

Matters of a PRIVATE NATURE considered at the Meeting of the BOARD OF DIRECTORS held on Wednesday 18th May, 2011, in the Board Room, Northern General Hospital

PRESENT:

	Mr. D. R. Stone (Chair)
Sir Andrew Cash	Mrs. J. Norbron
Professor H. A. Chapman	Mr. V. Powell
Mr. J. Donnelly	Mr. N. Priestley
Mr. M. Gwilliam	Professor M. Richmond
Ms. K. Major	Professor A. P. Weetman

APOLOGIES:

Ms. V. Ferres	Mr. I. Thompson
Ms. S. Harrison	

IN ATTENDANCE:

Miss S. Coulson	Mr. N. Riley
Mr. A. Riley	
Dr. C. Dally	} Item STH/40/11
Mr. R. McGoldrick	

STH/52/11

Minutes of the Previous Meetings

The Minutes of the Meetings held on Wednesday 20th April, 2011 were **APPROVED** and **SIGNED** by the Chairman as a correct record.

STH/53/11

Matter(s) Arising

(a) **Transforming Community Services**

(STH/30/11(a)) The Chief Executive apologised for the need to cancel the meeting of the Investment Committee scheduled for that morning. Regrettably it had not been possible to finalise all the detail in terms of the management arrangements in time for that meeting. The revised timescale was to complete the proposals by Friday 27th May, 2011 and to sign them off at the TEG Time Out on Wednesday 1st June, 2011. The Investment Committee would be reconvened after 1st June, 2011 but before the June Board Meeting on 15th June 2011.

He explained that the project was going well but was complicated and that there were as many complexities in the process as with the merger of the Royal Hallamshire Hospital and Northern General Hospital. He reported that a Transformation event was planned to take place across the organisation on 7th June, 2011.

In response to a question from the Chairman, the Chief Executive confirmed that the interim management arrangements in place were robust including the financial reporting arrangements for month 2. The community services management team were integrated into the Trust and were attending meetings as appropriate. Work was now underway towards integrating management into clinical services. The

overall timetable for the transformation of community services remained on track and the savings target remained as anticipated.

The Chief Executive emphasised that his concerns also included maintaining service delivery and service quality

(b) Provisional 2010/11 Financial Position

(STH/42/11) The Director of Finance stated that the Board had previously delegated responsibility for approval of the Accounts to the Audit Committee. He reported that the Audit of the Accounts was progressing well and there were no significant issues to report.

STH/54/11

Clinical Update: SHINE Project

The Medical Director introduced Dr. Chris Dalley, Consultant Haematologist and Clinical Lead for the project, and Mr. Rory McGoldrick, Specialist Registrar in Plastic Surgery and Project Manager for SHINE.

The Medical Director explained that the project fitted in well as a clinical development where quality improvement led to a more efficient and cost effective service.

Dr. Dalley gave a detailed presentation (copy attached to these minutes). He explained that the project was around providing ambulatory care in clinical haemato-oncology. Ambulatory care was about the delivery of inpatient therapy in a day ward or home setting without compromising patient safety and also about delayed admission and early discharge.

The key points of the presentation were:-

- Haemato-oncology patients have the highest bed occupancy of all cancer types, despite it being a rare disease, with lengths of stay of 4 weeks or more;
- Providing ambulatory care would reduce the number of days patients would need to spend in hospital. For ambulatory care to be provided patients must have a carer with them 24/7. However, if at any time the patient or carer lost confidence in the provision of treatment by way of ambulatory care the patient would be admitted to hospital;
- Using inpatient beds more efficiently would improve productivity from fixed bed stock;
- Ambulatory care had been provided in the USA for the last decade and Dr. Dalley had links with Vancouver Hospital.;

Looking ahead the Project's aims were:-

- To embed ambulatory care in clinical haemato-oncology
- Expand day ward provision
- An additional ambulatory flat was required so that 2 patients could be treated simultaneously. It was noted that charity funding was available towards the acquisition of appropriate accommodation..
- Develop an outreach ambulatory team

The Chairman thanked Mr. McGoldrick and Dr. Daley for the interesting presentation and stated that the Board would be keen to receive an update on progress in a year's time.

Minutes of the Meetings:-

(a) **Unadopted Minutes of the Meeting of the Healthcare Governance Committee**

The Board **RECEIVED** and **NOTED** the contents of the Minutes of the Meeting of the Healthcare Governance Committee held on Monday 18th April, 2011

The following items were highlighted:

- Never Event – Further to his report at the April Meeting regarding a retained surgical swab incident, the Medical Director reported that additional relevant information had now been provided which had made the event much clearer. The patient was clinically very unstable and it was felt that in the event of the swab being searched for and not found a prompt transfer to Intensive Care was the most appropriate clinical decision. The Medical Director reported that the clinical decision taken at the time was appropriate and it was not a breach of the Trust's policy.
- CQC Neonatal Readmissions Alert – The Medical Director referred to his written report (Enclosure B1) circulated with the agenda papers. He explained that, in July 2010, the Trust had received an Alert from the CQC in relation to emergency neonatal readmissions. When compared to other Trusts there appeared to be a higher number of admissions in Sheffield. A joint reply from STHFT and Sheffield Children's Hospital was submitted in September 2010, following which the CQC requested further information. Therefore, a comprehensive review was undertaken by Dr. Alan Gibson. 38 cases were identified as a sample from the population and all case notes were obtained and reviewed. There was no evidence of inadequate clinical care or inappropriate practice. The Trust responded to the CQC in January 2011 and the CQC confirmed that there was no need to undertake additional enquiries, although the Regional Team would be working with the Trust to monitor progress.
- CQC Inspection Programme - The Medical Director referred to his written report (Enclosure B2) circulated with the agenda papers. He reported that the CQC had made an unannounced visit to the Trust on 23rd March, 2011, as part of the CQC Inspection Programme which specifically focused on parts of the new essential standards of quality and safety. On this occasion, the visiting team focused on Outcome 1 (respecting and involving people) and Outcome 5 (meeting nutritional needs) and chose to visit Wards Hadfield 3 and 6.

The visit went well and their initial feedback was that the Trust was compliant with both standards. The formal report was awaited.

The following items were highlighted from March Meeting of the Healthcare Governance Committee:-

- Hospital Mortality Ratios – The Medical Director referred to his written report (Enclosure B3) circulated with the agenda papers. He explained that the Trust's current HMR was good and significantly lower than the national benchmark. He referred to Appendix 2 of his report which showed the Trust's position against its peers which was considered favourable, although he emphasised that there was no room for complacency.
- Patient Experience Report – The Chief Nurse/Chief Operating Officer referred to the Patient Experience Report (Enclosure B4) circulated with the agenda papers. She explained that it was a unique report which represented patient

experience feedback from a wide range of different sources. The report included a directorate breakdown and also a 'deep dive' report on cardiology following an increase in the number of complaints received regarding that specialty.

It was **AGREED** that in future the Board should routinely receive the Patient Experience Report. The Chairman would give consideration as to whether the Board required more detailed information than that contained in the report and would discuss the matter with the Chief Nurse/Chief Operating Officer outside the meeting.

Action: Mr. D. R. Stone

- Infection Prevention and Control Programme Progress Assessment 2010/11 Quarter 3 - The Chief Nurse/Chief Operating Officer referred to her written report (Enclosure B5) circulated with the agenda papers. The report set out the progress against the 2010/11 IPC Programme and also included the draft 2011/12 IPC Programme. She reassured Board Members that work on the 2011/12 IPC Programme had commenced.

She expressed significant concern regarding the C.diff target for 2011/12 and stated that it would be extremely challenging to achieve particularly at the Northern General Hospital.

In addition to the above, the following items were reported from the Meeting of the Healthcare Governance Committee held on Monday 16th May, 2011:-

- CQC Alert – Following the submission of hospital data, a CQC Alert was received by the Trust on 18th April, 2011, in relation to the high number of Caesarian Sections undertaken in the Trust. The Medical Director reported that the Trust's Obstetric Team had already identified the issue prior to receiving the CQC Alert. An investigation had been undertaken and two specific reasons had been identified:
 - Risk aversion
 - Elective pathway - potential for normal birth had not been given full consideration

He reported that the number of caesarean sections was now at a normal level.

- Inquest – The Medical Director reported that the Coroner had issued a narrative verdict in relation to the inquest into the death of a Barnsley patient in 2009 which involved a failure in communication following the Neurosurgery Multi-disciplinary Team discussion. As a result the patient was not transferred in a timely manner and unfortunately died 3 days later. An action plan had been put in place.
- The Commitment to Customer Care Guide (Patient Experience Report) - Professor Weetman reported that the HCGC were impressed with the Guide and had agreed that it should be presented to the Board of Directors in June 2011.
- MSSA – Professor Weetman reported that the Trust's MSSA rates were high and that a significant amount of work would be required to address that position..

(b) Minutes of the Meeting of the Finance Committee held on Monday 9th May 2011

The Director of Finance tabled copies of the Minutes of the Meeting of the Finance Committee held on Monday 9th May, 2011. He explained that the items to be brought to members' attention were included elsewhere on the agenda.

STH/56/11

Financial Position 2011/12: Update

The Director of Finance tabled an update on the Financial Position 2011/12 and apologised for its lateness. The delay was due to the late completion of the contract negotiations the previous day.

Financial Position 2011/12 - He explained that significant progress had been achieved over the last 2 to 3 weeks and broad agreement had now been reached as set out below:

- All potential income changes in 2011/12 around pricing, counting etc will be neutralised i.e. with no gain/loss to either party
- The potential income loss to the Trust from the emergency readmissions within 30 days would be included in the neutralisation process
- Activity plans (before QIPP) which will deliver the 18 weeks RTT Target sustainably resulting in a £1m reduction in activity for NHS Sheffield and a £5m increase in activity for other PCTs in the consortium
- A CQUIN scheme which gave the Trust a good chance of achieving the full amount of potential income, with a guarantee of at least 95% funding, along with agreed quality improvements.
- Planning QIPP savings of £8.8m (approximately £5m non elective, £3.3m elective and £0.5m drugs) to be reflected in the contract.
- £3m of urgent care investments along with £4m of QIPP savings from above in a 50:50 "risk share" for variances from plan (NHS Sheffield only).
- Variations around elective activity, the balance of non-elective activity and drugs to be the PCT's risk
- An agreement in principle that an appropriate amount of transition funding would be provided by NHS Sheffield if required.

The precise consequences of the above were being calculated but it appeared that there would be a net activity reduction of around £7.6m if activity was as per contract and the expectation was that the Trust would need to reduce capacity to offset the activity reductions. It was noted that there would inevitably be some delays and some fixed costs which could not be removed. It was also noted that there would be virtually no development funding for service expansion.

The Director of Finance stated that it was a difficult contract outcome but one which reflected the austere financial position.

Directorate Financial Plans - The Director of Finance reported that, following the submission of Directorate Financial and P&E Plans at 31st March, 2011, the overall position was a deficit of £8.4m although he felt that the potential overall deficit could actually be around £12m.

Review meetings had been held with all Clinical Directorates during April and those with deficits were required to submit 4th cut plans by 4th May, 2011. As a result of those plans the overall deficit had reduced to £4.2m. Although that demonstrated what was potentially achievable, the Director of Finance still felt it prudent to assume that Directorate deficits could be as much as £12m.

P & E Plan – In terms of progress from the position reported in March 2011, the Director of Finance highlighted the following key points:

- Good progress on Phase 1 Bed Reductions
- Good progress on Theatre and Critical Care changes
- A view that the potential for outpatient productivity savings was much greater than currently assumed but that a major project was required to achieve that
- Only part of the proposed procurement savings were reflected in directorate plans
- Major doubt around the NHSLA Level 2 and Research and Development Business Unit schemes
- Savings of £2m from the 2010/11 MARS scheme but would be part-year effect in 2011/12 and some savings would accrue to other schemes e.g. theatre changes, bed reductions and the single switchboard
- Further progress in planning Phase 2 Bed Reductions relating to medical specialities but that remained heavily dependent on the package of investments referred to above and the ability to eradicate delayed transfers of care.
- Emerging proposals to transfer the Orthopaedics elective arthroplasty service to the Royal Hallamshire Hospital to reduce cancelled operations and to enable empty wards at the Northern General Hospital to be used as medicine expansion/escalation beds in times of pressure. That latter point was crucial to ensure other Northern General Hospital services did not suffer from medicine bed pressures. The feasibility of making those changes in August 2011 was under consideration but the potential to improve efficiency, quality and operational resilience in many areas appeared considerable.
- A recognition that potential operational/efficiency savings from the integration of community services had yet to be quantified and reflected

The Director of Finance explained that in order to improve the delivery of P&E savings it was likely that the Trust would secure the services of an external consultancy over a period of up to 2 years. It was hoped that those arrangements would be in place by June 2011.

In conclusion the Director of Finance made the following points:

- (a) A prudent assessment of the consequences of the 2011/12 contract negotiations and Directorate financial plans would suggest a potential shortfall of up to £17m compared to the financial plan. That could be reduced by:
 - Improved delivery of potential P&E savings
 - Managing the consequences of activity reductions by quickly removing capacity and costs
 - Attracting additional activity from outside Sheffield to offset local activity reductions
- (b) Whilst the Trust held recurrent contingencies of around £17m, should those be required to offset the potential shortfall identified, there would be no funding available to fund further pressures relating to consultancy costs, staff reduction costs, in-year contractual income losses and other unexpected costs/losses.
- (c) The potential £3m or so of gains offered some assistance and it is assumed that a further £2-3m of non-recurrent contingencies could be found in year. However, it was unclear whether this would be sufficient to cover the issues as set out in (b) above.
- (d) Whilst the internal aim remained to deliver the £6.7m I&E surplus identified in the 2011/12 Financial Plan, it was suggested that the Monitor 2011/12 Annual Plan showed a reduced planned surplus for the following reasons:
 - The potential pressure in the plan identified in (c) above.

- The need to ensure that the Monitor plan was delivered for Financial Risk Rating (FRR) and reputational reasons.
- (e) The financial templates for the Monitor Annual Plan submission would not be completed for another week or so such that the exact I&E surplus required to achieve a satisfactory FRR was not yet known. However, it was suggested that the plan should show an I&E surplus required to achieve a solid FRR of 3 and that was likely to be around £3-4m.

The Board of Directors:

- **NOTED** the updates to the Trust's 2011/12 Financial and P&E Plans as set out sections 2, 3, 4 and 5 of the Director of Finance's report (Enclosure D)
- **NOTED** the conclusions and overview in section 6 of the Director of Finance's report Enclosure D.
- **CONFIRMED** that the Trust should declare to Monitor in the 2011/12 Annual Plan submission that it would achieve a FRR of 3 for the year.
- **CONFIRMED** that the Trust should submit a 2011/12 Financial Plan to Monitor which had a solid 3 FRR and that the I&E surplus within the plan should be that necessary to achieve that position.

The Chairman expressed his appreciation to the Director of Finance for his hard work and tenacity in bringing the contract negotiations to a satisfactory conclusion.

The Chief Executive made the following points:

- He stated that there were lessons to be learned from the contract negotiations process. He pointed out that the Trust received the final proposition from NHS Sheffield on 29th April, 2011 and was required to respond by 11th May, 2011 which was insufficient time and that situation needed to be improved upon in future years.
- The continuing healthcare expenditure of £61m by NHS Sheffield was to be thoroughly reviewed.
- The Trust now needed to move into Phase II of its Bed Reduction programme.
- A review the GP Assessment Unit at the Northern General Hospital was to be undertaken to assess whether it was cost effective.

The Board of Directors **NOTED** the importance of the Sheffield system as a whole being aligned and committed to improvements to patient care so that the Trust could be successful in delivering its financial plan. The Board of Directors **AGREED** that a high level service delivery paper showing the responsibilities of the partners would be helpful and should be brought to the Board in the next 2 months.

Action: Ms. Kirsten Major/Sir Andrew Cash

STH/57/11

Monitor Annual Plan 2011/12

The Director of Service Development tabled copies of the Monitor Annual Plan and apologised for its lateness.

She explained that the Trust was required to submit the Annual Plan to Monitor by 31st May, 2011. She stated that the Plan was still work in progress and required further

refinement although she emphasised that it did not contain any information of which the Board was not already aware.

Members were asked to forward any comments to Kirsten Major over the next few days. The final version of the Plan would be approved by TEG the following week on behalf of the Board of Directors for onward submission to Monitor by the due date.

Declaration Statements – The Trust Secretary referred to his written paper circulated by email prior to the Board Meeting. He explained that, as part of the Annual Plan submission, the Board of Directors was required by Monitor to make statements against a number of declarations and self certifications. The majority of the Board Declarations and Self-Certifications were relatively straightforward but there were two matters of contention:

- The readiness of the Trust to make Statement 1 without undertaking a formal assessment against the Quality Governance Framework.

Monitor had revised this statement for 2011/12. If the Board was unable to make this statement in their annual plan or quarter one submissions, Monitor would require it to:

- (i) make the original statement, as required in 2010/11

and

- (ii) certify that actions would be taken in order to be in a position to make the revised statement by the Trust's quarter two submission.

The Trust Secretary felt that the Trust was in the latter position.

- The major challenge related to the declarations on service performance, i.e. the delivery of 62-day cancer waiting time target (GP and Screening), clostridium difficile and the emergency services target. The challenges relating to achievement of the 62-day cancer waiting time target (GP and Screening), clostridium difficile and the emergency services target had to be acknowledged but it was felt that, on balance, the Board declaration could be signed. If the Q1 position concerning C.diff deteriorated further this issue would be revisited.

The Board of Directors **AGREED** that all Board declarations and self-certifications, (including the original Statement 1, as required in 2010/11) would be provided electronically to Monitor as required. However the Chairman and Chief Executive signed a hard copy for record purposes.

It was **AGREED** that the Board of Directors should be aware of all service implications.

STH/58/11

Performance Report on the Directorate Productivity and Efficiency Plans and Service Improvement Programmes 2010/11: Quarter 4

The Medical Director referred to the written report (Enclosure F) circulated with the agenda papers. He highlighted the following key points:-

- The end of year results overall showed a financial delivery of £37.47m for productivity & efficiency.
- Against the 2010/11 Trust target of £39.95m, this represented a £2.48m (6.2%) shortfall. Despite the shortfall, this was an improvement on last year's delivery which was a £6.5m (25%) shortfall.

- However, the directorates were required to exceed the target and plan for surplus where possible – therefore the year end position was £5.31m (12.4%) shortfall against the planned delivery of £42.77m P&E.
- The Clinical Directorates reported a deficit of £6.4m against their submitted plans. Careful examination of the reasons for that under-delivery was important for the directorates as they commenced 2011/12 projects and also the consideration of targeted management consultancy capacity.

Clinical Service Improvement Programme

The Medical Director highlighted the following points:-

- The biggest shortfall was on income generation (£2m). The Trust was moving forwards on a number of projects e.g. Day Surgery, Therapy Services, Hospital at Night, Electronic Check in Pilot in Outpatients and Highly Productive Theatres.
- The Medical Director stated that he recognised that performance was not at the level that was required or anticipated and acknowledged that the programme had not achieved its target but emphasised that it was on the right track.

Workforce Programme

The Director of Human Resources updated members on progress and highlighted the following points:-

- 2010/11 was the first year the Trust required directorates to submit workforce plans alongside financial P&E plans.
- There was a £2.2m shortfall in plans – Plans in Surgical Services, Head & Neck and Diagnostic and Therapeutic were not achieved within the year but the original plans were further developed and the associated work and savings had been transferred into the 2011/12. The accumulative cost of those plans was approx £561k. The lessons learned were that the Trust needed to do better in terms of project management and the workforce plans needed to be aligned with the P & E Plans.
- Clinical Care Group Workforce plans – 84% of WTE reductions had been achieved in year and 79% of increases in WTE were achieved. Directorate workforce plans for 2010/11 contained a planned WTE reduction of 199.85, 162.52 of those reductions were achieved in year. When planned incoming posts were off set against planned reductions in WTE a saving of 42.25 WTE had been achieved.
- Workforce Controls - There had been an increase in WTE within the financial year, seeing an increase of 50.49 WTE. However when externally funded posts were removed from the figures it showed a 98.73 WTE reduction when compared to the beginning of the financial year in April 2010.
- Cross Cutting Trust Projects – 5 business cases were going forwards for cross cutting schemes including the e-rostering initiative.
- Sickness Absence Management - Full year progress data was not available. The year to date percentage rate remained on target at 4.1%. The estimated financial saving achieved from the reduction as at January 2011 stood at £770k against a targeted £916k. The RAG rating for this work-stream had been amended to amber based upon the winter spike in absence.

Corporate Workstream

The Director of Corporate Development referred Board members to Appendix 6 of the performance report and highlighted the following points:-

- The energy programme had exceeded its target of £4.0m
- Hotel Services had achieved its target of £1m
- The space utilisation target had not been achieved
- The back office function target had not been achieved.
- Overall £9.4 million of savings had been achieved against a target of £11 m. £1.6 m would be carried over into 2011/12
- The lesson learned was that the targets set for back office functions and estates rationalisation were over ambitious and more realistic targets, although still challenging, had been set for 2011/12.

The Board of Directors **NOTED**:-

- that the year end results overall showed a financial delivery of £37.47m for productivity & efficiency and that represented a £2.48m (6.2%) shortfall against target and a £5.31m (12.4%) shortfall against plan.
- the detailed work to improve the directorate financial plans for 2011/12 (Cut 4) and the decision to appoint management consultancy support to assist the Directorates with delivery during 2011/12.

STH/59/11

Draft Annual Report 2010/11

The Trust Secretary referred to the Draft Annual Report 2010/11 and apologised for the lateness in circulating it by email to Board Members. A significant amount of work had gone into pulling the report together by Julie Phelan, Communications Director and it satisfied the requirements of Monitor, Department of Health and Parliament. As a consequence the result was that it was a technical document and not an easy read.

Members were asked to send any comments direct to Julie Phelan as soon as possible.

Action: All to note

The Draft Annual Report 2010/11 would be presented to the Audit Committee on Thursday 27th May, 2011, for signing off, on behalf of the Board of Directors.

STH/60/11

Chief Executive Officer Report

The Chief Executive presented his written report (Enclosure H) circulated with the agenda papers and highlighted the following points:

Performance

Looking back at performance throughout 2010/11 it was generally a good year for the Trust. In particular, the Trust Quarter 4 submission to Monitor showed a 4 financial risk rating and amber green for governance. The amber green rating reflected the difficulties which the

Trust had experienced in meeting the 62 day target for cancer patients following GP referral. Performance was 80% against the compliance threshold of 85%. The principal reason for that was that the bad weather in January 2011 which caused particular problems for all providers in the network.

There were 3 operational performance issues emerging out of Quarter 1:

- Cancer Services – as highlighted above the Trust had experienced difficulties in meeting the 62 day target for cancer patients following GP referral. Performance was 80% against the compliance threshold of 85%. The principal reason for that was the bad weather in January 2011 which caused particular problems for all providers in the network. There was also a knock on effect in January from the festive season and associated patient choice in December. As a result many of the breaches were unavoidable and led to particularly poor performance in January 2011. It was noted, however, that the Trust would need to ensure that this target was met in quarter 1 of 2011/12 as in quarter 3 the Trust also just missed the target for patients seen within 62 days as a result of being referred by the screening process.

The Director of Service Development explained the challenges for Quarter 1. She reported that a remedial action plan had been signed off by the Trust Executive Group and implemented. A cancer summit was held weekly and monitoring introduced. The focus would be on pro-active management of potential breaches.

- Emergency Services – substantially different performance targets were due to be introduced for emergency services throughout the forthcoming year. In particular, however, in quarter 1 the target related to the percentage of patients seen within 4 hours of attending the Trust's facilities i.e. the A & E Department at the Northern General Hospital plus the Minor Injuries Unit and Eye Casualty at the Royal Hallamshire Hospital and the Dental Clinic at the Charles Clifford Dental Hospital. This was a significant change from previous years when the measure was against all the facilities across the city in particular including the Broad Lane Walk in Centre and clarification was currently being sought concerning the exact definitions which the Department of Health wished to use for assessing performance. Taking the worst case, however, the Trust was struggling to achieve 95% in the quarter and in the week beginning 2nd May, 2011, performance was 94.1% meaning that for the rest of the quarter the Trust would need to achieve 95.29% if 95% is to be achieved overall. An action plan had been devised to seek to ensure that this target was achieved. Nevertheless, it would be a significant challenge as ever since emergency services targets were introduced in 2004, the performance within the A & E Department itself at the Northern General Hospital had always been just below 95%.

The Chief Nurse/Chief Operating Officer emphasised that the critical issue was patient flow across the pathway as a whole i.e bed availability

- Clostridium Difficile – the Trust's target for clostridium difficile in 2011/12 was particularly challenging at 134 cases within the year as a whole. At the end of April, 2011, the Trust had experienced 24 infections against a monthly trajectory of 11/12 cases thus highlighting the particular challenge. The Trust Executive Group had considered what further actions might be taken to improve the position and an action plan had been agreed that would deliver improved performance on a phased basis.

Infection Control

- MRSA Performance for April 2011 - 1 case of MRSA bacteraemia was recorded during the month of April but this was not attributable to STHFT as the bacteraemia was identified on admission. The year to date performance was 0 cases of MRSA against a

year to date target of 1. The target for 2011/2012 was 10 so the Trust would need to continue to perform at its current level to achieve that target.

- 2011/2012 C.Diff Performance – As reported earlier the Trust had recorded 24 positive samples. This was 12 cases above the contract plan for the month. The health community's performance year end position was 286 against a target of 444.
- MSSA – After 4 months, the total Trust attributable cases of MSSA stood at 36. In addition to the items contained in his written report the Chief Executive informed the Board on the following issue:-

The Chief Executive briefed members on an additional issue which was not included in his written report:

Biomedical Research Unit

He was extremely disappointed to report that the Trust's 2 Biomedical Research Units had not passed the Pre Qualification and Questionnaire (PQQ) stage and therefore funding would be withdrawn from March 2012. The PQQ had been assessed by an independent international panel against metrics. There were other units in a similar position e.g. Manchester

He was in the process of trying to establish why that had happened and was in discussion with the Department of Health's Research and Development Director. He would be meeting her together with Professor Weetman and Professor Richmond in the next couple of weeks. Alternative funding streams would be investigated as a significant investment had been put into these Units.

Professor Weetman also expressed his surprise at the outcome of the PQQ stage as there had been positive feedback throughout the process and there had been no prior warning of such an outcome. It appeared that the evaluation was heavily focussed on translational research delivering immediate patient benefits.

The Chief Executive felt that it was a poor process and the Trust should have been given time to rectify any specific problems. He emphasised that no organisation could have reached the point that was required given the position the Trust started from.

The Chief Executive also stated that the current funding for the Trust's CLAHRC expired in 18 months' time and he had been informed that policy going forwards might change thus affecting future funding.

The Board **NOTED** the position and the action being taken.

STH/61/11

For Approval/Ratification:-

- (a) Openness and Transparency – Role and Contribution of the Board of Directors

The Trust Secretary referred to his written paper (Enclosure I) circulated with the agenda papers.

He explained that the Board had debated the issue at its last strategic session and subsequently the proposals set out in Enclosure I had been considered by the TEG on 4th May, 2011, and agreed.

He explained that it was important that the Trust maintained its reputation of being open, honest and transparent especially in the present difficult times.

The Board of Directors **APPROVED** the proposals as set out in Enclosure I.

STH/62/11

To Receive and Note:-

(a) **Moore Carter Review of Risk Management: Update on Action Plan**

The Trust Secretary referred to his written report (Enclosure J) circulated with the agenda papers. The report provided members with an update on progress against the Trust's action plan following the Moore, Carter and Associates Review of Risk Management.

The Board of Directors **RECEIVED** and **NOTED** the progress report.

(b) **Board Visit to Pharmacy – Update**

The Medical Director referred to the progress report on pharmacy and medicines management following the Board Visit to Pharmacy in November 2010. He highlighted the following three points:-

- Ward Based Medicines Management Technicians – no savings had been transferred to the pharmacy budget and as a result the project was at risk
The Board of Directors **RECEIVED** and **NOTED** the progress report.

The Board of Directors **AGREED** that this matter needed to be resolved quickly.

Action: Professor Hilary Chapman/Professor Mike Richmond

- Medicine Wastage – there had been a 50% reduction by in volume of unused medicines sent for incineration
- P & E – Pharmacy successfully delivered increased medicines budget savings during 2010/11.

The Medical Director reported that under the leadership of Damien Child, Chief Pharmacist, Pharmacy had been given a stretch target for directorate medicines budget savings of £2.5 m for 2011/12. £2.1 m of potential savings had already been identified by the Chief Pharmacist and the Medical Director felt that he should be recognised for his achievements.

STH/63/11

Medical/Dental Staff Exclusions

The Medical Director reported that prior to the Trust taking on Community Services, the Provider Arm had excluded a Community Dentist.

An investigation had been completed. However, the Case Manager had not concluded the investigation and as community services now came under STH it would be necessary to appoint a new Case Manager and identify a Non Executive Director to the case.

Mr. John Donnelly, Non Executive Director, **AGREED** to hear the case.

STH/64/11

Any Other Business

Working Capital Facility

The Director of Finance stated that the Board of Directors had **APPROVED** the award of the working capital facility for 2011/12 to RBS at its meeting in February 2011. The Trust was currently in the process of gathering together a significant amount of information RBS require for the working capital facility. As part of that process RBS required a Board minute confirming the members of staff authorised to sign the working capital agreement.

The Board of Directors **AUTHORISED** the Chief Executive and Director of Finance to sign the working capital agreement for £60million dated 14th April, 2011

STH/65/11

Date and Time of Next Meeting

The next Meeting of the Board of Directors would be held at 11.00 am on Wednesday 15th June, 2011, in the Board Room, Royal Hallamshire Hospital.