

**Minutes of the Meeting of the Board of Directors held in public
On Wednesday 26 September 2018, 3.00pm in Community Rooms A&B, Cleadon
Park Library, 10 Prince Edward Road, South Shields, NE34 8PS**

Present:

Mr Neil Mundy, Chairman
Mrs Julia Pattison, Director of Finance
Ms Melanie Johnson, Executive Director of Nursing and Patient Experience
Dr Shahid Wahid, Medical Director
Mrs Kath Griffin, Executive Director of Human Resources & Organisational Development
Mr Alan Clarke, Non-Executive Director
Mrs Lyn Cole, Non-Executive Director
Mrs Allison Thompson, Non-Executive Director
Mr Mike Davison, Non-Executive Director
Mr Keith Tallintire, Non-Executive Director

In attendance:

Ms Debbie Henderson, Company Secretary/Head of Corporate Governance
Dr Sean Fenwick, Director of Operations
Ms Alison King, Director of Performance

028/2018 Welcome and apologies for absence

Apologies for absence had been received from Ken Bremner, Chief Executive and Iain Malcolm, Non-Executive Director. There were no members of the public in attendance.

029/2018 Declarations of Interest and Register of Interests

There were no declarations of interest relevant to items on the agenda.

**030/2018 Approve the minutes of the Board of Directors meeting held on 25th
July 2018**

The draft minutes of the meeting held on 25th July 2018 were considered. In the resolved box under 020/2018, the word 'Deputy' should be removed to read *'that the Board noted the Chief Executive's Report'*. Under section 023/2018, 'Workforce Quarter 4 Report should be removed' and the section should read *'The Board received the Mortality Dashboard (Learning from Deaths) Report'*.

Approved:

- **The Board approved the minutes of the Board meeting held on 25th July 2018 as an accurate record, subject to the amendments outlined in the minutes.**

031/2018 Review Action Log and Matters Arising

Completed actions were noted. With regard to action item 1, Mr Mundy suggested that a Joint Board Workshop for the Boards of both CHSFT and STFT be held to receive an update on the outcome of the CHSFT visit from NHS Digital. A date is yet to be confirmed.

032/2018 Chairman's Report

Mr Mundy prefaced his update with an emphasis on planning and referred to the move at a national level to develop a plan to set out ambitions for improvement for the NHS for the next 10 years. The Regulators were seeking views from the wider population and are working with local and national system leaders and stakeholders to develop plans which are realistic and deliverable. Mr Mundy referred to the announcement of increased funding of £20.5bn over the next five years, but noted that the funding did not include, Public Health, Training and Education and Capital Spending, nor would it take account of pressures in social care and how Brexit will impact the NHS. The Board noted the challenges in ensuring a sustainable future for the NHS in this regard.

With regard to Brexit, Mr Mundy queried whether the Board was satisfied that assurances were in place locally in terms of the impact on the safe delivery of patient care. It was confirmed that the risks associated with Brexit had been included on the Board Assurance Framework, but that Trusts had been advised by the Centre not to develop local plans as yet. Mr Clarke suggested that the health sector was not well equipped to deal with such issues and Mr Davison suggested the impact on the NHS supply chain could be significant. Dr Wahid agreed that the outcome of the Brexit deal may have an impact on Trusts financially, but such pressures would need to be balanced with ensuring safe patient care.

Following attendance at a recent NHS Providers event, Mr Mundy advised that Winter Planning was now high on the agenda and the Board would receive an update on local Winter Plans at the Board Development session on 9th October.

The Secretary of State's positive ruling on the CCGs' decision on CSR Phase 1 based on the findings of the Independent Reconfiguration Panel had been communicated to the Trust earlier in the month and Mr Mundy noted that the final hearing with regard to the Judicial Review would be in the High Court in November.

Mr Mundy emphasised the importance of the Trusts Dementia Strategy which had been launched in September. The strategy will be delivered across both STFT and CHSFT and encompasses the work to support patients and staff to understand how best to deliver the right compassionate care now, and in the future. Ms Johnson referred to a Dementia Workshop which had taken place as part of the strategy launch and commented on the enthusiasm of the teams involved. Mrs Griffin also referred to the need to support staff who had been diagnosed with dementia.

Mrs Thompson briefed the Board on a recent visit to Haven Court and stated she had been extremely impressed with the facility, both in terms of the environment and the exceptional care and compassion being delivered. Mr Tallintire supported the comments reflecting on discussions with a carer who had experience in the delivery of private care.

Finally, Mr Mundy referred to a recent meeting of the South Tyneside Health and Wellbeing Board at which organisations were asked to give their support by writing to the Exchequer Secretary to the Treasury to express concerns about the impact of recent cuts in alcohol duty and to ask the Government to increase duty in this year's budget. Given the impact of cheap alcohol on the health and well-being of the most vulnerable in society, particularly in deprived areas, the Board agreed that Mr Mundy and Mr Bremner write jointly to the Health and Well Being Board to express their support in this area.

Resolved:

- **That the Board noted the Chairman's Report**

Action:

- **Mr Mundy and Mr Bremner write jointly to the Health and Well Being Board to express their support to representations being made in relation to alcohol duty**

033/2018 Director of Finance Update (on behalf of the CEO)

Mrs Pattison briefed the Board on the recent issue relating to arrangements for the disposal of clinical waste. Along with many Trusts across the country, STFT and CHSFT hold a contract with Healthcare Environment Services (HES) Limited for disposal of the Trusts clinical waste. The Environmental Agency had raised concerns regarding the operational practices of HES which had resulted in enforcement action. It was noted that this would likely result in the closure of the Northern plant. A significant amount of work had been undertaken at a regional and national level to develop options for disposal of clinical waste should the plant close. Contingency plans have been developed with Local Authorities in the short term, however, longer term solutions are still being considered. Mrs Thompson asked if a public statement was ready given the likelihood of local media interest. Mrs Pattison advised that to date, the issue was being managed nationally, but advice had been taken with regard to managing communications at a local level.

Mr Tallintire referred to a recent Board/Governor visit to the Waste Team and issues had been tentatively mentioned. He queried where liability would reside should any issues arise in the future. The Board acknowledged the responsibility of the Trust to have in place systems and processes to dispose of clinical waste but advice and support continued to be provided from the Centre around contingency planning.

Following the CQC inspection undertaken at Haven Court, Board members were reminded that concern had been raised regarding the absence of a Registered Manager for six months, despite efforts to recruit into post. Following correspondence outlining the mitigations put in place during this period to ensure safe and effective leadership, notice had been received from the CQC that there would be no fixed penalty notice given. Ms Johnson advised that a response had been provided on factual accuracy of the draft report and the final report would be circulated once received.

Mrs Pattison informed the Board of the temporary closure of St Clare's Hospice following a CQC inspection which highlighted a number of areas for concern and felt that satisfactory progress had not been made to address issues highlighted on a previous visit. Seven patients had been affected by the temporary closure, all of whom had either been safely transferred to other providers or facilities, or safely discharged home. The CQC continued to support St Clare's to develop appropriate action plans and address deficiencies in service provision. Mr Davison asked if the issues could have been highlighted earlier. The Board were reminded that the service was not the responsibility of the Trust. Mrs

Cole asked if there was any learning the Trust could take from the findings of the inspection. Dr Wahid advised that the Board could be confident that the issues identified in St Clare's would not be reflected in the Trust's systems and processes.

With regard to the development of the NHS 10-year plan, Mrs Pattison advised the Board that working groups been established at a national level to focus on a clinical and life course work stream and enablers work steam, comprised of leads across the whole country.

Finally, Mrs Pattison informed the Board that Professor Colin Rees, Director of Research and Innovation had been involved in applying for two large grants, one of which had received funding of £1.25m.

RESOLVED:

- **That the Board noted the Director of Finance Update**

ACTION

- **Circulate the CQC final report following the inspection to Haven Court**

034/2018 Quality Report (including Patient Story)

Ms Johnson and Dr Wahid presented the Quality Report. Ms Johnson referred to a positive story of a patient who attended Cardiology Rehabilitation with a particular focus on the excellent follow up treatment and rehabilitation, the impact of the exercise classes, professionalism of the team and the ability to lead an active life.

With regard to the Acute and Community Hospital Acquired Pressure Ulcers (HDPUs), Ms Johnson referred to the improved trajectory for July 2018, but did note that overall, numbers continued to be high. Detailed discussions continued to take place at Governance Committee regarding the impact of the Pressure Ulcer Improvement Plan being delivered across both Trusts. Ms Johnson also noted that NHS Improvement (NHSI) had published new guidance for PU's which would result in a further re-casting of the way PU's are counted.

As Chair of the Governance Committee, Mr Davison reiterated the work ongoing to reduce the number of PU's but again noted the absence of being able to distinguish between avoidable and unavoidable cases. He also referred to the target of a 25% reduction of PU's over five years and advised this was deemed to be realistic and achievable. Mr Mundy noted his ongoing concern regarding the number of PUs and asked if the Board was assured that the fundamentals of care were being delivered. Ms Johnson advised that the key issue related to nurse staffing numbers and noted that resources were in place, but securing the time to undertake the training could be challenging. Ms Johnson reassured Board members of the Root Cause Analysis process following identification of grade 3 and 4 PU. She also noted that there was no standardised methodology for all Trusts to count PUs in the same way, making benchmarking difficult. Mr Tallintire noted that the Governance Committee had been impressed with the level of assurance provided as part of the Deep Dive on PUs.

Dr Wahid confirmed that there had been no reported cases of MRSA against the Trust's limit of five for the year. Two cases of Clostridium Difficile had been reported in July bringing the total for the year to date to five against an annual target of seven. Dr Wahid

advised that four cases were subject to appeal. Dr Wahid also highlighted six cases of E-coli year to date against a target of 13.

With regard to Dementia Screening, Ms Johnson noted that there had been a reduction in screening for the Trust and advised that the challenges related to the absence of an electronic recording system at STFT. A detailed discussion also took place at Governance Committee, in particular, the percentage of emergency in-patients aged 75 and above, with a length of stay of longer than 72 hours, who had had a diagnostic assessment, referred for further diagnostic advice in line with local pathways. Dr Wahid advised that the teams were exploring whether performance was due to manual data collection or pathway change.

Ms Johnson advised that the Governance Committee was considering aligning the STFT Board / Governor visits to the CHSFT Patient Safety Walkrounds methodology which was based on the Institute for Healthcare Improvement model.

Dr Wahid referred to the weekly audit of medicines charts to monitor compliance with antimicrobial guidelines as well as the completion of the 72 hour review and the CQUIN indicator relating to the overall reduction of: defined daily dose usage, Carbapenem usage; and increasing the proportion of AWaRe category antibiotics used to 55%, and noted that the Trust were on track to achieve the indicators.

Ms Johnson noted a reduction in the number of safeguarding children referrals in the community, largely relating to the loss of the 0-19 service.

Ms Johnson noted that the amendments to legislation relating to Deprivation of Liberty Safeguards had been postponed to 2020. Should the legislation proceed, it would result in a change of responsibility Local Authorities to Providers in terms of assessments. The Governance Committee would be apprised of any updates.

Datix, the Trusts incident reporting system, had been subject to significant review over recent months and training was being rolled out for staff across Trust. Datix would be implemented at CHSFT, but this would take place during 2019/2020.

The Board acknowledged the slight improvement to nurse staffing numbers with a reduction in the number of vacancies. A recent recruitment day resulted in 27 people applying for posts in the Trust. A further trip to the Philippines would take place with a focus on recruitment in STFT. On behalf of the Board, Mr Mundy congratulated the teams for an excellent and inspirational conference on nursing held in September.

Resolved:

- **The Board received the Quality Report (including the Patient Story)**

Action:

- **To explore aligning the STFT Board/Governor walkrounds with the CHSFT Patient Safety Walkround**
- **To explore the reasons behind low performance on dementia screening**

035/2018 Performance Reports

Financial Performance Report

Mrs Pattison presented the finance report to the end of August 2018 and advised that the Trust was ahead of plan by £919k, an improvement on the previous month. Despite the budget not yet being set for the increased pay-award, pay expenditure continued to perform better than planned. The Board noted that risk ratings had now been included in the finance report, and reflected strong financial performance overall.

The Board had been advised previously of a risk relating to the shortfall in national funding relating to the pay award. The Trust had accounted for the 2018/19 pay award in line with the guidance issued by NHSI. The figures reported reflected the full impact of the pay award up to the end of August and included pay arrears relating to April, May and June. The Trust revised its calculation based on the actual pay award figures and was expecting an unfunded pressure of £156k.

The agency ceiling had been breached in the month and the Trust remained below the target overall. Mrs Pattison noted that a significant amount of work was underway to address the issue including where possible, ensuring that nursing shifts can be filled through the use of bank and all agency requests are appropriately considered and authorised. It was also noted that should the Trust breach the cap from a cumulative point of view, NHSI would commence action planning process. It was also confirmed that breaching the cap would not affect access to Provider Sustainability Funding (PSF).

Income was ahead of plan by £1,496k. The majority of the over performance year to date related to funding received from NHS England (NHSE) in relation to the National Pay Award. The vast majority of income for 2018-19 was on block contract and other non-clinical areas which had resulted in income being above plan were research and development, catering VAT refund, additional Vanguard funding and transformation of community services funding.

Pay showed an underspend of £546k against plan with the highest area of underspend within Nursing staff, particularly in community services where high levels of vacancy continue.

With regard to Cost Improvement Plan (CIP) for 2018/19, following the June resubmission of the Trust's NHSI Plan this had been increased by £1,879k to £11,379k. The additional CIP was planned to be achieved as a corporate stretch target rather than being added to divisional targets. The CIP achievement at the end of August, excluding the additional stretch target, was £3,111k against a year to date target of £3,091k. The CIP forecast was £1,690k behind plan.

A forecast outturn position showed the likely position of a £1,151k variance from plan, excluding PSF. Mrs Pattison advised that discussions continued with commissioning colleagues focusing on issues including winter funding and merger benefits.

Mr Davison referred to the balance sheet and debtor balances of £19m. Mrs Pattison noted that discussions had taken place with NHS Property Services. The balance had been escalated to NHSI and the Department of Health and the issues were as yet unresolved.

Mr Mundy requested an update on cash flow and loans. Mrs Pattison referred to the breakdown of the drawdown of loans undertaken to date and advised that there were no issues to flag in terms of access to the funding.

Operational Performance Report

Ms King presented the performance report as at end of August and noted that A&E performance remained strong at 95.5% and the Trust continued to achieve the operating standard and PSF trajectory of 95.0%. Performance for September remained above target 96.3% to date. The Trust was ranked 16th out of 136 acute Trusts and was also ranked fourth best in the region.

Referral to Treatment Time (RTT) performance remained strong and the Trust continued to perform above target at 96.0% in August, with achievement at both Trust and specialty level.

Improving Access to Psychological Therapies (IAPT) waiting times and Diagnostic targets continued to be achieved.

Due to cancer reporting timescales being one month behind, the performance report included July's confirmed position. All cancer waiting time standards were achieved with the exception of two week waits. Gastroenterology and Colorectal Surgery continued to be subject to the formal performance escalation process. A revised cancer pathway was successfully implemented during July; however, indicative two week wait performance for August was currently below target due to capacity issues for Gastroenterology. The specialty was pursuing all available options to manage demand and increase capacity.

With regard to VTE risk assessment performance, Ms King advised that the preliminary position was currently below the national target, however the breaches had not been fully validated and it was expected that following validation, performance would be on target.

With regard to ambulance handover delays, the number of ambulance arrivals remained steady and the Trust continued to receive the lowest volume of ambulances in the North East. Between July and August the number ambulance handover delays over 30 minutes had risen slightly, and delays as a proportion of all arrivals was 8.2%, higher than the regional average.

The Trust reported 1.5 breaches of the 62 day operating standard for urgent GP referrals due to a combination of complexity, diagnostic delay and patient choice. Ms King emphasised the large variances in monthly performance due to the relatively small volumes involved.

Mr Clarke noted that the A&E 4-hour standard was not currently being met by CHSFT and asked what plans were being implemented as part of the transaction process to ensure the standard could be met post-merger. Ms King advised that the guidance regarding PSF had yet to be published. The NHSI Emergency Care Improvement Team visited CHSFT and recommendations were made. An internal deep dive had also been undertaken to support the review. Ms King advised that achievement of 90% or higher at CHSFT during winter would be a challenge. Mrs Pattison also confirmed that PSF would not be available nationally after the 2018/19 year, with the likelihood that PSF would be linked to the £20.5b longer term planning for the NHS. Dr Fenwick also noted that irrespective of the model of care, there remained a staffing gap and this would require further discussion at a regional and national level.

The key risk to highlight to the Board was the risk to achievement of the Cancer two week wait performance going forward.

Resolved:

- **The Board received the Finance and Operational Performance Reports**

036/2018 CQC Action Plan Progress Update

In response to the CQC report following the inspection in October and December 2017, an action plan was developed and agreed at Governance Committee in March 2018. Ms Johnson provided an update on progress against the action plan with a particular focus on the 'must do' actions which were not yet closed relating to: alternations to the Emergency Department (ED) for patients with mental health needs; compliance with mandatory training in ED and Surgery; and percentage of patients having a Malnutrition Universal Screening Test (MUST) assessment within 24 hours of admission. Actions to close the gaps continued to progress and there were no risks to highlight to the Board.

Ms Johnson also provided an update on progress to address the 'should do' actions and highlighted gaps where those recommendations were yet to be closed. A further update would be provided to the December meeting of the Governance Committee. Mr Davison also reassured members of the Board that the CQC action plan would be included in the Governance Committee's regular report on the Trust's Assurance Programme to triangulate any gaps in assurance.

Mr Mundy asked if the Board felt satisfied with the pace at which actions were being completed given the Trust's ambition to get from 'Requires Improvement' to 'Good'. Mr Davison and Mr Tallintire stated that significant assurance had been received in terms of actions taken to address the recommendations and the Committee were fully satisfied in terms of progress. Mr Clarke also supported the approach taken by the Committee to incorporate the monitoring of the CQC action plan with the Trust's overarching Assurance Programme.

Resolved:

- **The Board received the CQC Action Plan Progress Update**

037/2018 Joint Governance Committee Terms of Reference

Mrs Johnson referred to the Terms of Reference for the Joint Governance Committee for approval by the Board which was fully supported by Mr Davison. Mr Tallintire confirmed he would be standing down as a member of the Committee and Cllr Iain Malcolm would continue as Non-Executive Director representative for STFT.

Mr Mundy referred to the Terms of Reference of the Board sub-committees and noted the requirement for the production of a Committee Annual Report for submission to the Board. Ms Henderson noted that the Audit Committee and Remuneration Committee, the statutory Board committees, submit annual reports as part of the overarching Trust's Annual Reporting process. With regard to the Governance Committee, she suggested that the Quality Report fulfilled this responsibility. A review of the Terms of Reference of other Committees would be undertaken to establish the requirement for the submission of Committee Annual Reports to the Board.

Approved:

- **The Board approved the Joint Governance Committee Terms of Reference**

Action:

- **Review Committee Terms of Reference and confirm the requirement for a Committee Annual Report to the Board**

038/2018 FOR INFORMATION

Gosport Independent Panel Report

The Board received the report for information and acknowledged that the report had been discussed in further detail at the Governance Committee and other clinical forums in the Trust.

Resolved:

- **The Board received the Gosport Independent Panel Report for information**

039/2018 Any Other Business

There being no other business, Mr Mundy declared the meeting closed.

Date and time of next meeting

The next meeting of the Board of Directors held in public will be held on Wednesday 28th November 2018, 3.00pm in Community Rooms A&B, Cleadon Park Library, 10 Prince Edward Road, South Shields