTION LIST	PRIORITY
(2012) 20.1	Annual Review of SFI/SO/Scheme of Delegation <ul style="list-style-type: none"> ▪ Terms of Reference for Board Committees – Half-day Board Development session will be dedicated to this. Committee Chairs were asked to review their ToRs and/or raise any other issues. 	Comm. Chairs	May 2012
29.1	Quality Improvement Strategy A full review at Centre level will be scheduled for June/July.	DQS	Jun/Jul 2012
30.1	Finance Update – Rapid Increase in Non Pay Costs Meetings were currently taking place to identify reasons for this growth and that a full reconciliation over the last 12 months will be taken to May's F&P Committee.	FD	29 May 2012
46.1	Chairman's Report – Board Development The output from the session will be circulated for review and comment so that an updated Board Assurance Framework can be confirmed at the May Board.	DCRM	ASAP
48.1	Year End Finance Report <ul style="list-style-type: none"> ▪ Letter from Powys on 5 April 2012 presented a reduction in our contract from £21 million to £17 million in 2012/13. The Board will be kept informed. ▪ The Chairman was not satisfied and asked for a detailed explanation for the increase in staff numbers and confirmation procedures were in place to control staff numbers within budget ▪ Following on from the “unresolved” items, the FD was asked to provide the F&P Committee with a detailed analysis of non pay costs and his understanding of the underlying issues. 	FD FD FD	 29 May 2012 29 May 2012
48.2	Strategic Performance Report The FD confirmed that a revised Strategic Performance Report format would be presented to the May F&P Committee.	FD	29 May 2012
48.3	Provider Management Reporting Template <ul style="list-style-type: none"> ▪ The DQS said she would circulate her comment to Ref 17 which was omitted from the report. ▪ On the issue of overlap and inconsistency between the SHA's reporting requirements and SaTH's internal control reporting requirements, it was agreed that the current work to revise SaTH's internal reports should aim to pull together both documents. A revised format will be presented to the F&P Committee in May. 	DQS FD	ASAP 29 May 2012
49.2	Report on the use of the Corporate Seal DCRM agreed to review the 2 nd paragraph of the Executive summary.	DCRM	ASAP
52	Questions from the floor Automatic Doors by the Lofthouse Unit have not worked for some time. DQS agreed to look into this.	DQS	ASAP