

**Report Status: Open**

**BOARD OF DIRECTORS MEETING**

Minutes of the Board of Directors’ meeting held in public on

Wednesday 29 November 9.00am in the Calder Room at The Pavilions Harrogate

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| **Present:** | Mr Jonathan Coulter, Deputy Chief Executive/Finance DirectorMrs Jill Foster, Chief NurseMr Robert Harrison, Chief Operating OfficerMr Neil McLean, Non-Executive DirectorMs Laura Robson, Non-Executive DirectorMrs Angela Schofield, ChairmanDr David Scullion, Medical DirectorMaureen Taylor, Non-Executive Director. Mr Chris Thompson, Non-Executive DirectorDr Ros Tolcher, Chief ExecutiveMr Ian Ward, Non-Executive DirectorMrs Lesley Webster, Non-Executive Director |
| **In attendance:** | Mr Andrew Alldred, Clinical Director for Long Term and Unscheduled CareMrs Jo Harrison, Deputy Director of Workforce and Organisational DevelopmentDr Kat Johnson, Clinical Director Planned and Surgical CareDr Natalie Lyth, Clinical Director for Children’s and County Wide Community Services Mrs Katherine Roberts, Company Secretary (minutes) |

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| 1. **Welcome and Apologies for Absence**
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| Mrs Schofield welcomed observers to the meeting, this included Tony Doveston (Public Governor), Carolyn Heaney (Stakeholder Governor), Daniel Scott (Staff Governor) and Mr Paul Widdowfield (Communications and Marketing Manager). She noted that apologies had been received from Mr Phillip Marshall, Director of Workforce and Organisational Development.  |
| 1. **Declarations of Interest and Board Register of Interests**
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| There were no declarations of interest relevant to items on the agenda.  |
| 1. **Minutes of the meetings of the Board of Directors on 25 October 2017**
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| The draft minutes of the meeting held on 25 October 2017 were approved subject to three amendments. In minute 12.1 ‘Grey’ was spelt incorrectly and should be corrected to ‘Gray’. In minute 6.4 there was a typo; stroke services, not stoke services. Minute 5.7 should be clarified to explain that a decreased in SHMI was a positive result.  |
| **APPROVED:****The Board of Directors approved the minutes of the meeting held on 25 October 2017** **as an accurate record of proceedings.** |
| 1. **Review of Action Log and Matters Arising**
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| * 1. Completed actions were noted.
	2. Action 46; Mrs Taylor confirmed the Finance Committee would discuss the committee self-assessment on 11 December 2017.
	3. Mr Alldred confirmed update reports regarding stroke services had been considered by the Quality Committee. These had covered the action plan developed following a recent ‘hot spot’ review and a deep dive into performance SSAAP data. It was noted that discussions at West Yorkshire and Harrogate level about the future configuration of stroke services had been delayed until March 2018. Mr Harrison explained that as a result the Trust was working with the Health and Social Care Partnership team to support the resilience of the Trust’s stroke unit over the coming months. It was agreed this action could be closed because the matter would be considered further by the Quality Committee.
	4. Mrs Schofield noted the Trust’s catchment population had not been explored at the Board Strategy Day in November 2017. It was agreed this would be deferred until July 2018.
	5. Mr Coulter confirmed actions 66, 67 and 68 had been completed. In addition he explained he would provide an update on action 69 during his report to the Board.
	6. Mrs Webster confirmed the Quality Committee would consider action 73, process to monitor Cost Improvement Plans, in January 2018.
	7. Dr Scullion provided an update on action 74; the Trust’s General Office team had confirmed delays in issuing death certificates were very rare. The Board agreed this action could be closed.
	8. There were no other matters arising.
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| **APPROVED:****The Board of Directors noted completed actions and received an update on actions 46, 49, 53, 66, 67, 68, 69, 73 and 74.**  |
| **Overview by the Chairman** |
| Mrs Schofield acknowledged that this would be her first meeting as Chairman of Harrogate and District NHS Foundation Trust. She expressed her thanks to members of the Board and Council of Governors for making her very welcome. In addition Mrs Schofield said she had been tremendously impressed by the professionalism of the Trust’s staff and the quality of care provided; the Trust’s values were lived and breathed by all members of staff. Mrs Schofield noted three governors, Dr Sally Blackburn, Mrs Jane Hedley and Mr Peter Pearson would step down from the Council of Governors in December 2017. She thanked them for their commitment and support for the Trust. Mrs Schofield said the meeting would focus on patient experience, assurance on the Trust’s financial recovery plan and understanding any implications of the plan for safety and patient experience.  |
| 1. **Report by the Chief Executive (excluding finance matters) and Integrated Board Report**
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| * 1. The report had been circulated in advance of the meeting and was taken as read.
	2. Dr Tolcher drew attention to the strong operational performance, all indicators were green. She noted that the overall rate of falls had continued to reduce, however there had been a slight increase in the number of falls causing fractures. Mrs Foster was scheduled to meet with senior nurses during the next week to consider any underlying themes.
	3. Dr Tolcher explained there had been a reduction in the Friends and Family response rate compared to 2016. This had resulted in deterioration in the Trust’s composite CQC Insight rating. Dr Tolcher commented that the reduction was not sufficient for her to be concerned. She was confident the Trust was appropriately capturing and responding to patient feedback.
	4. The West Yorkshire and Harrogate Health and Social Care Partnership (WY&H HCP) continued to work towards an ambition to become an Accountable Care System from April 2018. A Memorandum of Understanding was being developed, and regulators would seek further assurance about the HCP clinical strategy and plans to close the financial gap.
	5. Dr Tolcher confirmed that at the recent Harrogate Health Transformation Board (HHTB) the Clinical Commissioning Group (CCG) had shared draft commissioning intentions for integrated community services in the form of a ‘green paper’. Mr McLean expressed concern that the commissioning intentions shared by the CCG had not demonstrated a significant pace of progress; no detail about the financial modelling had been included. Dr Tolcher explained provider organisations in Harrogate district had reaffirmed their commitment to finding ways to work collaboratively and determine the best ways to use public resources. Mrs Taylor queried whether the work undertaken by Keith Derbyshire Associates had influenced the CCG’s commissioning intentions. Dr Tolcher explained the commissioning intentions had been prepared in light of the CCG’s financial challenges, but detailed figures had not been shared with the Trust. Mr Coulter said the level of baseline funding for community services in Harrogate was lower than other CCG areas. Dr Tolcher highlighted the integrated commissioning strategy did not describe joint budgets between the CCG and the County Council.
	6. Mr Thompson expressed concern that April 2018 was not far away; he queried how all parties within WY&H HCP would move to financial balance. Dr Tolcher explained a shared credible financial plan was being developed but this would not be achieved by April 2018. She noted that at overall HCP level commissioners were in financial balance.
	7. Mrs Schofield queried why there was an ambition to move to an Accountable Care System so quickly. Dr Tolcher explained this would provide access for WY&H to funds and some level of devolution of authority.

**ACTION: provide a briefing for the Board when the final draft Memorandum of Understanding was received, clarifying any governance implications.** * 1. Mr Ward queried any impact for the Trust following the recent government budget statement. Dr Tolcher said an additional £350m had been committed to support the NHS during winter 2017/18, the mechanism to pass this funding onto providers had not been confirmed. Mr Harrison confirmed he had prepared a number of schemes which would be proposed. It was noted capital investment in a new Child and Adolescent Mental Health Unit (CAMHS) in Leeds had been approved; this would support improved access to mental health services for young people in Harrogate.
	2. Mr Coulter clarified that the government had linked any future pay awards to negotiated changes to Agenda for Change terms and conditions. He noted the government had clarified funding for any pay uplifts would excluded doctors and dentists, this cost would need to be met by the Trust. Dr Lyth queried whether local authority funded health services would be covered by the same promise. Dr Tolcher confirmed that she had shared this issue with national bodies, but it would remain a significant risk for the Trust.
	3. The Board considered the Integrated Board Report (IBR), which had been circulated in advance of the meeting and was taken as read.
	4. Mr Thompson noted Trust staff working in the community were under increasing pressure, he queried whether there was a way in which this could be captured within the IBR. It was agreed this would be considered further.

**ACTION: consider the inclusion of measures demonstrating the pressures faced by community services within the IBR.** * 1. Mrs Taylor noted a 1% improvement in Delayed Transfers of Care (DTOC) during October 2017. Mr Harrison said he believed this was the result of natural variation, not a substantial improvement. He detailed actions being taken by the Trust and CCG to reduce the DTOC level further.
	2. Mrs Webster commended the achievement of 84.7% staff appraisal rate; she said she would be interested to learn about the impact on staff. Mrs Harrison said the appraisal period had ended in September 2017, it was therefore too early to comment on the impact. However the forthcoming staff survey results would be an important method to assess the impact.
	3. Dr Lyth noted benchmark analysis on 0 – 19 services undertaken by 56 providers, in all four localities the Trust was above in all benchmarked areas.
	4. Mr McLean queried why the capital expenditure measure was green when capital expenditure in year was behind plan.

**ACTION: Mr Coulter to review the capital expenditure measure in the next monthly IBR.**  |
| **APPROVAL:****The Board of Directors:** * **noted the strategic and operational updates**
* **noted progress on risks recorded in the BAF and Corporate Risk Register and confirm that progress reflects the current risk appetite.**
* **received and noted the Integrated Board Report**
* **endorsed use of the Trust’s seal and agreement of a licence as detailed in the report.**
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| 1. **Finance Report including Financial Recovery Plan and CIP update**
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| * 1. The report had been circulated in advance of the meeting and was taken as read.
	2. Dr Tolcher noted financial performance continued to be a high risk to the Trust, with a deficit of £5.25mreported for the year to October 2017. An in month surplus of £329k had been achieved which, while positive, fell short of the risk adjusted forecast which had been for a deficit of £5.03m. If sustained, the run rate improvement would return the Trust to a positive year end position. The Senior Management Team (SMT) had reflected on the interim financial recovery controls and agreed all should be sustained until the end of the financial year. Dr Tolcher acknowledged the hard work of staff and the impact these measures had had on teams across the Trust.
	3. Mr Coulter drew attention to the graph on page one of his report. He noted that the Trust had made a surplus in November 2017; activity levels had been higher in October 2017 than any previous month of the financial year. In addition Cost Improvement Plans had been delivered and the Trust had been successful in reducing expenditure.
	4. The Trust had met NHS Improvement on 28 November 2017, and provided reassurance that the Board was committed to delivering the control total by the end of the financial year. NHS Improvement had been assured that the Trust’s position had improved. They had agreed the main risks would be maintaining momentum and staff engagement in the financial recovery. In addition NHS Improvement had confirmed it would not be possible to negotiable a change to the 2018/19 control total. The Board noted there would be benefits for the Trust if the control total was accepted; these would need to be considered before a decision by the Board about agreeing to the 2018/19 could be reached.
	5. Mr Coulter reported that activity during November 2017 appeared to be £250k higher than October 2017. He noted his report provided full details of the financial recovery schemes, he highlighted two material schemes; the recruitment of an additional trauma and orthopaedic locum and the addition of a new general surgery list at Wharfedale hospital from mid-December 2017.
	6. It was noted agency spend had reduced significantly since summer 2017, and was well below the NHS Improvement ceiling; the Trust had been identified as a good practice case study by NHS Improvement.
	7. Mrs Webster expressed concern about the level of activity which would need to be achieved in the remaining months of the financial year, she calculated that an additional 17 day case surgeries would need to be completed per day in order to catch up activity. Mr Harrison clarified that there was a new activity profile to the year end. The data included within his report related to the original plan for 2017/18, and had not been updated to reflect the plan adjusted in light of the financial recovery action plan. He informed the Board he expected the revised activity plan to be achieved.
	8. Mr Coulter said the expected year end position would not be the control total, but would be £900k surplus. Mr McLean noted the proposed establishment of an Alternative Service Delivery Model (ASDM) would be a large contributor to this position and without this initiative the underlying position for the year would be a deficit of £1m. Dr Tolcher confirmed a different approach to planning had been adopted for 2018/19, this included a focus on the run rate and driving down cost without exhausting the workforce.
	9. Dr Scullion noted the significant improvement in the financial position. He highlighted the importance of feeding this back to staff and spreading the positive message of success to maintain momentum. The Board agreed communications with staff were essential to achieving the financial recovery plan.
	10. Mr Ward welcomed progress made during recent months to recover the Trust’s financial position. Looking back on past financial years, he queried why there had often been a slow-down in performance in the early months of each financial year. Mr Coulter noted the changes to tariff income, increased costs and additional efficiency targets which took effect from April each year.
	11. Dr Tolcher said the Trust’s cash position remained a concern, with 500k cash at the end of October 2017. Mr Coulter confirmed the CCG had paid the Trust a proportion of what was owed, however £4m remained outstanding. The issue had been discussed with NHS Improvement, and plans were in place to enter contractual mediation with the CCG in December 2017.
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| **APPROVED:****The Board of Directors noted the contents of this report.** |
| 1. **Report from the Chief Operating Officer**
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| * 1. The report had been circulated in advance of the meeting and was taken as read.
	2. Mr McLean sought further information about the cause of the delay in the Trust providing additional sessions at Wharfedale hospital. Mr Harrison explained the additional lists would commence from 15 December 2017. A number of issues had been resolved including aligning nursing staff into a single team, difficulties with the booking system and agreeing a payment mechanism, with incentive on both sides.
	3. Mrs Webster queried how relevant and meaningful the CQC Insight reporting was for the Board. Mr Harrison explained these measures were high level indicators which the CQC would use to drive their Key Lines of Enquiry (KLOE) during an inspection. Mrs Foster reported that she flagged areas of concern when she met with the CQC recently. Dr Tolcher noted the insight report methodology was still evolving.
	4. Mrs Schofield queried actions being taken to increase the percentage of staff who had received the flu jab. Mrs Harrison confirmed further vaccines would be provided in the coming week, and there would be additional all staff communications. Mr Harrison noted that although the Trust was ahead of the same period in 2016/17, it was unlikely the CQUIN target would not be achieved by February 2018. Mrs Webster noted the flu jab programme had been monitored by the Quality Committee strong assurance had been received, although there would be learning to implement next year.
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| **APPROVED:** **The Board of Directors:** * **received and noted the contents of the report.**
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| 1. **Report by the Director of Workforce and Organisational Development to include an update on the Clinical Workforce Strategy**
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| * 1. The report had been circulated in advance of the meeting and was taken as read.
	2. Jo Harrison noted key areas included within the report; an update on progress with the Workforce and Organisational Development Strategy, the successful leadership innovation fund bid (£136k) and the new master vendor model to engage temporary medical staff with Medax.
	3. Following a question from Dr Lyth it was confirmed the leadership innovation funding would be open to hospital and community staff in Harrogate. This would include a focus on training trainers so that there would be capacity to roll out the programme further in the future.
	4. There was a discussion about the financial recovery workforce controls. Mrs Harrison noted a significant reduction in recruitment adverts, however a quality impact assessment approach had ensured the Trust had still advertised for clinically necessary and essential posts. Mr Alldred noted the lengthy discussions at the SMT meeting, it was recognised the Trust needed workforce controls.
	5. Following a question from Mr Thompson it was agreed Mr Marshall and Mrs Foster would provide feedback about the new placement pathway for pre-registration nursing students once the programme had become established.

**ACTION: Mr Marshall and Mrs Foster to provide feedback about the placement pathway in place for pre-registration nursing students.** * 1. Mr McLean queried progress on efforts to improve recruitment and staff retention. Mrs Harrison explained a pilot scheme intended to retain acute staff had not been as successful as had been hoped. The feedback received had been analysed and resulting actions had been added to the strategy action plan, for example Mrs Foster explained that the nurse preceptorship programme had been altered to include additional support with clinical skills for new starters.
	2. Mrs Taylor queried how the advanced clinical practitioner recruitment would be monitored to demonstrate its effectiveness. Mrs Harrison explained this was monitored as part of the clinical workforce strategy. This included examining whether key posts identified within the business case had been filled by advanced clinical practitioners.
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| **APPROVED:** **The Board of Directors:** * **Noted items included within the report.**
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| 1. **Report from the Chief Nurse**
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| * 1. The report had been circulated in advance of the meeting and was taken as read.
	2. Mrs Foster highlighted activity undertaken to strengthen registered nurse recruitment and retention. She noted the Trust’s current vacancy rate of 15% was concerning although it benchmarked well with others in the region. Mr McLean suggested the Trust should focus on what would make the organisation an employer of choice. Mrs Harrison highlighted a number of schemes to achieve this, however she noted there were some elements related to the working environment which could be improved, for example dedicated space for staff to take breaks.
	3. The Board expressed their congratulations to the maternity unit for achievement of Gold Standard UNICEF Baby Friendly accreditation. Mrs Foster noted that this made Harrogate the first organisation nationally to receive the gold standard for the maternity unit and also have accreditation for the special care baby unit.
	4. Mrs Foster drew attention to the 16% decrease in the number of formal complaints compared to the same time period in 2016/17. She proposed this may be the result of increased staff appraisal rates. Following a question from Ms Robson it was reported the response rate to formal complaints had improved, but the 95% target had not been achieved. The governance arrangements for oversight of complaints were noted by the Board.
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| **APPROVED:****The Board of Directors:** * **Confirmed they were assured by the monitoring of nurse recruitment and retention and the governance process for assuring safe staffing levels**
* **Noted the reporting of Director Inspections and Patient Safety Visits**
* **Confirmed they were assured of progress toward the Trust pressure ulcer target**
* **Noted the decrease in numbers of complaints received by the Trust year to date**
* **Congratulate the team working to improve standards for mothers and babies and the excellent achievement of the Maternity Unit.**
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| 1. **Report from the Medical Director**
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| * 1. The report had been circulated in advance of the meeting and was taken as read.
	2. Dr Scullion reported on a visit to the Trust by Mr Tim Briggs the national programme lead for Getting it Right First Time (GIRFT). The Trust’s orthopaedic department had been highlighted as an exemplar. Mr Briggs had discussed a number of follow up actions to support the Trust in attracting a higher number of trainees to the department. Mr Harrison explained the Trust had been encouraged to bid for specialty orthopaedic work within the West Yorkshire Association of Acute Trusts (WYAAT), however he noted this would require ring fenced orthopaedic beds, which would present a challenge for the organisation.
	3. Dr Jo McCreanor had completed a retrospective case note review in elderly medicine. The review had found no cases of severe lapses in care; none of the deaths were judged to be avoidable. Work was ongoing to consider whether patient frailty had been captured by activity coding. The Board welcomed the outcome of the review by Dr McCreanor and agreed that no external review of elderly mortality was required.
	4. Dr Scullion noted the Higher Level Responsible Officer quality review team visit to the Trust. He explained the report of the visit made a number of recommendations; an action plan had been developed and would be taken forward.
	5. It was reported the Research and Development Committee had been made aware of a cardiology research study in which Harrogate patients were recruited without following appropriate research governance policies and procedures. No patient had been harmed in any way. The issue had been addressed and safety net procedures were being implemented to prevent a recurrence.

**ACTION: Dr Scullion to circulate to the Board a copy of the National Audit Report “Managing the costs of clinical negligence in Trusts”.**  |
| **APPROVED:** **The Board of Directors:** * **received and noted the report.**
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| 1. **Oral Reports from Directorates**
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| * 1. **Planned and Surgical Care Directorate**
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| * + 1. Dr Johnson reported it had been a challenging period for the maternity department; there had been four closures within the past month, in one instance a patient had been diverted as a result. The closures had been caused by a rise in delivery numbers and increased complexity of patients, including multiple births. In addition there had been gaps within the department staffing due to sickness, maternity leave and recruitment vacancies. This situation had impacted negatively on morale within the department. Mr Ward noted the Trust’s strategic ambition to increase the number of births; he queried whether this would be achievable in light of these recent operational pressures. Dr Johnson explained she would present a report to the Quality Committee in January 2018 which would make a number of recommendations. Mrs Schofield noted the Board would need to discuss this topic again and receive further information about the Trust’s short and long term plans for maternity services.
		2. Dr Johnson noted the new Surgical Assessment Unit had been operating for four weeks; initial indications were that the unit had operated successfully.
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| * 1. **Children’s and County Wide Community Services Directorate**
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| * + 1. Dr Lyth informed the Board that in March 2018 North Yorkshire County Council would publish a new strategy about provision of services for children with special educational needs.
		2. In December 2017 an interview would be held for a second paediatric consultant with an interest in diabetes.
		3. It was noted the directorate management team capacity had been challenged due to a number of commercial tenders and staff sickness. The team had coped well, but was under pressure.
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| * 1. **Long Term and Unscheduled Care Directorate**
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| * + 1. Mr Alldred reported on progress to further develop the Trust’s end of life service, this had involved discussions with the CCG and input from the individual who attended the Board in October 2017 and shared their personal story.
		2. The Board noted that the Trust’s community services continued to face significant pressures. In order to support the service an Operational Pressures Escalation Level (OPEL) framework had been introduced. The pressures had been caused by high levels of demand and also increased levels of staff sickness in an under-resourced service. It was noted the service had operated at OPEL level three in recent weeks. Mr Harrison explained if OPEL level four was reached the Board would be informed via the Chief Operating Officer report.
		3. Mr Alldred reported the directorate had robust plans for acute services during the festive period and the first week in January 2018 when demand was expected to increase.
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| 1. **Committee Chair Reports**
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| Mrs Schofield welcomed reports from the Board’s committees. |
| * 1. **Report from the Quality Committee meeting held on 1 November 2017**
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| * + 1. Mrs Webster noted the report had been circulated in advance of the meeting and was taken as read.
		2. Mrs Webster noted that as a result of the committee effectiveness survey amendments were proposed to the membership of the Quality Committee.
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| **APPROVED:** **The Board of Directors:** * **Approved the revised Terms of Reference for the Quality Committee.**
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| 1. **Council of Governors minutes of the meeting held 2 August 2017**
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| * 1. The minutes of the Council of Governors meeting on 2 August were noted by the Board.
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| 1. **Other matters relating to compliance with the Trust’s Licence or other exceptional items to report, including issues reported to the Regulators**
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| * 1. It was confirmed there were no items to be reported.
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| 1. **Any other relevant business not included on the agenda**
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| There was no other business.  |
| 1. **Board Evaluation**
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| Mrs Schofield thanked members of the Board for contributing to the meeting. She reflected the current themes were workforce and financial pressures. She said well done to the Trust’s staff for maintaining standards of care in such circumstances. Mrs Taylor said the right amount of time had been spent on each report. Dr Tolcher felt there had been good triangulation of information about pressures on the Trust.  |
| 1. **Confidential Motion**
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| The Chairman moved ‘that members of the public and representatives of the press be excluded from the remainder of the meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest’.The Board agreed the motion unanimously.The meeting closed at 12.29pm.  |