

**MINUTES OF THE PUBLIC MEETING  
OF THE COUNCIL OF GOVERNORS  
HELD ON TUESDAY 8 MARCH 2016  
IN THE BOARD ROOM, 2<sup>ND</sup> FLOOR MURRAY BUILDING,  
JAMES COOK UNIVERSITY HOSPITAL**

**Present:**

Ms D Jenkins	Chairman
Mrs P Auty	Elected governor, Hambleton & Richmondshire
Mr N Beal	Elected governor, Hambleton & Richmondshire
Mr J Broughton	Elected governor, staff
Mr W Davis	Elected governor, Redcar & Cleveland
Ms G Hart	Elected governor, Middlesbrough
Mrs J Herbert	Elected governor, Hambleton & Richmondshire
Prof. D Hunter	Appointed governor, Durham University
Mr A Jackson	Elected governor, Redcar & Cleveland
Ms S Kilvington	Elected governor, Hambleton & Richmondshire
Mrs E Lewis	Elected governor, patient and/or carer
Mrs C Newton	Elected governor, Middlesbrough
Mr J Race MBE	Elected governor, Redcar & Cleveland
Mr P Race MBE	Appointed governor, South Tees CCG
Mr G J C Reid	Elected governor, patient and/or carer
Mrs A Seward	Elected governor, Rest of England
Ms G Spensley	Elected governor, Middlesbrough
Mr D Williams	Appointed governor, Hambleton, Richmondshire & Whitby CCG
Mr D Wood	Elected governor, Redcar & Cleveland

**In attendance:**

Mrs C Parnell	Director of Corporate Affairs
Mrs M Hewitt-Smith	Director of Finance
Mrs A Hullick	Non-executive director
Ms R James	Director of Quality
Mrs A Keogh	Minute taker
Mrs S McArdle	Chief Executive

**Apologies:**

Ms A Binks	Appointed governor, Teesside University
Ms R Broad	Appointed governor, Middlesbrough Council
Mr R Carter-Ferris	Non-executive director
Ms J Crampton	Appointed governor, Voluntary Organisation
Mr P Crawshaw	Appointed governor, Healthwatch
Cllr T Hall	Appointed governor, North Yorkshire County Council
Mr D Heslop	Non-executive director
Dr S Jones	Appointed governor, Newcastle University
Mr H Lang	Non-executive director

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Mr N Leslie	Elected governor, Middlesbrough
Cllr L Pallister	Appointed governor, Redcar & Cleveland Council
Mr A Parton	Elected governor, Middlesbrough
Ms M Payne	Elected governor, staff
Mr M Reynolds	Non-executive director
Mrs M Rutter	Non-executive director
Mr P Sotheran	Elected governor, Redcar & Cleveland

## 1. WELCOME

Ms Jenkins opened the meeting with a welcome to governors and to the student nurses also in attendance.

## 2. APOLOGIES FOR ABSENCE

As detailed above.

## 3. DECLARATION OF INTERESTS

There were no new declarations of interests.

## 4. MINUTES

Mr Beal noted a spelling mistake to his name on page 6. He also noted that the e-mail he had read out in the previous meeting had not been transcribed in full and felt that it should. Ms Jenkins responded that the minutes were not verbatim and that the spirit of Mr Beal's contribution in conveying an example of low morale had been effectively represented.

### Decision:

**The minutes were approved with Mr Beal abstaining on the matter of the item mentioned above.**

## 5. MATTERS ARISING

There was nothing raised under this item.

## 6. CHAIRMAN'S REPORT

Ms Jenkins tabled the Chairman's report and explained to the Governors that the report had been split into four categories to show the targets set.

In discussing the report the following points were raised including:

- Mr Davis asked if Matrons are involved with cleaning. Ms Jenkins replied that they are involved, and that under the current restructuring, direct line management of nurses was being restored to nurses, which made accountability clearer. She noted that although it is evident that there is an improvement in cleaning there is still more to do, and a

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great deal of effort was being put in ensuring that engagement in cleaning was whole-hearted.

- Mrs Hullick asked if Ms Jenkins is still involved with the Northern Neonatal Network and Ms Jenkins confirmed that she was still chairing the Network, which was currently involved in implementing the recommendations of a Royal College of Paediatrics and Child Health review which had concluded that there should only be two Neonatal Intensive Care Units in the region, one at South Tees and the other at RVI. It was inevitable that this should result in complex negotiations as different stakeholders responded to the recommendations.

## **7. CHIEF EXECUTIVE'S REPORT**

Ms McArdle presented the Chief Executive's report:-

### Monitor Update

At the last progress review meeting with Monitor discussions took place around Clostridium difficile performance against target, financial recovery plan performance against target, 2016/17, annual planning process and the three to five year strategic planning process. The trust's performance was also highlighted against both the 18 week referral to treatment and 62 day cancer targets, and the plans in place to get these back on track.

We were able to confirm to Monitor that the trust's financial performance is on track to hit our £36m cost improvement programme although it is a constant challenge. As an organisation we need to switch to a financial growth strategy underpinned by good cost control, rather than a cost reduction strategy next year.

### CQC Inspection

The Care Quality Commission will be carrying out a further inspection of the trust from the 8 – 10 June and will be once again talking to patients, carers and staff and checking the right systems and processes are in place. The inspectors will specifically focus on the key areas identified as 'requiring improvement' in the safe and effective care domains at their last inspection in December 2014 which were:

- Safe medication practice – ensuring that patients have their medication reconciled upon admission to hospital, where medication doses are omitted that these are escalated and reported and that controlled drugs checks take place.
- Ensuring that the documentation of do not attempt cardio-pulmonary resuscitation decisions records discussions with patients and their relatives and, where a patient is identified as lacking the mental capacity to make a decision about resuscitation, a mental capacity assessment is carried out and recorded.
- Ensuring better attendance at mandatory training and subject specific training particularly around safeguarding and mental capacity training.

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- Ensuring patients' records are appropriately updated and stored to ensure confidentiality is maintained at all times and that daily checks of equipment on wards are carried out and documented.
- All areas are to ensure that patient information leaflets are up to date.

### South Tees Urgent Care Review

NHS South Tees Clinical Commissioning Group is midway through a three-month public consultation into the future of urgent care services across Middlesbrough, Redcar and Cleveland and is seeking the views on three different options which all offer improved access to GP services, seven days a week.

The CCG wants to make better use of its £8.4m urgent care budget by simplifying services, reducing duplication, and ensuring that the free to call NHS 111 service plays a more prominent role in the future of urgent care services.

The consultation runs until Friday 1 April 2016.

Other items highlighted included a large number of service developments and innovations.

In discussing the report the following points were raised including:

- Mr Williams felt encouraged with all the different things happening with the trust but in relation to the Resolution had concerns that if attendances start to fall would that have an impact on finances. Ms McArdle replied that it would have impact on finances but the trust is working on modelling the impact of any change. Ms McArdle went on to say that she was having very close GP discussions and a lot is needed over the next year with relationships between us and GPs. Mr Williams stated that the message that he is getting is that the relationship between the trust and the CCG is becoming better and better.
- Mr Hunter asked where we stand with the Systemwide Transformation Plan (STP). Ms McArdle explained that as the plan covers North Tees, South Tees, Durham and Darlington and Hambleton and Richmondshire this is quite a challenge with all the restructuring plus the tight timescale for production.
- Mr Hunter asked about the recent news of Stockton & Durham campuses possibly combining to Durham. Ms McArdle confirmed that the Trust has written to the university stating that we do not support this transfer to Durham.

### **Decision:**

- i) Governors noted the content of the report**

## 8. UPDATE RE: ANNUAL PLAN

Mrs Hewitt-Smith tabled an update in relation to the Annual Planning process. As Mrs Hewitt-Smith had already completed a training session with the Governors earlier in the day in relation to the Annual Plan she kept the update quite brief providing just headlines to the Governors, which included the assumption of £14.6m of sustainability and transformation funding, the generation of a £9.9m surplus and £29.2m being invested into the capital programme. In relation to the cost improvement programme the trust need to achieve £30m in CIP, which is going to be extremely challenging.

Mrs Hewitt-Smith explained that the trust has a hungry balance sheet and need £7.1m from Department of Health for this historic debt and trust ideally need this reducing or written off.

Monitor feedback given back for the annual plan indicates that they are assured and do not feel that they need to come out again for a review, which is very reassuring as it is not common for Monitor to do this.

In discussing the update the following points were raised:

- Mr Broughton asked about the Department of Health and the chances that they will not write off the debt. Mrs Hewitt-Smith said that the DoH could refuse to write off the debt but she is pushing for a response. Mrs Hewitt-Smith pointed out that the trust is the first to be put in a recovery plan that is being fully delivered.
- Mr Davis asked about trust going paperless and if this is the case then would more computers have to be purchased. Mrs Hewitt-Smith informed Governors that money is to be set aside for information technology and clinical noting, but Ms Jenkins confirmed to Governors that the trust will not be paperless in the foreseeable future.

### Decision:

- i) **Governors noted the content of the report.**

## 9. INTEGRATED QUALITY, FINANCE AND PERFORMANCE REPORT AS AT END OF JANUARY 2016

Ms James introduced the report and highlighted the areas in relation to performance including:

MRSA bacteraemia and Clostridium difficile: the trust is collaboratively working with CCGs at GP prescribing. Also looking at cleaning, and focusing on how quickly we can isolate patients with diarrhoea. No target has been set for next year to date.

Friends and Family: response rate continues to be low. The provision of the friends and family test is currently out to tender. Once new supplier has been

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decided this will hopefully provide encouragement to wards that this test is more useful.

Mortality: position unchanged as it's a rolling 12 month. Currently to February there were lower than normal death rate but this has begun to increase. Weekly meetings are still ongoing to make sure that nothing underlying is happening.

CQUIN: current compliance with discharges before mid-day is unchanged at 22% against a target of 25%, focus for improvement continues to be on bringing forward the discharge of patients who are currently discharged between 12noon and 2pm. Final figures for the community acquired pneumonia CQUIN in Q3 did not meet the required target and makes achievement of the Q4 target unlikely. Discussions continue with the specialist commissioners about releasing funds against the clinical utilisation review CQUIN.

Ms James continued to present the key areas in the performance section of the report including:

A&E: In January the Trust was non-compliant with the national target of 95% with an overall compliance of 93.8%, the main challenge for the trust being patient flow. Ms James explained that A&E is currently under significant pressure and has been second from highest escalation level for weeks and this has impacted on A&E targets. Monitor is aware and has confirmed that this is an issue across the country. The national benchmarking for quarter 3 was published on 14 January and the trust had a compliance of 95.71% in comparison to the national position of 91.5%. Regionally only three out of eleven providers achieved the national standard, with South Tees achieving the highest compliance.

Cancer targets: In December the trust was non-compliant with the 62 days first definitive treatment and the 62 day screening targets. For Q3 all cancer targets were achieved with the exception of 62 day first definitive treatment, 62 day screening and the 31 day subsequent surgery target. Indicative figures for January suggest that the 62 day first definitive treatment target will be non-compliant.

The trust's cancer action plan forecasts ongoing non-compliance with the 62 day first definitive treatment in January and February with an improvement in March. Based on current indicative information from the cancer waiting lists this remains the case, however due to the complexity of cancer treatment pathways and the unpredictability of late referrals from other trusts it is not possible to accurately predict the Q4 position and there remains the risk of non-compliance in quarter 4.

The following actions have been implemented to support an improvement in compliance of the 62 day target in Q4:

- Additional urology capacity is in place throughout quarter.

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- Locums have been appointed in radiology and have made significant improvement in reporting time.
- Additional admin support is to be provided to track radiology reporting times.
- In collaboration with Macmillan and South Tees CCG the trust is to appoint six cancer co-ordinators to support more effective pull of patients through the cancer pathway and reduce administrative delays.

18 weeks: the Trust achieved the incomplete pathways target with a compliance of 92.65%. Three specialties remain non-compliant and these are plastic surgery, neurology and orthopaedics. Additional activity is planned across the rest of quarter 4 and based upon the January performance and the marked reduction in the over 18 week waiters this should result in sustained compliance throughout quarter 4. However there is a risk due to bed pressures, which may result in cancellation of elective patients. An escalation process has been put in place to review any potential cancellations so that this only happens in exceptional circumstances and additional beds are being opened on a flexible basis to accommodate surges in admissions.

The following points were raised:-

- Mr Beal asked about the Friends and Family test that are coming through GP surgeries as people state that they are completing the same form but feel it's achieving nothing. Ms James pointed out that there are mandatory questions, which must be asked but she is hopeful that better feedback will be obtained with new supplier.
- Mr Broughton referred to point 2.8 of the report relating to A&E and asked if all trusts are as busy. Mrs Parnell answered stating that Newcastle have limited their elective programme during the week as they can see a massive increase coming into A&E.

Mrs Hewitt-Smith then presented the finance element of the report including:

EBITDA: the trust is receiving less in income than we expected however anticipating this income in 2016/17.

Underlying surplus/(Deficit): currently £10.1m down in income. The trust is behind plan in underlying deficit as it has not sold a piece of land although it's hoped that this will take place by the end of the year.

CIP programme: the trust has achieved £28.3m CIP, £0.6m ahead of plan with a forecast to achieve £36m. Mrs Hewitt-Smith also confirmed that the trust is focusing on making one off savings on a recurring basis.

Capital expenditure: this element shows red on plan but trust have replaced all essential assets.

Financial sustainability: the financial sustainability risk ratings assess the capital service cover, liquidity ratio, income and expenditure margin and the variance from plan on the income and expenditure margin to determine a final

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rating. The trust's overall financial sustainability rating is 2, which is the best it can achieve.

Mrs Hewitt-Smith concluded her report by offering assurances to Governors that Trust is going to meet its planned deficit.

The following points were raised:-

- Ms Jenkins congratulated Mrs Hewitt-Smith and her team for all their hard work.
- Mr Williams felt assured but did raise a point in relation to item 2.6 of the financial summary asking about the £5m restructuring costs. Mrs Hewitt-Smith confirmed that the Department of Health are funding the restructuring costs but other than that it would be a two year payback. Savings would be immediate.

**Decision:**

- i) **Governors noted the content of the report.**

**10. ANY OTHER BUSINESS**

There was nothing raised under this item.

**11. QUESTIONS FROM THE PUBLIC**

Ms Jenkins asked the student nurses if they had any questions. There were no questions raised although one nurse commented that the meeting was at a much faster pace than she anticipated.

**12. DATE OF NEXT MEETING**

The next Council of Governors meeting will take place on Tuesday 17 May 2016 at The James Cook University Hospital.