

Minutes of the Meeting of the Board of Directors Held on Monday 14th March, 2011 at 11.00 a.m. in the Boardroom, Clinical Skills and Corporate Services Centre, New Cross Hospital

PRESENT:	Mr. B. Picken	Chairman
	Dr. J. M. Anderson	Non-Executive Director
	Mr. K. Bryan	Non-Executive Director
	Ms. C. Etches	Director of Nursing and Midwifery
	Mrs. B. Jaspal-Mander	Non-Executive Director
	Mr. D. Loughton CBE	Chief Executive
	Mr. J. Sharples	Non-Executive Director
	Mr. K. Stringer	Director of Finance and Information
	Mr. D. Sutton	Non-Executive Director
	Mr. J. Vanes	Non-Executive Director
	Ms. D. Harnin	Director of Human Resources
	Dr. J. Odum	Medical Director (designate)
	Professor David Luesley	Associate Non-Executive Director
	Ms. M. Espley	Managing Director, Provider Services
IN ATTENDANCE:	Mr. T. Powell	Divisional Manager, Division 2
APOLOGIES:	Ms. V. Hall	Chief Operating Officer
	Margaret Corneby	Wolverhampton City PCT
	Ms. J. Viner	LINK Co-ordinator
	Mr. B. Griffiths	Deputy Vice-chairman, LINK
	Cllr. Samuels	Wolverhampton City Council

Action

Part 1 – Open to the Public

The Chairman welcomed David Sutton, newly appointed Non-Executive Director and Dr. Jonathan Odum, who will take up the post of Medical Director from 1st April, 2011, to the Trust Board.

MINUTES OF MEETING HELD ON MONDAY 14th FEBRUARY 2011

- TB.3497** The Director of Finance and Information asked for a slight amendment to Minute TB.3459 Financial Position of the Trust – December 2010. At the end of December £8,564,000 had been withdrawn from the budget **for cost improvement.**
- RESOLVED that following this amendment the Minutes be approved as a correct record.**

MATTERS ARISING FROM THE MINUTES

Action

TB.3498 **TB.3455 Delivering the Cancer Standards**

A report had been circulated to the Board.

TB.3499 **TB.3459 Financial Position of the Trust – December 2010**

A summary report on waiting list initiatives would be circulated to the Board.

TB.3500 **TB.3461 Quality and Safety Quarterly Report**

In future, Quarterly Reports will include a rate for radiation incidents. The issue of benchmarking was proving difficult as it was reliant on other organisations being willing to share their data.

The Director of Nursing and Midwifery apologised to Mr. Vanes for not advising him of the reason for the apparent absence of data regarding red corporate risks since May 2010. She explained that the information presented in the report was correct other than one incident in November which had been red for only two days before being downgraded to amber.

Leadership Safety Walkabouts, including out-of-hours visits were being arranged.

DECLARATIONS OF INTEREST FROM DIRECTORS AND OFFICERS

TB.3501 None.

CONSULTANT APPOINTMENTS

TB.3502 Nisha Pargass Consultant Paediatrician with an interest in Diabetes and Endocrinology

OPERATIONAL PERFORMANCE

TB.3503 **Performance Report – (Month 10) January 2011**

Tim Powell, Divisional Manager, Division 1 presented the report on behalf of the Chief Operating Officer and reported that all cancer targets had been achieved in January with a Monitor score of '0' for the month.

The percentage of emergency re-admissions within 14 days has shown an improvement from the December position, although slightly above target by 0.04%.

Improvement had been made in delays in transfer of care but on-going pressures are continuing to be seen.

This issue was being targeted in conjunction with the PCT commissioners and Social Services.

The Trust was striving to reduce elective length of stay. Progress had been made over the year on non-elective length of stay but still remained slightly above target.

Dr. Anderson questioned whether any one specialty was responsible for greater delays in discharge and was advised that the delays were across the organisation. Dr. Odum reported that work was being undertaken on length of stay by diagnostic category in medicine and benchmarking against national averages.

Mr. Sharples noted that there had been some improvement during the last quarter but queried whether there was confidence in achieving the target. Mr. Powell advised that commissioners are bringing Social Services, the Trust and the provider arm of the PCT together to discuss how this can be achieved and maintained.

Day case rates are slightly above target. Specialities that are significantly below expectation are being monitored.

Mr. Sharples referred to *c.difficile* and asked whether the target would be revised in light of the more sensitive test that has been introduced. The Chief Executive advised that the Department of Health are to produce guidance on the interpretation of the target, but the new testing method had resulted in an increase of between 40 and 50%. The Director of Nursing and Midwifery confirmed that this was an internal target but it was likely that the target would be missed in year. She was confident that the external SHA target would be met.

Dr. Anderson referred to vacancies in medical training grades which remained high whilst the spend on temporary medical staff remains constant. The Chief Executive explained that the Deanery had not filled some posts and the Trust was carrying these as vacancies. Dr. Anderson queried whether the IPTS scheme was being used to cover the gaps. Dr. Odum advised that the Trust had tried to use this system whereby you recruit internationally into vacancies in the Trust. There was a formal process connected with the system which was very bureaucratic. The Chief Executive stated that a review needed to be taken in the medium term and an option appraisal completed on the way forward.

RESOLVED that the Performance Report (Month 10) January, 2011 be noted.

TB.3504 Annual Plan – Quarter 3 Report

The report gave the Quarter 3 assessment against the business outcomes contained within the Trust's Annual Plan for 2010/2011.

Mr. Vanes referred to 2.3, whereby 80% of staff should live within the catchment population and queried whether, with TCS, more of the workforce will be living locally. The Director of Human Resources said the percentage was set within the national HR Strategy. Mr. Sutton asked what positive action was being taken to achieve this objective. He suggested that the data should be split in terms of postcode location of staff by salary banding and basic rate tax payers versus others. Adopting this method would present a more valid picture and view of the target.

DH

Mrs. Jaspal-Mander referred to 2.8 regarding staff surveys and questioned whether improvements in response rates had been seen and whether the Trust was seeing a similar response rate to other organisations. The Director of Human Resources advised that the results of October's survey will be presented to the Board shortly and typically the Trust sees a lower response rate. The Trust's local survey "Chat Back" indicated that staff are engaged and motivated. Mr. Bryan questioned why the Trust wanted to see a higher response rate to surveys and was advised by the Director of Human Resources that as part of the CQC standards the Trust needs to increase response rates.

Dr. Anderson noted that for Quarter 3 the Trust was -32.11% below outturn for 2009/10 for patients seen from outside Wolverhampton using the stroke service. Mr. Powell advised that there had been an improvement during January and February which would be reflected in the next report.

Responding to a question from Mr. Sutton regarding internal audit reports being delivered against timescales, the Director of Finance and Information advised that this issue was discussed fully at the Audit Committee. He agreed that improvements needed to be made and work was being undertaken on this.

RESOLVED that the Quarter 3 assessment against the Annual Plan 2010/2011 be received.

Mr. Powell left the meeting at this point

BUSINESS PLANNING

TB.3505 Capital Programme 2010/2011 – Month 9 report

The Director of Finance and Information reminded the Board that the Capital Resource Limit is a fixed sum of cash given to NHS Trusts for capital.

It is a key financial target and Trusts cannot carry over any under-spend into the following year.

At the end of January, the position in cash terms was £2.3m below the level expected. Weekly and daily monitoring is taking place and to facilitate the achievement of the CRL, next year's medical equipment replacement programme has been brought forward.

There are no significant exceptions detailed in the report. The catering facility shows a better position than last month as negotiations have been finalised with the Administrators.

Mr. Sharples asked whether there was a contingency against the equipment in the catering facility. The Director of Finance and Information advised that following negotiation, the warranties on the equipment were in place.

Mr. Sharples noted that the report stated that all projects will be completed on schedule but this was not reflected in the £2.3m under-spend to date and queried whether projects were slipping. The Director of Finance and Information advised that the Trust had had the opportunity to re-profile the amount it expected to spend and yet were still behind plan. Work undertaken with project managers and the owners of business cases needed to be more robust. The Chief Executive reported that the major schemes were running to programme; a number of smaller schemes were slipping but were being monitored.

RESOLVED that the report on the Capital Programme 2010/11 be noted.

TB.3506

Income and Expenditure Plan for 2011/12
Capital Programme for 2011/12

The Director of Finance and Information explained that the Trust is still finalising its Income and Expenditure and Capital Plan for 2011/12. The Board were asked to consider the proposed Income and Expenditure and Capital Plan for 2011/12 at the Board Development session to be held on 28th March. The report would then be presented to the Trust Board in April for formal agreement.

The Acute Commissioning Contract Heads of Agreement is in place and there are no significant risks.

Negotiations with Wolverhampton City PCT on the finalisation of the Community Commissioning Contract were progressing well and the Heads of Agreement is in place.

A draft legal BTA has been prepared but a number of issues have yet to be concluded.

The current draft of the Capital Programme for 2011/12 is over committed by £1.4m. Priority of schemes is being reviewed and will be presented to the Trust Board.

A five year investment programme was needed for the community capital programme, although significant investment was not expected for 2011/12.

Guidance had been received from the Department of Health stating that in any of these transactions there can be no property transfer.

Mr. Vanes questioned the timing of the sign-off of the Community Commissioning Contract which he believed had taken place in February last year. Maxine Espley advised that the Heads of Agreement are normally signed-off in February and the final sign-off of the Commissioning Contract is done in March.

RESOLVED that the proposed Income and Expenditure and Capital Plan for 2011/12 be considered at the Board Development Session to be held on 28th March, 2011.

TB.3507

Carbon Management Plan – Final Business Case for Carbon Reduction

The Director of Finance and Information reported that the Carbon Management Plan has been submitted to the Carbon Trust for final sign-off. The Executive Summary of the Plan was shown as Attachment 1 and a full version of the Plan including Appendices was available on request.

As a public sector organisation the Trust was required to make carbon reductions, with a target reduction of 15% by 2014/15 on the Trust's 2009/10 baseline. The Plan puts together an investment profile, subject to Business Cases. Establishing a heat and power plant on site would make a significant move towards a reduction in carbon.

Mr. Sharples noted that the Trust would work towards a stretch target of 20% from the 2009/10 baseline by 2014/15 and questioned the cost associated with achieving this target. The Director of Finance and Information advised that the target was being deliberately set high in order to push the organisation.

Mr. Bryan suggested that it would be useful for the Board to have details of the individual projects. The Director of Finance and Information advised that Section 4 of the Plan gave details of existing and planned projects and this could be circulated to the Board.

KS

RESOLVED that the Final Carbon Management Plan be approved.

TRANSFORMING COMMUNITY SERVICES

TB.3508 Transforming Community Services – update report

Maxine Espley reported that the programme to deliver the transfer of the PCT's community services to RWHT is progressing well and on target to deliver the formal transfer on 1st April, 2011. All HR activities relating to TUPE and understanding the assignment of staff had been completed and staff had been formally notified that they would be transferring to RWHT on 1st April. Negotiations to deliver the Business Transfer Agreement have gone well and apart from two minor areas, full agreement had been reached on the transaction.

Work was being undertaken to explore opportunities presented by TCS and how services and management structures can be reconfigured. Two submissions to the Department of Health TCS Leadership Challenge, a review of the urgent care pathway for children, and the patient flow services for adults, have been shortlisted and teams involving community and acute staff are attending the leadership event on the 15th March, 2011. Patient representatives will also be involved.

The Chief Executive thanked Maxine and the Director of Finance and Information for all their hard work on the transaction.

RESOLVED that the update report on Transforming Community Services be noted.

FINANCE AND INFORMATION

TB.3509 Financial Position of the Trust – January 2011

The Director of Finance and Information reported a surplus of £8.5m at the end of January 2011. The vast majority of over performance is coming through on income. At the end of December, £8,925,000 had been withdrawn from the budget for the CIP programme. The cash balance was higher than expected, relating mainly to the improved operating position and delayed expenditure on the capital programme.

The contract for the "Safe Hands" system had been signed on the 3rd March by the Chair and Chief Executive as previously approved by the Board. A demonstration would be arranged for those members of the Board who had not yet had the opportunity to see the system in operation.

The Director of Finance and Information referred to page 6 of the report, Risks and reported that two risks had been removed in relation to activity over performance and PbR tariffs.

KS

Action

A year end agreement has been reached with PCTs.

The financial position of Division 1 was concerning. The overspend was largely activity led but income is down. The budget setting process will ensure that the variances are understood and actions taken. A recovery plan is in place.

The debtor position with PCTs had worsened by £2.2m. This issue was being closely monitored.

Mr. Sutton was encouraged to hear that substantial progress is being made in relation to agreement of payment for over performance and queried the link between agreeing the over performance and the Trust receiving payment. Mr. Sutton referred to page 27 of the report and suggested that the amount relating to over performance for the total NHS debt should be split from other issues.

KS

Mr. Sutton referred to page 5 of the report and noted that the Trust had not achieved the Public Sector Payment Policy target of 95% and questioned why the Trust appeared to be slow in paying its creditors. The Director of Finance and Information explained that some of the Trust's processes were not robust enough and accepted that the Trust's percentage performance was low. Electronic systems were being adopted to help resolve this issue.

Mr. Sharples referred to the CIP target and how this will be regarded by the Monitor assessment team. In response, the Director of Finance and Information advised that this had been a key area of questioning from Monitor.

Mr. Bryan referred to pages 13 and 14, Expenditure Exception report, and suggested the narrative should be reviewed to reflect the background to the cumulative variances when they were substantial, rather than only the current month variances.

KS

RESOLVED that the Financial Position of the Trust – January 2011 be noted.

TB.3510

Revised Terms of Reference – Investment Committee

The proposal had been presented to the Board in December and retracted to consider whether the Estates Strategy and Sustainability Committee could be combined in this group. All comments have been taken into account and it had been decided to encompass the work of that group into this proposal. In light of TCS, work would be undertaken on the Estates Strategy and Sustainability for the future.

Mr. Sharples was content with the composition of the Committee and its remit.

RESOLVED that the Revised Terms of Reference for the Investment Committee be approved.

GOVERNANCE

TB.3511 Board Assurance Framework

The Director of Nursing and Midwifery reported that there had been no changes in terms of red risks within the Board Assurance Framework. Referring to the high level operational risks, she asked the Board to note that the same risk was shown twice and explained that one sits on the Directorate register and one on the Divisional register. The Datix system cannot use one unique identifier.

Appendix A gave details of tracked changes within the Assurance Framework. The red risk concerning non-reporting of plain film examinations it was believed would be resolved when the new PACS system was adopted. The Director of Finance and Information advised the Board of issues arising with the new system. An urgent meeting had been held on site with the supplier and the problem had been resolved. There was now a significant backlog of scans to be undertaken. The Trust has served a breach of contract notice on the PFI provider.

RESOLVED that the Board Assurance Framework report be noted and the changes presented within the Assurance Framework be accepted.

TB.3512 Revised Terms of Reference – Trust Management Team

The Director of Nursing and Midwifery submitted for approval the revised Terms of Reference for the Trust Management Team which now included TCS membership and increased Divisional Management representation.

RESOLVED that the Revised Terms of Reference for the Trust Management Team be approved.

TB.3513 Information Governance Toolkit

The Medical Director asked for the report to be deferred in order to allow him and the Director of Finance and Information to review the document.

RESOLVED that the Information Governance Toolkit v8 2010/11 Compliance report be deferred until the meeting of the Trust Board in April.

TB.3514 Revision to the Integrated Governance Strategy

The Integrated Governance Strategy is reviewed on an annual basis and presented to the Quality and Safety Committee and Trust Management Team.

Changes had been made to the content of the Strategy to reflect TCS and the development of a Compliance Unit.

The key change is the splitting of the current Quality and Safety Committee to become a Compliance Committee and a Quality and Safety Committee with a third element, which is still to be agreed, of a Policy Committee. The Strategy was submitted for approval in principle, but changes will be made in respect of the Policy Committee and the Compliance Unit. The Terms of Reference for the Trust Management Team, approved by the Board, will be included.

RESOLVED that the Revision to the Integrated Governance Strategy be approved in principle, subject to amendments to be made by the Director of Nursing and Midwifery.

TB.3515 Annual Report of Directors' Interests

The Chief Executive presented the Annual Report of Directors' Interests in accordance with the requirements of Standing Orders.

RESOLVED that the Annual Report of Directors' Interests be noted.

QUALITY AND SAFETY

TB.3516 Safety Express

The Director of Nursing and Midwifery advised the Board of the Trust's participation with the SHA on a Department of Health initiative which was trying to improve the safety of patient care across the NHS. Safety Express is a partnership with existing programmes. The SHA had asked the Trust to become one of ten pilot areas within the region based on work already undertaken on patient safety and the Trust's reputation for driving quality improvements within the organisation. If the Trust is successful in the pilot phase we will work with other organisations to make improvements in their organisations. The groups involve individuals from the whole health economy including GPs and District Nurses.

The Board's attention was drawn to the aims of the programme which are to be achieved by the end of 2012, as detailed in the report.

All of the aims are already part of the Trust's Patient Safety Strategy and initiatives.

Mr. Vanes was concerned about the amount of jargon in the report and asked if there was evidence from other centres that such vast improvements could be achieved.

In response, the Director of Nursing and Midwifery advised that the Trust had agreed with the SHA that as the Trust was already working towards the aims, the term "Safety Express" would not be used. The Trust's Patient Safety Strategy would continue but some of the new techniques will be learnt through this project.

RESOLVED that the report on the Safety Express Programme be noted and supported.

HUMAN RESOURCES

TB.3517 Employment Checks for PCT staff transferring to The Royal Wolverhampton Hospitals NHS Trust

The Director of Human Resources reported that as part of the transfer of staff from the PCT to RWHT it had been identified that a number of employment checks are not portable and will need to be re-done by RWHT. The Trust has also been made aware of a risk regarding Right to Work checks; this was highlighted as a concern as part of the due diligence report. Assurance had been received from the PCT that those staff transferring have had CRB checks completed within the last 3 years and the "real" risk is expected to be minimal. The roll-out of CRB checks will commence in May via a phased approach, commencing with child health and related services.

The Trust Management Team had approved the appointment of 1 wte administrative Band 2 post for a period of nine months, dedicated to ensuring that the checks are completed in the shortest time possible.

RESOLVED that the proposals and timescales for completion of the Employment Checks for PCT staff transferring to The Royal Wolverhampton Hospitals NHS Trust, be approved

FOUNDATION TRUST

TB.3518 Foundation Trust Application update

The Director of Finance and Information reported that the scheduled Board to Board with Monitor had been cancelled.

Correspondence had been received stating that the next available date would be the 7th April but this was yet to be confirmed.

The work currently being undertaken by Deloitte was proceeding to plan and a draft report was expected towards the end of March.

The Working Capital Facility is in place and has been increased to £25m. This comes into operation when the organisation becomes a Foundation Trust.

Ballot papers have gone out for the second set of elections. All Governor posts will be filled except for the Rest of England.

Mr. Sharples referred to the postponement of the Board to Board which he understood was due to Monitor requiring assurance from the CQC following their impending inspection. The Chief Executive had had discussions with both the CQC and Monitor and had been advised that the CQC would provide verbal assurance to Monitor by the 31st March. The Director of Nursing and Midwifery reported that the CQC had visited the Trust and had interviewed members of staff on mortality and complaints. Further information had been provided to the CQC and the Trust awaited their unannounced visit.

RESOLVED that the verbal report on the Foundation Trust Application be noted.

FEEDBACK FROM BOARD SUB-COMMITTEES

TB.3519 Minutes of the meeting of the Trust Management Team held on 14th January, 2011

Dr. Anderson referred to Minute 11/07 Theatre Expansion and was concerned that theatre capacity no longer meets demand and that the two new theatres would give over capacity. The Chief Executive explained that utilisation of the theatres would be kept under review. The theatres would be staffed according to known sessions and further sessions would be brought in as income to fund the sessions was available.

Dr. Anderson asked a further question regarding extra bed capacity as a result of the two theatres. The Chief Executive advised that capacity would be flexed and services reviewed.

Report noted.

TB.3520 Minutes of the meeting of the Infection Prevention Committee held on 27th January, 2011

Report noted.

TB.3521 Issues arising from the Board Assurance Committee held on 24th February, 2011

Mr. Vanes reported that the main discussion of the Board Assurance Committee had centred on the Information Governance Toolkit.

Mr. Vanes had noted that the Health and Safety Executive were to visit the Trust on 3rd March and queried the outcome of the visit. The Director of Nursing and Midwifery advised that the visit had gone well. The HSE were pleased at the vast improvements that had been made and were happy with the action plan that had been produced.

Report noted.

TB.3522 Minutes of the HR Sub-Committee held on 25th January, 2011

Report noted.

GENERAL BUSINESS**TB.3523** Policies approved by the Trust Management Team at the meeting held on 4th March, 2011

None.

TB.3524 Comments or Questions from the public and commissioners

There were no comments or questions from the public and commissioners.

The Chairman noted that representatives of LINK were not present at the meeting. He reminded the Board that at the last meeting he had undertook to meet with LINK following a letter from them to the Trust Board; the meeting had taken place, which the Chairman felt had been productive. LINK had originally asked for representation on the Foundation Trust, Trust Board. They would be joining the Council of Members as a prescribed nominee. The Chairman had discussed with the Chief Executive the possibility of regular meetings between LINK and a member of the Trust Board. Assurance had also been given to LINK that requests for information and reports would be responded to within the statutory twenty days in the future.

RB.3525 Date and Time of Next Meeting

10.00 a.m. on Monday 18th April, 2011 in the Boardroom of the Clinical Skills and Corporate Services Centre, New Cross Hospital.

TB.3526 Exclusion of the press and public

Action

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.