



**Minutes of the Joint Trust Board/Members Council Meeting held on
Wednesday 30th May 2012 at Hillscourt Conference Centre**

Present:

Mr Laurence James, Chairman
Mr Donal O'Donoghue, Chief Executive
Mr Graham Bragg, Director of Strategic & Business Development
Mrs Lindsey Webb, Director of Nursing & Governance
Mr Steve Bloomer, Director of Finance
Mr Michael Woods, Interim Director of Operations
Mr Andrew Thomas, Medical Director
Mr Robert Millinship, Non-Executive Director
Dr Liz Hensel, Non-Executive Director
Mr Roger Otto, Non-Executive Director
Professor Tauny Southwood, Non-Executive Director

Members' Council Members

Mr Alan Last
Mr Kenneth Williams
Mrs Stella Noon
Mr Joseph Blackledge
Mrs Jan Walshaw
Dr Marion Thompson
Mr Paul Sabapathy
Mr Richard Burden

In attendance:

Ms Joy Street, Company Secretary

ACTION

05/12/1211 Apologies and welcomes

Apologies had been received from Mrs Frances Kirkham, Non-Executive Director and Mr Chris Monk, Non-Executive Director

Members Council Members

Mr Neil Hart, Mr Gary Roskell, Mrs Sue Arnott and Mr Parvez Hussain, Mr Robert Talboys

05/12/1212 Declarations of Interest

No other Declarations of Interest than those registered previously.

05/12/1213 Minutes of the Trust Board meeting held on 25th April 2012

The minutes were approved as a correct record subject to the following changes:

- 04/12/1194, 'LJ confirmed that the discussion acted as a precursor to underpin thinking'
- 04/12/1195, paragraph 3 on page 4, to be amended to read 'elements linked to enabling'
- 04/12/1198, paragraph 3, to read 'more annual leave than planned having been taken'
- 04/12/1204, Audit Committee Feedback to include financial statements

05/12/1214 Action Points

Action points were updated (please see action point notes).

02/12/1147 - Physician cover remained unresolved but assurance was given that the current physician cover would be maintained pending the review of the medical workforce activity being covered elsewhere on the agenda. Junior doctor and nurse practitioners also provide cover. DOD confirmed that the availability of doctors interested in and available for this sort of post was quite low. TS confirmed that current cover was adequate but that longer term there was need for adequate and comprehensive cover given the profile of Trust patients and the complexities of their needs. AG responded that such change was recognised and that the analysis of doctors' activity would ascertain levels of need. DOD confirmed that he had spoken to other large acute Trusts to look at potential arrangements. An update was requested for the next Board coupled with a confirmed timescale for resolution subsequent to the proposed analytical work on medical activity. LW added that work was being undertaken to review deteriorating patients which will give a picture of complexities and this would feed into this issue.

03/12/1154 – noted a positive meeting with the University had cemented agreement for two 50/50 funded roles.

03/12/1172 – noted constitutional changes were unlikely to be needed until February 2013 although there was no confirmation of this yet.

03/12/1175 – noted the Metal-on-Metal issue had been reviewed in detail at IGC and letters had triggered a good response to the questionnaire.

Consent had also been discussed at IGC and a lead had been identified.

03/12/1194 – DOD updated the Board to confirm that a series of meetings had been held in Theatres to communicate directly with all consultants in light of poor attendance at Medical Staff Committee. The Trust Business Day would evolve to address this issue. AT confirmed that there was good general support for the Trust Business Day.

04/12/1194 – Board members were reminded that there would be a Quality Workshop attended by patients on the 14 June 2012.

05/12/1215 Chairman's Update

- The Chairman introduced his paper on Board Meeting Schedules proposing 8 Board meetings and 4 workshops with 3 joint meetings with the Members' Council. LJ confirmed that the Chairs of IGC and Audit Committee should determine the frequency of these Committees.
- Standing orders would be amended to ensure that delegation arrangements were put in place. **This would commence in July 2012.** TS identified that there would be need to ensure that timely information and updates was maintained. PS suggested having a trial period and ensuring dates were in diaries.
- LW and LJ had attended a Monitor Quality Governance day in London which had been excellent. This had covered the stringent process used with aspirant Trusts and was an essential item for existing FTs to consider. This approach should be embedded in the ROH and will be considered at the Quality Workshop in June.
- DOD had taken a number of staff to Liverpool to review theatre activity management at Broadgreen Hospital. This had given the team many ideas for consideration in support of Service Line Management.
- A Specialist Orthopaedic Alliance meeting had been held and many issues were shared of relevance to specialist Trusts.
- DOD, AT, LW and LJ had been invited to attend a large meeting held by the PCT Cluster. The themes were delivery today and building for the future and it was confirmed that quality and safety were paramount. DOD felt heartened that this was the case despite the funding pressures on the NHS.

- Monitor had made an informal visit to ROH and this was an introductory meeting following a change of relationship lead. RO and FK had joined LJ for a session and a separate meeting had been held with the Executive Directors. DOD felt that Monitor saw the Trust as a high performing organisation and RO advised that this should be maintained by strong performance.
- Members' Council elections were in train and sessions to brief interested nominees would be held on the 11th June, 3 – 4.30 pm and the 13th June at 6 pm. The letter from the Chairman had attracted quite a high level of interest at this stage and the briefings would help explain the expectations of the Trust both now and after enactment of the Health Act.

Strategy and Organisation Development

05/12/1216 Patient Stories

LW introduced the reasons behind having patient stories at Board meetings as a way of ensuring that real stories were shared rather than simply paying attention to data on performance. TS expressed concern that balance be maintained in these discussions because selection bias could skew views of Board members unless properly contextualised.

The first case was about delays in appointments after an urgent referral for ultrasound had taken several weeks. The patient had agreed for their correspondence to be used to support learning in the organisation and this was circulated but was to be collected at the end of the meeting.

PS asked whether the purpose was to discuss the issues or check on the actions taken. DOD explained that this was not about assurance on action plans as that was dealt with elsewhere. The purpose was much more to give a flavour and context to an issue of particular concern that was related to other items on the agenda. This case related to values and HR as well as patient flow through the system. SN said that these types of issues were also highlighted through the Patient Experience Group. TS suggested that context would help and LW responded that this may allow executive bias rather than free thinking. It was suggested that this be discussed outside of the meeting. GB felt that there were issues about communicating with doctors so that they did not falsely raise patient expectations.

The second patient story was of a GP who came in for treatment and who explained what had happened to him, in particular, his need for more information about what would happen to him and when.

DOD felt that the issues raised were areas where there was room for performance and were the same issues as were raised many years ago. This highlighted the need for better handovers from team to team. RO felt the example gave many trigger points for consideration on communication and preparation as well as after care. LW said that the idea she felt would be useful was that of explaining ward routine to patients. SN felt that workshops were very effective compared to pre-operative assessment in explaining to patients what would happen. DOD gave feedback on a trip to Boston some time ago where above each patient's bed was a daily schedule of what would happen on their pathway to discharge.

05/12/1217 Feedback from Board Review by Capsticks

LJ introduced the draft report from Capsticks, prepared by Andrew Corbett-Nolan. LJ felt that the report was not as in depth as he would have liked but that the recommendations would be considered and many ideas were already in progress.

AG suggested that the Board should reflect on how its own behavioural culture was seen by and reflected within, the organisation.

05/12/1218 Annual Plan

SB gave a presentation on the Annual Plan which was due for submission to Monitor by 5pm on 31st May. The plan aims for increased productivity but has a mitigation in place should this not be delivered. The details of the mitigation would be redacted from the published plan on grounds of confidentiality. BM asked if this was a requirement and SB said it was not explicit but it is a recognised component of the required submission. GB commented that the Trust also needed to have mitigations in place to bring in as necessary. PS commented that he was impressed that the Trust invests to save before it then spends on service development. The opening of the ambulatory care facility would be a positive development to support day case activity.

Close liaison with commissioners and GPs, for example through the physiotherapists, had resulted in increased service development opportunity.

The introduction of clinically led service lines would ensure that the business had smaller units of accountability across the spectrum. There would also be an increased focus on health informatics to support the data preparation that would underpin the moves towards greater productivity.

Areas of focus included:

- Hand surgery – known demand
- Greater engagement with commissioners to increase referrals
- Revisit the balance of specialist to routine work but capitalise on opportunities for specialist work
- Bone Infection Unit possible expansion in response to demand
- Development of a stronger academic base
- Capital programme of £17.2m covering major capital works and equipment replacement – all internally funded
- The key risks were presented – demands of a more complex mix of patients; need to learn from serious incidents and complaints; essential workforce engagement; failure to deliver CQUINs (incurring fines); tariff inadequacies; impact of NHS reform.

PS suggested that one of the challenges was to ensure all staff understood the changes in the commissioning landscape. SB advised that all the leads had been involved in the contracting round and could disseminate things to their staff and the Service Line Management process would allow for greater involvement in clinical engagement meetings. AG felt there remained a need to do more staff engagement.

DOD drew attention to the Trust's ambitions for activity in a context where this would be challenged by Monitor. The ROH would actively offer to provide NHS orthopaedic treatment within targeted timescales and could support other Trusts in their achievement. This also helped recognise the generic downward trend in funded activity as against the demographic determinants of demand. AT said that the engagement with GPs through the commissioning groups had been really valuable with direct ROH consultant involvement.

SB highlighted the Trust Board Statements which were required for sign-off. There was one statement which the ROH had failed to declare as fully compliant which was around full compliance with all known targets. This was due to the risk of failing to achieve the 92 percentile target for patient pathways where the Trust had thought it might

not achieve this target in April and where there remained significant risk. GB confirmed that all the specialist Trusts were struggling with this target.

This would give the Trust an amber-green governance rating rather than green.

The Board approved this.

BM, in response to other government statements, commented that the Board had not heard an update on revalidation. **It was agreed that there would be an update at next Board on Revalidation.**

AG

Turnover was planned to rise from £70.5m to £71.7m and £73.1m across the three years with a £2m surplus in year one and £2.5m in the subsequent two years. The plan aims for a financial risk rating of 4 for each of the three years with governance ratings of amber/green in year one and green in years two and three.

RO fed back that the Trust Auditors felt that the cost improvement target was the big financial challenge in year one. RO asked what the balance was, for the remainder of the plan between taking cost out and generating income and SB advised that it was 50/50 by the end of the year.

TS asked what was in place to ensure horizon planning to weatherproof the organisation. DOD explained that through the executive engagement in the wider market and the clinician opportunity to play a greater role, the changes on the horizon would be routinely reviewed.

The Board unanimously approved the Annual Plan for 2012/13 onwards.

05/12/1219 Board Briefing on HR Issues

AG introduced the discussion. Historically there had been concerns about costs of workforce, people development, governance and values. The Board was updated on progress in terms of each of these during the previous year.

Priorities:

- staff engagement – visible in action as motivated staff, clear about their role and actively involved in many aspects of the organisation
- workforce renewal – ensuring staff are ready for the challenges and have supported learning opportunities. This may well require a change in mind set about the

identification of opportunities.

- Talent identification and management – needs to be measured and planned
- Continuing focus on leadership capability – particularly in terms of behaviours.
- Workforce planning for the future – the Trust needs to focus on risks (for example ageing consultant workforce and estates workforce)

The Executive Team will focus on leadership and the support of personal development and then support for decision making at the June Executive Team Awayday as the key enablers for change. The Trust will help staff understand how their roles fit into the delivery of objectives. Staff will be supported to help maintain their own health and well-being.

The Trust has above average levels of sickness against its benchmark group (a West Midlands tool is used for this) and well-being events will be used to encourage staff to maintain health and procedures will be streamlined. BM asked if the hot spots of sickness at the Trust were paralleled in other Trusts but AG advised this was not available. The moving annual average had got marginally worse in the last year.

The Trust's use of temporary staff will be reviewed as it currently accounts for 10% of the pay bill. It was noted that 18 of the 21 recommendations in the summing up by Sir Robert Francis after taking evidence in the Mid-Staffordshire enquiry related to workforce.

Noted local pay rates will be considered across the country and this will have an impact.

PS asked how HR would support Service Line Management. AG responded that the first step would be recruitment and then this would be supported with leadership training.

AL commented that in his decade of experience of producing workforce plans, very little attention was paid to them by managers as they looked to the future and managers focused on the immediate.

DOD posed the question 'how do we as a Board ensure that our staff are doing what we need them to do'. Key to this must be that staff can answer the question 'what difference does my job make?'

LJ asked whether, if departments were challenged, these plans were embedded. DOD advised that plans had to be locally owned not held in HR. AG promised a staff engagement strategy; approach to training and then workforce planning to come back to the Board after the summer.

SB felt that defined outcomes would be essential to success and needed to be agreed.

PS felt that all departments should own their own HR activity rather than rely on HR as a department. AG felt that the Trust was very good in parts and probably was at a 6/10 level. DOD gave the example of the new Clinical Director job descriptions including responsibility for workforce issues.

It was agreed that AG come back with a comprehensive update on detailed actions, timescale and progress in 3 months' time.

AG

05/12/1220 Clinical Engagement and Activity

DOD explained the position on activity which was lower than plan and lower than the historic position at the ROH and compared to other Trusts in some areas.

A review of consultant listing practices and of complexities had shown areas of concern. There had been dawn meetings with surgeons and anaesthetists which had captured 95% of consultants to seek their input in support of the organisation.

SB referred to the Corporate Performance Report and drew attention to theatre performance and volumes as well as bed occupancy coalesced to result in a significant under-performance and consequent impact on finances. The outpatient performance had also given cause for concern as this provides the surgical order book.

Consultant listing practice would continue to be challenged to enable a much longer forward look at planning. MW confirmed this and advised that daily reviews were taking place. Increased focus from managers did result in improved performance and this would be maintained until working practices had been changed.

DOD fed back from the Clinical Directors' meeting which had come up with some ideas. The meeting had demonstrated a reluctance to challenge colleagues on issues seen internally as controversial. There were,

however, pockets of good practice such as oncology where patients could be allocated between consultants but it was clear that some teams remained against this type of approach.

AT felt that surgeons would welcome doing more operations. The challenge of star performers should be to ensure that their patients got treated in a reasonable time. Some support for marketing consultants who were less well known may be useful.

BM asked what had changed in the last few months to have an impact on this performance when the Trust had balanced these issues for a significant period of time. DOD confirmed that the Trust had not stopped using any of its usual processes but there had been some one-offs such as a major spinal surgery conference. This was an example of a team that was currently less than flexible in its approach.

SB commented that April had been the lowest month for 13 months and there were a range of known issues but that detailed work and discussion with consultants was now essential to take corrective action. Results needed to be seen quickly to compensate for the known under-performance by the end of June.

LJ confirmed that he was assured that the Executive Team was addressing the issue.

PB felt that the Annual Plan proposals already agreed meant that the resolution of these issues was absolutely vital.

05/12/1221 2011/12 Strategic Direction – Year End Review March 2012

The Trust Board agreed a process for monitoring the Strategic Direction for 2011/2012 at their August meeting.

The monitoring process included a mid-year and end year review of all strategic objectives and KPI's and in the intervening month detailed reports on specific strategic objectives by the appropriate lead officer.

The Year-End Review on the performance of the Strategic Direction from April 2011 to March 2012 had been circulated.

The Board considered the Year-End Review and noted the position at the end of March 2012.

05/12/1222 Investment Committee – No meeting held

Performance Management

05/12/1223 Corporate Performance Report

The overall red is triggered by the financial risk rating of 1, which is in turn driven by poor activity levels. Workforce is red due to sickness and safety is red driven by incidents per 100 bed days.

SB explained that there had been a planned deficit for month one due to available operating days but that deficit had worsened. Despite lower activity, pay expenditure was higher than planned.

67% of cost improvements had been achieved at the beginning of the year and non-pay had performed well. Increases in activity to overall planned levels for the quarter should be achieved if planned leave is adhered to and notice of empty lists given in sufficient time to allow them to be filled. Surgeons able to use capacity had been identified. SB gave his assurance that the Trust should meet its target and achieve a financial risk rating of 3 or 4 by the end of the quarter.

MW reported that all cancer targets had been met. Despite declaring a risk of not meeting the 92 percentile target, the Trust did meet this for April. Backlog figures for non-admitted had reduced.

The ethnicity recording in the report is erroneously red and will be corrected.

05/12/1224 PMO Report

SB advised that there were new schemes for Service Line Management which were currently red as plans had not been populated yet. More schemes would be added that link to the new plan. The front line administration review had been approved and would roll out from mid-June. There was an anticipation of some adverse reaction from staff, but support would be made available during the transition period.

05/12/1225 **Assurance Reports**
Director of Nursing and Governance Patient Safety Report

LW presented the report and highlighted the following.

Serious Incidents requiring investigation (SIRI)

There had been 2 SIRIs in-month, an increase on 1 the previous month. One was a pressure sore caused by plaster, the other a business continuity issue where the MRI scanner was out of use.

Ward Dashboard

The Board noted the following actions had been taken

- 6 week plan to increase appraisals in HDU and Theatres in place
- A number of management actions had been taken to provide continuity of service in HDU, Recovery and Critical Care Outreach service due to some workforce changes
- Launch of Saving Lives to improve care of cannulas in Theatres
- Discharge planning to be discussed and improvements agreed at the May Service Improvement Forum.
- Improvements in cannula audits within the Inpatients Directorate to be disseminated to other areas to ensure wider improvements are achieved.

Surgical/Anaesthetic audit

Audit

An audit of prescribing practice for patients on the enhanced recovery pathway (ERP) was presented. Prescribing against the guidelines within the ERP pathway was audited with overall compliance noted as poor. Links to length of stay were proposed and these were challenged in light of the small number of patients audited (25) and the other factors that impact on length of stay. Access to the ERP guidelines, improved identification of patients on the ERP and revision of the pain management guidelines are all actions that are underway following this audit.

Complications

In addition to the patient death identified in section 2 of this report other complications that were discussed included infections, stroke, a revision required following a fall sustained by a patient at home, gastric bleed and development of a haematoma requiring further surgery.

SMT Safety workshop – progress report

The outstanding actions from this action plan relate to medical staff engagement and quality information at subspecialty level. These will now be picked up via the on-going work on SLM and IM&T.

Friends and Family net promoter question (CQUIN)

The Trust's response to the first month of data collection for this had resulted in a score of 76.01% putting the Trust in the upper quartile for the region.

PEAT

The results of the PEAT 2012 programme had now been confirmed and are better than initially anticipated.

Environment: Excellent (initial indications were for a score of good)

Food: Good

Privacy & Dignity: Excellent

National publication of the individual PEAT scores will take place in July.

05/12/1226 Quality Account

LW presented the 2011/12 Quality Account and Report to the Board to enable the Chief Executive and Chairman to sign the Statement of Directors responsibilities.

The Quality Account/Report had been incorporated into the Annual Report for scrutiny and approval by the Audit Committee at its meeting on 29th May 2012.

The Audit Committee received limited assurance opinion from external auditors (currently the best level of opinion available) at their meeting and RO as Chair of Audit Committee approved it for submission.

LW noted the PCT feedback which was significantly different from previous years as it included unedited feedback comments from a much wider group of individuals some of which were inappropriate for action in light of the guidance on production of quality accounts. The trust's auditors had commented that this was not unusual this year and comments to some other trusts had been significantly worse.

The report should now go to the website.

The Statement of Directors' responsibilities (Appendix 1)

The Board approved the sign off of the Statement of Directors' responsibilities by the Chief executive and Chairman

05/12/1227 Quality Governance Framework Review

The scheduled Board Quality Workshop on the 14 June would be structured around each domain of the Quality Governance Framework (QGF) and at the end of the day Board members will be requested to revisit the self-assessment using the Monitor scoring system.

The Board noted the progress made since the QGF self-assessment in March and agreed the proposal to re-assess in June 2012 at the Board Quality workshop.

05/12/1228 Staff Survey

AG presented the Staff Survey to inform the Board of the annual staff opinion survey results, including comparisons with benchmark Trusts. Noted that the CQC use this to contribute to their quality risk assessment of the Trust.

The Board considered the results, particularly the results for overall levels of engagement, training, hand washing materials and harmful incidents and endorsed the areas of focus for 2012/13 as:

- Clinical incidents and errors – feedback
- Training
- Communication about the future
- Reflections on the strategic approach to engagement

AL asked if staff reflected these concerns at performance reviews and was advised that this was not a general pattern but that some of the informal soundings more closely reflected this.

The Board noted and discussed the results and endorsed the areas of focus above as detailed in the report.

05/12/1229 Integrated Governance Committee Report – 25 May 2012

TS provided a written overview of the meeting held on the 25 May 2012 and highlighted the following:

- Clinical Outcomes & Effectiveness Committee and clinical audit database – now functioning; focusing on discrepancy reports expected from histopathology and radiology as well as anaesthetics.
- Risks for the Board Assurance Framework were agreed with 4 risks added and updates given on key issues

- Complaints reporting under Service Line Management
- The workplan would be updated in light of the need to ensure fit with the new Board schedule.

SB asked whether in future the Committee would be able to give assurance on issues as well as report on the nature of the discussion held. TS and LJ agreed that this was possible.

RO advised that TS and he discussed matters between meetings to ensure neither duplication nor gap.

The Board approved the Terms of Reference for the Integrated Governance Committee.

05/12/1230 Audit Committee Report – Feedback from 29 May 2012

RO highlighted:

- Feedback from IGC had been seen and discussed.
- Physician cover and inability to control Theatre spending were reviewed.
- Risks to the organisation as a result of the loss of governance staff were considered and assurance was provided.
- Consideration as to whether risks were coming top down as well as bottom up – especially from clinicians.
- The Committee had considered the audited financial statements (no significant alterations from draft figures). There was a verbal clean audit opinion. This would allow submission of documents to Monitor once the audit opinion was received (deadline May 31st 9am).
- Internal auditor work was discussed and all recommendations had been taken into account and accepted by management. The list of outstanding audit recommendations was reducing.
- The Trust had a new Counter Fraud Officer and his annual report gave the Committee assurance that this aspect was fully covered.

LJ thanked the team for their hard work in preparing the accounts.

The Board noted the report of the meeting.

Board Committees & ad-hoc Groups not covered elsewhere

05/12/1231 Remuneration Committee – no meeting held

05/12/1232 Items for Information
None

05/12/1233 Core Brief Items

- Activity and performance
- Service line management
- Annual plan

05/12/1234 Any Other Business

The Board considered whether as a result of the information presented at Board and subsequent discussions any new risks had been identified and added to the Risk Register. It was agreed that no new risks had been identified.

05/12/1235 Date and Time of Next Meeting

Wednesday 27 June 2012 at 8.30 am in the Board Room, ROH.