



W&HHFT/TB/B/15/066

**Warrington and Halton Hospitals NHS Foundation Trust  
Board of Directors  
Final Minutes of the Board of Directors  
held on Wednesday 25th March 2015  
Trust Conference Room, Warrington Hospital**

**Present:**

Allan Massey	Chairman
Mel Pickup	Chief Executive
Simon Wright	Chief Operating Officer/ Deputy Chief Executive
Simon Constable	Medical Director
Karen Dawber	Director of Nursing and Governance
Tim Barlow	Director of Finance and Commercial Development
Roger Wilson	Interim Director of Human Resources and Organisational Development
Carol Withenshaw	Non-Executive Director
Ian Jones	Non-Executive Director
Terry Atherton	Non-Executive Director
Mike Lynch	Non-Executive Director
Anita Wainwright	Non-Executive Director

**In Attendance:**

Colin Reid	Trust Secretary
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**Apologies**

Lynne Lobley	Non-Executive Director
Jason DaCosta	Director of IT

**W&HHFT/TB/15/046 – Apologies & Declaration of Interest**

- 1 Apologies: as above
- 2 Declarations of Interest: None reported.

**W&HHFT/TB/15/047 – Minutes of Meeting**

- 3 The minutes of the meeting held on 25<sup>th</sup> February 2015 were approved subject to the amendment to paragraph 49 replace 'morality' with 'mortality'

**W&HHFT/TB/15/048 – Action Plan**

- 4 All actions contained in the action plan were either on the agenda, discharged or carried forward to a future meeting.

**W&HHFT/TB/15/049 – Chairman's Verbal Update Report**

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The Chairman advised that this meeting would be his last Board meeting as Chair of the Trust and the last meeting for Carol Withenshaw. He advised that it had been a real journey for him and had been a privilege to be able to meet and work with such a dedicated group of staff. The chairman thanked the Governors both those that were not now on the Council and those that continue to serve, who ensure that patients were looked after and supports the wellbeing of the Trust.

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The Chairman advised that the Trust was going through a great period of change at this time and was probably in the most volatile environment he had seen in his tenure. He wished the Board and the new Chairman every success as they look to drive forward changes to support the patients and public the Trust serves. The chairman felt that it was imperative that both the Executive and Non-Executive work as a team and also support the Governors in their role. The Chairman gave special thanks to the Non-Executive team and in particular Carol Withenshaw who had been much a part of the Board as he was and also Simon Wright and Mel Pickup for their help and support over the years they had been on the Board.

### W&HHFT/TB/15/050 – Chief Executive Verbal Update Report

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The Chief Executive provided a verbal report on the following matters:

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a) **Monitor Financial Governance Review:** The Chief Executive reported that following the Q3 reforecast position, Monitor informed the Trust that they would be undertaking a financial governance review of the Trust. She felt that the Trust had the appropriate finance governance structures in place that were fit for purpose. The Chief Executive advised that the Board would be kept informed of any developments as they arise.

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b) **National Initiative – Breaking the Cycle:** The Chief Executive reported that NHS England had introduced national 'Breaking the Cycle Initiative 2015'. This was the same initiative that the Trust had undertaken and had called it the Perfect Week. The Chief Executive reported that the 'Perfect 14' was an extension of the Perfect Week initiative that the Trust first ran in May last year to great success and again in January this year. The Perfect 14 will be running from 30<sup>th</sup> March and until 15<sup>th</sup> April to take account of the Easter period. The Chief Executive advised that the Trust had struggled with continuing operational pressure that had seen the Trust at red status and increased bed escalation for many months, but it had been shown that the Perfect Week initiative makes a real difference to the operational performance of the Trust.

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c) **Published Reports:** The Chief Executive reported on two reports recently published the first related to the Saville Report published on 26<sup>th</sup> February and the second the Morecombe Bay Report which is included in the papers today. Both reports were being reviewed and action plans developed.

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d) **New Models of Care – CCG become Vanguard:** The Chief Executive reported that in January 2015 the NHS invited individual organisations and partnerships, including those with the voluntary sector to apply to become 'vanguard' sites for the New Care Models Programme, one of the first steps towards delivering the Five Year Forward View and supporting improvement and integration of services. She advised that more than 260 individual organisations and health and social care partnerships expressed an interest in developing a model in one of the areas of care, with the aim of transforming how care is delivered locally. On 10 March 2015, the first wave of 29 vanguard sites were chosen. This she understood followed a rigorous process, involving workshops and the engagement of key partners and patient representative groups. Each vanguard site would take a lead on the development new care models which would act as the blue prints for the NHS moving



forward and the inspiration to the rest of the health and care system. The two health and care systems were: the integrated primary and acute care system; and the multispecialty community providers. The Chief Executive advised that neither the Warrington CCG or Halton CCG bids were successful.

- 13 Terry Atherton asked whether there was any intention for primary care to undertake an initiative similar to the Perfect 14. The Chief Operating Officer advised that the SRG was to submit an action plan to respond to Easter pressures and reported that he had had opportunity to help support Halton CCG in development of their plan. He had not however seen Warrington CCGs plan although he had contacted them to offer the Trust's support. The Chief Operating Officer believed that Warrington CCG would be relying on out of hour's services from Bridgewater with no additional intermediate care capacity other than what was being put in place at the Trust.
- 14 The Chief Executives verbal update report was noted.

#### **W&HHFT/TB/15/051 - Verbal Report from the Chair of the Finance and Sustainability Committee (FSC)**

- 15 Terry Atherton, Chair of the FSC provided a verbal report on the meeting held on 17<sup>th</sup> March 2015. He reported that the Committee had reviewed its work plan for the year taking into account assurances it required in accordance with the terms of reference and requests from the Board. He advised that the Committee had considered the financial outturn taking into account the potential dispute resolution against the commissioner contract and outcomes arising from the process. With regard to the disappointing out-turn for February (reported in the Finance Report), the Committee had noted that achievement of the agreed deficit out-turn with Monitor would be very challenging.
- 16 Terry Atherton reported that the Committee had received an update on the proposed recovery plan that the Trust was considering taking into account Monitors views arising from their Financial Governance Review, which was ongoing. The Committee had also received an update on the 2015/16 contract negotiation which had been put on the back burner whilst the 2014/15 contract was being finalised.
- 17 With regard to the Lorenzo project, Terry Atherton advised that the Committee had received the first assurance report. He explained that the Committee still needed additional assurances and further work was required on how this would be provided.
- 18 Terry Atherton advised that the Committee also received an update on the Cost Improvement target on Workforce and Controls and advised that a revised approach would be adopted in 2015/2016 to address pay bill and performance management within the Trust.
- 19 The Chairman thanked Terry Atherton for his verbal report.

#### **W&HHFT/TB/15/052 - Finance Report**

- 20 The Director of Finance and Commercial Development presented the Finance Report as at 28<sup>th</sup> February 2015 and provided an overview of the financial position of the Trust. The Director of Finance and Commercial Development ran through the key themes arising from the Report. He advised that the year to date performance was based on the original plan and performance against the reforecast position was set out in section 8 of the Report.



- 21 The Director of Finance and Commercial Development advised that for the period ending 28<sup>th</sup> February 2015 the Trust had recorded an actual deficit of £6,724k and a Continuity of Services Risk Rating 2, with the cash balance standing at £7,499k. The Director of Finance and Commercial Development reported that operating performance continued to have an adverse effect on the amount of cash available to the Trust and even though the cash balance was controlled through the management of working balances, a continuation of the current operating performance would mean a severe reduction in the internally funded capital programme or a significant increase in creditors to avoid the Trust running out of money during the next financial year. He advised that this had already been reported to the Board and FSC at previous meetings but felt that the Board needed to keep this in mind as a major risk to the organisation.
- 22 The Director of Finance and Commercial Development provided a more detailed update on the financial status of the Trust and reported on new measures being adopted to reduce the amount of expenditure. He advised that the Executive would be seeking to agree to suspend all financial authorities to those individuals in the Trust who had authority to spend up to £5k per transaction. This would reduce significantly the number of people in the Trust able to authorise payments and provided greater responsibility to those managers in the Trust able to authorise over £5k. Further work was being done to address the financial delegations such that there would be a tighter control of expenditure.
- 23 The Director of Finance and Commercial Development, in response from a question from Ian Jones regarding the potential to exceed the forecast deficit of £5.9m advised that he did not have the activity figures for March and therefore was unable to advise whether the end of year outturn would be greater than £5.9m deficit.
- 24 The Chairman thanked the Director of Finance and Commercial Development for his report recognising the work of the FSC in addressing the position. The Board recognised the financial risks reported in the paper and noted Finance Report to 28<sup>th</sup> February 2015.

### **W&HHFT/TB/15/053 – Corporate Performance Dashboard and Exception Report**

- 25 The Chief Operating Officer presented the Corporate Performance Dashboard and Exception Report for February 2015 and reported that the full report had been presented to the FSC prior to the exception report coming to the Board. The Chief Operating Officer re-iterated what had been said at previous meeting that it was very important to note that the Trust was continuing to deliver against all targets with the exception of A&E, which continued to be a pressure across the whole of the sector.

- 26 The Chief Operating Officer reported that he trust performance in A&E remains unacceptably low and additional actions had been taken to make improvements including; a new Substantive AED manager had been appointed and starts in June; approval had been given to fund 30 intermediate care beds in Daresbury for 6 months commencing March 2015 with a phased roll out; additional medical emergency admissions (25 beds worth per week) are being co-located on a new medical ward by switching a surgical ward into a medical one and establishing the available beds known as escalation recurrently; the Perfect Week 'Perfect 14' would be re-run from March 30-April 15; wards A1 and A2 would be merge during the perfect 14 to create a larger ambulatory unit to better manage internal short stay flow; command and control systems are to be introduced into AED to ensure internal approaches have not slipped during the period of congestion resulting from DTOC delays; the Chief Operating Officer, Medical Director and Director of Nursing and Governance were establishing an internal steering group to oversee the pathway and operational changes necessary to restore normal operational management of emergency demand; and discussions were underway with commissioners



on assurance that demand controls , nursing home admission avoidance and readmission reductions for 2015/16 would seek to avoid over performance in emergency admissions.

- 27 Terry Atherton felt that the Board should acknowledge that progress was being made with regard to intermediate care and in particular the involvement of the CCG and local authority. Ian Jones referring to the Perfect 14 asked whether the Trust would have output that can be used in discussions with stakeholders. The Chief Operating Officer advised that the Trust had to be careful that there was qualitative output that could be used for discussion with stakeholders and understood by staff. The Medical Director agreed and felt that the evidence needed to be tangible such that the Trust would be able to point to improvements in reshaping of the acute medical unit.

- 28 The Chairman thanked the Board for their constructive discussion of the Corporate Performance Report which was noted.

#### **W&HHFT/TB/15/054 – Verbal Report from the Chair of the Quality Governance Committee**

- 29 Mike Lynch, Chair of the Quality Governance Committee advised on the meeting of the Quality Governance Committee held on 13<sup>th</sup> March 2015, at which the Committee had considered a draft terms of reference of the new Quality Committee. He advised that the draft terms of reference provided him with the assurance on the future role of the Quality Committee however he had asked that they be reviewed by the Executive and the Committee to obtain their support before coming to the Board for approval. Mike Lynch advised that the Quality Committee required increased medical engagement and the membership of the Committee would need to take this into account.

- 30 Mike Lynch reported that the Committee had also been advised of the possibility of bringing together the Board Assurance Framework with the Corporate Risk register that would provide an improved way of reporting both strategic and top level operational risks. This was being taken forward with PwC the Trust's external Auditor who had offered their services at the Audit Committee.

- 31 Mike Lynch advised that further work was being undertaken by the Director of Nursing and Governance and the Medical Director to provide the Committee with assurance on the work of its committees and groups through clearer reporting to the Committee.

- 32 Mike Lynch advised that the Committee was disappointed to receive reports that HMSR and SHMI performance was getting worse and that both Patient Experience and patient safety indications were being negatively impacted on. These were reported in the Quality Dashboard next on the agenda. The Committee would be seeking assurances from the Medical Director that improvements in HMSR and SHMI would take place.

- 33 The Chairman thanked Mike Lynch for his verbal report which was noted.

#### **W&HHFT/TB/15/055 – Quality Dashboard**

- 34 The Director of Nursing and Governance presented the Quality Dashboard and advised that exception reports were included for non-compliant indicators including SHMI, HCAI, MUST Care Indicator, Pressure Ulcer CQUIN, AQ Heart Failure & Pneumonia, Friends and Family, Falls and Mixed Sex Occurrences.

- 35 The Director of Nursing and Governance expanded on the exception report in particular referring to:





and identify whether any training was required.

45 Carol Withenshaw asked what was being done to improve attitude. In response the Director of Nursing and Governance advised that the processes agreed at the January 2015 Board relating to behaviors would help to show staff the benefits and need to treat patients in the most appropriate way. She also advised that as part of the new processes for revalidation of Nursing and Midwifery staff would also help to identify training needs similar to that for medical staff.

46 Anita Wainwright asked whether there was an understanding of what attitude actually meant as it can mean a number of things to different people. The Director of Nursing and Governance agreed and referred to the approaches being taken to address the approach to behavior of staff in the Trust.

47 The Director of Finance and Commercial Development referred to the benchmarking data and was concerned with the interpretation of it. He advised that there was a need to compare like for like advising that statistically the way the data was shown in the report would indicate the Trust was extremely poor.

48 The Board noted the report and asked that a further report be brought back to the Board in 6months time that provided comparisons against the data within this report and to provide addition information that showed how the Trust had addressed the attitude of staff.

#### **W&HHFT/TB/15/057 – Morecombe Bay high level action Plan**

49 The Director of Nursing and Governance presented the high level review undertaken by the Trust following the publication of the findings of the Morecombe Bay Investigation. She advised that the Report detailed the distressing chain of events that began with serious failures of clinical care in the maternity unit at Furness General Hospital, part of what became the University Hospitals of Morecombe Bay NHS Foundation Trust. The Director of Nursing and Governance reported that the investigation identified serious failings at the hospital that resulted in avoidable harm to mothers and babies, including tragic and unnecessary deaths. The Report included detailed and damning criticisms of the maternity unit and the regulatory and supervisory system.

50 The Director of Nursing and Governance advised that the Report makes 44 recommendations; an initial assessment shows that 17 were applicable to all NHS trusts to review to identify whether there were any failings within the Trust. As a result Leads had been identified to review and address those recommendations. The Director of Nursing and Governance advised that of the remaining 27 recommendations related to external agencies such as the Department of Health, NHS England and Care Quality Commission.

51 In response to a question from the Chairman, the Director of Nursing and Governance advised that the issues at Morecombe Bay were different to the Trust's position following actions already taken. She also advised that the Trust's duty of candour had been excellent. Mike Lynch agreed with the view however he felt that there were still cultural issues that required addressing in the trust between the position of the midwives and that of obstetricians. He felt that the gap between the differing views needed to be closed such that the risks are reduced.

52 Terry Atherton advised that he had seen first-hand the impact to both patients and the public and recognised the failure of the Morecombe Bay Trust and external agencies to address the issues identified. The Trust should not be in such a position and should review address each of the recommendations so that an action plan was developed .



- 53 The Board noted the reviews undertaken by the Trust and that progress would be reviewed by the Quality Committee to provide assurance to the Board that actions have been undertaken to address the 17 recommendations that relate to trusts.

#### **W&HHFT/TB/15/058 – CQC Fundamental Standards – briefing note**

- 54 The Director of Nursing and Governance presented the new Care Quality Commission Fundamental Standards and reported that there were 11 new fundamental standards of quality and safety. These replace the current 16 regulations from 1<sup>st</sup> April 2015. The new regulations provide clear statements of the standards below which care should never fall.
- 55 The Board noted the new CQC fundamental standards and revised changes required by the new regulations would be submitted to the Quality Committee in April for review and Approval

#### **W&HHFT/TB/15/059 – Verbal Report from the Chair of the Strategic People Committee**

- 56 Anita Wainwright advised that the last meeting of the Strategic People Committee was a workshop which reviewed the requirements of the Committee and its terms of reference which were presented to the Board for approval.
- 57 The Board approved the Terms of Reference of the Strategic People Committee.
- 58 The Chairman thanked Anita Wainwright for her verbal report.

#### **W&HHFT/TB/15/060 - Workforce and Educational Development Key Performance Indicators**

- 59 The Interim Director of HR&OD presented the Human Resources / Education & Development Key Performance Indicators (KPIs) Report and reported that there had been little change from the last report.
- 60 With regard to Mandatory Training and PDRs, the Interim Director of HR&OD advised that there was a need to understand the consequences of non-achievement of training in terms of health and safety and PDRs. He advised that processes were being put in place to address the poor performance by making managers more accountable for their staff in undertaking both mandatory training and PDRs. The Interim Director of HR&OD reported on the actions being undertaken in the other workforce indicators. With regard to recruitment, the Interim Director of HR&OD reported on improvements being made in reducing the timeframes for recruitment. He advised that once a resignation was received the process would require the manager to put in place recruitment of a replacement within 7 days of receipt of the resignation. This would reduce the length of time between the appointment of a replacement and the date of leaving. The Interim Director of HR&OD advised that with the new requirements for revalidation of Nursing staff this would improve PDR rates.
- 61 The Medical Director referred to the medical vacancies referred to in the report and advised that there was renewed focus on recruitment particularly in unscheduled care where a strategy was in place to address the levels of vacancies. The Director of Nursing and Governance reminded the Board that the Corporate Risk Register and the unscheduled care risk register identifies the risks and mitigating actions arising from medical staff vacancies. Furthermore she advised that this was also discussed with CQC during their recent investigation. The Chief Executive advised that the Trust needed to develop strategies that would support getting the right people recruited to the Trust to reduce vacancies and retain staff and reduce locum and agency costs.



The Chairman thanked the Interim Director of HR&OD for his report which was noted.

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#### **W&HHFT/TB/15/061 – Freedom to Speak Up – Francis Recommendations**

63 The Interim Director of HR&OD presented the Trust Response to Sir Robert Francis Freedom to Speak Up Review.

64 The Board considered the response and noted the recommendations made by Sir Robert Francis in the **Freedom to Speak Up** Report. The Board recognised the need for the Director of Human Resources and Organisational Development to lead the organisation response with staff side colleagues and other key stakeholders and delegated authority to the Strategic People Committee to oversee the implementation of the recommendations within the Trust.

#### **W&HHFT/TB/15/062 – Staffing Levels - Monthly Staffing level exemption Report**

65 The Director of Nursing and Governance presented the Staffing Levels Report which included the Monthly Staffing level exemption Report for February 2015 and advised that the report now included narrative which provided assurances that correct staffing levels were in place across the Trust. This was requested by the Board at the February Board meeting. The Director of Nursing and Governance advised that the report links to the Safety Thermometer to assist in triangulation of incidents with staffing levels.

66 The Director of Nursing and Governance reported that the National Institute for Clinical Excellence had outlined Draft guidance for A&E departments to ensure that there were enough nursing staff available to provide safe care at all times to patients. The Trust was taking part in the national consultation of this guidance. Additionally, the Director of Nursing and Governance reported that the Trust was using the Safer Nursing Care Tool across the adult inpatient areas and that following the first set of data collection the outcomes would be presented and discussed at Nursing and Midwifery Advisory Council meeting and reported via the minutes to the Quality Committee.

67 In response to a question from Mike Lynch regarding the governance arrangements for medical outliers, the Medical Director advised that there were 46 outliers and the direction of travel of the Trust was to eliminate outliers which was part of the quality strategy agreed by the Board.

68 The Chairman noted that overall all the wards had been covered safely, utilising bank and agency staffing as support due to short term sickness and bed escalation. The Chairman thanked the Director of Nursing and Governance for the additional narrative that enabled the Board to receive assurance surrounding staffing levels.

69 The Chairman asked for any additional comments on the Report and following review the Staffing Levels Report and Exemption Report was noted.

#### **W&HHFT/TB/15/063 – Board Committee Report**

##### **70 i. Minutes for noting**

Having received verbal update from the Chairs of each of the Committees at earlier Board meetings the Board noted the following minutes:

- a) Minutes of the Strategic People Committee 8 December 2014



- b) Minutes of the Quality Governance Committee 13<sup>th</sup> January 2015
- c) Finance and Sustainability Committee held on 17<sup>th</sup> February 2015

71 The Board noted the activity of the Board Committee.

**W&HHFT/TB/15/064 – Any Other Business**

**72 i) Fit and Proper Persons Requirement for Directors**

The Trust Secretary presented a paper that set out the requirements for directors under the CQC fit and proper person test. He reminded the Board that it had received a presentation and paper in October 2014 in relation to the CQC Fit and Proper Persons requirements for director or equivalent appointments and explained that the aim of the regulation was to ensure that all board level appointments of NHS providers are responsible for the overall quality and safety of care, and for making sure that care meets the existing regulations and effective requirements of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

73 The Trust Secretary referred to the table at Appendix A which sets out the processes the Trust needs to adopt to comply with the regulations together with ancillary supporting documentation, such as a Board of Directors Code of Conduct. He advised that once adopted the processes and procedures would amend specific HR policies (such as recruitment and DBS).

74 The Trust Secretary reported that due to the nature of the requirements a full on-line DBS would be required to be undertaken by all Board members (excluding those that have already undertaken the on-line process and have signed up to an updating service).

75 The Board discussed the paper and approved the management of checks and balances required to comply with the relevant Fit and Proper Persons requirements set out in Appendix A, which includes approval of the Board of Directors code of conduct.

76 There being no further business the Chairman closed the meeting and thanked the Board for their support.

**Next Meeting:** 29<sup>th</sup> April 2015