South Tees Hospitals NHS
NHS Foundation Trust

Agenda item 5

SOUTH TEES HOSPITALS NHS FOUNDATION TRUST

TRUST BOARD MEETING (PART 1)

Minutes of the Trust Board meeting held in public on Tuesday 29 July 2014
at 10.00 in the Board room, 1st floor, Murray Building,
The James Cook University Hospital, Middlesbrough TS4 3BW

Present:	Ms D Jenkins	Chairman
	Mr D Kirby	Vice Chairman
	Professor T Hart	Chief Executive
	Mr C Harrison	Director of Human Resources
	Miss R Holt	Director of Nursing and Quality Assurance
	Mr H Lang	Non-Executive Director
	Mrs J Moulton	Director of Service Strategy & Infrastructure
	Mr C Newton	Director of Finance & Information Technology
	Mrs M Rutter	Non-Executive Director
	Mr J Smith	Non-Executive Director
	Cllr Mrs B Thompson	Non-Executive Director
	Mrs H Wallace	Non-Executive Director
	Mrs S Watson	Chief Operating Officer
	Professor R Wilson	Medical Director
In attendance:	Dr S Baxter	Chairman, Senior Medical Staff Forum
	Mrs M Coyle	Personal Assistant to CEO/Chair
	Ms K Linker	Chairman, Staff Side
	Mrs A Marksby	Head of Communication
	Mrs Pearson	Learning Disabilities Liaison Nurse
	13 members of the public	
Apologies:	Mrs C Parnell	Company Secretary

1 WELCOME AND INTRODUCTION

The Chairman welcomed everyone to the meeting.

2 DECLARATIONS OF INTEREST

Attendees were reminded of the need to declare any interests they may have in connection with the agenda.

Cllr Thompson expressed an interest in any issues relating to Middlesbrough Borough Council.

3 PATIENT EXPERIENCE STORY

Miss Holt introduced Mrs Pearson the Learning Disabilities Liaison Nurse within the trust. Mrs Pearson passed on the apologies of the patients who had hoped to attend the meeting to speak on their own experience. She proceeded to talk to a presentation which she explained contained a mix of positive and negative patients' experiences.

Patient Jeanette was nervous about coming into hospital but working alongside her carer arrangements had been put in place with the relevant departments to allay this. However, on the day, due to the timescales for the surgical procedure, the carer had to leave

Jeanette and in the intervening period until Mrs Pearson arrived Jeanette had become anxious and upset. Mrs Pearson arranged for Jeanette's anxiety to be treated and remained with her until the procedure. Lessons drawn from this were to tighten up planning and co-ordination, improvements had also been made to the pre-assessment process.

As Patient Dennis' carer could not attend the pre-assessment Mrs Pearson had arranged to attend with him and advised the unit of his needs, this went well. Due to a chest infection the patient was required to have a further x-ray on the day of his surgery, again Mrs Pearson accompanied him and dealt with his anxiety throughout the waiting times which included services from the holistic centre. However, he was then informed that the surgery could not take place that day. Mrs Pearson reminded the meeting of the preparation a patient would have made for surgery ie nil by mouth. The patient became anxious and frustrated and would not engage in rescheduling the procedure and for some while after was also disengaged with the community team supporting him. Eventually the patient was persuaded to return for treatment which was successfully undertaken. The lesson drawn from this was a reminder of the impact on patients when planned procedures are cancelled.

On a final note Mrs Pearson informed the meeting of a positive case concerning a patient with poor communication skills. Mrs Pearson became concerned about the patient's condition following his surgery and contacted his relatives who informed her that the patient may not always communicate when he was in pain. As a result investigations were undertaken and the patient received further treatment. Mrs Pearson highlighted this as a good example of close liaison with family and carers.

Ms Jenkins thanked Mrs Pearson for sharing the patients' stories and she invited comments and questions from members of the Board:

- Ms Jenkins began by acknowledging the close working relationship in place with the community nurses and asked if a fast-track system was in place. Mrs Pearson responded that there was a flagging system to do that and guidance on where they have to go to.
- Cllr Thompson spoke of her involvement with the learning disability working group and acknowledged Mrs Pearson's passion and desire for improvement but added that there was more work to be done.
- Professor Hart asked what support was available to patients at The Friarage Hospital (FHN). Mrs Pearson replied that she covered both acute hospital sites adding that The James Cook Hospital (JCUH) had an advantage as this was the base she worked out of and invariably was available to provide support. In the case of the FHN she could provide support if available but would also link into their learning disability team when she was unavailable. She informed the meeting that no staff member had come forward at the FHN to act as delegated champion for this area, Miss Holt agreed to look at this further.

  Action: Ms R Holt
- Mrs Rutter referred to the third patient experience and asked if there were any lessons to be drawn on discharge and liaison with community staff. Mrs Pearson responded that the patient did not always communicate his pain, he appeared well on the day of discharge and discharge information had been shared with family and carers.
- From a theatre perspective Dr Baxter commented that with advance notice lists could be managed to provide the extra time needed to support these patients but on the occasions where was no advance notification this was more difficult to manage.

Ms Jenkins thanked Mrs Pearson for attending the Board meeting to share the patients' experiences and her commitment to improving services to meet the needs of this particular group of patients.

ACTION:
Miss Holt agreed to look at establishing a champion at FHN for patients with learning disabilities.

4 MINUTES

The Minutes of the meeting of the Trust Board held in public on 24 June 2014 were received and approved as a correct record of the proceedings with the following amendment:

Page 3, minute 7, penultimate bullet point, final line should read: major provider for all recognised forms of hearing loss treatments.

DECISION:
The minutes of the meeting held on 24 June 2014 were approved.

5 MATTERS ARISING AND ACTIONS FROM PREVIOUS MEETING

There were no matters arising from the Minutes that were not covered elsewhere on the agenda.

Progress on closing outstanding actions was noted and it was agreed to update the action log as follows:

- Agenda item 8.2: Mrs Watson reported limited progress but was hopeful of improvement.
- Agenda item 8.3: Miss Holt confirmed that the report would be taken to the Quality Assurance Committee prior to its presentation to the Trust Board.
- Agenda item 8.4: Mrs Watson indicated that it was unlikely that the red rated action would be completed within timescale explaining that there were significant capital implications for which a business case would be prepared. National recommendation was streaming of wipe-boards with TVs, an approach had been made to Carillion to explore their interest in supporting this.
- Agenda item 10.1: Professor Wilson agreed to pursue progress on evidence around the link between palliative care and rate at The Friary.

6 CHIEF EXECUTIVE'S REPORT

Professor Hart introduced her report on recent developments and highlighted the following:

- Significant activity through McKinsey, Transformation Board and transformation office. Two candidates put forward by Monitor had been interviewed for the Transformation Director role and, based on who could add the most value, Monitor had been advised of which candidate the Trust would work with. His appointment would then be communicated within the next few days.
- The official opening of the James Cook rail station by Baroness Kramer, Minister of State of Transport, marked the work undertaken by the Trust over a number of years to secure this.
- The Trauma Audit and Research Network (TARN) data had demonstrated the improved chance of patient survival through the development of trauma centres across the country.
- A new procedure (EBUS) had been introduced for the early treatment of lung cancer, further improving the JCUH profile as a major cancer treatment centre.
- The Trust's fourth Patient Safety Conference had been successfully delivered, the second occasion that had been delivered in collaboration with Teesside University. Professor Hart reminded the Board that the focus had been on human factors and the impacts of patient safety and experience. The key speaker was Ms Helen Hughes, a national lead in this area and with whom the Trust had close links through its work on the human factor faculty.
- The benefits to clinical frontline staff from the introduction of VitalPAC were noted and the Board was reminded that this had been paid for from the Trust's successful bid to the NHSE Nursing Technology Fund. Staff feedback was extremely positive and

Professor Hart highlighted the links this would have on improving patient safety and experience.

- Professor Hart reminded the Board of the historical excellent support provided to the Trust by Macmillan and asked that they note the project reported on which would review patient experience from admission, diagnosis, treatment, discharge through to recovery.
- Attention was drawn to national changes on the Friends and Family test.

The following points were made in discussion:

- Mr Lang enquired on the extent of the VitalPAC implementation and in response Miss Holt confirmed that it also included the FHN hospital and that the licence period was 4 years.
- Having used the train service Cllr Thompson commented that she found it to be convenient but thought that the walking distance to the hospital may be too difficult for patients with access problems and questioned whether it could become isolated at quiet times. Mrs Moulton responded that it required a project evaluation between Network Rail and Middlesbrough Council to improve the safety of the environment, she also suggested the possibility of involving third sector organisations and linkage with the volunteers could be explored.
- Mr Lang asked if the impact of VitalPAC on mortality and patient deterioration could be evaluated. Miss Holt confirmed that this could be done and agreed to arrange for this to be included in the information already collated on the critical care outreach team.

Action: Miss R Holt

- Mr Smith was pleased to note this development taking place on the Wards but asked if it included areas such as specialist services. Miss Holt agreed to follow this up and close any gaps.

Action: Miss R Holt

DECISION:
The Board noted the report.
ACTIONS:

1. **Miss Holt to arrange for the impact of VitalPAC to be monitored.**
2. **Miss Holt to review information gaps in specialist services relating to VitalPAC patient monitoring.**
3. **Miss Holt to arrange for Mrs L Garcia, Directorate Manager, to attend a future Board meeting to present on VitalPAC**

QUALITY, SAFETY AND PERFORMANCE

7 PERFORMANCE REPORT FOR JUNE 2014

Mrs Watson introduced the trust performance report for June 2014 which informed the Board on performance against current national indicators and local targets, and highlighted the following:

- Continued improvement in the delivery of the 18 weeks targets, a further positive performance which resulted in the trust achieving full compliance for quarter one. Conversely, it was noted that nationally there were issues in achieving this target and that Monitor had communicated to trusts that they would not be held accountable in quarter 2 for non-delivery of this target.
- It was noted that Mrs Danieli, the trust's head of performance management, had been asked to advise on national work to develop a learning tool to manage and monitor the delivery of the 18 weeks targets. The trust was being reimbursed for this contribution and there was agreement that the trust should look at the potential further benefits of this collaborative work drawing upon the trust's recognised good practice. It was also noted that Mrs Danieli's work had been recognised at the most senior level including national leads, Monitor and NHSE.

Action: Mrs Watson

- The trust had been awarded £2.2M from national funding to support trusts in driving down the waiting time for the referral to treatment targets (RTT) from 18 to 16 weeks. This had been aligned with RTT work plans.
- The Board were reminded that there would be a report to their August meeting on the impact of plans now in place to improve performance issues in the delivery of the orthopaedic programme.
- A&E targets continued to be met at a trust level, however, at hospital site level difficulties had been experienced particularly at the JCUH. Mrs Watson reported that the front-of-house activities will be included in improvement work Dr Craig, Trust Organisation Development Lead, was leading on with A&E activity.
- The trust was compliant on cancer targets in May and expected to be compliant for quarter one. However, performance against the 62 day first definitive treatment target had fallen in June, whilst 40% of breaches were associated with external referrals Mrs Watson highlighted that 60% of the breaches were linked to issues in the trust's own pathways and, therefore, could have been avoided. The cancer and performance teams were working together to address problems. Ms Jenkins asked if external help should be sought, Mrs Watson did not think the size of the problem warranted this, however, she agreed to look at the approach to the recovery of the 18 weeks targets to see if there was any learning that could be applied. She added that the approach was to establish robust delivery plans, reviews would be held with Managing Directors in the centres to identify differentials and they would be asked to lead on work in their centres to resolve the issues.

Action: Mrs Watson

- To date there had been 15 trust-attributable cases of Clostridium difficile reported against the year target limit of 49 cases. However, it was noted that since reporting the June figure of 4 cases a further 3 cases had been identified which took performance above the trajectory.
- No concerns against the CQUIN target.
- Mr Harrison reminded the Board that he would be reporting to their August meeting on plans to manage the rise in staff sickness absence rates. He acknowledged the significant increase over the same period last year, reflected on the challenges facing the organisation but assured the Board that measures were in place to address this. He moved on to mandatory training commenting that whilst it was showing a month-on-month increase but he would prefer a quicker speed of recovery. He highlighted the staff development review (SDR) completion rate currently stood at 71%.

The following points were made in discussion:

- Mrs Watson confirmed to Mr Kirby that the cancer figures for June were not yet confirmed. Mrs Watson also clarified to Mr Kirby that if the June performance failed the trust would remain on track to achieve quarter one.
- Mr Kirby made some observations on the calculations for 42/62 day referrals and noted significant difference between the figures. Mrs Watson clarified that the emphasis was not solely on numbers, that it also looked at people treated and provided assurance that work was taking place to identify where the delays were and resolve the problems.
- Mr Kirby commented on the usefulness of the dashboards measuring 18 weeks performance and raised a query on cardiothoracic performance which he noted was one of the lowest workloads by weeks of all the specialities but with an indication that it would be later in the year before they expected to be back on track against the target. Mrs Watson responded that there were a number of contributory factors including theatre lists, emergency work and consultant capacity. Mr Kirby asked for assurance on the security of the speciality and Mrs Watson gave assurance but only relating to the work in hand.
- Mr Lang asked if there was slippage on the 18 weeks performance in the future, what processes were in place to flag this up quickly. Mrs Watson provided reassurance that the process was in place through the Capacity and Demand model now implemented (using the IMAS tool) and on-going engagement with the clinical teams.
- Bearing in mind previous difficulties encountered with the CQUIN target, Professor Hart recommended that the Board received a mid-year update report at

their meeting in September to see where performance was at and whether there should be a step-up in focus.

Action: Mrs Watson

- Mrs Rutter thought some of the solutions to improve performance lay in the transformation work currently underway particularly in the areas of surgical and out-patient capacity.

DECISION:
The board noted the in-year performance and the actions being taken to address the target.
ACTIONS:

1. **Mrs Watson to consider how potential further benefits may be obtained from the national collaborative work on the management of the delivery of the 18 weeks targets.**
2. **Mrs Watson agreed to look at the approach to the recovery of the 18 weeks targets to see if there are any learning points to improve the cancer targets.**
3. **Mrs Watson agreed to report back to the September Board meeting on the trust's half-year performance against the CQUIN measure.**

8 PRESSURE ULCERS

Miss Holt introduced the pressure ulcer report which informed the Board on progress regarding current performance and actions relating to pressure ulcer prevention. She then proceeded to a presentation which provided information on the following areas:

- Where pressure ulcers could occur on the body;
- Patients at risk of developing a pressure ulcer;
- Categories of pressure ulcers;
- The numbers of patients who had suffered a pressure ulcer (nationally whilst in hospital 186,671; national total number of people affected 700,000)
- National cost of treatment of pressure ulcers in the region of £1.4 to £2 billion;
- The impact on patients and their lives;
- The 6 work streams underway within the trust with multi-professional and multi-agency involvement to prevent pressure ulcers;

The following points were made in discussion:

- Cllr Thompson enquired how receptive the care homes had been to this work. Miss Holt responded that they had worked well with the community.
- Dr Baxter spoke of the care taken by theatre nursing staff on patient positioning.
- Mr Lang enquired on how quickly staff could recover the position when a patient had a category 2 pressure ulcer. Miss Holt responded that it depended on factors such as a patient's condition which could impede recovery.
- Ms Jenkins asked if patients waiting in A&E would also receive attention on their positioning.
- Ms Jenkins highlighted the links this work could have with the third sector which had a range of avenues for contact with the vulnerable ie meals on wheels, help the aged. She thought they could benefit from the training to identify problems.
- Professor Hart enquired if any problems had been identified linked to equipment ie patients sitting next to a bed. Miss Holt responded that in fact there had been cases of staff over-compensating and hiring equipment that was not required. She acknowledged that there were issues to address relating to patients sitting next to their bed and that staff should encourage patients to move around.
- Noting County Durham & Darlington NHS Foundation Trust's (CDD NHSFT) good performance recorded in the national safety thermometer, Mr Kirby asked if this had been looked at for lessons to be learnt. Miss Holt responded that Mrs Hunt, Deputy Director of Nursing, had previously worked at CDD NHSFT and spoke of a culture focussed on pressure ulcer prevention and the drive to maintain this. Furthermore, CDD NHSFT all patient beds were electric making it easier to reposition patients. Ms Jenkins suggested that charitable funds may be used in this area.

- Cllr Thompson asked the student nurses in attendance at the meeting how this area was covered in their training. The students responded that patient repositioning had a good focus and they were encouraged to reposition, observe patients, assess patient risk factors, nutrition and training on how to lay the patient on the bed.

DECISION:
The Board received the updated position in the report and presentation and agreed to continue to support the work of the Pressure Ulcer Prevention Collaborative.

9 HEALTHCARE ASSOCIATED INFECTIONS (HCAI)

Miss Holt presented the report providing performance information on healthcare-associated infections and highlighted the following:

- One trust-assigned MRSA case in June linked to a community hospital. Ms Jenkins asked for the headlines of the internal review report to be presented at the next trust board meeting.

Action: Miss Holt

- Work was underway to standardise practice and reduce central line infections and Miss Holt would report on the actions at the next Board meeting.

Action: Miss Holt

- Clostridium difficile infections were above trajectory (3 cases to date in July). Mr Kirby asked for non-executive directors to continue to be sent the weekly bulletin on Clostridium difficile and that actions from Professor Wilcox's review to be included in the next briefing.

Action: Miss Holt

- Ms Jenkins informed the Board that the transformation board had approved a business case for the purchase of 3 additional Hydrogen Peroxide Vaporiser (HPV) equipment to allow the recommended process for decontamination of the environments exposed to confirmed Clostridium difficile and suspected infected diarrhoea.

DECISION:
The Board noted the report.
ACTIONS:
1. **Miss Holt to bring to the August meeting headlines from the external review report.**
2. **Miss Holt to report on actions to standardise practice and reduce central line infections.**
3. **Miss Holt to ensure that non-executive directors continue to receive the weekly Clostridium difficile bulletin and that actions from Professor Wilcox's review to be included in the next briefing.**

10 REVALIDATION REPORT INCLUDING ANNUAL ORGANISATIONAL AUDIT

Professor Wilson presented a report to provide Board of Directors with assurance that prior to recommendations for revalidation are made, the Responsible Officer has assurance that the necessary quality assurance checks have been made to ensure compliance with the named bodies as set out in the report. The following points were highlighted:

- Doctors need a licence to practice, this had to be renewed on a 5 yearly basis through the revalidation process. The trust had tried to keep this process as a by-product of the annual appraisal which required a professional development plan and every 5 years an extended appraisal which included both colleague and patient feedback.
- The 2010 regulations required doctors to be attached to a designated body organisation with a responsible officer. For the trust this was Professor Wilson who also fulfilled this role at Teesside Hospice.
- Professor Wilson assured the meeting of the good system in place at the trust for both the appraiser and appraisee. This system linked into feedback from areas such as

patient relations department, serious incidents etc. He had also discussed with Professor Wilcox on how infection issues might be included into this process.

- 120 staff had been taken through the prescribed appraisal training programme. A one-off arrangement had been agreed to enable doctors to be phased across over a three year period to this system to synchronise their appraisal with their birthdays. Attention was drawn to Appendix B which confirmed that 95% of consultants and 93% of specialist doctors had been appraised, work had just commenced on non-training grades.

The following points were made in discussion:

- D.Jenkins asked for more information on the 23 staff classed as non-compliant. Professor Wilson responded that since the report had been prepared the staff were either compliant or progressing towards compliance, but he also reassured that there was a policy and timescale in place for resolving any issues on not maintaining compliance and that ultimately it would be referred to the General Medical Council (GMC).
- Mrs Wallace informed the Board that the Quality Assurance Committee had asked about the low number of performance issues identified and asked Professor Wilson to expand on this. Professor Wilson confirmed that there was a national target to identify performance issues in 5% of the appraisals undertaken and that the trust had not achieved this. He had a scheduled meeting with a GMC officer with whom he would discuss this further, he was keen to understand experiences in other organisations compared to the trust's position with very few staff with serious issues. He assured the meeting that performance matters had been identified and discussed but only a few were classed as significant.
- Cllr Thompson observed that it appeared to be a complex, lengthy process and asked how this demand on the Medical Director was managed. Professor Wilson responded that Dr Hall's (Associate Medical Director) time had been released to focus on this process, it was also supported by an experienced administrative team and his own input. He advised the Board of a future issue to be addressed when a similar system would come into place for all nursing staff.
- Mr Kirby raised queries on the process for maintaining the accuracy of the list of complaint doctors, what steps were in place to reconcile data adding that he was surprised that doctors could add or delete themselves from the list. Professor Wilson responded that there were two options to reconciling data (a) through the GMC and (b) on an annual basis until the trust had built up a sufficient backlog to confirm revalidation or find another suitable person ie experienced responsible officer. Mr Kirby asked what would happen if an individual removed themselves off the revalidation list, what mechanism was there to pick this up with the list of doctors with a licence to practice. Professor Wilson responded that if an individual was removed from the revalidation list the GMC would be informed and he confirmed that within the responsible officer's role there was a process in place to activate this. He also provided further reassurance that the system in place ensured that unresolved performance issues were picked up within a move to a new responsible officer.
- Ms Jenkins enquired if there was appraisal software available and the cost implications. Professor Wilson was unsure but commented that systems were becoming available, at the moment an in-house solution was being used. He further commented that there had been efficiencies in the approach by making the revalidation process a by-product of the existing appraisal process.
- Professor Hart enquired how the Ministry of Defence Hospital Unit (MDHU) system for fitness to practice and revalidation operated. Professor Wilson responded that the MDHU had their own responsible officer but reassured the Board that they were in regular liaison.

DECISION:
The Board accepted the report and approved the Statement of Compliance for the Chief Executive's signature.

11 NURSE STAFFING REVIEW QUARTERLY REPORT

Miss Holt presented the quarterly report providing results of the patient acuity and dependency data collected in May and June 2014 on both the acute and primary care hospital sites. The following points were highlighted:

- The information reflected the position on adult in-patient wards at JCUH and FHN sites. Data on paediatric patients would be collated using a tool specifically designed for paediatrics tool and should be available to use from July.
- Page 6, figure 1, Miss Holt drew attention to the areas in red where it reflected the staffing standard ratio nurse:patient of 1:8 during the day, a number of actions had been picked up with Managing Directors. On a night this reflected the staffing standard ratio of nurse:patient 1:12 and again actions had been picked up with Managing Directors.
- Miss Holt commented that a significant issue on the red areas was the difference between day and night and indicated that the rosters would be changed.
- The 1:8 ratio was not considered sufficient therefore most areas were above this.
- Page 15 set out variances against the funded establishment, Miss Holt commented that this demonstrated the funding could afford the establishment in those areas. Red areas have been discussed with Managing Directors who have been asked to move resources around.
- To note page 16 that set out a number of recommendations and actions to take.
- The data would link with the performance report and patient choices.

The following points were made in discussion:

- Mrs Wallace noted that the performance report had identified unavailability levels of 22% due to staff annual leave, sickness etc and commented that the trust appeared to be significantly over what was reported in terms of unavailability. Miss Holt responded that there was headroom in the establishment and that it was more important to focus on operating to the right template on e-rostering with the right staff at the right time populated correctly, and reduce sickness absence levels.
- Professor Hart suggested that there should be a focus on midwifery services in the next report particularly as staff moved from the FHN to the JCUH.

  Action: Miss Holt
- Ms Jenkins observed that the problems appeared to relate more to night than day time. Miss Holt responded that the ratios were different on a night but agreed that more staffing level problems were encountered then and observed that there was also a reduction in senior staff availability on a night (ie matrons).

DECISION:
The Board noted the content of the report and accepted the recommendations for future work.
ACTION:
Miss Holt to include a focus on midwifery services in the next quarter report.

BUSINESS SUSTAINABILITY

12 FINANCIAL POSITION FOR PERIOD ENDING 30.6.2014

Mr Newton presented the report to advise on the financial position at 30 June 2014 and highlighted the following points:

- The in-year cumulative deficit was £3.8M at the end of June, £900K better than the 2014/15 plan. The positive variance was due to increased activity of £3M income over and above what had been built into the plan and work to sustain the 18 weeks targets recovery. The income reported reflected actual activity for the first two months of the quarter, the third month had matched the plan. He assured the Board that vigilance would be maintained throughout the year to translate what this income could mean to

the trust and the CCGs ability to fund this.

- The table in paragraph 1.7 showed the major variances to plan by centre. Mr Newton drew attention to Trauma, Theatres & Anaesthetics Centre who were £900K behind plan in the delivery of their anticipated income but whilst continuing to incur independent sector costs at £600K. Further work had to be done to bring this back to target. Offsetting this was the good performance of the Tertiary Service Centre who were £1.3M ahead of plan and the Integrated Medical Care Centre who were £900K ahead of plan.
- Cost Improvement and Productivity (CIP) plans ahead of plan achieving 101.5% in quarter one and on target. He spoke of the underlying work that continued on this programme to address any gaps and was pleased to report that the majority of the work was on target to deliver except procurement which had circa £1M of schemes to identify.
- The cash position was good and had been supported by the CCGs' advance payment for activity. Due to this, the trust had a Monitor Continuity of Service Risk Rating (CoSRR) of 2, ahead of the planned rating of 1. The additional income and liquidity had impacted on this risk rating.
- Capital expenditure was underspent in terms of the plan, as the variance was 15% greater than the plan it had triggered the requirement to submit a reforecast to Monitor. Mr Newton explained the slippage was due to difficulties encountered in managing priorities against a small capital budget but the anticipation was that the full amount of the budget would be spent.
- Mr Newton drew attention to paragraph 1.6 which reported on a potential VAT liability issue concerning the recovery of VAT paid on energy and maintenance contracts on the trust's energy centres since 2010. Mr Newton explained that the arrangement had been entered into with the full endorsement of the HMRC. Whilst this potentially could have a £1M impact, as a minimum Mr Newton was not expecting this to be back-dated. At the moment it was reported as a risk.
- Overall Mr Newton reported a good first quarter on performance, the financial performance reporting had been brought-forward to the tenth working day after period close and this allowed more time to analyse the financial position.

The following points were made in discussion:

- Cllr Thompson observed smarter procurement practice. Referring to page 2 in the report she sought assurances that the aged debt reported would be collected. Mr Newton confirmed that was the expectation of the trust and Mrs Moulton confirmed that detailed information had been prepared to support this.
- Mr Lang sought reassurance on the risks linked to over-trading ie could the CCG afford to pay. Mr Newton responded that the trust had Payment by Results (PbR) contracts in place which the CCG should honour. Mrs Moulton commented that both organisations produced demand forecasts and the trust's forecast was above the CCGs, it was expected that the CCGs would challenge the figure and the detail. She added that the difficulty was deciding whether this was a time limited trend or would it continue – she also reminded the Board that there had been more working days in quarter one.
- Professor Hart enquired if the potential risk had been included in the risk register, Mr Newton agreed to take action.

Action: Mr Newton

- Mr Kirby referred to page 5 and asked if there had been an analysis of the medical overspend to establish the reasons for that. He sought clarification and reassurance that the over-trading and associated costs reported had not masked the true level of over-spend. Mr Newton responded that a large proportion of the medical overspend was due to staff costs to support achievement of the 18 weeks targets though out of hours work and premium rates and to generate income. He clarified that the costs would not be incurred when the income was not there. Mr Kirby took assurance from this that the trust was not supporting overspend through the over-trading.

DECISION:
The Board of Directors noted the report on the financial position and approved

submission of the quarter 1 return to Monitor based on the information reported to Board.
ACTION:
Mr Newton agreed to ensure the risks associated with non-payment for over-trading were included in the risk register.

GOVERNANCE

13 MONITOR UPDATE

Professor Hart introduced two papers providing an update on actions undertaken to comply with the enforcement action agreed with Monitor and a copy of the enforcement undertakings. She was pleased with the significant progress on the actions Monitor expected and that timescales were being met. Miss Holt was providing regular information on performance against Clostridium difficile and Mr Newton was in regular communication on the financial stability. The trust had a scheduled meeting with Monitor on 4 August 2014 to share the detail on progress. Furthermore, the trust had successfully interviewed and appointed to the Transformation Director, and began the process to appoint a team to undertake a governance review. Following the tender process, interviews would take place on 27 August 2014, the tender had been sent to three companies (PwC, Deloitte and Ernst Young). The work will commence in December.

DECISION:
The Board noted the content of the update.

ORGANISATIONAL CAPABILITY

14 STAFF, FRIENDS AND FAMILY TEST

Mr Harrison presented the report briefing the trust Board on the staff friends and family test results for quarter 1 (27.4.14 to 21.6.14) and highlighted the following points:

- The test consisted of two questions and would be undertaken every quarter with staff with the exception of the third quarter in which the annual national NHS staff survey would be undertaken.
- The 6% level of return in quarter one was regarded as disappointing. The results translated into 88% would recommend the trust to friends and family for care or treatment and 66% would recommend it as a place to work.
- It was thought that areas that had undergone significant restructure (Clinical Diagnostics Centre and IT) may have impacted on their comments.
- The results from question one would be incorporated into the work being taken forward by the Quality Assurance Directorate on the friends and family test whilst those from question 2 would be shared with the staff experience network leads in the respective Centres/Directorates and incorporated into the work being taken forward into the staff survey.
- Learning from other organisations will be taken into the quarter two survey, although many had 100% email coverage and had been able to put this to good use. Use of the payroll number as a unique identifier would be reviewed but this could only be replaced with another unique identifier. Communication to encourage completion of the test will be reviewed.

The following points were highlighted in discussion:

- Mr Kirby was pleased that it had been decided not to use the net promoter score which he thought would be too difficult to understand. He asked for clarification on the total calculations displayed in paragraph 2.3 which did not total up in the way in which they were reported in paragraph 2.2. Mr Harrison agreed that you could not compare the 2 tables and commented that how to use this information was being debated nationally.
- Mr Kirby thought this represented a significant amount of effort for the public to gain a

view of the organisation, he hoped the national team would choose a model that would be easy to understand and asked Mr Harrison to feedback that view.

Action: Mr Harrison

DECISION:
The Board received the update on the results from quarter 1 of the staff friends and family test and supported the implementation of the test for quarter 2.
ACTION:
Mr Harrison agreed to feedback to the national team a request to adopt an easier to understand reporting model for the results.

ITEMS FOR INFORMATION

15 NHS ORGAN DONATION REPORT 2013/14

DECISION/AGREED:
The Board received the report, noted the strong performance and agreed to continue to support organ donation across the organisation.

16 ANY OTHER BUSINESS

There was no other business.

17 QUESTIONS FROM THE PUBLIC

17.1 A member of the public enquired if the trust could promote safety messages on activities linked to the warmer weather ie avoiding bathing in water deemed unsafe for the public.

Ms Jenkins responded that the trust already supports numerous campaigns linked to public safety and would consider displaying warning information as issued by the public health and safety departments.

17.2 The nurse students in attendance at the meeting commented that it had been interesting and informative to see how the trust Board undertook their duties and its link into the services delivered.

17.3 Mrs Wallace was leaving her role as non-executive director on 31 July 2014 and on behalf of the trust Board Ms Jenkins thanked Mrs Wallace for her hard work and commitment to the role. She praised Mrs Wallace's for the wisdom and challenging input she had brought to the role, particularly in the area of the Quality Assurance Committee.

18 DATE OF NEXT MEETING

The next meeting of the Trust Board (Part 1) in public would be held on Tuesday 26 August 2014 at 10.00 in the Board room, 1st floor, Murray Building, The James Cook University Hospital, Middlesbrough TS4 3BW.

19 RESOLUTION

The Board resolved that representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest (section (2) Public Bodies (Admissions to Meetings) Act 1960).

Caroline Parnell
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