Trust Board
Minutes of the Trust Board meeting held in public on Wednesday 12 July 2017 at 10:00 in Meeting Rooms 1-3, Cancer Centre, Churchill Hospital

Present: Dame Fiona Caldicott FC Trust Chairman
Dr Bruno Holthof BH Chief Executive
Professor Sir John Bell JB Non-Executive Director
Mr Paul Brennan PB Director of Clinical Services
Dr Tony Berendt TB Medical Director
Mr Jason Dorsett JD Chief Finance Officer
Mr Christopher Goard CG Non-Executive Director
Mr Peter Knight PK Chief Information and Digital Officer
Mr Andrew MacCallum AM Interim Chief Nurse
Professor David Mant DM Non-Executive Director
Mr Geoff Salt GS Non-Executive Director and Vice-Chairman
Mrs Anne Tutt AT Non-Executive Director
Mr Peter Ward PW Non-Executive Director
Ms Eileen Walsh EW Director of Assurance
Ms Susan Young SY Interim Director of Workforce

In attendance: Ms Susan Polywka SP Head of Corporate Governance and Trust Board Secretary
Ms Maria Crawford MC Corporate Governance Manager

Apologies None

The minutes are produced in the order of the agenda

TB17/07/01 Apologies and Declarations of Interest
The Chairman welcomed Ms Eileen Walsh, Director of Assurance to her first meeting of the Trust Board since her return to work after a period of sick leave.

The Chairman welcomed Governors, Members, public and staff to the meeting, and thanked the Churchill Hospital for hosting the Trust Board.

There were no declarations of interest.

TB17/07/02 Minutes of the meeting held on 10 May 2017
The minutes of the meeting held on 10 May 2017 were approved as a true and accurate record of the meeting, subject to amendment to the bullet point of minute reference TB17/05/02 Minutes of the meeting held on 8 March 2017 which now reads as follows:

“50% of MRSA bacteraemias were noted to be contaminants from blood samples.”

TB17/07/03 Matters Arising from the minutes
There were no matters arising.

TB17/07/04 Action Log
The Action Log was reviewed, and the status of the actions agreed as recorded.
TB17/05 Chairman’s Business

There was no Chairman's business.

TB17/06 Chief Executive's Report

The Chief Executive presented his report, in particular highlighting the issues referred to below.

NHS Improvement [NHSI] had now concluded its review of Trust waiting times' performance. It was confirmed that no formal action was required in relation to the Trust’s performance against the 4-hour Accident & Emergency [A&E] waiting time standard, and NHSI recognised the work undertaken to enable patients, when they no longer needed an acute hospital bed, to move to a more appropriate care setting.

Similarly, NHSI had expressed confidence in plans to ensure action on the key areas of cancer treatment where delays occurred.

In relation to the Trust’s 18-week referral-to-treatment [RTT] waiting time standard for elective treatments, the Trust Board had approved submission of a Plan for RTT activity up to the end of September 2017, aimed at delivering increased capacity for elective activity, to be sustained over the remainder of the year. Beyond the short term action to step up elective activity, the Trust was now working with Oxfordshire Clinical Commissioning Group [OCCG] and Oxford Health NHS Foundation Trust [OH NHSFT] to develop a system-wide plan to bring supply and demand into balance over the longer term. It was envisaged that this would require both the redesign of elective care pathways, and the reduction of elective demand. Dr Penny Dash had been appointed System Improvement Director, accountable to the Boards of OCCG, OH and the Trust. It was noted that a meeting of the Single Oversight Group was scheduled to take place in the evening of 12 July 2017, to be chaired by Anne Eden, with the objective of fostering closer collaboration between system partners, to optimise performance within budgetary constraints, for the benefit of patients.

In discussion, Mr Christopher Goard, Non-Executive Director asked whether members of the Trust Board would have an opportunity to meet with the System Improvement Director, to ascertain what changes she proposed to make to the local and national system.

The Chief Executive confirmed that further consideration needed to be given to governance of the Single Oversight Group, including the mechanism for report back to the boards of each organisation represented within the Group.

Mr Peter Ward, Non-Executive Director asked how social care and primary care would be factored into a system-wide plan.

The Chief Executive reported that GPs were represented through attendance of the GP Federations at the Single Oversight Group. Social care was not yet represented, but he suggested that this would need to be reviewed as and when the focus moved from elective care to the urgent care pathway.

In relation to the Oxfordshire Transformation Programme, it was confirmed that the Board of OCCG was expected to make a decision on Phase One of the Big Health and Care Consultation at a meeting scheduled on 10 August 2017.

Potential options for phase two of the Transformation Programme were now being reviewed, focusing on acute hospital services in Oxfordshire including emergency departments and children's services, as well as community hospitals including Midwifery Led units. The second phase would also look in more detail at plans to develop primary care (including GPs, practice nurses, healthcare assistants, community nurses and other clinicians), and would include a process of engagement with local people prior to the formal consultation.

The Chief Executive was pleased to announce the appointment of Sam Foster to the post of Chief Nurse, highlighting the wealth of experience and passion that she would be bringing to
the role when she took up post at the beginning of September 2017. Andrew MacCallum, Interim Chief Nurse was thanked for the contribution that he had made over the past few months, and the Board wished him well in his new role at the Oxford School of Nursing and Midwifery.

It was highlighted that nominations were now open for those interested in standing for election to the Council of Governors. All nomination forms were to be completed and returned to UK Engage by 5pm on Friday 21 July 2017.

It was reported that under a national directive from NHSI to all NHS providers in England, the Trust had been asked to carry out a fire safety audit and urgent fire safety checks following the Grenfell Tower fire. All buildings with claddings were currently undergoing testing with the assistance of a specialist independent fire safety consultancy, Trenton Fire, to advise on current arrangements and make any necessary recommendations for improvements. Results were expected to be available on Tuesday 18 July 2017, and the Board would be kept informed by the Director of Clinical Services.

Action: PB

The Chief Information and Digital Officer acknowledged the helpful advice and support provided to the Trust by the Oxfordshire Fire and Rescue Service.

The Chief Executive commended the Oxford Biomedical Research Centre [BRC] and Oxford Academic Health Science Network [AHSN] for having held successful, energising events in recent weeks, suggesting that events such as the annual Technology Showcase illustrated the advantages of being part of an academic health centre of excellence.

The Trust Board received and noted the Chief Executive’s Report

TB17/07/07 Patient Perspective

The Interim Chief Nursing Officer presented the story of Mr and Mrs A, who had participated in the National Living Donor Kidney Sharing Scheme so that Mr A could receive a living donor kidney transplant. The story was accompanied by an audio recording of an interview with Mr and Mrs A in order to bring the story to life.

The Chief Nurse offered his reflections on the story, highlighting the permeating theme of kindness and consideration which had underpinned Mr and Mrs A’s positive experience. He also noted the extensive role which nurses played in co-ordinating and guiding patients’ care, and the importance of feeding back the patient’s view to gain a deeper understanding.

Mr Goard highlighted the importance of communication from staff and patients, recognising that it could have negative as well positive impact. He asked what was being done structurally to address challenges to good and effective communication, and suggested that vignettes of patients’ experience could inform the development of better communication.

The Chief Finance Officer endorsed the point, and emphasised the importance of good communication about what a patient should expect to experience post-operatively, rather than focussing only on providing information to obtain consent to the procedure.

The Interim Chief Nurse confirmed that staff learnt a lot from patient feedback and that a specific piece of work was underway to analyse results of the inpatient survey along with complaints, with a view to developing and implementing further training for staff.

Research findings were reported to indicate that, on the whole, the patient experience was improved when better information was provided. Over the longer term, the objective would be for technology to enable easy access to better information at the bedside.

The Chief Information and Digital Officer confirmed that development of the Patient Portal should provide ease of access to better information, and advised that this was expected to
take around 6 months to implement and a further 6 months fully to embed, dependent upon good staff engagement in the development phase.

The Medical Director remarked that this patient story exemplified commendable reciprocal altruism. However, Professor Sir John Bell commented that it was crucial that the arrangements under which donated kidneys were ‘shared’ across the UK were subjected to stringent ethical scrutiny.

The Trust Chairman welcomed the varied ways in which the patient perspective had been presented over recent months. She also asked that a letter of thanks be written to Mr and Mrs A for having shared their experience.

Action: AMaC

The Trust Board reflected on the patient’s perspective, and noted the key learning points which had been drawn from it.

TB17/07/08 Obstetric and neonatal services at the HGH

The Director of Clinical Services provided an update on obstetric and neonatal services at the Horton General Hospital [HGH], following the decision taken on the grounds of patient safety that the Obstetric Unit at HGH should be re-designated as a Midwifery-Led Unit [MLU], on a temporary basis, with effect from 3 October 2016.

Consistent with the original decision that it was unsafe to continue the service of the Obstetric Unit at HGH without the ability to sustain a rota of 9 middle grade obstetric doctors, obstetric services remained temporarily suspended at HGH on the grounds of patient safety, and the temporary establishment of the MLU at HGH continued.

It was confirmed that the Quality Committee continued to keep under review the register of risks associated with the temporary suspension of Maternity and Neonatal Services at HGH, and the contingency plan under which an MLU had been temporarily established at HGH. The Quality Committee Chairman’s Report to the Board [TB2017.63] outlined the review of the risk register undertaken at the meeting of the Quality Committee held on 14 June 2017.

Focused recruitment efforts were reported to have continued. At the time of report, there were currently seven out of nine doctors in post. The last recruitment round had closed on 28 May 2017 and three doctors had been shortlisted. However, two had withdrawn prior to interview and one was not appointable. A further advert had been placed in the first week of June with a closing date of the end of July 2017.

In respect of the Special Care Baby Unit [SCBU], it was reported that there were currently six out of twelve SCBU nurses in post. Despite rolling adverts for SCBU nurses having been ongoing for the past eight months, none were reported to have yielded any further appointments. In addition, there were only four out of five consultants (one of whom was not available to work), and a minimum of five consultants was needed to sustain the rota.

It was noted that the outcome of Phase One of the public consultation on the Oxfordshire Transformation Programme, and the decisions to be taken by OCCG Board at its meeting on 10 August 2017, would have a bearing on the situation over the longer term.

Mr Ward asked how the Trust was ensuring that middle grade obstetric doctors currently in post could remain motivated during this period of uncertainty about the longer term. The Director of Clinical Services reported that, as the majority of the doctors in post wanted to qualify for membership of the specialist register, they welcomed the opportunity given to rotate to the John Radcliffe, whilst running antenatal and screening clinics at HGH.

The Board received and noted the update on obstetric and neonatal services at the HGH.
TB17/07/09 Quality Committee Report including Annual Report 2016/17

Mr Geoff Salt, Non-Executive Director and Chairman of the Quality Committee presented the regular report from the meeting of the Quality Committee held on 14 June 2017, together with the Quality Committee’s Annual Report 2016/17, including the revised Terms of Reference for approval of the Board.

In introducing the report, Mr Salt recognised current pressures on the system as highlighted within the report, but recounted a family friend’s recent experience of care, which he suggested typified the skill, dedication and compassion of Trust staff which many patients experienced.

Particular issues discussed at the last meeting of the Quality Committee in June were highlighted to have included:

- Discussion of the risks associated with the continuing challenges to the recruitment and retention of appropriately skilled nursing staff, noting the further initiatives that had been implemented;
- The importance of continuing to guard against the potential risk that current operational and financial pressures could have an adverse impact on patient safety and quality of care; and
- Patient transport was considered to be a future area of focus for the Committee in light of the recent patient perspective paper which had highlighted the need for more flexibility in the way this service was administered.

Future business was reported to include a review of issues affecting staff retention, to identify the main reasons stated for leaving, and determine action that could be taken to address these.

The Quality Committee Annual Report had also been considered at the June meeting, prompting a suggestion from Mrs Anne Tutt, Non-Executive Director, that in future the sub-committees’ annual reports be submitted to the Board earlier in the year; to assist in producing the Annual Governance Statement.

Action: SP/EW

The Trust Board received and considered the regular report from the Quality Committee.

The Trust Board received and considered the Quality Committee’s Annual Report 2016/1, and approved the revised Terms of Reference.

TB17/07/10 Quality Report

The Medical Director introduced the report, confirming that overall the data showed no systematic deterioration in standards.

He drew the Board’s attention to an authoritative evaluation of the impact of the Biomedical Research Centre (BRC) on patient care, which had been published in the journal Health Research and Systems in 2017, describing extensive positive benefits of the BRC which had impacted on patient care.

Other matters of interest highlighted by the Medical Director included:

- The Trust remained under target for discharge summaries sent before/within 24 hours of discharge at 70.5% in May; and for results endorsed on EPR within 7 days, at 78.9%;
- Six Key Indicators were reported to have deteriorated or be red rated since the last reporting cycle including:
  - PS06: 1 case of MRSA bacteraemia>48 hours (red rated due to breaching of annual threshold, though there had been no further incidents of MRSA bacteraemia during May 2017);
- PS08: 72.41% patients receiving stage 2 medicines reconciliation within 24hr of admission;
- PS14: 84.15% Radiology direct access 7 day turnaround times – Plan Film, CT, MRI and Ultrasound;
- PS17: 2 cases of hospital acquired thromboses identified and judged avoidable
- CE03 Dementia: 62.53% patients aged >75 admitted as an emergency who were screened
- PE15: 56.14% patients EAU length of stay <12h

- One Never Event was noted to have been reported in May 2017, relating to an overdose of insulin relating to a failure to use an insulin specific administration device to draw up the insulin. The patient was reported to have made a full recovery.
- No mortality outliers had been reported for the Trust by the CQC or the Dr Foster Unit at Imperial College – mortality remained stable;
- A patient who had heart surgery at OUHFT in 2016 had been admitted to another Trust hospital in May with confirmed Mycobacterium chimaera heart valve infection. The patient had been aware of a possible risk following receipt of a letter from OUH outlining the worldwide risk of this infection in patients who have certain types of cardio-thoracic surgery;
- The rate of Candida auris appeared to be falling following the removal of multi-use surface temperature monitoring probes from the Neurointensive care unit.

The Interim Chief Nurse then presented the sections of the report relating to patient experience and nursing and midwifery safe staffing, highlighting in particular:

- The number of patient complaints had dropped overall throughout the last year, with a reduction in the number of complaints relating to the Medicine, Rehabilitation and Cardiac [MRC] Division and the Neurosciences, Orthopaedics, Trauma and Specialist Surgery [NOTSS] Division;
- Nursing and midwifery safe staffing levels were reported prior to mitigating measures taken by Ward Sisters and Matrons to maintain patient safety, which included the closure of beds;
- There had been a national decrease in membership of the national register for nurses, including a decrease in nursing staff from the European Union [EU]. It was noted that the Director of Clinical Services and Interim Director of Workforce were working with the Interim Chief Nurse to develop a number of initiatives aimed at improving nurse recruitment and retention.

Mr Goard noted Quality Priority 4, relating to the mental health of in-patients, and asked that the Board be informed of the outcome of the work that was reported to be focusing on identifying frequent attendees at the Emergency Department [ED]; and working with Oxford Health to explore where, with its intervention as appropriate, the frequency of attendance at ED could be reduced. Mr Goard in particular expressed interest in whether different pathways might be developed as a result of this work. The Medical Director advised that Quality Priority 4 was to be reviewed, and might be re-framed, to ensure that its scope was not limited to the mental health of frequent attenders in ED.

**Action:** TB

The Director of Clinical Services confirmed that Oxford Health and OUH had established a joint group to look overall at mental health care within the ED.

Mr Goard also remarked on the cleaning scores reported in areas defined as “very high risk”, which indicated the need for further improvement. The Director of Clinical Services confirmed that Rapid Response Teams had been established and service specification was currently under review.
In respect of reported nurse safe staffing levels, the Director of Assurance advised that she was due to meet with a member of the Interim Chief Nurse’s team to explore how to capture post-mitigation data effectively. It was recognised that this was likely to require a significant piece of work, but should provide further assurance on the effectiveness of mitigating actions taken to maintain patient safety on the wards.

Professor David Mant, Non-Executive Director noted that the poor turnaround time for the timely scanning of patients had been under review for over six months without any significant progress, and queried whether the underlying issue had been identified. The Medical Director explained that a Serious Incident Requiring Investigation [SIRI] which related to misdiagnosis commonly arose where, in hindsight, there had been a detectable lesion. He noted that the department had been exemplary in detecting and raising SIRI and confirmed that he did not consider that there were grounds for concern, given that some margin of error was inevitable within this territory, in the context of the large number of images being processed. That said, it had to be recognised that the department was under an extraordinary amount of pressure, and staffing levels were under review. The Director of Clinical Services echoed this view and highlighted that often the department had to prioritise patients, in particular the cancer pathway turnaround time had been reduced from 14 to 2 days.

Mr Salt commended the Interim Chief Nurse on bringing more relevance to the Friends and Family Test [FFT], noting that the response rate was now higher, which was empowering for staff. He expressed the hope that this progress would be sustained to the benefit of the patient experience.

Mr Salt also asked the Chief Information and Digital Officer how digitisation could assist in resolving the continued issue with reporting performance to OCCG and was informed that most of the booking pathway was now digital. In addition, the Patient Portal that was currently under development would assist in greater interactivity between patients and the Trust, the key issue being encouraging people to use the system which would need to be user-friendly.

Professor Bell emphasised the difficulties in sustaining quality of care in the current financial climate. He reflected on the points raised above by Mr Salt and by the Chief Information and Digital Officer, noting that the expansion of digitisation could potentially make a real difference. For example, he highlighted the potential offered by the use of digital images and artificial intelligence to identify normal x-rays. Professor Bell suggested that the Trust should identify two or three projects to which it could commit over the long-term, to deliver real and effective transformation.

**Action: All**

The Trust Board received and considered the content of the Quality Report.

**TB17/07/11 Finance and Performance Committee Report including Annual Report 2016/17**

Mr Peter Ward, Non-Executive Director and Chairman of the Finance and Performance Committee, presented the regular report from the meeting of the Finance and Performance Committee held on 14 June 2017, together with the Finance and Performance Committee Annual Report 2016/17, including the revised Terms of Reference for approval by the Board.

The following issues of particular interest were highlighted:

- At the time of review by the Committee at its meeting in June, performance in relation to the 4hr A&E standard was reported to be improving, but still below the trajectory level of 90%, with performance in April reported at 88.8%;
- Delayed Transfers of Care [DTocs] had continued to be above 100 since January 2017;
Good progress was reported to have been made in relation to cancer standards with 7 out of 8 standards having been met in March 2017 (the most recent period for which validated data was available at the time the Committee met);

The Committee had received a presentation from the Divisional Director, Medicine, Rehabilitation and Cardiac [MRC] on changes to the Urgent Care Pathway, and considered the operational challenges to maintaining capacity and flow throughout the winter months;

It was noted that the Chief Executive had been asked to chair the system wide Accident and Emergency Delivery Board;

The Referral to Treatment [RTT] Activity Plan for Q2 had been developed at speciality level and implemented. The Committee heard that it would take 4 months to mobilise all measures required to deliver the medium-term plan, and therefore, the step up activity required was unlikely to be delivered until Q4. The ability to recruit appropriately trained staff was recognised to represent a significant risk to delivery of the plan. The Committee had recommended that the Trust write to its system partners, and to NHSI and NHSE, formally to register the point that the medium term RTT activity plan was likely to take at least 4 months to mobilise in full;

The Committee had received an update on the terms of the Enforcement Undertakings submitted by the Trust in relation to RTT performance;

The Committee had also considered the Trust’s financial performance up to 30 April 2017, noting that this reported on the performance before additional cost control measures had been introduced;

Key risks had been discussed by the Committee included risks to delivery of the RTT Activity Plan, risks associated with maintaining capacity and flow within the Urgent Care Pathway, and risks associated with the Trust’s financial plans 2017/18.

Future business would be focussing on continued scrutiny of additional activity delivered in relation to the Q2 RTT Activity Plan, the development of the medium term RTT Plan, the impact of additional cost controls and an update on NHSI’s investigation into the Trust’s finances.

Professor David Mant, Non-Executive Director asked whether members felt that the Committee had picked up on the downturn in operational and financial performance quickly enough.

Mr Ward considered that the Committee had identified the downturn in relation to both operational and financial performance, but the complexity and interconnectivity between contributory factors meant that it had taken longer to identify how these problems should be addressed. He further noted that the Committee was becoming better at identifying and responding to trends but that it was on a transformational learning curve.

The Trust Board received and considered the regular report from the Finance and Performance Committee.

The Trust Board received and considered the Finance and Performance Committee’s Annual Report 2016/17, and approved its revised Terms of Reference.

**TB17/07/12 Integrated Performance Report Month 12**

The Director of Clinical Services presented the report, in which the following key issues were highlighted:

- Performance against the 4hr A&E standard in May 2017 was 86.4%, down from 88.8% in April 2017. This was below the trajectory level of 90% but Emergency Department [ED] attendances and emergency admissions for the month were both up on the same period in the year earlier;
Bed occupancy in the Trust’s acute beds remained high and delayed transfers of care in OUH beds continued at above 100 as they had since January 2017;

In relation to Cancer performance standards, the two week wait and 62 day screening cancer standards were not met in April 2017, the former because of breaches for Lower GI patients;

Good progress was reported in relation to the 62 day wait from GP referral cancer standard which was met in April 2017 for the first time since June 2016, reflecting sustained effort across several trust services;

Performance against the 92% Referral to Treatment Time [RTT] Incomplete standard improved to 90.12% at the end of May 2017, though the waiting list was reported to have continued growing and was expected to continue to do so until activity levels met the levels required to keep pace with the rate of referral.

It was further noted that the current levels of activity within the ED were significantly higher than had previously been experienced at this time of year, and the importance of demonstrating support to the teams was emphasised.

Mr Salt commented on a recent visit he had made to the Horton General Hospital [HGH] on Monday 10 July, which had also been reported as a day on which the levels of attendance were at a record high, following a weekend of record high activity. He stressed that it would be vital that a plan was developed for dealing with additional winter pressures, and it was confirmed that this would be submitted to the Finance and Performance Committee at its meeting in August.

The Chief Executive noted that recruitment and retention remained a significant challenge to delivery of operational performance standards. It was confirmed that extensive efforts were being made to accelerate recruitment, particularly of theatre nurses. Initiatives were being reviewed to try and address staff shortages in key clinical areas, especially in nursing. Mr Ward agreed that this was the biggest challenge facing the Trust and that a plan was needed in the immediate short term to make a dramatic improvement. The Trust Chairman noted that a further report would be provided to the Quality Committee in August.

The Chief Finance Officer referred to the current data which indicated that despite the shortages in staff, temporary staffing costs had not increased; though it was recognised that this could not be sustained indefinitely.

Mr Goard drew the Board’s attention to RTT delays reported in Gynaecology, ENT and Trauma, representing more than half of the total waiting list and asked whether actions would consequently be focused in these areas. The Director of Clinical Services confirmed that initial efforts were to be concentrated in the key specialties and confirmed there would more focus on increasing day case activity. Issues within the following areas were noted as follows:

- ENT: high volumes of outpatients with low conversion rates to day cases;
- Orthopaedics: related to theatre capacity; and
- Gynaecology: related to high referral rates from the OCCG.

The Interim Director of Workforce confirmed that she was working with the Director of Clinical Services and Interim Chief Nurse to address the nursing workforce issues. She further noted that significant improvement had been made since the position two years before, when the vacancy rate for Band 5 nurses had been 20%. While it was of concern that the Band 5 nurse vacancy rate was now deteriorating again, she suggested that the Trust had previously been able to recruit and retain nursing staff in 2015/16, and that success needed to be replicated. She reported that the Trust would be holding a “Perfect Week” focused on recruitment and retention.
Professor David Mant, Non-Executive Director asked whether the Trust was in discussion with OCCG regarding the two week wait Cancer pathway. The Director of Clinical Services confirmed that discussions had taken place to ensure that the pathway was used appropriately, for patients in relation to whom a diagnosis of cancer was suspected.

The Trust Board received and considered the Integrated Performance Report.

**TB17/07/13 Financial Performance up to 31 May 2017**

The Chief Finance Officer presented the report, informing the Board of the Trust’s financial position for the first two months of the financial year 2017/18.

EBITDA\(^1\) in Month 2 was reported at +£1.6m. While this represented a £4.3m improvement on April 2017, it was recognised that this was still not at the level required for sustainable financial performance. The Trust needed to deliver £5m EBITDA per month on average to achieve a break even position, and upwards of £9m EBITDA per month if it were to guarantee long-term sustainability.

The improvement in EBITDA from -£2.7m in April to +£1.6m in May was reported to be mainly due to an increased number of working days in May (21) when compared to April (18) and included:

- Increase in clinical income of £6.8m: £4.5m due to increased activity linked to the higher number of working days and £2.3m relating to pass-through drugs and devices.
- R&D made estimates of income and costs in April which were different to actuals resulting in significant run rate movements when compared to May (other income -£0.5m, pay costs -£1.7m, non-pay costs +£1.2m). There was no impact on EBITDA, but trends had been distorted in April.
- Non-pay increases of £4.2m, of which £2.3m related to pass-through drugs and devices (matched by clinical income) and a further £1.2m related to an increase in reported non pay spend in R&D. The remaining £0.7m increase largely related to PFI volume charges, laundry, maintenance and utilities within estates.
- Other Income for month 1 and month 2 was reported to show a significant reduction in comparison to Q4, mainly due to R&D expenditure. In that regard, it was highlighted that expenditure in Q4 was always higher due to the profile of R&D programmes (plus catch-up). Income was then deferred to match expenditure.

At month 2, allowing for Sustainability and Transformation Funding [STF], the Trust was reporting a control total retained deficit of £10.8m which was £3.3m adverse against a planned deficit of £7.5m. This included operational factors of £3.9m, driven mainly by a shortfall in planned delivery of cost control and productivity improvements, which was partly offset by £0.7m favourable variance year to date on non-EBITDA, largely due to:

- gain on an asset disposal following the release of £0.4m retention
- lower depreciation, £0.2m
- lower Public Dividend Capital, £0.1m

Pay in May was reported at £46.9m, £0.8m below plan. It was recognised that this in part reflected insufficient clinical capacity.

The Chief Finance Officer expressed concern related to the trend in non-pay expenditure which was noted to have been the most significant driver in the deterioration of financial performance the previous year. As yet, it was not apparent if the full effects of additional cost controls had not been realised. Trends were reported to be tracked by the Trust Management Executive [TME] on a weekly basis. Clinical non-pay costs had continued to rise in June above activity levels, though non-clinical non-pay costs had fallen in June.

The cash position continued to be monitored very closely, and was better than plan, which was considered to be partly due to better management of debtors.

---

\(^1\) Earnings before interest, tax, depreciation and amortisation
Efforts were being made to change the way that teams and individuals considered basic financial management, to encourage a less abstract and more concrete approach to income and expenditure that was within their control.

Mr Goard noted that the financial forecast at section 7.2 referred to a further £48m productivity improvement plan that was yet to be developed.

The Chief Finance Officer highlighted the principal measures that were being implemented to try and improve financial performance further, including:

- activities relating to traditional cost control and extra top-down grip;
- Trust-wide initiatives, which due to operational pressures had not yet been making progress as quickly as hoped. A central Programme Team had been established to track and score the initiatives to assist in identifying the £48m required; and
- One-off items which were being reviewed, such as land development for staff accommodation and other non-recurrent transactions.

He confirmed that weekly monitoring of the leading indicators was shortening the response times needed to address issues.

The Chief Executive added that all of the issues were interlinked, and the solution must be integrated to address the operational, financial and performance challenges, the aim being to work smarter not harder. It was important to ensure that staff remained engaged in developing the integrated solution; understanding that EBITDA was not an end in itself, but long term financial sustainability was crucial to the ability to deliver high quality patient care.

Mrs Anne Tutt remarked that it was helpful to know that actions were being taken on a daily basis; but reiterated her plea for the clearest possible presentation of the complex numbers, to help staff understand how to manage the income and expenditure that was within their control. She welcomed the report that the cash position was better than planned, but suggested that in order to understand the real improvements made, the effect of timing issues needed to be taken into account.

Mr Ward referred to the multiplying effect of the STF and asked if there was anything for which the Trust could be accruing, which might give a better chance of access to STF. The Chief Finance Officer advised pointed out that the finance team would continue to report the most technically accurate numbers each month, striving to achieve consistent book keeping with costs and income accounted for in the correct month.

It was acknowledged that delivering the control total and breaking even posed a significant challenge to the Trust.

The Trust Board received and noted the report on financial performance.

**TB17/07/14 Audit Committee Report including Annual Report 2016/17**

Mrs Anne Tutt, Non-Executive Director and Chairman of the Audit Committee presented the regular report from the meeting of the Audit Committee held on 24 May 2017, together with the Audit Committee Annual Report 2016/17, including revised Terms of Reference for approval of the Trust Board.

She reported that the Committee’s primary focus at its meeting on 24 May 2017 had been to review and make a recommendation to the Trust Board on whether to adopt the Annual Accounts for 2016/17.

It was noted that Ernst and Young [External Auditors] had issued an unqualified statement on accounts including value for money.

It was highlighted that the Committee had also considered the Internal Audit Report on Divisional Financial Management, which formed part of the evidence upon which the overall Head of Internal Audit opinion was based. Management was currently considering the response to the recommendations outlined within the report, and the Committee had urged...
that the issues identified be addressed as a matter of urgency. The finalised management response was due to be submitted for consideration at the next meeting of the Committee in September 2017.

Other matters covered included partnership working and proper arrangements to secure “Value for Money”. Deep dives were to be undertaken into the potential risks associated with the resilience of the Trust’s partners in the Oxfordshire health economy.

An initial outcome of the review initiated following the recent global cyber attack had also been shared with the Committee which had provided some assurance that the Trust had not been directly affected.

Matters referred to the Trust Board included the question of whether it may wish to seek stronger assurance from its sub-committees in relation to the establishment of the “proper arrangements” to secure economy, efficiency and effectiveness on its use of resources (“Value for Money”).

The Trust Board received and considered the regular report from the Audit Committee.

Mrs Tutt also drew the Board’s attention to the Audit Committee Annual Report 2016/17, and the revised Terms of Reference.

The Trust Board received and considered the Audit Committee’s Annual Report 2016/17, and approved the revised Terms of Reference.

TB17/07/15 Trust Management Executive Report including Annual Report 2016/17

The Chief Executive presented the regular report to the Board on the main issues raised and discussed at the meetings held in May and June 2017, together with the Annual Report 2016/17.

Particular reference was made to the increased frequency of meetings to address the challenges facing the Trust in relation to quality, operational and financial performance.

It was highlighted that a Transformation Programme was required Trust-wide given the challenges faced by the Trust, and in light of this development, a Transformation Programme Board had been established to oversee this work.

The Trust Board received and considered the regular report from TME.

The Trust Board received and considered TME’s Annual Report 2016/17, and approved the revised Terms of Reference.

TB17/07/16 Staff Survey 2016: Update on staff appraisals and staff engagement

The Interim Director of Workforce presented a progress update on the Staff Survey response plan which detailed how the Trust would address the priority areas of bullying and harassment, quality of appraisals and health and wellbeing. Since the last meeting of the Trust Board, further analysis had been undertaken including identification of “hot spots” in the three main areas of concern.

Substantial work was reported to have been undertaken in relation to bullying and harassment including the development of the Dignity and Respect at Work Procedure (shortly to be ratified) and appointment of the Freedom to Speak Up Guardian [FTSU] – Ms Jane Herve (formerly Head of Midwifery at the Trust) – was due to commence in post on 1 September 2017. The first of the themed Values into Action conferences would also focus on “Dignity and Respect at Work”, due to be held on 19 July 2017, which would provide the opportunity for senior leaders to take responsibility for leading changes within the Trust to eradicate bullying and harassment.
In respect of appraisals, work was reported to be ongoing with early findings indicating the need to introduce user friendly templates and reporting processes on LMS, as well as a values-based focus.

Health and Wellbeing continued to be an area of intense focus across the NHS with the OUH strategy aligned to that of the public health priorities. Work in this area included equipping managers with the skills to create a more healthy workforce, resilience workshops targeting hotspots and the implications of job planning and rostering.

The Trust Chairman asked when the Trust would be appointing other FTSU Guardians and it was confirmed that the roles would be advertised imminently.

Mr Salt suggested that staff would be more willing to engage in the appraisal process if it was a clearer process that reviewed career development needs and assisted staff in attaining their goals. Professor Sir John Bell agreed that staff engagement was important and urged the use of performance data as part of a wider analysis of clinical service activities.

The Interim Director of Workforce concurred, noting that the national survey results provided a summary at Trust level, and the Board needed to consider the best way of utilising the data.

Mr Ward commented that he had attended the Quality Improvement session held on Friday 7 July, at which he had met a number of junior doctors, who he had asked what the Trust could do to ensure it was an attractive place to work, taking into account the mandated terms of the junior doctors’ contract. The Interim Director of Workforce expressed appreciation of the difficult position in which junior doctors were placed in comparison to other staff groups and noted that an “Engagement and Morale” session was due to be arranged to focus on their needs. The Medical Director further added he was working with these groups alongside the Director of Medical Education, Professor Peter Sullivan and the Guardian of Safe Working Hours, Dr Rob Stewart. It was hoped that a large event could be held to engage with this group of staff but this was reported to be dependent on senior clinicians attending who were viewed as “people of influence.” In addition, the Shelford Group Medical Directors’ meeting had invited a cohort of junior doctors to attend from each of the ten trusts to discuss issues relating to autonomy and responsibility to assist in demonstrating the value placed on this staff group.

The Trust Board noted the contents of the summary report and supported the need to further communicate and support the Staff Survey response plan actions.

**TB17/07/17 Trust Business Plan 2017/18**

The Director of Clinical Services presented the fourth and final draft of the Trust Business Plan 2017/18, together with a set of corporate objectives. The Plan was reported to have been developed in the context of the Operational Plan which the Trust had submitted to NHS Improvement [NHSI] in December 2016.

The main changes from the draft previously reviewed by the Trust Board were highlighted as including:

- a Financial Plan;
- an update to reflect the Trust’s response to NHSI investigations;
- information on how risks to the Plan would be managed; and
- the updating of some information on demographic trend and basic Trust data.

The Trust Board approved the Trust Business Plan for 2017/18.
TB17/07/18 In-patient Survey 2016

The Interim Chief Nurse presented the results of the National Inpatient Survey 2016, published by the Care Quality Commission (CQC) on 31 May 2017. The Trust was reported to have received an average score of 79.9%; no significant change from 2015 (79.3%). The results and context of the results had been disseminated to departments across the Trust to ensure a corporate overview and assurance that action would be taken in areas that required further improvements.

Mr Goard asked how the key findings reflecting some of the less positive feedback, as outlined in section 3.2, were being addressed. The Interim Chief Nurse advised that the Trust had selected priorities for work to improve areas identified in patient feedback, and the areas selected over the past two years had been responsiveness to patient needs (call bells) and reducing noise at night. The Medical Director expressed disappointment that there did not appear to have been much real progress made in responsiveness to call bells, and suggested that this should be explored further.

Mrs Anne Tutt suggested that the Trust should explore the opportunity to liaise with Newcastle upon Tyne Hospitals NHS FT, given that its overall patient experience score surpassed other Trusts. The Medical Director agreed, noting that its CQC rating was “outstanding.”

Mr Salt proposed that it would be helpful if two main themes that shaped the overall patient view of the Trust could be identified and discussed further at by the Quality Committee in October 2017.

The Trust Chairman further highlighted that patient groups across the hospital should also be involved in discussions to identify areas for improvement.

The Trust Board received and noted the contents of the National Inpatient Survey 2016.

TB17/07/19 Equality Diversity and Inclusion Annual Report 2016/17

The Interim Director of Workforce presented the report, noting the progress that had been made against the Trust’s Equality and Diversity objectives, agreed in July 2016 which included:
- Ensuring that Equality and Diversity improvements aligned with, and were informed by, the Trust’s Quality Priorities;
- To improve patient access and experience for individuals and communities currently under represented;
- To improve workforce diversity and ensure equality at all levels;
- To reduce bullying, harassment, abuse and victimisation within the Trust workforce; and
- To ensure the Trust’s leaders and managers had the right skills to support their staff to work in a fair, diverse and inclusive environment.

The Trust Chairman noted that numerous discussions had taken place regarding diversity amongst leadership within the Trust and within the Council of Governors but no actual recommendations had been made on how to action these points; indicating that more reflection was required to determine how best this issue should be addressed.

The Interim Director of Workforce agreed, suggesting that future reports to the Board should include diversity profiles, and opportunities for leadership and promotion, as was customary in many other trusts.

Mrs Anne Tutt added that the designation of Board Champions for equality, diversity and inclusion could be effective.

The Trust Board noted and approved the contents of the report.
The Director of Clinical Services presented the regular summary annual report on the Trust’s emergency preparedness, highlighting a summary of minor changes made to the Major Incident Policy, Business Continuity Policy and Hospital Evaluation Policy, following the annual review process.

It was noted that the development of Trust plans had been informed by de-briefs held after a number of extraordinary “live” internal and external emergencies, including two Road Traffic Collisions, a leakage in the hydrotherapy pool at the Nuffield Orthopaedic Centre [NOC] and the enactment of business continuity plans to manage a global cyberattack.

Mr Ward asked whether consideration was given to dealing with an emergency arising through the congruence of risks recorded on the Corporate Risk Register [CRR], for example if the recent cyber attack had coincided with additional pressures arising from extreme weather conditions. The Trust Chairman also highlighted the need to address preparedness, resilience and response to fire as a potential emergency.

Mr Goard remarked that the status of Service Continuity Plans as recorded in Table 1 indicated that many of the plans had not been reviewed or tested in over 2 years. The Director of Clinical Services responded by highlighting that the business continuity plans were distinct from the major incident, which was tested at least annually and which had, as mentioned, being subjected to a number of “live” internal and external emergencies.

Professor Sir John Bell, Non-Executive Director considered that the biggest risk to the Trust (and to the NHS in general) was a cyber security attack, particularly if it happened to coincide with another incident, which required robust business continuity plans. The Director of Clinical Services confirmed that the Trust’s business continuity plan had been initiated during the recent cyber attack. The Chief Information and Digital Officer also stated that the Trust’s business continuity plan was considered to be more sophisticated than in many other Trusts; the key being to having a process in place and the continuity to manage services. He further added that it was of course in the nature of a cyber attack that it was unknown, which required a constant review of systems and plans. The Director of Assurance supported this view, adding that the Trust needed to plan for interconnected incidents rather than merely a single event.

In light of the points raised, the Trust Chairman asked that progress in development of a plan to address interconnectivity between emergencies that might arise be reported to a future meeting of the Board and recorded in the CRR.

Action: PB

The Trust Board endorsed the Annual Report and approved changes to the EPRR policies as summarised.

The Medical Director presented the paper, to provide assurance to the Board that the statutory functions of the Responsible Officer role were being appropriately and adequately discharged.

In particular it was noted that at the time of the last report, the Trust had 1310 connected doctors and trainees. This figure was now reported to stand at 1373.

The Medical Staffing Team in Human Resources was noted to be responsible for ensuring all necessary pre and post-recruitment checks were completed in full and for taking any action required, including dealing with start dates or withdrawing offers of employment, where responses to these checks were not satisfactory. A number of control systems were in place to provide assurance, however, it was highlighted that no system was infallible.
It was noted that the Trust was not achieving 100% compliance with annual appraisals. Quality assurance would be a focus for 2017/18 with an action on the revalidation action plan. It was hoped a more robust system would assist the Revalidation Team to proactively identify, provide support and resolve issues with individual portfolios early in the revalidation cycle to ensure better engagement. In addition, a Revalidation Management System for appraisal documentation and management of the revalidation system would assist in containing staffing needs. This was expected to go “live” in October 2017.

In terms of responding to concerns, emphasis was placed on maintaining a healthy organisational culture which included staff having a higher degree of vigilance and maintaining accountability for quality control with each individual practitioner.

The Trust Board noted the Responsible Officer’s Annual Medical Appraisal and Revalidation Report 2016/17.

TB17/07/22 NIHR LCRN Annual Report 2016/17 and Annual Plan 2017/18

The Medical Director presented the report, providing an update on the last year’s activity and areas identified for improvement. Overall, recruitment in 2016/17 had exceeded expectations with over 47,000 participants recruited to the NIHR CRN Portfolio studies, ahead of the LCRN target of 43,000 and prior year recruitment of 44,000. In all three years of operation, the network had been the highest recruiting network per head of population.

The Annual Plan for 2017/18 was reported to include areas identified for improvement including roll out of the national NIHR CRN Study Support Service, and working with partner Trusts and fellow LCRNs on the development and implementation of the service.

It was reported that the NIHR considered the Thames Valley and South Midlands LCRN to be a well-run network that facilitated good conversations with neighbouring Trusts. The Board asked that this should be communicated to Ms Valerie Woods, Chief Operating Officer at the Clinical Research Network Thames Valley and South Midlands.

Professor David Mant, Non-Executive Director requested more detailed information relating to recruitment in the various areas. The Medical Director confirmed he would revert to the Board with this information.

Action: TB

The Trust Board noted and approved the Annual Report.

TB17/07/23 Oxford AHSN Annual Report 2016/17

The Medical Director presented the report which detailed the progress of AHSN programmes and themes, and how partnership work had grown across the region during 2016-17.

It was highlighted that the Oxford AHSN network had undertaken a range of collaborative work and continued to support The Hill, Oxford’s digital health hub, as previously highlighted within the Chief Executive’s Report.

Professor Gary Ford, Chief Executive Officer of Oxford AHSN had confirmed that NHS England [NHSE] would be seeking to relicense AHSNs, though the process by which this would be undertaken was unknown. It was further noted that the funding for the Best Care Clinical networks was to be reduced, due to a lack of resources to continue funding eight Best Care Clinical networks. The OUH Chief Executive emphasised the need to find alternative ways of sourcing funding to sustain the network.

The Medical Director also expressed some concern over the large number of performance metrics that NHSE required from the AHSN.

The Trust Board received and noted the Oxford AHSN Annual Report 2016/17.
TB17/07/24 Consultant Appointments and Signing of Documents

The Chief Executive presented the regular report on activities undertaken under delegated authority, and recent signing and sealing of documents, in line with the Trust's standing orders.

The Trust Board noted the report.

TB17/07/25 Any Other Business

There was no other business.

TB17/07/26 Date of the next meeting

A meeting of the Trust Board to be held in public will take place on Wednesday 13 September 2017 at 10:00 am in Seminar Rooms 4A/4B, George Pickering Postgraduate Centre, John Radcliffe Hospital.

Signed …………………………………………………………………

Date …………………………………………………………………….