

Meeting note

Board Development Session, Thursday 23 February 2012

Executive Meeting Room, Watford General Hospital

Attendees

Board of Directors

Thomas Hanahoe	Chairman
Katherine Charter	Non Executive Director (Vice Chair)
Mahdi Hassan	Senior Independent Director
Phil Townsend	Non-Executive Director
Sarah Connor	Non Executive Director
Chris Green	Non Executive Director
Robin Douglas	Non Executive Director (Co-opted)
Jan Filochowski	Chief Executive
Natalie Forrest	Director of Nursing
Colin Johnston	Medical Director and Director of Patient Safety

Also in attendance

Elizabeth Rippon	Director of Communications
Louise Gaffney	Director of Strategy & Infrastructure
Chris Pocklington	Director of Delivery
Mark Vaughan	Director of Workforce
Patricia Duncan	Company Secretary
Clare Stafford	Deputy Director of Finance
Gary Cox	Board Administrator

Agenda Item		Action
Item 1	Chair's Opening Remarks	
	<p>Apologies received from AA and KC would be arriving at 12.45pm.</p> <p>TH welcomed Clare Stafford deputising for AA and Gary Cox, Board Administrator, both attending their first Board meetings</p> <p>The Board noted that CG has relinquished membership of IRGC to take up chair of Finance and Strategy Committees. MH as chair of IRGC thanked CG on behalf of the Board for his contribution to IRGC.</p> <p>The Board also noted that PT was joining the Audit Committee.</p>	

Item 2	Ward and Department Visits	
	<p>TH and PD visited CDU and Minors A&E. Excellent facilities thanks to recent refurbishment that encourages more efficient working. However the department is unusual in not having an IT system to support patient management.</p> <p>CP and SC visited Croxley Ward. Two concerns raised: Treatment Room Floor needs repairing; and a long-standing problem of delays to patient discharge into Social Services care. Work continues in partnership with Social Services and PCT to address the problem.</p> <p>NF/MV visited Ophthalmology Outpatients. The open plan environment meant high noise levels, problems with confidential discussions and the need to use all available office space also for storage. 3 main issues raised: ceiling tile missing in Laser Room; a suggestion from staff to convert an existing corridor into a more appropriate and private space for eye tests; and a further proposal to be able recruit a nurse/practitioner to be able to treat more patients.</p> <p>RD/JF visited Gade Ward which was well-managed and focussed on delivering KPIs. 3 patients were ready for discharge but Social Services were not yet able to find places for them. Concern was expressed about the effectiveness of the internal Bank system.</p> <p>CG/ER visited Letchmore Ward. Well run and achieving targets and they had no problems discharging patients, which was planned a day in advance. Junior Doctors raised an issue about some of their responsibilities which needed further investigation.</p> <p>MH/CJ visited Maternity. The recent building work had dramatically improved the environment in Maternity and was a model for the Trust in collaborative working to bring about sustained improvements. An issue about leaking windows was raised, which had already been addressed, but there was no fully workable solution to stop water ingress at times. There was also an issue about asbestos in the window surround, which had been assessed as being safe, but made full repair or replacement extremely difficult and expensive.</p> <p>The work to increase in capacity had been completed to plan. The PCT was beginning some work on understanding the forecast increases in demand for maternity services at Watford. CJ confirmed that options and choices for the service will be included in the next Clinical Strategy discussion.</p>	<p>Action 2.1: CJ/LG to investigate patient engagement IT system for CDU/Minors.</p> <p>Action 2.2: LG to investigate repair to Croxley Ward Treatment Room floor.</p> <p>Action 2.3: LG to investigate missing ceiling tile and potential for corridor conversion in Ophthalmology Outpatients.</p> <p>Action 2.4: NF to pursue case for recruiting nurse/practitioner in Ophthalmology Outpatients.</p> <p>Action 2.5: NF to explore with Gade Ward the concerns with Bank staffing arrangements.</p> <p>Action 2.6: CJ to investigate issue raised by Letch more Ward junior Doctors over some of their responsibilities.</p>

Item 3	Board To Board Meeting – Foundation Trust	
	<p>ER thanked Board members for their contribution to the Board-to-Board meeting with the SHA as part of the assessment towards becoming a Foundation Trust in late 2012.</p> <p>The SHA would be writing formally with a number of questions and issues arising from the Board-to-Board meeting and a draft had been received for early information and included: reducing the Quality Governance score; providing a two-year Board Development Plan; revising the backlog maintenance plan; evidencing patient experience results; maintaining the governance risk rating; providing an assessment on governance through the BGAF.</p> <p>As part of the response to the draft questions raised by the SHA Board, the Board considered three issues.</p> <p>i CS set out changes to the base case for the long-term financial plan, including an increase in the financial surplus from £2.8m to £3.4m, achieved through an extension of best practice tariffs. There was discussion on a number of practical examples where application of this approach would apply. The net effect of changes would improve both liquidity and the Financial Risk Rating from 3 to 4. The Board agreed these changes to the LTFP.</p> <p>NEDs were interested in how relatively small changes to the LTFP could have such an impact on the risk rating and asked if there were any briefing available that highlighted where such sensitivities lay? CS undertook to provide a briefing note on the relationship between LTFM items and financial risk rating.</p> <p>ii Reductions in backlog maintenance from £66.4 to £40.4m. The Board recognised that the maintenance backlog had built up over a number of years and welcomed plans for the work to be addressed so as to ensure safe, compliant services for patient care. LG explained that a review and re-prioritisation of the maintenance backlog had allowed for a reduction in planned spend. She noted that the reduced spend also resulted from plans to sell some buildings and from mothballing parts of the estate.</p> <p>This reduces the level of expenditure required for high priority maintenance to £19.6m. Remaining maintenance issues will be continually assessed for risk issues and the remaining £20.8m of the £40.4m pot would be available for further backlog maintenance as required.</p> <p>The Board agreed that this reduced level of maintenance expenditure was reasonable, affordable and properly targeted the maintenance backlog in high priority areas.</p>	<p>Decision: The Board agreed changes to the LTFP.</p> <p>Action 3.1: CS to provide a briefing note for Board members on the relationship between LTFM items and financial risk rating.</p> <p>Decision: The Board agreed the reduced level of expenditure to focus on the maintenance backlog in high priority areas.</p>

	<p>Collectively, these two issues impacted on the LTFP and the narrative for the FT application to the SHA. The Board agreed the revised LTFP and narratives and that they should be sent to the SHA.</p> <p>iii. PD noted that one of the actions required by the SHA was the provision of a Board Development Plan by 29 February. PD noted that she, with MV and ER had drawn together a document setting out recent development activity and describing proposals for a future programme. PD invited the Board to consider the document, supported by an outline programme and action plan relating to underpinning development activities. She asked for comments in order that the document could be finalised for submission to the SHA to the deadline. In light of SHA comments received today, work was about to start to extend the plan to cover two years.</p> <p>The Board recognised the next challenge towards Foundation Trust status was the Monitor assessment, which would take place in the summer. This was likely to be of a higher magnitude and differing focus than the SHA assessment and would concentrate on the NED contribution to Board accountability, risk, quality, delivery and financial management.</p> <p>As an early start to preparing for that assessment, the Board requested that they be provided with a briefing pack: on Monitor and the assessment of an FT from their perspective and the issues they are likely to explore. It was recognised that Monitor published letters and information on regulatory issues raised with existing Foundation Trusts and these would be a good source of information to include in the briefing pack.</p> <p>TH requested that such briefings be theme-based and address specific issues, rather than the 'question and answer' approach which had been previously adopted. This was agreed by the Board</p> <p>Post meeting note: The Chair agreed to circulate the full report completed by E&Y following the Due Diligence exercise.</p>	<p>Decision: the Board agreed the revised FTMP and narratives should be sent to the SHA.</p> <p>Action 3.2 Board Members to provide comments on Board Development Action Plan in time to update prior to 29th February.</p> <p>Action 3.3: ER to provide Board members with a Monitor Assessment briefing pack including letters on regulatory issues raised with FTs.</p> <p>Action 3.4: ER to circulate the full E&Y report to the Board.</p>
Item 4	Performance Update	
	<p>JF summarised that whilst the volume of work was up 10% on the same time last year, and more than £5m over that contracted, the Trust was still performing well against KPIs. The exception was on non-elective surgery as the Trust coped with exceedingly high numbers of patient admissions.</p> <p>High patient levels meant there were pressures on beds and this was exacerbated by 40 patients in Simpson and Churchill Wards who no longer required treatment but could not be discharged until Social Services could provide them with care services.</p>	

	<p>Whilst a long-standing issue, the Trust was working with Social Services, the PCT and other services to achieve an integrated care pathway. This would be crucial to mitigating the pressures on beds next winter if the upward trend in admissions continued. The Board recognised the budget pressures and constraints on all public services, not least Social Services, and that the mitigations planned for next year may need to consider some more innovative options, such as some 'half-way' house arrangements for patients not requiring hospital care, or financial incentives for Social Services to take over care of patients who no longer needed acute care.</p> <p>In discussion on the KPIs: it was recognised that the number of emergency readmissions of elective surgery patients was low and work was underway to reduce the numbers further, particularly in undertaking risk assessments on such patients immediately at their readmission and in learning lessons on the reasons for their re-admission. The Board also recognised that more work was needed through the PCT to persuade more GPs to accept electronic discharge notices.</p> <p>Following discussion on the performance report, the Board agreed that the performance declaration on the report could be signed-off by Chair and Chief Executive.</p>	<p>Decision: Board agreed that Performance Report can be signed off</p>
Item 5	Finance Report	
	<p>CS reported on the financial position at end January 2012. The Trust currently had a surplus of £1.2 m compared to a predicted £0.6m due to increased patient treatment income, particularly non-elective activity and in the Big Ask schemes delivering £10.3m in savings so far this year.</p> <p>The cash forecast for the year end remains at £0.5m and forecast outturn for the year end at £3.6m. The Board noted that delivery of this outturn is dependent on delivery of Big Ask schemes producing savings and efficiencies on all 2011/12 schemes, particularly on the introduction of multi-functional devices.</p>	
Item 6	Estate Management and Compliance Report	
	<p>LG provided an update on the Estates Compliance report being provided by an independent consultant. Whilst it had been hoped the report would be available for the meeting, it was not yet complete. The draft report indicated a significant number of risks on non-compliance although the Trust has significantly reduced the number of residual non-compliance issues between August 2011 and January 2012. Work currently underway will further reduce that number.</p> <p>LG also gave assurance to the Board on two high priority</p>	

	<p>health and safety and compliance issues for the Trust on asbestos and salmonella.</p> <p>Asbestos LG took the Board through the timeline following discovery of asbestos at Watford Hospital and noted that surveys have also been conducted at the Hemel Hempstead and St. Albans sites. Two areas have been identified as having a potential of disturbed asbestos (an estate plant room and a filing room). The filing room has already been declared 'clear for use' and the plant room has been locked off until further detailed work and an action plan and asbestos management plan has been agreed and an Asbestos Management Action Group ensuring that it is delivered..</p> <p>The Board was aware that the HSE had been informed and a communications plan has been prepared for staff concerning asbestos removal works and to respond to Press enquiries.</p> <p>Salmonella Following an audit of water systems in August 2011, an action plan was agreed with Hydrop – new independent advisors. As part of that plan, a Water Management Committee is taking the lead in ensuring there is formal risk assessment, training and policy and procedural reviews put in place.</p> <p>In discussion the Board recognised that many of these issues are the legacy of poor management of the estate over many previous years and now inherited by LG and her team.</p> <p>The Trust, through the Board, now needed to ensure that estates had the right capabilities and people and the right policies and procedures properly applied.</p> <p>The Board welcomed the progress made in tackling these issues and asked for estates issues to be fully reflected in the Board Assurance Framework.</p> <p>The Board also asked LG to ensure that the final independent report on estate compliance is brought to the March Board meeting for consideration.</p>	<p>Action 6.1: LG to ensure estates issues fully reflected in BAF.</p> <p>Action 6.2: LG to bring Estates Compliance paper to March Board meeting.</p>
Item 7	Big Ask 2012/13 Plans and Delivery Milestones	
	<p>At the request of the Finance Committee, CP introduced a paper for the Board setting out the management arrangements to deliver the Big Ask Efficiency Programme.</p> <p>The Board noted that the Big Ask consists of 54 projects grouped into 6 themes of: Estates, Finance and Procurement, Outsourcing, Productivity, Technology and</p>	

	<p>Workforce. Together the projects will deliver savings and efficiencies of £13m in 2012/13 onwards.</p> <p>The Board noted that Natalie Forest has been appointed as the Executive Champion for the Big Ask Programme. A proposed governance structure was included in the paper and set out that each theme was to be led by a dedicated programme lead, drawn from current resources. The leads will report on progress and exceptions at least on a monthly basis. The Board did not agree that the Big Ask Programme Board should be a sub-committee of the Finance Committee, but rather that it should report to the Executive.</p> <p>The Board noted that work was already underway to complete and agree PIDs for the themes and projects by 29 February, ready for the first Programme Board Meeting on 14 March.</p> <p>In discussion, the Board recognised that there were some wider issues and questions on the Big Ask such as: the assumptions made; the key challenges to delivery; what wider opportunities Big Ask might open up and how they could be exploited; and are there more radical efficiency options that could be explored?</p> <p>It was agreed that these were key questions and would be for the Finance Committee to take forward as part of their governance role on the Big Ask Programme.</p> <p>The Board also recognised that 4 large projects will contribute 25% of the identified efficiencies and savings and given their key contribution to the LTFFP, asked for a regular report to be made to the Board on progress in making those savings.</p> <p>CG as Chair of the Finance Committee thanked CP for the paper and asked him to pass on thanks to the team who helped him in producing the Big Ask programme proposals.</p> <p>NF asked that, as the new Big Ask lead, she be able to review the draft proposed governance arrangements set out in the paper. This was agreed</p>	<p>Action 7.1: NF to provide Board with regular progress report on delivery of Big Ask 4 big ticket items.</p> <p>Action 7.2: NF to review draft Big Ask governance arrangements.</p>
Item 8	Board Governance Assurance Framework	
	<p>PD presented on the Board Governance Assurance Framework, describing its development as a Board development tool to support Aspirant Foundation Trust Boards. PD explained that the Trust will be required to complete a Board Governance Memorandum, RAG rating current compliance and setting out robust action plans for areas of concern. This would then be validated via an on site assessment by an approved supplier. PD noted it was important to ensure the BGM was completed fully and that the Board was fully consulted on completion and evidence</p>	

	<p>presented. PD noted that Chair's approval would be required and that the Board could review the draft and comment virtually, avoiding the need for a special meeting of the Board to formally approve.</p> <p>(Slides from the presentation are attached.)</p> <p>The Board noted work is underway to complete the self-assessment – the Board Governance Memorandum; that a meeting has been arranged with KPMG, as the independent evaluator, to meet with JF, ER and PD next week. PD noted that validation would include a Board observation, Board to Board and individual meetings with Board members. It is likely that the Board meeting dated 29 March will be observed.</p>	
Item 9	Senior Independent Review of Board Effectiveness	
	<p>MH advised the Board that he was taking forward the annual review of Board effectiveness and would be sending a questionnaire to Board members shortly.</p> <p>MH asked for Board views on whether to canvas senior managers and clinicians on their views on Board effectiveness so as to get a more rounded and 360 ° views. This view would also be sought by questionnaire. The Board strongly supported this approach.</p>	Decision: Board agreed for senior managers and clinicians to be canvassed in Board effectiveness review
Item 10	Information, Security and Confidentiality - Training Session	
	Nicola Bateman gave a presentation on the latest legislation, requirements and issues for Trust staff and information owners on information, security and confidentiality and in handling freedom of information requests.	
Item 11	Actions Tracker	
	The updated actions tracker for the Board Development meeting on 15 December 2011 is attached. There are no outstanding items.	
Item 12	Strategy Committee Meeting 7 February 2012	
	The Board noted the draft minutes of the Strategy Committee held on 7 February 2012.	
Item 13	Assuring Quality Masterclass	
	Mike Gill from RSM Tenon presented to the Board on Monitor's approach to assessing quality governance in FT	

	<p>applications. (Slides from the presentation are attached.)</p> <p>In discussion:</p> <ul style="list-style-type: none"> - Mike confirmed Board visits to Wards and departments were impressively numerous and seemed effective. But for comparison, good practice in other FTs and AFT's was for Board members to receive a briefing in advance of the visit on, for example, current KPI position, on issues the Ward/Department is facing and to use the visits as an opportunity to pass on and reinforce corporate messages. - Board agendas had the right balance between strategy, quality and financial issues. - Some FTs use quality issues- such as consistent types of complaints - to help inform audit workplans. <p>KC asked about assurance on performance and whether the current balanced scorecard might be more explicit in its link to delivery of corporate objectives.</p> <p>Looking at performance information the scorecard might be developed so as to show more trend performance information over time, perhaps for the last two month as well as the current month. In this way the Board could more easily identify where performance was improving or falling and seek the required assurances on improvement as necessary</p> <p>Alternatively, where there are not wide changes in performance, perhaps some KPIs could be reported on a less frequent, quarterly or exception basis.</p> <p>JF undertook to include these suggestions to work already underway to improve the scorecard and MT undertook to provide scorecard examples from other Trusts/FTs.</p>	<p>Action 13.1: JF to consider how scorecard might reflect more on delivery of corporate objectives</p> <p>Action 13.2: JF to arrange for dashboard to show performance information over time and report on an exception basis where appropriate.</p> <p>Action 13.3 MT to provide examples of balanced scorecards from other Trusts/FTs</p>
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