

Minutes of the Board of Directors Meeting held at 1pm on Wednesday 27 July 2016
at Sentinel House, 4-6 Nuffield Road, Poole, Dorset, BH17 0RB

Present:

Ann Abraham	Chair
Ron Shields	Chief Executive
Fiona Haughey	Director of Nursing and Quality
John Hughes	Non-Executive Director
Lynne Hunt	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
Sally O'Donnell	Locality Director-Dorset
Nicola Plumb	Director of Organisational Development, Participation and Corporate Affairs
Eugine Yafele	Locality Director – Bournemouth and Christchurch

In Attendance:

Keith Eales	Trust Secretary
Ian Rodin	Deputy Medical Director
Julia Wiffen	Associate Director of HR

Apologies:

David Brook	Non-Executive Director
Colin Hague	Director of Human Resources
Nick Kosky	Medical Director

Governor Observers:

Chris Balfe	Public Governor (Dorset RoE) (Lead Governor)
Sue Howshall	Public Governor (Dorset RoE)
Jan Owens	Public Governor (Dorset RoE)
Sue Evans-Thomas	Public Governor (Poole)
Angela Bartlett	Staff Governor
Pat Cooper	Staff Governor
Peter Kelsall	Staff Governor
Becky Aldridge	Partner Governor (Service User Group Representative)
Bill Batty-Smith	Partner Governor (Dorset District Councils)

610/16 Welcome and Apologies

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

611/16 Patient Story

The meeting commenced with a story illustrating the experience of a patient suffering from Early Onset Alzheimer's and highlighting the perspective of his wife, who was his carer.

The story drew attention to the experience of the patient being admitted to a ward, the subsequent admission meeting which left the patient's wife feeling not listened to, his discharge and the concerns of his wife should he need inpatient care in the future. The advocate of the patient's wife attended the Board meeting to hear the story.

Board Directors considered that the story highlighted the experience, from the perspective of this patient and his family, of being admitted to a ward which could be daunting, the impact of the sense of isolation that patients could feel, the importance of support at meal times and the support that families in challenging situations required. More broadly, there was recognition, within and outside the Trust, of the need to improve care and support in the County for people with Early Onset Alzheimer's and their families.

The advocate for the carer sought clarification of the approach taken to provide feedback to the family on the discussion at the Board meeting. The Director of Nursing and Quality advised that this would be provided through the Customer Services Team.

The Board noted the patient story.

612/16 Declarations of Interests in Relation to Agenda Items

No declarations were made.

613/16 Minutes and Notes of Previous Meetings

The Board approved as a correct record the minutes of the meeting held on 29 June 2016 and the Workshop notes of 6 July 2016.

614/16 Matters Arising

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

The Board noted the report.

615/16 Chair's Update

The Chair commented that there were no specific matters to bring to the attention of the Board.

The Board noted the report.

616/16 Chief Executive's Update

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

The Chief Executive's report highlighted progress with the Sustainability and Transformation Plan for Dorset, the Clinical Services Review, the Care Quality Commission national review of investigating deaths and, the publication of the Five Year Forward View for Mental Health.

The Chief Executive advised that, following the selection process the previous day, Mathew Metcalfe had been offered the post of Director of Finance and Strategic Development.

The Chief Executive updated the Board on recent developments in respect of the national publication of 'Strengthening Financial Performance and Accountability 2016/17', the financial reset and the acceptance of control totals by Trusts.

The Chief Executive reminded the Board that the Trust had, on two occasions, been invited to accept a control total for the organisation. Both offers had been declined on the basis that the Trust had agreed an operating deficit for the year to support planned investments. However, these investments would be met from reserves rather than externally provided funding.

'Strengthening Financial Performance and Accountability 2016/17' set out the processes by which NHS finances would be reset. The announcement included details of nine Trusts and Clinical Commissioning Groups which had been placed in 'special measures' as a result of their financial position. The announcement included a further 13 organisations which were projecting year-end deficits and were under consideration for being placed in 'special measures'. The list included the Trust, as well as Poole Hospital NHS Foundation Trust and Dorset County Hospital NHS Foundation Trust. The Chief Executive advised that both these latter organisations were now expected to accept their control totals.

The Chief Executive commented that the indications were that the majority of the 13 Trusts required external borrowings to support their operating deficits. Whilst Dorset HealthCare was not in this position, it was likely that the decision not to accept the control total would be the subject of increasing scrutiny nationally. Failure to achieve the Trust financial plan, or national targets, could result in the Trust being placed in 'special measures'.

The Chief Executive advised that the Executive had given consideration to the action required to enable the Trust to accept the control total. Acceptance of the control total would require a reduction in expenditure of £3.3m. The potential withholding of the investment fund agreed by the Board, the contingency included in the budget, slippage and the review of provisions were under investigation as means of achieving the required reduction in expenditure.

Board members noted that the Trust could well be in a more favourable position than the majority of the 13 Trusts on the list of those not accepting the control total on the basis that the budget deficit for the year would be funded from reserves. However, there was a recognition that continued non-acceptance of the control total could impact on the wider health and social care system in the County if allocations from the Sustainability and Transformation Fund were withheld. The decisions of Poole Hospital NHS Foundation Trust and Dorset County Hospital NHS Foundation Trust to accept their control totals gave added significance to the Trust reviewing its position. This was particularly so in the light of the initial conclusions of the Executive in identifying areas where savings of £3.3m could be found. The Board considered that, on this basis, it would be appropriate for the Chief Executive to be authorised to accept the control total.

The Board

(a) noted the report;

(b) authorised the Chief Executive to accept, after completion of the review of Trust expenditure, the control total for the Trust;

(c) agreed that the revised budget would be submitted to the September Board meeting.

617/16 Board Integrated Corporate Dashboard

The Deputy Medical Director submitted the dashboard for June.

The Deputy Medical Director drew attention to the following:-

- The steady improvement in mandatory training rates;
- The improvement in the percentage of bed days attributable to delayed transfers from mental health units;
- The percentage of patients delayed in their transfer from physical health units had improved but remained in excess of the threshold set;
- The percentage of patients on the Care Programme Approach with up to date care plans remained below the threshold set.

It was noted that the mental health dashboard had not been considered by the Mental Health Legislation Assurance Committee, following the postponement of the July meeting. It was agreed that the dashboard would be submitted to the September Board meeting.

The Board noted the dashboard for June.

618/16 Finance Report for June

The Director of Finance submitted the Finance Report for June.

The Director of Finance advised that, at month three, the Trust had a deficit of £1.1m which was £0.8m ahead of plan. To date, £5m of the £8.1m cost improvement plan for the year had been achieved. The Financial Sustainability Risk Rating at the end of May was '4'. The year-end forecast for the year was a deficit of £6.8m, compared to a planned deficit of £7.7m.

The Locality Director, Bournemouth and Christchurch, advised that the completion of the Psychiatric Intensive Care Unit for women at St Ann's Hospital had been delayed by a month. This reflected the identification of asbestos and the challenge in undertaking building work in between two functioning ward areas. The additional cost of the work required was being clarified. The worst case estimate was for additional building costs of £900,000.

The Board noted the report.

619/16 People Management

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

The Associate Director of Human Resources drew particular attention to the Health Education England funding reforms. It was noted that funding for courses in 2017/18 would be provided on the current basis. The new funding arrangements would be introduced thereafter.

The Board noted the report.

620/16 Annual Reports

The Director of Nursing and Quality submitted a report providing an overview of seven annual reports for 2015/16:-

- Annual Report on Positive and Proactive Care: Reducing the Need for Restrictive Interventions
- Serious Incidents Requiring Investigation & Mortality Annual Report 2015/16
- Safeguarding Adults Annual Report 2015/16
- Safeguarding Children Annual Report 2015/16
- Infection Prevention and Control Annual Report 2015/16
- Complaints Annual Report 2015/16
- Patient Experience Annual Report 2015/16

The Director of Nursing and Quality advised that the summary provided, in respect of each report, an overview, key outcomes and achievements and key actions for 2016/17.

The Board noted the report.

621/16 Quality Improvement Plan

The 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, 44 were complete or rated as green, six 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, 65 were complete or rated as green, 11 were rated as amber/green on the basis of being in progress to meet the deadline. Three actions were rated as being amber and were at risk of not achieving the target date. Ten actions were rated as red and were not progressing or had not met the target date.

The Director of Nursing and Quality advised that the draft reports following the March 2016 re-inspection were due in later in the day.

The Board noted the report.

622/16 Quarter 1 Return to NHS Improvement

The Director of Finance introduced a report setting out the proposed quarter 1 return to NHS Improvement.

The Director of Finance gave an overview of the return and the supporting narrative to be submitted to NHS Improvement.

The Director of Finance commented that, with regard to the achievement of a Financial Sustainability Risk Rating of at least 3 over the next 12 months, the Trust should mark this as 'not confirmed'. This was because the submitted Operational Plan indicated that the Trust would have a rating of '2' at the end of the financial year. Whilst the decision to accept the control total, and the subsequent actions that this would require, would impact on the financial position, this would not be assessed prior to the submission of the return.

The Director of Finance advised that, on the basis of the supporting narrative, the statements in respect of governance and exception reporting should be marked as 'confirmed'.

The Board agreed

- (a) The statement 'the Board anticipates that the Trust will continue to maintain a Financial Sustainability Risk Rating of at least 3 over the next 12 months' be marked as 'not confirmed'.**
- (b) The statement 'the Board anticipates that the Trust's capital expenditure for the remainder of the financial year will not materially differ from the amended forecast in this financial return' be marked as 'confirmed'.**
- (c) The statement that 'the Board is satisfied that plans in place are sufficient to ensure: ongoing compliance with all existing targets (after the application of thresholds) as set out in Appendix A of the Risk Assessment Framework; and a commitment to comply with all known targets going forwards' be marked as 'confirmed'.**
- (d) The statement that 'the Board confirms that there are no matters arising in the quarter requiring an exception report to NHS Improvement (per the Risk Assessment Framework Table 3) which have not already been reported' be marked as 'confirmed'.**

623/16 Quarterly Review of the Board Assurance Framework

The Trust Secretary submitted a report setting out details of the quarterly review of the Board Assurance Framework.

The Trust Secretary explained that this was the first review undertaken of the revised strategic risks agreed by the Board and utilising the revised monitoring template. The template brought together key actions completed in respect of each risk in the quarter, an assessment by the lead Director of each risk on the effectiveness of

these actions in mitigating the risk and the key actions to be completed in the next quarter.

The outcome of the review had been considered by the Quality Governance Committee on 19 July and the Audit Committee on 23 July 2016. The Chair of each Committee gave an overview of their assessment of the outcome of the quarterly review and the effectiveness of the actions being taken to mitigate the risks.

It was noted that the mitigation of the risk in respect of the financial challenge facing the Trust had been the subject of particular debate. Whilst the Trust was on target to deliver the financial plan for the year, and the risk was thereby reducing, the uncertainty beyond the financial year-end suggested that this remained a significant risk to the Trust. The Director of Finance and Trust Secretary would be considering appropriate approaches to reflect these two aspects to the risk in the next quarterly report.

The Board noted the report.

624/16 Quarterly Review of the Well-Led Action Plan

The Trust Secretary submitted a report setting out progress in delivering the action plan agreed following the external governance review of the Trust against the Monitor Well-Led Framework in 2015.

The Trust Secretary gave an overview of the Well-Led Framework and the scoring, conclusions and recommendations of the assessment team. The report of the assessment team had made 17 recommendations and an action plan had been prepared in response. Progress against each action was reviewed quarterly.

The Trust Secretary drew attention to three recommendations

- the development of a clinical strategy, the requirement for which was now under review by the Executive;
- the adoption of a corporate improvement methodology, which was being taken forward by the Chair of the Quality Governance Committee and the Director of Nursing and Quality;
- data quality, which had been the lowest scoring area for the Trust in the review and was a particular area of focus for the Audit Committee.

The Chair of the Audit Committee advised that the position in respect of data quality had been considered by the Audit Committee earlier in the week. It was noted that some concerns had been raised that there was greater confidence in the quality of data than the indicators in the integrated dashboard were suggesting. This was under review by the Executive.

The Trust Secretary commented that the next external review would be in 2018. There was merit in the Trust reviewing progress prior to the next review. It was suggested that areas of the Well-Led Framework might be appropriately reviewed by internal audit over the next two financial years. Board members considered that this would be appropriate for review by the Audit Committee.

The Board

- (a) noted the quarterly review of the Well-Led action plan;**
- (b) asked the Audit Committee to give consideration to including, within internal audit annual plans, an assessment of the position of the Trust in respect of appropriate questions in the Well-Led Framework.**

625/16 Quarterly Whistleblowing Report

The Associate Director of Human Resources submitted a report providing details on whistleblowing incidents for the period April to June 2016.

The Board noted the details of five new cases submitted in the quarter and an update in respect of a previous complaint. No new cases had been raised externally in the quarter.

The Board noted that action was being taken to amalgamate the national Freedom to Speak Up: Whistleblowing Policy for the NHS with the Trust policy. As part of this, whistleblowing guardian arrangements in the Trust are being reviewed. The revised policy and proposed guardian arrangements would be submitted to the Board later in the year.

The Board noted the report.

626/16 Medical Staff Revalidation Update

The Deputy Medical Director submitted a report setting out progress with the arrangements for the revalidation of medical staff.

The Board noted the background to the requirement for medical revalidation, the governance arrangements in the Trust and the current position with regard to medical appraisals. At the end of March 2016, 92 of the 94 doctors with a prescribed connection to the Trust had attended an appraisal meeting. The position in respect of the remaining two was noted.

The Deputy Medical Director explained that internal audit reviews had been carried out into the appraisal and revalidation system in the Trust. No major weaknesses had been identified.

The Board noted the report.

627/16 Summary Minutes of the Appointments and Remuneration Committee: 30 March 2016

The Board noted the summary minutes of the Appointments and Remuneration Committee held on 30 March 2016.

627/16 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 Chair advised that consideration was being given to the Board workshop programme through to March 2017. Details would be available shortly.

The Chair also referred to the previous discussions in respect of arrangements for providing the Board with enhanced oversight and assurance on finance. The workshop programme would be used to provide this.

The Board noted the updated cycle of business.

628/18 Governor Questions and Observations

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

- It was considered that the patient story highlighted the importance of reviewing the arrangements for meal times at Trust sites. The Chair of the Quality Governance Committee asked that a baseline assessment of the current arrangements be reported to the Committee.
- Concern was expressed at patients not being made aware of their Section 132 rights. The Chair commented that this was a matter of concern to, and was under consideration by, the Mental Health Legislation Assurance Committee.

629/16 Next Meeting

The Board noted that the next meeting would be held on 28 September at 1.00pm at Sentinel House, Poole.

630/16 Exclusion of the Press and Public

The Board agreed that the press and public be excluded from the remainder of the meeting having regard to the confidential nature of the business to be transacted, publicity of which would be prejudicial to the public interest.

[The following Governors remained for the Part 2 section of the meeting- Angela Bartlett, Pat Cooper and Sue Evans-Thomas].

631/16 Serious Incident on a Ward

The Director of Nursing and Quality reported on an incident on Chine Ward, following which the patient had passed away at Poole Hospital. The Trust had undertaken an immediate review and had commissioned an external investigation.

Signed:

Date:

Ann Abraham, Chair