



Minutes of the BOARD OF DIRECTORS held on Wednesday 20th July, 2016, in Seminar Room 1, R Floor, Royal Hallamshire Hospital

PRESENT:

| | | |
|-------------------------|-----------------------|------------------|
| | Mr. T. Pedder (Chair) | |
| Mr. T. Buckham | | Ms. K. Major |
| Professor H. A. Chapman | | Ms. D. Moore |
| Mr. M. Gwilliam | | Mr. J. O'Kane |
| Mrs. C. Imison | | Mr. N. Priestley |
| Mrs. A. Laban | | Dr. D. Throssell |

APOLOGIES:

| | |
|-----------------|-------------------------|
| Sir Andrew Cash | Professor Dame Pam Shaw |
| Mr. N. Riley | Mr. M. Temple |

IN ATTENDANCE:

Miss S. Coulson (Minutes)
Mrs. J. Phelan

Dr. P. Dobbs - item STH/160/16

OBSERVERS:

3 Governors
3 members of staff
6 member of the public

The Chairman welcomed everyone to the meeting. He explained that both Andrew Cash and Pam Shaw were unable to be present as they were attending an interview panel in connection with the Trust's grant application for a Biomedical Research Centre in Neurosciences. Therefore Hilary Chapman was Acting Chief Executive.

The Chairman also reported that sadly Neil Riley was unable to attend as he was unwell and that was a particular shame as today would have been Neil's last Board meeting prior to his retirement at the end of August 2016. On behalf of the Board the Chairman thanked him for his hard work as Assistant Chief Executive/Trust Secretary and wished him well in his retirement.

STH/157/16

Declarations of Interests

John O'Kane declared that he was a member of the Sheffield Hospitals Charity.

STH/158/16

Minutes of the Previous Meeting

Minutes of the Previous Meeting held on Wednesday 15th June, 2016, were **AGREED**, **APPROVED** and **SIGNED** by the Chairman as a correct record.

STH/159/16

Matters Arising:

(a) Short Term Intervention Team (STIT) Service

(STH/137/16(c)) The Director of Strategy and Operations reported that the STIT service continued to be a challenge and the Trust continued to work with the Sheffield City Council on the recovery plan. She reported that the provision of beds in the independent sector on which the Council had based their Recovery Plan had not been realised. A further meeting would be held with the Sheffield City Council in the near future.

She reported that there were currently 36 patients in hospital waiting to be discharged to into the care of STIT or joint STIT/CICS and 20 patients waiting for an intermediate care bed.

She was extremely concerned that the numbers of patients waiting for access to STIT/CICS was rising rather than decreasing and she stated that the recent hot weather had resulted in a rise in admissions of frail and elderly and respiratory patients. The delay in discharging patients was creating flow problems in the Accident and Emergency Department.

The Trust would continue to work closely with the Council and a further update would be provided at the September 2016 meeting.

(b) Junior Doctors Contract

(STH/137/16(d)) The Director of Human Resources reported that the result of the ballot had been announced on 6th July 2016 and the outcome was that junior doctors had overwhelmingly rejected the introduction of the proposed new contract.

The Government had met with NHS Employers and had taken the decision to implement the new contract. The new contract would be available from 3rd August 2016. However the new junior doctors starting on 5th August 2016 would commence on the current contract and a schedule of movement across to the new contract would commence from October 2016.

The Medical Director reported that obviously there were mixed views on this issue amongst the junior doctors but he had received no contact or enquiries from junior doctors since the outcome of the ballot had been announced. There were continuing concerns from the BMA around equal opportunities relating to the new contract.

The Medical Director reported that concerns had been raised at national level that the detail of the new contract was not widely understood and there had been some criticism that the Government and the BMA had not set out the detail in a way that helped junior doctors to make an informed decision.

The Trust would be hosting a series of meetings with junior doctors in late August 2016 once the new intake of junior doctors had settled in.

The Director of Human Resources reported that the Trust was currently recruiting to the role of Guardian of Safe Working and part of the role was to develop a close connection with junior doctors. The Medical Director stated that it was a crucial role and therefore the Trust had allocated 4 Pasto it. He explained that administrative support would also be provided..

STH/160/16

Providing Patient Centred Services:

(a) **Clinical Update: The Role of the Duty Floor Anaesthetist (DFA)**

Dr. Paddy Dobbs, Clinical Lead for Anaesthesia, was in attendance for this item and gave a presentation (copy attached to the Minutes) on the role of the DFA which had been developed in theatres at the Trust. The role had been identified as an example of outstanding practice during the CQC inspection and was also going to be used by the Royal College of Anaesthetists as a beacon of good practice.

Dr. Dobbs emphasised that the role of the DFA which was to oversee theatres and troubleshoot problems as they arose was protected and ring fenced and was not used to cover gaps in anaesthetic cover. Also in the current round of job planning more staff had been given a session in their job plans to enable them to carry out the role and that provided more flexibility in filling the role.

The Chairman thanked Dr. Dobbs for an interesting presentation.

STH/161/16

Delivering the Trust's Corporate Strategy

(a) **Working Together Partnership Vanguard: Acute Federation Board**

In the absence of the Chief Executive, the Chairman presented this item.

The Chairman referred to the paper (Enclosure B) circulated with the agenda papers. He explained that there were various gateways that the organisations within the Vanguard would need to go through as part of setting up an Acute Federation Board. He also pointed out that setting up an Acute Federation Board raised a number of governance issues and therefore Neil Riley, Assistant Chief Executive, would be meeting with a number of his counterparts from other organisations to map out those issues. The Trust needed to be clear on how the governance aligned to the Board and who held responsibility.

The Chairman emphasised that organisations working together was the right direction of travel but it would need to be tested.

He reported that Lord Carter had visited the Trust on Tuesday 19th July 2016. The tone of the meeting confirmed the need for NHS to move more into a collaborative approach.

The following points were raised during discussion:

- There was still some confusion around Working Together and the link with the Sustainability and Transformation Plan.
- It was important to ensure that good proposals/business cases were brought to the Federation Board to make decision making easier.
- There may be merit in the Federation Board having a Non-Executive Director on its membership.
- There was no reference to patient and public involvement and the paper did not include a risk assessment.

- The Board needed to understand the procedure for individual organisations to opt out of specific initiatives and some conditions would need to be set.
- It would be necessary to think through the communications surrounding this to make sure that information did not appear in the news media before reaching Board meetings. The Communications and Marketing Director reported that she had appointed a new member of staff who would be dedicated to Working Together including work on patient and public involvement. The person concerned was due to take up that role on 8th August 2016. It would also be important to marry together the communications for both Working Together and the Sustainability and Transformation Plan.

The Board supported the direction of travel and agreed that it was good for Sheffield to be in the Vanguard.

It was **AGREED** that a further update should be presented to the Board in September 2016.

Action: Andrew Cash

STH/162/16

Spend public money wisely

(b) 2016/17 to 2020/21 Capital Programme/5-Year Plan

The Director of Finance referred to his paper (Enclosure C) circulated with the agenda paper which set out an update on the 2016/17 Capital Programme and 5 Year Capital Plan. The key points to note were:

- The Capital Programme remained manageable for 2016/17 but the 5 Year Plan then moved into an increasing and significant over-committed position for the following four years. The funding gap was £42.9m by 2020/21 and that over-committed position was likely to be exacerbated as new schemes and priorities emerged over the five year period.

Funding solutions for future years had been identified in principle but required further consideration and formal approval. Following discussion at the Finance Performance and Workforce Committee and the Trust Executive Group the current proposals for funding solutions in priority order were:

- To investigate the potential for a 25 year Loan from the FT Financing Facility for around £25m.
- To pursue I&E surpluses, PDC funding and donations but recognise the likely limited impact.
- To use the Trust's accumulated cash balances to fund the balance of the requirement.
- Key influences on delivery of the 2016/17 Capital Programme would be progression of the IT Programme and the Theatre capacity and refurbishment schemes.
- The Capital Programme included the following high priority schemes which had recently been approved:
 - Replacement Cardiac Catheter Labs x 3 (£1.7m)
 - SPEC-CT Gamma Camera replacement (£1.4m)
 - WPH Linear Accelerator (LA5) (£1.8m)
 - CCDH Laboratory Refurbishment (£1.3m)
 - Podiatric Surgery Service (£0.7m)

- The following schemes had formally commenced since the Capital Programme and 5 Year Plan were approved by the Board in March 2016:
 - CT Scanner replacements at NGH and RHH
 - RHH C Floor Radiology Refurbishments
 - CCDH Laboratory Refurbishment
 - GP Collaborative Relocation
- Business cases for the following schemes were being developed:
 - Contact Centre Centralisation
 - Road Entrances/Exits at the Northern General Hospital
 - Cardiac Theatre Refurbishment
 - Q Floor Theatres, Royal Hallamshire Hospital
 - A Floor Theatres, Royal Hallamshire Hospital
 - Low Temperature Hot Water, Royal Hallamshire Hospital
- Capital planning/prioritisation and scheme “value engineering” continued to be crucial in securing maximum value for money from extremely constrained resources.
- Action would need to be taken to ensure that slippage in 2016/17 was kept to an acceptable level.
- It had been decided to locate the third Linac at Weston Park Hospital and not at the Doncaster Satellite as that scheme was not affordable in the short term and Weston Park Hospital needed the capacity. The Director of Finance emphasised that the Doncaster scheme had not been shelved, only postponed.

The Board of Directors:

- **APPROVED** the latest 2016/17 Capital Programme and noted the significant over-commitment on the 5 Year Plan position which would need to be addressed via an appropriate combination of the funding solutions proposed. The Director of Finance would report back on the outcome of his enquiries as to whether a loan would be possible.
- **NOTED** the list of “possible” schemes on the 5 Year Plan listed at Appendix A which, along with other likely schemes, would emerge over the five year period and would require further consideration and careful prioritisation.
- **NOTED** the risks outlined in Section 5 in the report.
- **NOTED** the importance of capital planning/prioritisation and “value engineering” in securing maximum benefits from limited capital and revenue funding.

STH/163/16

Chief Executive’s Matters

In the absence of the Chief Executive, the Chief Nurse spoke to this item. She highlighted the following points:

- Helipad - the new Helipad at the Northern General Hospital had been officially unveiled and had been made possible by the generosity of local people, businesses, Sheffield Hospitals Charity and the County Air Ambulance.

- The Trust had been named as one of 16 centres across the country to deliver specialist stereotactic radiosurgery. That announcement, made by NHS England, would increase access to specialist 'Gamma Knife' facilities.
- Awards/ Research Honours:
 - Professor Simon Heller, Director of Research and Development and Honorary Consultant Physician at the Trust, had been appointed as an NIHR Senior Investigator in recognition of his outstanding contribution to diabetes research.
 - Eugene McCloskey, Professor of Metabolic Bone Disease, had been awarded a Medal of Achievement for his outstanding contribution to research in the field of osteoporosis by the International Osteoporosis Foundation (IOF) at the World Congress on Osteoporosis, Osteoarthritis and Musculoskeletal Diseases.
 - The Metabolic Bone Centre had been awarded Paget's Association Centre of Excellence status as an exemplar facility for patients with Paget's disease. The prestigious award recognised hospital and university departments which demonstrated excellence in both the treatment of Paget's disease and research into the condition.
 - Natalie Jones, Clinical Service Manager and Deputy Professional Lead Occupational Therapy, had been awarded a UK Research Foundation award for her work on the experience of stroke survivors with managing eating in the long term.
- Move More - this was a citywide programme taking place during July 2016 and the aim was to get people to move more. The programme had generated a lot of enthusiasm and fun amongst the staff and 200 teams had registered within the Trust including a team for the Board named "Trust Board Tryers". As an organisation the Trust was at the top of the table. The next step would be to sustain that activity after July.

The Chairman suggested inviting back Professor Rob Copeland, Professor of Physical Activity and Health from the Olympic Legacy Park to a future meeting of the Board to give an update.

Action: Assistant Chief Executive

- The Chief Nurse reported that NHS England had published the Five Year Forward View for Mental Health which set out plans for a major transformation of mental health services. It focussed on the integration of physical and mental health services and new ways of working. The Director of Strategy and Operations stated that its publication was very timely as the Trust was currently in discussion with the Clinical Commissioning Group about co-commissioning liaison mental health services in the Sheffield.
- Ministerial Appointments for Health - The following appointments had been announced:
 - Secretary of State for Health - Rt Hon Jeremy Hunt MP
 - Minister of State - Philip Dunne MP
 - Parliamentary Under Secretary of State - Nicola Blackwood MP
 - Parliamentary Under Secretary of State - David Mowat MP
 - Parliamentary Under Secretary of State - Lord Prior of Brampton

The Chief Nurse then referred to the Integrated Performance Report (Enclosure E) circulated with the agenda papers invited each Executive Director to give a report on their respective areas:

- Deliver the Best Clinical Outcomes

The Medical Director highlighted the following points including items discussed at the Healthcare Governance Committee:

- Three new serious incidents had been reported relating to omission of methotrexate on discharge, urology follow up and haematology waiting list follow up. All were under investigation.
- The Integrated Risk and Assurance Report highlighted nurse staffing as the highest overall risk (rating 20, Extreme).

Four risks were rated 16 Extreme:

- care of patients in an inappropriate setting (largely about outliers and patients not being in the right ward)
- electronic patient record
- under delivery of planned maintenance
- refurbishment of the wards.

Three risks were rated as 15 Extreme:

- healthcare associated infection
- midwifery staffing
- IT stabilisation

- There were still a number of incidents not approved within 35 days but the number was significantly lower than in May 2015 at 1229 compared to 2388. Directorates were asked, as part of their Performance Review, about the expected timeframe for clearing the back log and based on their responses it was estimated that the back log would be cleared in the next 3-4 months.
- The number of falls sustained by patients during May 2016 was higher than previously reported but it remained within an 'expected' range.

Concern was expressed that there was an upward trend in the number of falls. The Medical Director reported that the Falls Group had been reactivated and pointed out that there was a higher risk of patients having falls in single room accommodation such as that in place in the Hadfield Wing. The Healthcare Governance Committee would keep track of the matter.

The Chairman reported that Governors had raised concerns about The Learning from Mistakes League Report, discussed at the last Board meeting, which placed the Trust 197 out of 230 Trusts and placed it in the 'significant concern' banding. Governors were concerned about the metrics that fed into that report which mainly related to extrapolated questions from the Staff Survey. The Chairman emphasised that it was not the view of the CQC that the Trust did not learn from mistakes and Annette Laban stated that the Healthcare Governance Committee would keep the matter on its agenda.

The Chief Nurse highlighted the following points:

- There had been 0 cases of Trust assigned MRSA bacteraemia recorded for the month of May 2016. The year to date total was 1 case.
- There were 4 Trust attributable cases of MSSA bacteraemia recorded in May 2016 which was worse than the monthly trajectory of 3.5 that the Trust had set itself. The full year performance was 10 cases of MSSA against an internal threshold of 7 cases.

- The Trust recorded 5 cases of *C.diff* for May, 2016, which was better than the monthly target of 7.25 cases. The full year performance was 13 cases of *C.diff* against an internal threshold of 13 and an NHSI threshold of 15.

- Provide Patient Centre Services

The Chief Nurse highlighted the following points:

- 91% of complaints were responded to within 25 working days which was above target.
- FFT response rates inpatient – the response rate in May 2016 was 29% which was worse than the internal target of 30%.
- The FFT A&E response rate in May 2016 was 23% which was above the internal target of 20%.
- The FFT score inpatient in May 2016 was 96% which was above the internal target of 95%.

The Director of Strategy and Operations highlighted the following points:

- The number of referrals received was 5.8% below target in May 2016 but was 0.7% above for the year to date.
- New outpatient activity was 2.7% below target in May 2016 and 4.5% below for the year to date.
- Follow up activity was low in May 2016 at 7.4% below target and 6.3% below for the year to date.
- The level of elective inpatient activity in May 2016 was 4.1% above target and 1.1% above for the year to date. However, the target for Musculoskeletal did not include the work contracted to the independent sector so the over performance was overstated.
- Non elective activity was 5.0% below target in May 2016 and 4.0% below for the year to date.
- Accident and Emergency activity was 0.4% above target in May 2016 but was 1.6% below for the year so far.
- In May 2016 there was an average of 125 patients whose discharge had been delayed.
- The percentage of outpatient appointments that were booked through the e-Referral Service remains below target.

A question was raised about the level of usage of the e-referral service and whether it made it easier for patients. The Director of Strategy and Operations reported that a significant amount of work had been done with the CCG and GPs around encouraging the use of e-referral service although it was acknowledged that it was not easy for some pathways. She stated that Musculoskeletal Directorate received all their referrals through the e-Referrals Service as did the Head and Neck Directorate. However the Head and Neck Directorate then wrote out to patients

asking them to ring in on a specific number to make an appointment and that process worked well.

She explained that the future plan was to create two Contact Centres, one at the Royal Hallamshire Hospital and the other at the Northern General Hospital.

Annette Laban reported that she was impressed by the number of appointments made through the e-Referral Service and that keeping stable at 30% was good.

- **Employ Caring and Cared for Staff**

The Director of Human Resources highlighted the following points:

- Sickness absence in May 2016 was 4.01% (an improvement in performance of 0.44%) against a target of 4%. The year to date figure was 4.19% compared with 4.18% for the same period the preceding year. Those figures could be split as follows:

- Long term 2.44% (YTD),
- Short term 1.76% (YTD)

There were 2456 episodes of sickness absence during May 2016 of which 494 were for more than 28 days and 61 were for 6 months and longer.

John O'Kane stated that it was good to see that the level of sickness absence was reducing.

- A business case for the purchase of the Working Together Absence Management System was being presented to the Trust Executive Group on 27th July 2016 for approval and sign off
- The Health and Wellbeing Group would be holding its first meeting in September 2016 and its first task was to develop a Health and Wellbeing Strategy for the organisation. Its membership included the Director of Human Resources, Dawn Moore, Non-Executive Director and Simon Till, Health and Wellbeing Clinical Lead.
- The Trust had seen an increase in the number of appraisals carried out in the preceding 12-month period with the rate at the end of May 2016 stood at 83.8%, which was short of the target of 90%.
- There was a slight reduction in compliance levels for mandatory training with the figure standing at 87.4% at the end of May 2016.

- **Spending Public Money Wisely**

The Director of Finance stressed that the Trust had not had a good start to the year. The main issues were delivery of efficiency targets, contract matters such as CQUIN and securing the Sustainability and Transformation funding about which the Trust was still in discussion with NHS Improvement. He also highlighted the following points:

- The Month 2 position showed a £2,715.6k (1.7%) deficit against the plan (which was to deliver a full year £6.9m surplus).

- There was an activity under-performance of £2.9m after 2 months. Activity targets had increased for the new financial year. The latest analysis showed that there was a £2m under performance in April 2016 of which £1m was due to lost activity from the 4 days of Junior Doctor industrial action. The May 2016 under performance appeared to relate to non-elective activity, which requires further understanding.
- There was an overall pay underspend of £0.1m (0.1%) to the end of May 2016. Bank and Agency staffing costs were £1.9m lower than for the same period in 2015.
- There is a £0.5m under delivery against efficiency plans for the year to-date and overall, Clinical Directorates reported positions £2.4m worse than their plans.
- The Financial Plan assumed neutrality on baseline contract income (tariffs, CQUIN, etc.) in the move from 2015/16 to 2016/17. However, there were significant risks to that assumption from difficult CQUIN targets, potential non-receipt of System Resilience funding and consequences of commissioner QIPP proposals.
- The Financial Plan and current position assumed receipt of £19.3m of national Sustainability and Transformation (S&T) funding. To receive that the Trust had to meet conditions set by NHS Improvement on a financial “Control Total”, service target trajectories and an agency staffing cost “Ceiling”. The Control Total was still under discussion with NHS Improvement.

The Chairman emphasised that the Trust was under financial pressure and maximum attention needed to be given to activity levels and efficiency plans.

Candace Imison stated that the reduction on agency staffing costs was good news. She also stated that she would welcome more detail on CQUIN targets.

The Director of Finance explained that CQUIN targets were associated with Specialised Services Schemes commissioned through NHS England and he listed both national and local schemes. The Medical Director stated that the cost and effort of delivering those services had progressively increased year on year.

The Director of Human Resources reported that an overview update on Agency Costs would be submitted to the Finance, Performance and Workforce Committee in September 2016 following which a report would be submitted to the Board of Directors.

Action: Mark Gwilliam

- **Deep Dive**

The Medical Director referred to the Deep Dive which was on the Care Quality Commission (CQC) Strategy - Shaping the Future 2016-2020. The CQC's priorities for the next five years were:

- Encourage improvement, innovation and sustainability in care – the CQC will work with others to support improvement, adapt its approach as new care models develop, and publish new ratings of NHS Foundation Trusts' use of resources.
- Deliver an intelligence-driven approach to regulation –the CQC will use its information from the public and providers more effectively to target its resources

where the risk to the quality of care provided is greatest and to check where quality is improving, and it will introduce a more proportionate approach to registration.

- Promote a single shared view of quality – the CQC will work with others to agree a consistent approach to defining and measuring quality, collecting information from providers, and delivering a single vision of high-quality care.
- Improve its efficiency and effectiveness – the CQC will work more efficiently, achieving savings each year, and improving how it works with the public and providers. This is a key priority as the CQC overall budget will reduce by £32 million by 2019/20, from £249m to £217m. At the same time, the main source of funding is switching from the Department of Health to fees paid by providers.

From the Trust's perspective it would expect to undergo less scrutiny than some other Acute Providers over the next eighteen months in the light of the 'Good' outcome from the December 2015 inspection.

STH/164/16

Chairman and Non-Executive Director Matters

Annette Laban reported that she had recently attended a very useful event in Leeds about how Non-Executive Directors work with the new Freedom to Speak Up Guardian role. The key thing was to learn from each other and to link this role to what the organisation was already doing.

STH/165/16

For approval

(a) **Changes to the Governance Arrangements of Sheffield Hospitals Charity**

In the absence of Neil Riley, John O'Kane spoke to this item and referred to the paper (Enclosure F) circulated with the agenda papers.

The Department of Health (DH) had undertaken a review of the regulation and governance of NHS charities during 2011/12. Following the conclusion of the review, NHS charities were now permitted to transfer their charitable property to another specifically established charity, subject to a range of agreements. The Trustees of Sheffield Hospitals Charity have therefore decided to establish a new Charity which would also be a Company Limited by Guarantee (CLG) with effect from 1st April 2017. The Trustees of the Sheffield Hospitals Charity therefore require the Board to approve in principle the following documents (circulated with the agenda papers) allowing the Charity to proceed to the next step which was the incorporation of the new charity and registration with the Charity Commission:

- Articles of Association (Appendix 1)
- Deed (Appendix 2)
- Memorandum of Understanding (Appendix 3)

The Board of Directors **APPROVED** the proposed changes to the above documents and noted that the final documents would come back to the Board for formal sign off and agreement in February/March 2017.

(b) **Waiting Times Performance Overview Group – Terms of Reference (TOR)**

Following discussions at previous Board meetings the Board of Directors **APPROVED** the amended TOR for the Waiting Times Performance Overview Group (previously known as Waiting Times Task and Finish Group).

The Group would report through the Finance, Performance and Workforce Committee and Annette Laban, Chair of the Group, would raise any issues to the Board of Directors as appropriate.

STH/166/16

Any Other Business

There were no additional items of business.

STH/167/16

Date and Time of Next Meeting

The next meeting of the Board of Directors would be held on Wednesday 21st September, 2016, in the Undergraduate Common Room, Medical Education Centre, Northern General Hospital at a time to be confirmed.