

Minutes of the Board of Directors Meeting held at 1pm on Wednesday 25 May 2016  
at Sentinel House, 4-6 Nuffield Road, Poole, Dorset, BH17 0RB

**Present:**

Ann Abraham	Chair
Ron Shields	Chief Executive
David Brook	Non-Executive Director
Lynne Hunt	Deputy Chair and Non-Executive Director
John McBride	Non-Executive Director
Sarah Murray	Non-Executive Director
Peter Rawlinson	Non-Executive Director
Nick Yeo	Non-Executive Director
Linda Boland	Locality Director-Poole and East Dorset
Jackie Chai	Director of Finance
Colin Hague	Director of Human Resources
Nick Kosky	Medical Director
Nicola Plumb	Director of Organisational Development, Participation and Corporate Affairs
Eugine Yafele	Locality Director – Bournemouth and Christchurch

**In Attendance:**

Keith Eales	Trust Secretary
Cara Southgate	Associate Director of Nursing and Quality

**Apologies:**

John Hughes	Non-Executive Director
Fiona Haughey	Director of Nursing & Quality
Sally O'Donnell	Locality Director-Dorset

**Governor Observers:**

Chris Balfe	Public Governor (Dorset RoE) (Lead Governor)
Scottie Gregory	Public Governor (Dorset RoE)
Justine McGuinness	Public Governor (Dorset RoE)
Jan Owens	Public Governor (Dorset RoE)
Patricia Scott	Public Governor (Poole)
Sue Evans-Thomas	Public Governor (Poole)
Anna Webb	Public Governor (Poole)
Angela Bartlett	Staff Governor
Pat Cooper	Staff Governor
Peter Kelsall	Staff Governor
Teresa North	Staff Governor
Becky Aldridge	Partner Governor (Service User Group Representative)

### **562/16 Welcome and Apologies**

The Chair welcomed members and observers to the meeting and reported the apologies received.

### **563/16 Patient Story**

The meeting commenced with a story illustrating the experience of a patient supported by the Audiology Service and the beneficial impact on her lifestyle of receiving a Cochlea implant.

Board members considered that the story highlighted the importance of the relationship between physical health and emotional health and wellbeing. It also highlighted the significance of the relationship between clinician and patient and how this could close the knowledge gap.

It was noted that the patient had originally been referred to the Ear, Nose and Throat Service, without success, before eventually receiving treatment from the Audiology team. It was considered that appropriate solutions to conditions would not necessarily be provided through traditional medical specialisms, and that GP's needed to be aware of the full range of Trust services when considering appropriate responses to patient needs.

**The Board noted the patient story.**

### **564/16 Declarations of Interests in Relation to Agenda Items**

No declarations were made.

### **565/16 Minutes and Notes of Previous Meetings**

The Board approved as a correct record the minutes of the last meeting held on 27 April 2016 subject to the replacement of 'confirmed with' 'not confirmed' in minute 554/15 (c).

The Workshop notes of 4 May 2016 were approved subject to

- (a) The replacement of 'CSR' with 'STP' in the fourth paragraph of note 3;
- (b) The replacement of 'would' with 'was intended to' in the sixth paragraph of note 3.

### **566/16 Matters Arising**

The Trust Secretary submitted a report on matters arising from previous meetings.

**The Board noted the report.**

### **567/16 Chair's Update**

The Chair gave her monthly update to the Board.

The Chair made particular reference to the Council of Governors meeting on 11 May and the discussion in respect of the Sustainability and Transformation Plan (STP),

the Council's comments on the Quality Report and the selection of the venue for the 2016 Annual Members Meeting.

The Chair commented that a special meeting of the Board had been held earlier in the day to approve the Annual Report, Quality Report and Financial Statements for 2015/16. These would be submitted to Parliament in due course.

**The Board noted the report.**

### **568/16 Chief Executive's Update**

The Chief Executive submitted a report setting out key issues of concern and interest.

The Chief Executive advised that there had been further developments in respect of the STP for Dorset.

The Chief Executive explained that, on the basis of the original timetable, the STP was to have been agreed by partners and submitted to NHS Improvement by the end of June. However, indicative cash allocations for each health economy, through to 2020/21, had recently been announced. Additional time was now being permitted to allow STP's to take account of these allocations. The Chief Executive commented that it was clear that there was no other source of funding available to Trusts within this timescale.

The Chief Executive also referred to developments in respect of Chalbury Ward.

The Chief Executive advised that the Ward had been temporarily closed with alternative arrangements being made for the five patients remaining on the Ward. Options were being considered for the future provision of the service, which would form the basis of future consultation.

**The Board noted the report.**

### **569/16 Board Integrated Corporate Dashboard**

#### Proposed Revisions to Reporting Arrangements for the Integrated Corporate Dashboard

The Medical Director submitted a report setting out proposed changes to the integrated corporate dashboard to enhance reporting to the Board.

The Medical Director explained that, whilst the potential of the integrated corporate dashboard was clear, and had been recognised in the Care Quality Commission (CQC) inspection and external governance review against the Well-Led Framework, there was scope to develop it further. In particular, it was questionable whether the monthly reporting of metrics showing little change was of value, the report did not capture actions being taken to address under-performance and some data was difficult to digest.

To address this, it was proposed to:-

- change the frequency of reporting for each metric, with each having a predetermined reporting frequency;

- develop control charts to act as an early warning system for potential decline in performance of a metric;
- undertake a programme review of quality metrics.

It was noted that indicators that were within the threshold or target set would be reported to the Board on a reduced frequency. An assurance was sought that these indicators would continue to be reviewed elsewhere in the Trust governance framework. The Medical Director confirmed that this would be the case.

Confirmation was sought that the dashboard would continue to report when it was anticipated that an indicator off plan would return to the target range. The Medical Director confirmed that this would be the case.

**The Board noted the report and endorsed the proposals.**

Integrated Corporate Dashboard for April

The Medical Director submitted the dashboard for April.

The Medical Director drew attention to the following:-

- The number of patient falls resulting in injury in hospital had dropped slightly but was still above the set threshold;
- The percentage of staff being up to date with mandatory training had risen slightly over the last four months.

The Medical Director commented, however, that:-

- The number of mental health patients readmitted as an emergency within 28 days of a previous discharge had risen above the threshold in the previous month;
- The number of patients reporting that they did not feel safe had increased;
- The number of delayed transfers of care for physical health remained above the threshold;
- The number of delayed transfers of care for mental health patients was above the threshold for the quarter;
- The number of seclusion incidents was at the highest level since March 2015;
- The percentage of patients with up to date care plans was below the set threshold.

The Medical Director commented that the performance in these areas reflected a system that was under significant pressure. This was unlikely to change unless demand reduced, which was unlikely, or services and teams adopted new ways of working. Action was being taken both internally and externally to the Trust which, it was anticipated, would assist. For example, the review of the Community Mental Health Teams was underway, the Clinical Executive would be receiving proposals on the redistribution of resources to respond to demand in acute mental health services

and the review of the acute mental health care pathway would provide further assistance.

Clarification was sought with regard to the delayed discharge performance in quarter 1 of 2016/17. The Locality Director-Poole and East Dorset advised that, although the Trust had breached the threshold in quarter 4 of 2015/16, it was anticipated that it would be achieved in quarter 1 of 2016/17.

**The Board noted the dashboard for April.**

#### **570/16 Outcome of 2015/16 Investments**

The Director of Finance submitted a report reviewing the benefits arising from the investments made by the Trust in 2015/16.

The Director of Finance advised that a number of investments had been made over the year, including in IM&T, HR initiatives, communications, business strategy, governance and in a number of pump-priming projects. Details of the projects, the planned and actual expenditure and the benefits arising from the investment were set out.

Board members commented that, in making investment funding available in future years, further detail would be appropriate in advance with regard to the proposed investment, outcomes sought and benefits anticipated. This would facilitate a robust year-end review.

**The Board noted the report.**

#### **571/16 Annual Plan Deliverables 2015/16**

The Director of Organisational Development, Participation and Corporate Affairs reported on progress with the review of the Annual Plan 2015/16 deliverables.

The Director of Organisational Development, Participation and Corporate Affairs explained that the initial review of the deliverables had identified that, in a number of cases, their action, rather than impact and outcome, focussed nature had made it challenging to fully capture the progress made in the year. Directors were giving further review to the narrative supporting the deliverables to enable full consideration of the progress made to be reviewed. A report would be submitted to the next meeting of the Board.

**The Board noted the verbal update.**

#### **572/16 Trust Budget 2016/17**

The Chief Executive gave a context to the budget for 2016/17, details of which were set out in a report from the Director of Finance.

The Chief Executive explained that, nationally, the NHS was still targeted with saving £22bn. Taking account of this, indicative financial allocations had been made to health economies through to 2020/21. The current share of NHS expenditure in Dorset was £1.3bn. This would increase to £1.5bn by 2020/21. New initiatives would need to be funded from and cost pressures accommodated within this allocation. It was unlikely that any other funding would be available to Trusts.

The Chief Executive explained that clear principles had been established for the Trust budget:-

- 2016/17 would be a year of transition to longer-term sustainability;
- A sustainable operating balance would be achieved;
- There would be no unknowingly loss-making services;
- Investments would continue to be made, funded from reserves.

Within these principles, the Trust was developing proposals and plans for the future, including workforce productivity, community modelling, addressing overspending areas and a range of organisational development initiatives.

The Chief Executive highlighted the key elements of the draft budget for 2016/17:-

- The initial gap between the income agreed for the year and expenditure was £14m;
- A cost improvement/cost reduction programme of £12m had been developed;
- The residual year end position was a £3.3m deficit;
- The year-end position reflected recurrent IM&T investment and Prisons;
- The budget incorporated impairment of £3.9m;
- Investment of £1m was proposed;
- A £12m capital programme was proposed.

In reviewing the budget a number of observations were made by Board members.

The financial position of the NHS nationally and in Dorset required a budget which re-positioned the Trust for the future. The investment proposed would need to reflect this and set a new trajectory for the Trust. As such the Trust would again be setting a deficit budget to support investment in services.

In supporting investment, Board members commented that further information would be required on the proposals. It was broadly agreed that £1m was appropriate to release from reserves to support investments, with further proposals being met from in-year earnings. However, the investments should be completed within the 2016/17 year.

Concern was expressed about the level of IM&T expenditure proposed and the fact that a significant element of the investment made in this area in 2015/16 was recurrent rather than one-off expenditure. Further information would be required by the Board before expenditure at this level could be approved.

Board members commented that it would be appropriate to meet the deficit on the Prison Healthcare Service from reserves.

Concern was expressed that the current shortfall of £0.5m on the budget would be met from reserves. It was considered that the contingency should be reduced to address this.

A cost improvement/cost reduction programme of nearly 5% would be challenging to achieve. Further assurance would be required that a programme on this scale was achievable. In addition, further oversight and assurance in respect of the 2017/18 cost improvement/reduction programme would be required. The Chief Executive advised that the 2017/18 programme would be available by Christmas.

Clarification was sought with regard to the level of free reserves at the end of 2016/17. The Director of Finance advised that the Trust would have cash of £20m. The threshold liquidity level was £13m.

In summarising the discussion, the Chair commented that the Board had established a number of clear principles with regard to the budget for 2016/17 and what it was intended to achieve:-

- self-determination would be the approach adopted by the Trust;
- it was clear that there would be no additional external funding for the Trust;
- ensuring sustainable services should be the focus for the Trust;
- further investment will be required, which the Trust would meet from reserves;
- a capital programme of £12m was appropriate;
- cost improvements/cost reductions of £12m were at the limits of achievability;
- the deficit on the Prison healthcare contracts should be met from reserves;
- the contingency should be reduced by £0.5m to meet the budget shortfall.

However, further information was required on the IM&T expenditure before the budget could be approved. In addition, enhanced Board involvement was required with regard to:-

- the release of the contingency that was proposed;
- further cost improvement programme/cost reduction proposals;
- the development and release of funds earmarked for investment.

**The Board agreed to give further consideration to the budget on the next Workshop date of 1 June 2016.**

### **573/16 People Management**

The Director of Human Resources submitted the monthly People Management report.

The Director of Human Resources drew particular attention to the industrial action by junior doctors, recruitment and retention initiatives, organisational change reviews in progress and action being taken in response to the 2015 Staff Survey results.

**The Board noted the report.**

### **574/16 Committee Minutes**

The Board received the minutes of the following Committee meetings:-

Charitable Funds Committee	7 January 2016
Quality Governance Committee	21 January 2016
Audit Committee	25 January 2016

**The Board noted the minutes.**

### **575/16 Sustainability and Transformation Plan (STP)**

The Director of Organisational Development, Participation and Corporate Affairs submitted the draft STP for Dorset.

The Director of Organisational Development, Participation and Corporate Affairs explained the background to the development of the STP, the partners in its development and the overarching themes in the Plan.

The Director of Organisational Development, Participation and Corporate Affairs advised that, since the publication of the agenda, further advice had been issued nationally advising that partners were not expected to agree STP's by the original deadline of 30 June. It was now the case that STP's were required to be submitted in draft to NHS England, for review, by this date. Feedback would be provided and STP's would be considered further by partners.

The Chair reported comments received from John Hughes, Non-Executive Director, on the draft STP.

**The Board expressed its support for the vision of the Dorset STP.**

### **576/16 Stages of Excellence**

The Director of Organisational Development, Participation and Corporate Affairs submitted a report setting out revised scoring for the Stages of Excellence model. The full report, reviewing progress against achievement of the Strategic Goals and incorporated the updated scoring, was also submitted.

The Director of Organisational Development, Participation and Corporate Affairs explained that, following initial consideration by the Board at the February 2016 meeting, Directors had given further consideration, as requested, to the scoring in a number of dimensions of the model. The areas of revised scoring were outlined.

The Board noted that, following the further review, the majority of scorings had now migrated to the average.

**The Board agreed that**

- (a) the Annual Plan 2016/17 should focus on areas identified in the report which were less developed or on which there had been limited progress;**
- (b) the Stages of Excellence methodology be applied annually to monitor progress against delivery of the Strategic Goals, using the 2016 report as a benchmark;**
- (c) further consideration be given to adopting a best practice model, such as the IGG Maturity Index, to support more refined scoring of higher levels of performance;**
- (d) the full report be published on the website and intranet.**

### **577/16 Trust Annual Plan 2016/17**

The Director of Organisational Development, Participation and Corporate Affairs submitted the draft Annual Plan 2016/17.

The Director of Organisational Development, Participation and Corporate Affairs gave an overview of the content of the Annual Plan, the context in which it had been prepared and the key themes for 2016/17.

The Director of Organisational Development, Participation and Corporate Affairs explained that further consideration was being given to the proposed deliverables for 2016/17. This was to ensure that they supported an outcome-based assessment of their achievement.

**The Board agreed the draft Annual Plan 2016/17 subject to further consideration of the deliverables for the year.**

### **578/16 Quality Improvement Plan**

The Associate Director of Nursing and Quality introduced the monthly update on progress in implementing the Quality Improvement Plan following the June 2015 CQC inspection.

The Board noted that of the 60 'must do' recommendations, 39 were complete, 11 were rated as amber/green on the basis of being in progress to meet the deadline. One action was rated as being amber and was at risk of not achieving the target date. Nine actions were rated as red and were not progressing or had not met the target date. The Board noted the action being taken with regard to the red-rated actions.

Of the 89 'should do' recommendations, 56 were complete, 17 were rated as amber/green on the basis of being in progress to meet the deadline. Two actions were rated as being amber and were at risk of not achieving the target date. Fourteen actions were rated as red and were not progressing or had not met the target date.

Clarification was sought with regard to whether or not actions which had missed their target date were given new targets. The Associate Director of Nursing and Quality advised that this was the practice in some cases. It was suggested that all these actions should be given a new target date.

**The Board noted the report.**

### **579/16 Board Assurance Framework (BAF) 2016/17**

The Trust Secretary submitted the proposed BAF for 2016/17.

The Trust Secretary explained that, since the last meeting, the BAF had been reviewed in the light of the comments made by the Board. Key changes had been made in respect of the nature and scope of the risk in respect of workforce, the governance arrangements for oversight of the BAF and the detail of the reporting template.

The Chairs of the Audit Committee and the Quality Governance Committee indicated their support for the revised BAF.

**The Board agreed the BAF for 2016/17.**

### **580/16 Self-Certification Statements**

The Trust Secretary submitted a report setting out details of four statements that the Board was required, by NHS Improvement, to self-certify against.

The Trust Secretary gave an overview of each statement and the supporting information, where required, to support a 'confirmed' certification by the Board. It was noted that the outcomes of the external governance review in respect of the Well-Led Framework, the CQC inspection and the externally facilitated self-evaluation by the Council of Governors, all carried out in 2015/16 were significant sources of assurance in respect of the statements requiring a self-certification.

**The Board agreed to:-**

**(a) confirm the statements in respect of corporate governance, the training of Governors and systems for compliance with License conditions;**

**(b) mark as 'not applicable' the statement in respect of membership of an Academic Health Science Network or joint ventures.**

### **581/16 Complaint to the Parliamentary and Health Service Ombudsman (PHSO)**

The Associate Director of Nursing and Quality introduced a report which gave an overview of a complaint that had been partly upheld by the PHSO.

The report outlined the details of the complaint, which related to the Bournemouth West Community Mental Health Team, and the action taken by the Trust. The recommendations of the PHSO, which had been implemented, were that, within four weeks, the Trust should apologise to the complainant and pay £150, and, within eight weeks, should share an action plan with the complainant.

**The Board noted the report and the actions taken by the Trust.**

### **582/16 Annual Report from the Audit Committee Chair**

The Chair of the Audit Committee submitted an annual report to the Board setting out the work of the Committee over the year.

The Chair drew attention to the tasks undertaken by the Committee in respect of governance, risk management and internal control processes.

**The Board noted the report.**

### **583/16 Annual Cycle of Board Business**

The Board received the annual cycle of business, which formed the basis of Board agendas.

The importance of having a comprehensive cycle of business in place was emphasised. Directors were asked to advise the Trust Secretary of additions or amendments to the draft cycle.

**The Board noted the updated cycle of business.**

### **584/16 Governor Questions and Observations**

Governors present at the meeting made a number of observations and comments:-

- Clarification was sought with regard to the number of adult mental health patients in the Trust who were self-admitted. The Medical Director advised

that the number was relatively low. However, the model being developed from the acute mental health care pathway review would address the recognised issues which tended to deter self-admission.

- Reference was made to the challenges for patients using disabled buggies in gaining access to Alumhurst Ward. The Chief Executive advised that this would be reviewed.

### **585/16 Next Meeting**

The Board noted that the next meeting would be held on 29 June at 1.00pm at Sentinel House, Poole.

Signed:

Date:

Ann Abraham, Chair