

Trust Board

Minutes of the Trust Board meeting held in public on Thursday 3 November 2011 at 10 am in the Postgraduate Centre, the John Radcliffe Hospital.

Present	Dame Fiona Caldicott	FC	Chairman
	Professor Edward Baker	TB	Medical Director
	Professor Sir John Bell	JB	Non-executive Director
	Mr Paul Brennan	PB	Director of Clinical Services
	Mr Alisdair Cameron	AC	Non-executive Director
	Ms Sue Donaldson	SD	Director of HR
	Mr Chris Goard	CG	Non-executive Director
	Mr Mark Mansfield	MM	Director of Finance and Procurement
	Professor David Mant OBE	DM	Associate Non-executive Director
	Sir Jonathan Michael	JM	Chief Executive
	Mr Geoff Salt	GS	Non-executive Director
	Mr Andrew Stevens	AS	Director of Planning and Information
	Mr Mark Trumper	MT	Director of Development and the Estates
	Mrs Elaine Strachan-Hall	ESH	Chief Nurse
	Ms Eileen Walsh	EW	Director of Assurance
In attendance	Mrs Megan Turmezei	MET	Associate Director of Governance
Apologies	Mrs Anne Tutt	AT	Non-executive Director
	Mr Peter Ward	PW	Non-executive Director

Declarations – there were no declarations.

The Chairman welcomed Mr. Chris Goard who was attending his first meeting as a Non-executive Director, following the merger with the Nuffield Orthopaedic Centre.

TB 74/11 Minutes of the meeting held on 1 September 2011

The minutes of the meeting were approved and signed as a correct record.

TB 75/11 Matters arising from the Minutes

TB65/11 Safe and Sustainable services across South Central

It was agreed that the final response sent to South Central would be circulated to Board members. AS

TB 76/11 Chairman's Business

The Chairman highlighted the merger that had taken place on November 2011 and the creation of the Oxford University Hospitals NHS Trust. This had been a momentous day and the events held had been well received. The Chairman wished to thank all who had worked so hard to bring the merger about; at the NOC, the University and the ORH.

TB 77/11 Oxford University Hospitals NHS Trust

Sir Jonathan referred members to the paper and he acknowledged the efforts and paid tribute to the work of the Executives and the Board of the Nuffield Orthopaedic Centre. All aspects of the merger had been handled extremely well and the key groups had worked hard and unselfishly for the success of the establishment of the new organisation. Dame Fiona had written to NOC NEDs thanking them for their huge contribution.

The Board **received** the paper formally noting the steps that had been taken to bring about the dissolution of the Nuffield Orthopaedic Centre NHS Trust and the establishment of the Oxford University Hospitals NHS Trust.

TB 78/11 Chief Executive's report

The Board **received** the report, noting the following items:

- a) HOSC meeting on 10 November: Sir Jonathan and Mr Stevens would be attending to brief HOSC on the current work being done on the development of clinical services, safety and quality at the Horton General Hospital. A briefing paper had been prepared which would be circulated to members. **AS**
- b) Mr Salt asked about the timetable for the consideration of the head and neck services. The Board noted that work was continuing; this included plans for discussions with stakeholders towards the end of November. It was anticipated that a report would be brought back to the Board in January. **PB**

TB 79/11 Quality Report

The Board reviewed the Quality Report and the following points were highlighted:

- a) Attention continued to be focused on the safety of the ward areas with work continuing on staffing levels, especially in acute medicine and the escalation areas, and the use of agency staff and NHSP.
- b) The SHMI for the Trust had been published at the end of October at 1.02 well within the expected range as shown on the tunnel plot. The data would be published quarterly by the Department of Health. Professor Baker confirmed the on-going work aimed at improving the performance of the OUH against the wider spread of measures that made up the SHMI. The coding of co-morbidities which had a significant impact continued to be the focus across the clinical specialities.
- c) It was noted that data for the new Division of Musculoskeletal Medicine and Rehabilitation Services (MaRS) would be included from 1 November.
- d) The position of a number of peer hospitals was significantly lower than 1.00 and this was where the OUH intended to be. Professor Baker stated that he would be ensuring that the OUH drew on good practice from these sites. Mr Salt stated that he remained unclear about where the OUH was aspiring to be in the context of the SHMI. Professor Baker confirmed that the aim was to bring this measure down as low as possible. Mr Cameron wondered whether setting a target might

be helpful. Professor Baker confirmed that the focus on coding and its accuracy would be key.

- e) Sir Jonathan commented on the importance of realism and stated that the OUH did not have a significant issue to address in terms of the measurement as with the mortality index; however work across a range of issues continued that would feed into and impact on this measure. Professor Baker stated that whilst accuracy and depth of coding was important, work was also being done to review the nature of the care being provided.
- f) With respect to control of infection matters, the position was noted. The targets for both MRSA and C Diff remained challenging. The Board noted the work of the Decontamination Committee and that a report on would be brought to the Quality Committee on the risks in due course. **EB**
- g) The Board noted the continuing focus on pressure ulcers, particularly in some specific areas; this area of care was being targeted by the on-going programme of inspections.
- h) The audit of the answer phone problems within Neuroscience and Specialist Services was noted; a further audit would be carried out to test the efficacy of the improvement measures put in place. Mr Brennan commented that he was also monitoring at the 'front end' of the patient journey and a recent review of the patient letters and appointments process had been shared with the PCT.
- i) Work continued on the presentation of data and information from the Divisions in terms of quality metrics. Additional information, particularly on staffing levels and bank and agency use would be available for future reports. In addition, it was intended to provide more information on forecasts and trends across the report as a whole.
- j) Mr Salt asked that further information be provided on the delivery of quality goals as expressed in the Quality Account to the Quality Committee in due course. **ESH/EB**
- k) Mr Salt expressed disappointment at the postponement of the Patient Event in October but noted that the FT process would be focusing on patient and public engagement as the membership strategy, shortly to be considered by the FT Programme Board, was prepared.

The Board **received** the report.

TB 80/11 Foundation Trust update

The Board **received** the paper and **noted** the formal publication of the Tripartite Framework Agreement which set out the key dates within the FT application process. The work was now being overseen by the FT Programme Board and regular updates and reports would be provided to the Board. In particular, the FT Board development plan would be made available following discussion at the next FT Programme Board meeting due to take place on 7 November. **AS**

TB 81/11 HR and Workforce report to 30 September 2011

The Board considered the report and noted the following points:

- a) The recommendations for MARS had been submitted to the SHA and it was hoped that staff could be informed next week.
- b) The slight rise in sickness absence was noted.
- c) The current good response to the flu immunisation programme was noted.
- d) The technical side of the merger had been completed successfully with 950 staff having been 'TUPE'd' from the NOC to the OUH resulting in a workforce of 11,000, one of the largest in the country.
- e) All staff had been provided with the opportunity to complete the staff survey (above the required 850 sample) and Divisions continued to be encouraged to ask their staff to complete the survey which would then form an important part of the staff engagement work.
- f) With respect to pension changes and the potential for industrial action, the Board noted that the possibility of action impacting on OUH services could not be ruled out.
- g) The changes to the NHS Constitution proposed in relation to raising concerns were noted. The OUH policy would be reviewed and revised to take account of these planned changes.
- h) The integration of the HR functions within the Divisions was now completed ; HR business consultants would retain their professional accountability to the Director of Workforce.
- i) In response to a question from Mr Cameron, Ms Donaldson confirmed that the requirements of the merger business case (ref para 28) were all being met.
- j) The Board noted that the implementation of agency worker regulations (AWR) could have a financial impact on the OUH.
- k) Professor Bell asked about the financial spend on agency and locums and questioned the fact that spend was not reducing. It was noted that additional costs were being incurred in relation to EPR training and implementation but this could be isolated. Cheaper forms of agency resource (e.g. through NHSP) were being used.

The Board **received** the report.

TB 82/11 Operational performance report Month 6

The Board noted the following key points in the report:

- a) All key targets had been achieved in Quarter 2 and although Q3 was the most risky period, performance remained good. The length of stay over 21 days had risen and there were 213 delayed transfers of care (DTC) within the Oxfordshire system. 134 of these were within the OUH and the hospitals were at full capacity with 68 escalation beds in place and no possibility of additional capacity.

- b) The supported discharge service was running slightly behind because of recruitment issues although the service was expected to be in place from 28 November. It was anticipated that it would build up gradually but ultimately be dealing with a caseload of 80 patients as a result of which the DTOC load within the OUH would reduce by 50%.
- c) Waiting times for diagnostic tests was now an area of focus although it was noted that this was an issue across the country. Para 34 described the current position and the OUH had signed up to the targets with delivery currently on track.

The Board noted that the reports due in January would include additional information on trends and absolute numbers.

Mr Salt wished to record his acknowledgement of the hard work and good performance over the recent months despite the burden of the DTOC numbers. He said that this was a credit to the new clinical organisation and clinical leaders taking ownership of and responsibility for performance and delivery. The Board endorsed this view but noted that Q3 was likely to be difficult.

The Board **received** the report.

TB 83/11 Financial performance Month 6

Mr Mansfield introduced his report and highlighted that although the year end target remained a surplus of £6m, performance was under target currently and Divisional performance was the subject of close attention. Quarterly reviews have now been completed and the position agreed for the year end break even position with five of the seven divisions. The remaining two Divisions, Critical Care, Theatres, Diagnostics and Pharmacy and Surgery and Oncology, remained off target and were now the subject of additional support.

Discussions were underway with the PCT on income and activity and it was hoped that these could be concluded quickly and a clearer position on income would be available. Mr Mansfield explained the position and the detail that lay behind the table in para. 3.6.2. It was also noted that the Oxfordshire position was now more difficult because of the emergency activity element.

The Board noted that the costs of escalation, particularly the high staffing costs, were not being covered and hence the impact of DTOC was particularly critical. Only 50-60% of the costs of emergency activity was covered by income and hence the financial pressures. Operational sustainability in terms of the balance between capacity and activity was the key objective. Mr Goard commented on the demand management opportunities within elective services although restrictions here would impact on income. However, it was clear that the restrictions on the emergency activity funding (at 30% as agreed in national contract) were significant.

Discussion took place on the impact of the QIPP and the level of savings proposed at £15m although some element of that had been mitigated by the nature of the current contract with Oxfordshire. It was noted that £8.5m had been negotiated through the

contract and further work, e.g. on the SDS, and the protection for the reconfiguration of services such as vascular, had been successful.

Mr Cameron wondered whether two different problems were now merging and the key issue would be to plan the workforce to meet the demand and the resources available. This would be particularly crucial for the start of 2012/2013. Mr Stevens commented that plans had already been agreed with the Divisional Directors and performance targets had been set. However, management of the workforce, and particularly the use of temporary staff remained a concern. Sir Jonathan commented on the discussions being held with the PCT about how services might be delivered differently; investment in admission avoidance alone did not appear to be working well and it would be important to continue the OUH's participation in active work outside the hospitals.

The Board **noted** the position and **agreed** the measures being proposed to ensure delivery of the financial target across the divisions and the trust as a whole.

TB 84/11 Standing Orders and Standing Financial Instructions

The Board reviewed the Standing Orders and the Standing Financial Instructions that had been revised for the new organisation. The key changes were as highlighted in the covering paper.

The Board noted the changes proposed. Dame Fiona asked that an update on the OUH's banking process be brought to the Board (post meeting note: the process was reported to the Audit Committee in December). It was noted that the Divisional Directors and General Managers had been set specific limits of delegated authority of £50,000 and £10,000 respectively.

The Board suggested that the time period of 3 days as set down in para 3.3 was too short and should be revised. **MM**

Mr Salt commented on the legal position and noted that appropriate advice had been sought. The documents had been prepared in line with the current guidance from DH and in line with the current Trust. However, the documents would be reviewed as part of the FT process and the FT constitution would be considerably different and take account of Monitor's requirements. This work was already underway.

The Board approved the Standing Orders, the Standing Financial Instructions and the Scheme of Delegation as presented.

TB 85/11 CQC Compliance review and Action Plan

The action plan and supporting paper were noted; the plan update (with the agreed amendments to 1.3, 5.3 and 5.6) would be submitted to the CQC. It was noted that TME would continue to review the plan.

TB 87/11 Board Assurance Framework and Trust Risk Register

The Board noted that the BAF and the TRR had been reviewed and updated following discussions with the Divisions and TME. Work was being undertaken by the Director of Assurance to review and improve the supporting processes,

particularly in terms of risk assessments and plans and this would be reported to the next meeting of the Quality Committee.

Mr Cameron commented on the risk relating to shortages of capital for equipment and IT systems. Mr Stevens confirmed that he was not aware of any specific IT shortfalls not being managed. It was agreed that in the absence of specific problems this risk would be reviewed and potentially removed.

The Board recognised the key risks in relation to financial performance, operational performance and safety and quality and noted that it would have the opportunity to discuss these and other key strategic issues at the forthcoming Board away day with its focus on strategy.

Mr Trumper commented that it would be important to change the culture and develop a much more focused approach to the identification and management of risk. Ms Walsh endorsed this view and the importance of embedding processes and the understanding of risks and their mitigation. The work she was leading was intended to bring about this change and make the real risks to the organisation much more explicit.

Mr Cameron welcomed the work but also advised that until this new process was in place, the current TRR should be reviewed with a view to the removal of what might be described as endemic risks and that further discussion on the high level risks should take place. The Board away day and the FT work would provide the opportunities for the discussion and identification of the key strategic risks for the OUH and how these should be taken forward.

The Board **received** the Board Assurance Framework and the Trust Risk Register.

TB 88/11 Annual Audit Letter for Oxford Radcliffe Hospitals and response

The Board **received** the Annual Audit letter and **approved** the proposed response as given in Appendix B. **MM**

TB 89/11 Consultant appointments and sealings

The Board noted the consultant appointments and recent signings and sealings. It was also noted that 'volunteers' were required for AACs. Sir Jonathan reported that all AACs had been reviewed and were now subject to sign off by the Chief Executive before they could proceed.

TB 90/11 Any other business

Mr Goard wished to express his thanks for the welcome he had received and for the recognition of the work of his former Board in the lead up to and delivery of the successful merger. He was looking forward to being part of the Board taking the work of the Trust forward.

TB 91/11 Date of the next meeting

The next meeting of the Board to be held in public will be on Thursday 12 January 2012 at 10.00 am.

The Board then considered and agreed the following motion:

“that representatives of the press and other members of the public be excluded from the remainder of the meeting, having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest (*Section 1(2) of the Public Bodies (Admissions to Meetings) Act 1960*)”