

**MINUTES OF PART 1 BOARD OF DIRECTORS MEETING  
HELD ON  
THURSDAY, 8 September 2016**

**Call to Order**

**Present:**

Alan Tobias	Chairman
David Parkins	Non-Executive Director/Deputy Chair
Sue Hardy	Chief Executive
Mike Green	Non-Executive Director
Mary Foulkes	Director of Organisational Development & HR
Yvonne Blücher	Chief Nurse
Jon Findlay	Chief Operating Officer
James O'Sullivan	Chief Financial Officer
Jan China	Director of Estates & Facilities
Gabrielle Rydings	Non-Executive Director
Gail Partridge	Non-Executive Director

**Also in attendance:**

Eve Yates	Assistant Company Secretary (minutes)
Elaine Brookes	PA to Medical Director
Claire Hankey	Head of Communications
Katrina Leighton	Assistant Director of Finance
Nigel Gayner	Public Governor
Linda Cook	Public Governor
Joe Cooke	Public Governor
Barbara Oliver	Public Governor
Brian Terry	Public Governor
Meg Davidson	Public Governor
Vivien Burling	Public Governor
Chris Gusper	Member of the public
Majzoub B Ali	Member of the public

99/16

**Welcome and Apologies**

Alan Tobias (Chair) welcomed all to the meeting in particular Gail Partridge (NED) for her first meeting as a Board member, and Eve Yates (Assistant Company Secretary). Apologies were received from Fred Heddell (NED), Neil Rothnie (Medical Director), Tim Young (NED), Tony Le Masurier (NED) and Brinda Sittapah (Company Secretary).

100/16

**Declaration of conflicts of interest**

No conflicts of interest beyond those registered, were declared.

101/16

**Approval of Part 1 minutes of meeting held on 5 October 2016**

The minutes of the previous meeting were agreed as an accurate record of the previous meeting.

102/16

**Matters arising from minutes (if any):**

There were no matters arising.

103/16

**Consideration of Part 1 Action Tracker**

65/16 to be included in the next Board agenda prior to being agreed through IPPR

104/16

**Nursing Establishment – Safe staffing monthly reports – September and October 2016**

Yvonne Blücher (YB), Chief Nurse, presented the reports to the Board. This report relates to the fill rate against planned staffing for September and October 2016.

**Key Points:**

- Registered Nurse/Midwife (RN & RM) fill rate for September 2016 was 95.1% on days and 93.5% on nights. In October 2016 RN & RM fill rate was 96% on days and 96.7% on nights.
- In September 2016 there were 2 areas (Neonatal and Stroke Unit) on days with a Registered Nurse fill rate below 80%. In October, 1 area had fill rate below 80% (Neonatal Unit). This was reviewed daily in relation to occupancy and acuity.
- Extreme challenges for September and October with an increased bed demand. High status of alert, marked increase seen since the summer months.
- Measures have been put in place to utilise the best use of staff. Nursing staff commended for supporting wards and junior members of staff.
- The staffing fill rate has remained at a similar level in September and October 2016 with 1 area with a fill rate falling below 80%.
- Red flags reported remained similar to previous months' September 159, increasing to 190 in October. From December 2016 a new red flag recording process will be implemented to capture the number identified on commencement of the day and the number of shifts that remain red following mitigation. This will be reported at the next Board meeting.
- No correlation between staffing levels and safety identified. Evidence shows that patients are still receiving a good level of care.
- Staffing levels will be compared across the 3 trusts as part of the Success Regime, although maybe difficult to benchmark as wards are not identified as being like for like.

**Discussion:**

- David Parkins (DP), Non-Executive Director enquired if there was a robust Task and Finish group reviewing quality versus numbers in relation to, for example, pressure ulcer data and e-rostering. YB stated that the KPI performance summary feeds into the Task and Finish Group, and is subject to the audit process. Once the e-rostering system is in place, more data will become available.
- Gaby Rydings (GR), Non-Executive Director, enquired if overall staffing gaps have been identified in certain wards. YB assured the Board that these gaps have been identified and staff are being rotated, exit data is also analysed and issues arising from bank staff are followed up with the agency.
- On a query regarding the 72 nurses from the Philippines, YB explained that they have been through rigorous written and verbal tests at NMC level 7. Estimated first cohort June 2017, with other overseas nurses joining the trust in January 2017.

**Decision:**

- The Board was assured by the report and staff should be commended on their performance

105/16

**Monthly Integrated Performance Report (IPBR) including the Serious Incidents Report**

Jon Finlay (JF), Chief Operating Officer, presented the operation performance part of the report to the Board.

**Key Points:**

**Patient Access / Performance / cancer standards / Short notice cancellations**

- Recovery trajectories are not within 0.5% of target – error in graph, correction will be made in next report to Board.
- Referral to Treatment (RTT) backlog position has stabilised. Graph on page 5 illustrates the current position of 1600 patients. The RTT incompletes standard was not achieved for October.
- The A&E 4hr standard was not achieved for October. Performance has deteriorated due to an increase in demand and bed occupancy and delayed discharges. Most services are already operating at capacity which has caused delays and a drop in performance.
- Provisional figures indicate that the 62 day referral to treatment, 31 day first treatment, 14 day symptomatic breast cancer, and 62 day screening cancer targets were not achieved for October.
- Ceased moving patients to the private sector and are no longer outsourcing elective surgery, which has had an impact on figures, as the trust is unable to admit routine in-patients. Unless there is a significant change in bed occupancy the trust will be unable to achieve a reduction in the waiting list number.
- The trust is currently identifying patients who, if support received in the community, could be discharged, as a way forward to offer a better service and release beds.
- The trust has seen an increase in compliments relating to the level of care received during this critical period.
- The current critical period has had an impact on the number of short notice cancellations.
- Cancer performance has not been impacted by other factors. Backlog is reducing and project to see overall improvements.

YB presented the Patient Quality section of the report to the Board.

**Key Points:**

**Complaints / Friends & Family / HCAI / Falls**

- Complaints: The number of formal complaints being registered has reduced due to complaints being resolved through the rapid response process. There continues to be a significant number of overdue complaints and the remedial action plan to clear the backlog continues, which is having a positive impact on the number of complaints in the backlog.
- Friends & Family: ED and Outpatients FFT achieved a response rate above the national average. Inpatients and maternity response rates are below the national average and actions are being taken to boost responses. The percentage of patients who would recommend the Trust is

higher than the national average for Maternity but below the national average in all other areas. Focus groups are being engaged to seek further feedback, identify trends and develop improvement ideas.

- HCAI: There were 3 cases of C-Difficile reported for September and 2 for October, with a year-to-date total of 10 against a ceiling of 30. No lapses in care were identified and there were no cases of hospital acquired MRSA.
- Falls: Falls per thousand occupied bed days remains below the national average. Improvement teams are focussing on improving access to mobility aids.

**Action:**

- YB to update at the next Board meeting on timescale for clearing the complaints backlog.

YB presented the mortality section of the report to the Board in Neil Rothnie (NR), Medical Director's absence.

**Key Points:**

- A review has been commissioned to compare the level of weekday deaths to weekend deaths. The results of this will be reported to the Board once the review has been completed.
- The latest SHMI is at 1.1251 for the period April 2015 – march 2016. This score sees an improvement since the previous position of 1.15, although remains in the upper control limit of 1.1.
- An NHSI member attended the Mortality Surveillance Group meeting on 17 November 2016, which will help provide assurances that the Trust is monitoring mortality rates and putting actions in place to help reduce the SHMI. An invitation has gone out to the CCG's lead nurse to attend subsequent meetings.

**Actions:**

- The Board requested written updates to be provided in future in relation to mortality rates, rather than a verbal update.

Jan China (JC), Director of Estates & Facilities presented the Estates & Facilities section of the report to the Board.

**Key Points:**

- The Trusts Quality Assurance team have undertaken a comparative review of how other Trusts approach the audit of Domestic Cleaning standards, the information received demonstrates that we are very strict, we use the first score achieved on the day from an unannounced audit, other Trusts where sites fail provide an opportunity for a deep clean to take place and a second audit is undertaken on the same day with an average recorded as a final score.
- Telephony has continued to struggle to meet its external KPI. Internal callers are now being challenged if they come back to switchboard when the system demonstrates that they not used net call. An issue has been identified with ineffective call centre or reception desk response times resulting in failed calls and additional referrals to switchboard. The team is working to address this issue.
- The Board was assured that the Ward Managers and Matrons have taken

responsibility for the cleaning of equipment on the wards.

Mary Foulkes (MF), Director of HR & OD presented the workforce section of the report to the Board.

**Key Points:**

- The Trust continues to work on improving appraisal return rates. The compliance rate in October of 71% is an increase on the August return rate of 70%.
- Statutory and mandatory training continues to improve and has increased in October to 83% from 82% in August.
- Vacancy rates have decreased to 7.10% in October from 9.35% in August.
- Voluntary turnover has remained relatively stable at 12.42% in August to 12.46% in October

**Decision :**

- The Board noted the report and received assurance where required.

106/16

**Financial Position**

James O'Sullivan (JOS), Chief Financial Officer presented the financial position up to 31 October (end of Month 7) to the Board.

**Key Points:**

- There was a deficit of £0.9m in October which increased the cumulative deficit to £8.3m and produced an adverse variance of £0.5m against the year to date plan.
- Cash balances finished the month at £4.7m. This was a favourable variance of £3.3m against the plan.
- The cost improvement programme has achieved £7.8m of savings to date which is £0.1m ahead of the YTD plan.
- Total pay expenditure in October was £15.6m, which is the highest level seen in this financial year. £40k in the month relates to recruitment and retention premium paid in the paediatric department (which is paid once every 6 months), but even after taking this into account, the expenditure is £80k higher than run-rate.
- Non-Pay budgets were overspent by £297k in the month, bringing the YTD over-spend to £351k.
- The year-to-date clinical income performance was £1,091k adverse to plan, due to a shortfall in pass-through income (£1,269k) which was offset slightly by higher than planned performance in NICU and Radiotherapy.

**Discussion:**

- The Board discussed in detail the over-spend in relation to pay. The Board were assured that a challenge check process is in place and the Trust are looking to make the process more robust by reducing those who can sign off agency staff, which will enable the budget to be controlled further. NHSI have given clear direction on which roles are approved for the use of agency staff i.e. maternity, A&E.

**Decision:**

- The Board noted the report.

107/16

**Part 1 report from the Chairman (including NHS Improvement update)**

- AT gave a verbal update to the Board on the meeting with the NHSI yesterday and provided positive feedback. However, revised A&E and RTT trajectories have been requested to link in to the Operational Plan, and as a Trust, the focus needs to shift from the end goal to continuous improvement.
- The Success Regime will be meeting on a monthly basis and the Trust will be required to agree a format for Joint Governors.
- AT and SH attended a volunteers Christmas lunch, the feedback and attendance was very positive.

**Decision:**

- The Board noted the update.

108/16

**Part 1 report from the Chief Executive**

SH gave a verbal update to the Board as follows;

- Measures have been put in place this week, for a week, due to the critical situation in Accident & Emergency department over the weekend. Some routine clinics have had to be cancelled, as have training and study leave. The Trust will continue to monitor this critical status and SH praised staff for how they have worked together to deal with the volume of patients admitted.

109/16

**Board Assurance Framework (BAF) – 6-monthly Review**

SH presented the revised BAF to provide a 6 monthly review to the Board.

**Key Points:**

- The BAF has been reviewed over the last few months to improve consistency with the application of the BAF methodology. Regular review of the BAF has now been incorporated within the work of the Corporate Governance Group which consists of the Executive team and the various Board Sub-Committees.
- A risk related to the Success Regime has been added, in line with Basildon Hospital's BAF. The Corporate Governance Group has reviewed this at its meeting in October but recognised that further work is needed to refine the risk.
- TIAA (internal auditor), has also carried out a review of the BAF and risk management arrangements in October / November and the Trust have received reasonable assurance. Their findings were as follows;
  1. The mechanism for receiving assurances on the BAF was found to be robust, which is complimented by a sound governance structure now in place.
  2. However, some gaps were found on the directorate and corporate risk registers
    - Risks on the directorate and corporate risk registers are not linked to Trust strategic goals, contrary to what is specified on the Risk Management Policy.
    - Negative assurances are not always stated against identified / mitigations for BAF risks.
    - Gaps in controls, assurance and gaps in assurances were not always stated for risks on the directorate and corporate risk registers.

- The proposed recommendations have been agreed and the details will be followed up by the Audit Committee as part of the internal audit recommendations.

**Decision:**

- The Board reviewed the BAF risks and was assured by the report.

110/16

**Corporate Risk Register – 6-monthly Review**

YB presented a 6 month summary report to the Board on the Corporate Risk Register, which is reviewed by the Corporate Governance Group (CGG) on a monthly basis, to provide assurance that there are systems in place to review the Trust's current clinical risk register for both moderate and high risks.

**Key Points:**

- There are currently 27 approved high rated risks and 138 approved moderate rated risks on the register.
- YB confirmed that two new risks have been added, three high risks have been downgraded, and one risk has been merged.
- The Board queried whether new risk 2723 should be included. YB and JOS to review.

**Decision:**

- The Board was assured by the report.

111/16

**Scheme of Delegation**

JOS presented the revised Scheme of Delegation to the Board and asked for their review and approval.

**Background:**

- The Scheme of Delegation was reviewed at the Board in October and it was proposed that it is updated further incorporating comments from Board members and then circulated to the Finance and Resources Committee (FRC) meeting before final sign off by the Board. The FRC has reviewed it at its meeting on 23 November and suggested some additional amendments which have been reflected in the Board report.

**Key Points:**

- Appendix 1 sets out the responsibilities and powers of individuals within the Trust and in certain cases those reserved for the Board. Delegation for the majority of decisions is to the Chief Executive and from the Chief Executive to Directors and senior manager's department managers.
- Appendix 2 shows the delegated approvals in detail.

**Decision:**

- The Board approved the updated Scheme of Delegation.

112/16

**Charitable Funds Committee (CFC) Report**

AT presented the report to the Board to provide assurance concerning the CFCs fulfilment of its Terms of Reference (ToR) duties and objectives as an assurance sub-committee of the Board of Directors.

**Key Points:**

- Charity Finance report (including Cash performance and Reserve Policy

Compliance.

- Spending Plans.
- Fundraising & Charity Governance Report.
- Southend University Hospital NHS Foundation Trust Charity – Annual Report and Accounts.
- It was agreed at the Committee that the Investment Strategy be finalised as a matter of urgency.
- It was also agreed at the Committee that business as usual is expected throughout the upcoming changes in line with the Essex Success Regime.

**Decision:**

- The Board noted the report and received assurance

113/16

**Quality Assurance Committee (QAC) Report**

AT presented the report to the Board to provide assurance concerning the Quality Assurance Committee's fulfilment of its ToR duties and objectives as an assurance sub-committee of the Board of Directors.

**Key Points:**

- No items were escalated from the CGG Exception report.
- No areas of concern were raised from the CMT Exception report.
- No areas of concern were raised from the Q&S Committee Exception report.
- No items were escalated from the CGC Exception report.
- The EoE Annual Audit report on highlighted that NHSE are phasing out the system of supervision for Midwives and a local system is being developed.
- The Ophthalmology update review highlighted two more serious incidents but progress is being made in reducing the backlog.
- The BAF Review risk scores were accepted.

**Decision:**

- The Board noted the report and received assurance

114/16

**Audit Committee Report**

MG presented the report to the Board to provide an update and assurance on the meeting of the Audit Committee held on 26 October 2016.

**Key Points:**

- Committee to receive additional assurance on cyber security issues.
- FRC to progress alternatives to a second data centre and assess disaster recovery options.
- E-rostering system still not used efficiently.
- Long outstanding internal audit and counter fraud recommendations due to be cleared by the end of the calendar year

**Decision:**

- The Board noted the report and received assurance

115/16

**Review of Board Calendar**

The Board agreed the calendar.

116/16

**Date of next meeting:**

Wednesday, 1 February 2017

*The Chairman invited questions from the public:*

- *Joe Cooke (Governors) shared an observation with the Board, which has recently been highlighted in the media regarding the high cost of management consultants and recommended that the Board view a recent documentary to be aware of the current national position. SH assured that the employment of consultants has been directed by the NHSI to make these appointments and were, in fact, instructed to tender.*
- *Joe Cooke (Governors) shared an observation with the Board after attending a SEPT meeting, that the Trust does not provide paediatric mental health care. SH replied that the Trust does have a duty to refer a child or adult to the relevant mental health service should they present at the Hospital. Unless a patient has a physical condition they need to receive the relevant support from the correct agencies.*
- *Joe Cooke (Governors) shared an observation after attending a Governors meeting at Basildon Hospital and enquired as to the timeline for Success Regime implementation. AT replied that there will be consultation after the County elections but that we will continue to work closely with the other two Trusts until such time that decisions have been made.*
- *Linda Cook (Governor) asked if she, or her colleagues, could write to NHS England regarding the financial constraints that have been implemented. SH confirmed that Gail could write to them but only in the capacity of a member of the public. There followed a discussion about whether this would have an impact in the current climate and it was agreed that it may not have the desired impact as the NHS is not a government priority at present.*
- *Majzoub B Ali enquired about staffing issues and asked for assurance that no safety issues have occurred in a time of staff shortage. SH replied that there is no complacency in the employment of agency staff or indeed, safety on the wards.*
- *Majzoub B Ali asked YB what the safe ambient temperature is in the wards. JC answered that the buildings are kept within the 9 to 21 degree safe temperature. The minimum ward temperature is 18 degrees. JC assured Mr Ali that the temperature in all wards is monitored and there are processes in place.*
- *Majzoub B Ali questioned about the 12% turnover of staff and whether staff were leaving to work at Basildon Hospital as they offer a higher rate of pay. SH confirmed that Basildon Hospital do pay a London weighting allowance and that this does not apply to Southend Hospital. The Trust has identified this in the past but to match the salary to Basildon Hospital would cost the Trust an additional £8m*

*The Chairman thanked members for their contribution and declared Part 1 of the meeting closed.*

*The meeting of the 1<sup>st</sup> of February was later rescheduled for the 28<sup>th</sup> of February.*