

Trust Board

Minutes of the Trust Board meeting held in public on **Wednesday 11 May 2016** at **10:00** in the Conference Room, Oxford Centre for Enablement at the Nuffield Orthopaedic Centre.

Present:	Dame Fiona Caldicott	FC	Chairman
	Dr Bruno Holthof	BH	Chief Executive
	Professor Sir John Bell	JB	Non-Executive Director
	Dr Tony Berendt	TB	Medical Director
	Mr Paul Brennan	PB	Director of Clinical Services
	Mr Alisdair Cameron	AC	Non-Executive Director
	Mr Christopher Goard	CG	Non-Executive Director
	Professor David Mant	DM	Non-Executive Director
	Mr Mark Mansfield	MM	Director of Finance and Procurement
	Mr Geoff Salt	GS	Vice-Chairman, Non-Executive Director
	Mr Andrew Stevens	AS	Director of Planning & Information
	Ms Catherine Stoddart	CS	Chief Nurse
	Ms Eileen Walsh	EW	Director of Assurance
	Mr Peter Ward	PW	Non-Executive Director
In attendance:	Ms Lynn Lane	LL	Interim Deputy Director of Workforce and Organisational Development
	Ms Susan Polywka	SP	Head of Corporate Governance and Company Secretary
Apologies	Ms Anne Tutt	AT	Non-Executive Director
	Mr Mark Power	MP	Director of Organisational Development and Workforce

The minutes are produced in the order of the agenda

TB16/05/01 Apologies and declarations of interest

Apologies for absence had been received from Ms Anne Tutt and from Mr Mark Power, who was represented by Ms Lynn Lane.

The Chairman welcomed Governors, Members, public and staff to the meeting, and welcomed the attendance of Ms Lynn Lane, Interim Director of Organisational Development and Workforce, to present item 14 on the agenda.

The Chairman declared an interest in the item noted under **TB16/05/20** below, *Information Governance Annual Update*, given her role as National Data Guardian, in which capacity she had been asked by the Secretary of State for Health to develop clear guidelines for the protection of personal data, against which every NHS and care organisation would be held to account through Care Quality Commission (CQC) inspections and NHS England commissioning processes.

No other declarations of interest were made.

TB16/05/02 Minutes of the meeting held on 9 March 2016

Minutes of the meeting held on 9 March 2016 were approved as a true and accurate record of the meeting.

TB16/05/03 Matters Arising from the minutes

There were no matters arising that were not identified on the Action Log or agenda.

TB16/05/04 Action Log

The Board reviewed the status of actions recorded on the Action Log, and received the following updates:

TB16/03/08 Quality Report – Paediatric Spinal Surgery

In relation to the identification of risks associated with the temporary suspension of aspects of elective paediatric spinal surgery, the Medical Director reported that the outcome of a review being undertaken by Professor Wright was still awaited, and would be reported to the Board in due course.

It was confirmed that the temporary suspension of aspects of elective paediatric spinal surgery had been lifted, as it had been established that there were no grounds for concern about patient safety.

Action: TB

TB16/03/17 Local Living Wage Proposal

The Interim Deputy Director of Workforce and Organisational Development confirmed that the local living wage had been implemented in April 2016, following which consideration was being given to how its impact on recruitment and retention could be measured and reported to the Board.

Action: LL

The Trust Board agreed the status of the actions presented on the Action Log.

TB16/05/05 Chairman's Business

The Chairman reported on the third meeting of the Council of Governors' held on 28 April 2016 at The Saïd Business School. The meeting was attended by 21 governors (out of a total of 27), including the governor appointed to represent the Young People's Executive.

Key items discussed included:

- issues relating to the junior doctors' contract;
- the Trust's quality priorities for the coming year, presented by the Medical Director and Deputy Medical Director, in relation to which the Council agreed to support the recommendation to adopt end of life care as their selected quality priority;
- the Trust's draft business plan for 2016/17, presented by the Director of Planning and Information;

- verbal reports on the work of the Membership Working Group and the Young People's Executive;
- three current governor vacancies, in respect of which Council agreed to offer the two staff vacancies to the next-highest polling candidates in the last elections, and to hold a by-election in the South Oxfordshire constituency.

Council also agreed to establish two new subcommittees:

- Membership, Patient Experience & Quality and
- Performance, Workforce & Finance

in respect of which terms of reference were to be developed for consideration by the Council in July, and governors asked to express their interest in joining either of these committees.

The Chairman highlighted that the Council of Governors was next due to meet on 1 July 2016 at 2.30pm at the Witney Corn Exchange.

TB16/05/06 Chief Executive's Report

The Chief Executive presented his report, highlighting progress in the Oxfordshire plan for the joint transfer of patients ready to leave acute care, under which increasing numbers of frail elderly patients had been able to receive care in a more appropriate environment.

It was reported that, over the past four months, around 320 patients waiting for rehabilitation and social care packages had moved from acute beds or community hospital beds to intermediate care beds in one of 17 care homes across the county. This exceeded initial expectations, and represented good news for those patients who had been able to receive assessment and care in a more appropriate environment while their ongoing care plans were arranged.

It was however recognised that the numbers of patients who remained delayed in OUH had not been reduced by as much as had been hoped, and the reasons for the delays included waiting to move to bed-based care (community hospitals, permanent nursing and residential home placement), waiting to go home with a care package, or waiting for assessment.

As a registered social care provider, OUH was therefore now running a campaign to directly recruit 50 new home carers to the Supported Hospital Discharge Service, in addition to the 37 home care support workers already employed to provide interim support to people in their own homes for up to 14 days after their discharge from hospital.

It was reported that the transfer plan had enabled OUH to release a total of 76 beds for a temporary period of time. Any recommendation to reduce the number of beds on a permanent basis would be discussed with the county's Health Overview and Scrutiny Committee before any final decision was made.

Mr Geoff Salt, Non-Executive Director commended the Director of Clinical Services and all members of staff involved, for all their hard work in implementing the transfer plan. He reported having visited the discharge liaison hub, and one of the care

homes, and reported that he had witnessed an uplift in the quality and appropriateness of care for patients and better access for patients' families.

The Chief Executive reported that the OUH was working collectively with NHS organisations in Oxfordshire and Oxfordshire County Council, through a system-wide Transformation Board, to develop new models of care that will deliver more services in settings closer to where people live, reducing the reliance on hospital-based care and promoting greater levels of prevention and self-care. For the OUH, the vision involved considering whether all the services currently offered needed to take place on our hospital sites.

In parallel with progressing the joint Transformation Programme, the Oxfordshire health and care system was developing a five year Sustainability and Transformation Plan [STP], to meet the requirement of NHS England on all health and social care systems to develop STPs by the end of June 2016.

It was emphasised that no decisions had yet been made, but senior leaders and clinicians from across health and social care were working to identify the existing gaps in health and wellbeing, care, quality, finance and efficiency across the following service areas:

- Urgent and emergency care
- Planned care
- Specialist care
- Maternity services
- Mental health services
- Learning disabilities

Other points highlighted by the Chief Executive included:

- OUH was proud to be hosting its 2016 International Nursing and Midwifery Conference on 12 May at the John Radcliffe Hospital, organised by Chief Nurse, Catherine Stoddart and entitled "Pursuing Excellence";
- A successful OUH patient, public and staff engagement event, co-chaired by the Medical Director, Chief Nurse and Deputy Medical Director, had been held on 19 April, to discuss the Annual Quality priorities;
- The NIHR Oxford Biomedical Research Centre's pre-qualifying questionnaire application had been shortlisted for the new NIHR Biomedical Research Centres Competition 2016 to proceed to the full application stage, which was due to be submitted by 6 June;
- AECOM had been appointed as consultants to develop a strategic master plan for the Trust's three hospital sites located in Headington, Oxford, which would be linked to similar infrastructure planning activities being undertaken by Oxfordshire County Council, University of Oxford and Oxford Brookes University, in order to consider any opportunities for partnership in future local infrastructure development;

- Hospital charity staff, ORH Charitable Funds, were congratulated for their excellent organisation of this year's OX5 Run together with event sponsors Allen Associates. Over 1,000 runners, including the Chief Executive, the Chief Nurse and many other members of staff had enjoyed taking part in the event on Sunday 17, April at Blenheim Palace to raise funds for Oxford Children's Hospital, and congratulations were due to Children's Hospital physiotherapist, Sam Bird, who had won the event.

Mr Peter Ward, Non-Executive Director asked whether there was any update on progress in the Hospital Energy Project, stressing the urgency of securing greater energy resilience for the Trust, which was dependent upon linking the energy centre at the John Radcliffe with the Churchill Hospital. The Director of Finance and Procurement advised that there had been a series of well publicised challenges to works proceeding off-site. The project was being managed by Vital Energi, whose application for planning permission for a revised link between the energy centre at the John Radcliffe Hospital and the Churchill Hospital was under consideration at the time of report. It was hoped that this would enable works to resume, so that greater energy resilience could be delivered by the winter of 2016/17.

Professor Sir John Bell, Non-Executive Director expressed some concern that the dispute over the junior doctors' contract had led to a level of disaffection in some junior doctors. He suggested that more needed to be done to make the OUHFT a better place to work for junior doctors and all staff. The Chief Executive advised that junior doctors had been heavily involved in the redesign of the junior doctors' mess, which it was hoped might be regarded as a sign of OUHFT's commitment to making it a better place in which to work and train for all staff.

The Trust Board noted the Chief Executive's Report.

TB16/05/07 Patient's Story

The Chief Nurse presented the story of a female patient's experience of admission to the John Radcliffe Hospital and transfer to the Emergency Assessment Unit and Cardio-Thoracic Ward (CTW). It was noted that the patient was also a staff member at OUHFT, and confirmed that precautions had been taken to ensure anonymity.

Whilst the story recounted the patient's positive aspects of her care, illustrating the professionalism and compassion shown by staff throughout her stay in hospital, it also provided an important opportunity to learn and reflect on the way in which care was provided to "outliers" (patients who were staying on a ward but not under the care of the team), and the way this affected the prescription and delivery of care.

Despite a good outcome for the patient, there were specific areas of care that could have been improved upon which included:

- The length of time for which the patient waited on a trolley after admission, before a bed was available; and
- Problems associated with the patient's admission to the CTW, whilst being under the care of a different medical team (an "outlier"). Whilst this enabled the patient to be given a bed on a ward, communication difficulties had led to a significant delay in the patient receiving IV fluids.

The Chief Nurse suggested that the Peer Review programme should provide an opportunity to address the long-standing question of how best to manage outliers. It was acknowledged that there were learning opportunities, which included staff better recognising when issues needed to be escalated, and decisions taken by senior staff.

The Chairman asked that feedback be provided to the patient, and a letter of appreciation sent.

Action: CS

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

TB16/05/08 Quality Committee Report

Mr Geoff Salt, Non-Executive Director and Chairman of the Quality Committee, presented the regular report from the Committee's meeting held on 13 April 2016.

It was noted that two Governors had been welcomed to observe the Committee and that two more were expected to observe the next meeting of the Committee on 8 June 2016.

Issues highlighted for consideration by the Board included:

- The Committee's consideration of the approach to the management of CQUINs in 2016/17, noting that approximately £18m of the Trust's 2016/17 financial plan was dependent upon the achievement of quality targets under CQUINS, the delivery of which was recognised to be challenging;
- Preparation of the Quality Account 2015/16, which was due to be submitted to the Secretary of State for Health by 27th May 2016, in relation to which the Council of Governors had confirmed its adoption of *End of Life Care* as the specific quality priority which it would select, and which would then be subject to external audit and report in next year's Annual Report.

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

TB16/05/09 Quality Report

The Medical Director introduced the report. Particular points highlighted included:

- A new quality standard on antimicrobial resistance had been issued by NICE in April 2016.

It was noted that the Trust had established an antimicrobial stewardship committee which was working on the commissioning for quality and innovation (CQUIN) target for antimicrobial stewardship, and the new guidance;

- The quality priorities for 2016/17 were confirmed, and an update on progress to date was provided;
- There was noted to have been a rise in the number of incidents reported through DATIX;

- There had been an increased number of Serious Incidents Requiring Investigation [SIRI] declared in March, but the Medical Director cautioned against reading too much into this, advising that 8 of the total of 25 incidents declared in March had related to incidents that had occurred in February, and 7 to incidents that had occurred in January or earlier;
- Two Never Events had been declared in March, relating to wrong site nerve block, and these had been reported by exception to the Quality Committee in April;
- In relation to infection control, it was reported that there had been a total of 57 apportioned cases of C.diff for 2015/2016 against an upper ceiling limit of 69, which was in line with the downward trajectory. However, there had been 4 MRSA bacteraemia cases apportioned to the OUHFT (April 2015, June 2015, December 2015 and March 2016); two related to contaminated blood cultures and all were deemed avoidable.

The Chief Nurse then introduced the sections of the Quality Report which related to patient experience, including:

- Friends and Family tests [FFT];
- Complaints; and
- Nursing and Midwifery safe staffing

In relation to the Friends and Family test, it was reported that Emergency Department [ED] FFT feedback showed a rise in the percentage of those that would not recommend care, from 10.8% in February to 11.5% in March. It had raised some concern relating to patients' perception (bearing in mind that the FFT sought to measure patient experience, not the quality of care delivered). It was reported to be the view of the Division that the number of patients that would not recommend their care was related to the increased activity during this period, and it was submitted that there did seem to be a connection between the rise in those not recommending care, shown on Chart 21, at Page 35 of the report, and the deterioration in the % of ED patients seen, assessed and discharged/admitted within 4 hours, as represented on Chart 10, on page 15 of the report.

It was confirmed that the FFT response rate was 23% in March, above the February national average of 13%, which was believed to be related to the Trust's methodology for FFT.

It was reported that the Young People's Executive Programme (YIPpEe) has increased from 20 members in February 2016 to 24 members in March 2016.

It was noted that the OUHFT continued to meet the Unify nurse staffing targets. The fill rates of actual shifts against those planned in March were:

- 96.41% for Registered Nurses/Midwives
- 91.45% for Nursing Assistants (unregistered)

A significant percentage of nursing vacancies remained in key areas such as Paediatric and Neonatal ICU and Adult ITU and it was also highlighted that there had been an increase in the reported incidence of pressure ulcers, although not of the more severe grade 3/4 pressure sores.

The Chief Nurse highlighted that all Trusts would be required to report on Care Hours Per Patient Day (CHHPD) in respect of nursing and midwifery staffing with effect from June 2016. It was expected that the process would then also apply to Allied Health Professionals and medical staff with effect from April 2017. The stated purpose of this process will be to eliminate variation, optimise the deployment of staff and have a means of benchmarking across organisations nationally.

The Chairman invited discussion of all sections of the Quality Report.

Mr Christopher Goard, Non-Executive Director, noted there had been an increase in the number of hospital acquired thromboses identified and judged avoidable and asked if there was an underlying issue. The Medical Director confirmed that the numbers of potentially preventable hospital acquired thromboses had increased since 2014 and suggested that this might be due at least in part to an increased awareness and rigour amongst staff. It was noted that where a thrombosis was preventable, it was reported as a SIRI in accordance with the national framework, which had also reinforced its reporting criteria. Individual conversations had taken place at divisional level to link in the Venous Thromboembolism [VTE] assessment process to trigger appropriate prescribing on the EPR system.

Professor Sir John Bell noted that the graph shown on the dashboard of divisional performance (at Appendix 1 to the paper), representing performance against indicator PS03 – VTE Risk Assessment, showed a marked decrease in the reported % of admitted patients within the NOTSS Division who had received VTE risk assessment, deviating from the norm for other divisions. It was posited that this might correlate with the reported increase in potentially preventable hospital acquired thromboses.

Mr Alisdair Cameron, Non-Executive Director, noted that there had been deterioration in a number of key performance indicators (KPIs) in March, and suggested that this indicated systemic pressure. He further suggested that sustained excess systemic pressure would be likely to have an impact, and asked whether this could be measured.

The Medical Director responded that all relevant KPIs needed to be kept under review, and drew attention to long-term trends which indicated that the number of incidents causing moderate or greater harm had fallen from 0.7% to 0.25%, and the number of falls leading to moderate or greater harm was reported at zero. He confirmed that all relevant KPIs would continue to be monitored closely.

Mr Salt echoed Mr Cameron's concerns that increasing pressure across the system had the potential to impact the quality of care adversely. The Director of Clinical Services reported that an analysis was being undertaken of key indicators identified by the Royal College of Emergency Medicine, to gauge whether delays in A&E, and delayed discharge of transfers of care, were having an adverse impact on the quality of care. Initial indications were that there was no evident adverse impact on safety, but the analysis would be concluded, and the outcome reported to the Quality Committee.

Action: PB

Professor David Mant, Non-Executive Director recognised that efforts were being made to mitigate the effects of stress on staff, but noted that GP feedback as reported indicated a growing level of dissatisfaction, associated with recurrent issues related to poor communication.

Mr Salt noted that poor performance in the sending of discharge summaries, and endorsement of test results within 7 days, continued to feature highly amongst the issues raised by OCCG. He asked why it had not thus far proved possible to achieve more than the steady but gradual improvement reported. The Director of Planning and Information confirmed that a multi-disciplinary team was looking into this further, focused on identifying and disseminating the lessons that could be learned from those areas (including e.g. A&E) which were delivering very good performance in relation to these standards. It was expected that assessment of the questionnaires which had been submitted by all clinical services in relation to the theme of *Focus on Excellence* would yield further information about the factors affecting variability in the performance against these standards, and that traction might be gained to enforce higher levels of compliance, as a pre-requisite to being considered for support in the development of world class centres of excellence.

Mr Salt asked that efforts to improve performance in the issue of discharge summaries, and endorsement of test results, be extended to address poor communication in relation to the appointments process, and associated administrative functions, which continued to discredit the Trust in some quarters, with a number of instances cited where there had been duplication/delay/inconsistencies in information provided.

Mr Peter Ward, Non-Executive Director noted a decrease in compliance with the WHO checklist in the Children's and Women's Division. He was assured by the Medical Director that this had been addressed, and the rate of compliance had subsequently improved, indicating that there was no culture of resistance or refusal to engage.

Mr Ward also raised some concern that the dashboard for nurse safe staffing levels within the Children's and Women's Division indicated a significant proportion of shifts running at minimum safe staffing levels, with some requiring escalation, particularly in maternity, and on Kamran's and Robin's wards.

The Chief Nurse confirmed that the mitigation of at risk shifts included the use of bed closures through the official sign off process, the movement of staff, and appropriate use of temporary staff. All escalation shifts had been mitigated by bed closures.

It was proposed that a more detailed review would be undertaken of nurse staffing levels on the children's wards, as well as on Paediatric ICU and Neonatal ICU, and reported back to the Board.

Action: CS

The Trust Board reviewed and acknowledged the content of the Quality Report.

TB 16/05/10 Finance and Performance Committee Report

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 13 April 2016.

Particular issues highlighted for the Board included:

- Performance against the 4 hour ED standard had deteriorated, reported at 77.6% in February, against the standard of 95%;
- Outcomes achieved to date as a result of the initiative to reduce the level of Delayed Transfers of Care [DTocS] were reviewed in detail, recognising that the achievement of greater reduction had been limited by a lack of capacity in the provision of domiciliary care. The Committee was due to receive a further report, to confirm what was a reasonable and realistic trajectory for the further reduction of DTocS, alongside the trajectory for performance against the 4 hours ED standard;
- The Committee had noted that six of the eight Cancer standards were not achieved in January, partly due to the impact of patients choosing to delay treatment over the festive season, access to critical care beds and late tertiary referrals;
- Indicative divisional transformation plans had been presented to the Committee, (reflected in the Trust's Financial Plans 2016/17, further consideration of which is noted under **TB16/05/17** below). Reports on performance against the divisional budgets and transformation plans will be monitored by the Committee throughout the year;
- The format of the Integrated Performance Report [IPR], and of the Report on Financial Performance, is to be reviewed and revised.

In discussion, Professor Mant noted that, with the level of workforce turnover reported at 13.84%, it could be anticipated that the situation might worsen further, as a result of known difficulties in recruiting staff into specialist training. He asked what plans the divisions had to address this issue, and Mr Ward suggested that divisional leadership would be accountable for developing specialty-specific workforce plans, as appropriate.

The Director of Clinical Services advised that different approaches were being taken to address recruitment and retention in different areas. Targeted measures were being implemented in areas where recruitment and/or retention were particularly difficult, *for example* to attract nursing staff in Critical Care and Neonatal Intensive Care, and for therapeutic and diagnostic radiographers. It was submitted that the impact of these measures should be gauged before they were rolled out to other staff groups, but the Director of Clinical Services indicated that he felt that targeted measures were likely to be required to improve the retention of Band 5 nurses, and he also drew attention to continued difficulties in the recruitment and retention of middle grade doctors in certain areas.

Mr Cameron asked that the Trust Management Executive monitor the impact of targeted measures taken, and consider other possible options to address factors such as accommodation and transport, to conclude what action it would recommend to the Board should be taken to improve the retention of key staff groups, including Band 5 nurses.

Action: BH/PB

The Interim Director of Organisational Development and Workforce endorsed all the points that had been raised, and reported that the Trust had secured money from Health Education Thames Valley, which could be used to help facilitate the development of workforce plans for each division. The Trust Workforce Plan was due to be submitted for consideration by the Board in September 2016.

The Trust Board acknowledged the content of the regular report from the Finance and Performance Committee

TB 16/05/11 Integrated Performance Report Month 12

The Director of Clinical Services presented the report, highlighting that the Trust had received a score of 4 for Q4 against Monitor's Access and Outcomes matrix. Factors affecting this score included the fact that the 18 week RTT incomplete standard was not achieved in March, reported at 91.39% against the standard of 92%. It was suggested that this may have been due in part to the effects of junior doctors' industrial action, but the deterioration in performance could not be fully attributed to the effects of the strikes, given that there had been a general increase in RTT incomplete. It was confirmed that this was being closely monitored.

Other factors contributing to the Q4 score included the fact that performance against the standard for 95% of patients to be seen, assessed and discharged or admitted within 4 hours of arrival at the Emergency Department [ED] was reported at 78.91% in March. This represented a small improvement on performance reported at 77.6% in February, and it was confirmed that performance had been gradually improving further since, but it was acknowledged that the situation remained very challenging.

It was submitted that the challenge would best be met by persevering with measures aimed at improving the flow of patients, including increase in the provision of domiciliary care, and further development of the ambulatory care pathway. The Director of Clinical Service reported that further reductions in the level of Delayed Transfers of Care [DTocS] were being achieved, and a downward trend in the number of DTocS had now been sustained over the past nine weeks.

Notwithstanding that Q4 was recognised to have been very challenging for many trusts across England and Wales, it was anticipated that NHS Improvement [NHSI] would expect the Trust to give an account of its plans to deliver against reasonable and realistic trajectories for all access standards. The Director of Planning and Information highlighted that NHSI had already planned to visit the Trust on 17 and 31 May.

The Trust Board received the Integrated Performance Report for Month 12

TB 16/05/12 Financial Performance up to 31 January 2016

The Director of Finance and Procurement presented the report, informing the Board of the Trust's outturn position for the financial year 2015/2016.

It was noted that the Trust was reporting a year end "bottom line" £5.42m surplus against the breakeven plan, though it was recognised that the asset sale had contributed to the surplus.

The underlying operational performance was reported to have missed the EBITDA¹ target by £3.5m due to spending in excess of the original plan.

Under the revised methodology notified by Monitor in March 2016, the Trust had a financial sustainability risk rating (FSRR) of 2, though it would have been a rating of 3 under the previous methodology (meeting the condition as applied at the time of approval as a Foundation Trust).

Mr Christopher Goard, Non-Executive Director expressed some concern at the overspend of £16.72m on pay, impacting on EBITDA, despite a decrease in premium payments to agency staff. He suggested that this might be considered further by the Finance and Performance Committee, to identify what issues underlay the overspend in pay, and the Executive Director of Finance and Procurement advised that the finalisation of Stage 3 budgets should apply more stringent controls going forward into 2016/17.

Mr Salt commended the Executive Director of Finance and Procurement and his team upon the stewardship of the Trust's finances, in the context of losses totalling £3b across the NHS, with approximately 80% of trusts in deficit. By contrast, OUH FT had reported a small surplus, and had plans to recover the underlying position going forward. The Director of Finance and Procurement thanked Mr Salt and acknowledged that the position had been achieved as a result of a lot of hard work by managers and clinicians, persevering in their attempts to achieve the best performance possible.

The Trust Board received and acknowledged the report on financial performance

TB 16/05/13 Draft Annual Accounts for 2015/16

The Executive Director of Finance and Procurement presented the report on the draft Annual Accounts, as prepared for audit for financial year 2015/16, in accordance with determinations and directions given by the Secretary of State for Health.

As the Trust was authorised as a Foundation Trust on 1 October 2015, there were two statutory accounting periods in respect of 2015/16.

Consequently, the organisation had been required to prepare statutory accounts for the period 1 April to 30 September 2015, which covered the part of 2015/16 financial year in operation as an NHS Trust. These accounts had previously been presented to the Trust Board at its meeting held on 13 January 2016.

A second set of statutory accounts were prepared for the six months from 1 October 2015 to 31 March 2016, covering the portion of 2015/16 financial year as an NHS Foundation Trust. These accounts were submitted both to Monitor and to the External Auditors on 21 April 2016. The statutory accounts for both periods were to be submitted as audited final accounts by 27 May 2016.

¹ Earnings before interest, tax, depreciation and amortisation

The Trust Chairman acknowledged the extra work required to produce accounts for two statutory accounting periods in respect of 2015/16, and noted that the date for submission of the accounts had been brought forward by a month.

The Trust Board received and noted the Draft Annual Accounts for 2015/16.

TB 16/05/14 Workforce and Organisational Development Performance Report, Q4 2015/16

The Interim Deputy Director of Workforce and Organisational Development [OD] presented the report, providing a summary of performance against the main Workforce Indicators at Q4 2015/16, highlighting a range of key work programmes and initiatives being led by the OD and Workforce Directorate, including principal areas of focus for 2016/17.

Particular points highlighted included:

- An increase in the substantive workforce capacity by 154 whole time equivalents (wte) between quarters; part of a total in-year net increase of 602 wte.
- Difficulties persisted in recruitment amongst experienced staff in a number of specialist areas, including Adult Intensive Care Unit [ICU] and Neonatal ICU;
- The total overspend at the end of Q4 in relation to workforce costs was £15.9m, and it was suggested that further work was required to understand why the demand for temporary staffing (and the expenditure associated therewith) remained so high;
- Staff turnover remained static at 13.9%, reflecting the current difficulties in retaining both clinical and non-clinical staff;
- There had been an improvement in the vacancy rate from 4.8% at the end of Q3 to 3.6% at the end of Q4. However, it was noted that there were continued difficulties in recruiting staff to a number of specialities;
- The overall sickness absence rate was 3.5%, which was above the current sickness absence KPI of 3%. Depression, anxiety and stress were noted to be the main reasons for absence;
- Statutory and Mandatory compliance was 84% against a target of 90%, reflecting continuation of improvement at the rate of 1% per annum.

Key work programmes were reported to be focused on areas including:

- Recruitment and retention, including:
 - An international recruitment campaign for specialist recruitment targeting hard to fill specialist roles such as neonatal nurses, experienced theatre nurses and adult ICU;
 - Recruitment events;
 - Measures to enable return of retired employees on flexible hours;
 - Centralised recruitment of Band 2 and 5 nursing staff to improve efficiency of the recruitment process, remove internal competition and enable standardised nurse rotations to increase experience;
 - A new process to attract revalidation ready candidates;
 - The Introduction of a passport for professional development to standardise staff compliance and competence in learning and education which will link directly to revalidation;

- A pay premia for hard to fill specialities such as Radiologists and Radiotherapists.
- Leadership and talent development including staff recognition awards, a Talent Management pilot and Change Champions programme;
- Equality, Diversity and Inclusion in which a full report will be submitted to the Board in July 2016;
- A focus on Occupational Health, with a particular focus on mental and emotional wellbeing.

Mr Ward noted the number of initiatives but expressed concern that staff turnover had remained constant at around 14% against a target of 10.5% and asked whether it was a reasonable target compared to other Trusts. The Interim Director of OD and Workforce advised that the percentage levels ranged from 10-16% nationally. It was confirmed that HR business partners were reporting to the Director and Interim Deputy Director of OD and Workforce to work on focused projects, Trust-wide.

Mr Cameron suggested that issues which had a bearing on the recruitment and retention of staff were well understood, and referred to his request, noted under **TB 16/05/10** above, that the Trust Management Executive [TME] be asked to report back to the Board with clear conclusions and any recommendations for action.

Mr Cameron also noted that the compliance rate for completion of non-medical annual appraisals at the end of Q4 was 64%, against a target of 90%, and asked if TME could also consider what action should be taken to achieve an improvement in the rate of compliance.

Action: LL

Mr Salt welcomed the report, but highlighted that it did not include a measure of productivity. The Director of Finance and Procurement advised that the Carter Report foreshadowed the introduction of benchmarks for productivity.

The Trust Board noted the report, and confirmed its support for the key work programmes.

TB 16/05/15 Audit Committee Report

In the absence of Ms Anne Tutt, Non-Executive Director and Chairman of the Audit Committee, Mr Goard presented the regular report from the meeting of the Audit Committee held on 27 April 2016.

Particular issues highlighted for the Board included:

- The Committee had been focused on considering all information relevant to preparation of the Trust's Annual Accounts, and supported submission of the Draft Annual Accounts to the Board;
- The Trust's internal auditors (KPMG) had reported on progress in the implementation of all agreed internal audit recommendations. Of the total of 421 KPMG recommendations recorded, 85% had been implemented, 5% had been superseded/not agreed, and 10% (14 recommendations) were overdue. Action was being taken to address the outstanding issues identified.

The Trust Board received and acknowledged the content of the regular report from the Audit Committee.

TB2016/05/16 Trust Management Executive Report

The Chief Executive presented the regular report to the Board on the main issues raised and discussed at meetings held in March and April 2016.

It was noted that many of the issues had already been touched upon, but of those which had not, items highlighted for the Board included:

- The endorsement of management of national, local and specialised CQUINS in 2016/17, noting that approximately £18m of the Trust's 2016/17 financial plan was dependent upon the achievement of these quality targets. It was confirmed that the implementation would be followed closely, and an initial meeting had been scheduled on 16 May 2016 to clarify deadlines and deliverable targets.

The Trust Board received and acknowledged the content of the regular report from the Trust Management Executive.

TB 16/05/17 Trust Business Plan 2016/17

The Director of Planning and Information presented the third and final draft of the Trust's Business Plan for 2016/17, together with a set of corporate objectives, which had been developed in the context of the Operational Plan which the Trust had submitted to NHS Improvement.

The Business Plan had been shaped by the key themes within the OUHFT strategic review, including:

- "Home Sweet Home" (local health integration);
- "The Master Plan" (long term estates planning);
- "Go Digital" (digital transformation);
- "Focus on Excellence" (prioritising investment in services, to develop world class excellence); and
- "Good Quality Costs Less" (delivering continuous service improvement).

It was confirmed that the design of the business plan was intended to address the key operational targets relating to quality, performance and finance.

The Director of Planning and Information asked that any final amendments be submitted by 13 July, subject to which the Board was asked to approve the Trust Business Plan.

The Trust Board noted and approved the Trust's Business Plan 2016/17.

TB16/05/18 Update on Financial Plans 2016/17

The Executive Director of Finance and Procurement presented the paper, updating the Board on the main developments regarding the Trust's financial plans for 2016/17, since the Trust's submission of its Annual Plan (referred to as the APR) to NHS Improvement, on 18 April 2016.

It was confirmed that initial budgets had been agreed by the Board at its meeting on 9 March 2016. At departmental level, these plans reflected the impact of "Stage 1"

of the internal budget setting process, and at corporate level, the expected outcome and expenditure of the organisation in the forthcoming year.

It was advised that “Stage 2” budgets adjusted the initial baseline budgets for the impact of expected cost inflation and cost improvement programmes and that a third stage budget would follow, reflecting the internal impact of the contract which had been agreed with specialist commissioners on 25 April. The Board’s attention was also drawn to Appendices A-E to the paper, reflecting the APR submitted to Monitor on 18 April 2016.

The Director of Finance and Procurement requested that the Board ratify the APR as agreed at its meeting on 23 March 2016 and submitted to NHS Improvement on 18 April, and note the next steps for developing the Stage 3 budgets at divisional level, which would reflect the impact of Commissioning Contracts.

The Trust Board approved the APR and updated financial plans for 2016/17.

TB16/05/19 Board Assurance Framework and Corporate Risk Register Year End Review

The Director of Assurance presented the paper, formally reporting on the year end position. It had been agreed that any major review of the key risks would be held in abeyance, to await the outcome of the OUH strategic review, in the light of which key risks were then likely to be re-framed to reflect revised strategic objectives.

In the meantime, and taking into account that sub-committees had kept the BAF and CRR under review throughout the year, it was accepted that this provided assurance that principal risks were being managed, and that controls were in place as appropriate to mitigate risks to a level within the Trust’s Risk Appetite.

The Trust Board received and reviewed the Year End Review of the BAF and CRR.

TB16/05/20 Information Governance Data Quality Group Bi-Annual Review

The Director of Planning and Information presented the report, providing information on work undertaken within the Information Data Quality Group over the second six months of financial year 2015/16. It was reported that the Information Governance Toolkit had been submitted on 31 March 2016 with the Trust scoring a 97% compliance rate.

Other points of particular note highlighted included:

- The Trust had established a Cyber Security Task Force to focus on improving security and managing cyber security risks. This topic was reported to be high on the Audit Committee’s agenda, and internal audit processes were used in conjunction with other external bodies to monitor performance.
- There had been a steady increase in compliance over the last four financial years. The Trust’s overall rating was satisfactory and 42 out of 45 parameters scored level 3 with 3 areas scoring level 2. However, it was recognised that these ratings masked some local level pockets of poorer performance.

Professor Sir John Bell noted that the private sector had been managing the issue of cyber security for a significant period of time and suggested that, given that it was a particularly specialist area, consideration might be given to using security experts such as SOPHOS (a world authority on cyber security) to gain an expert opinion when choosing software. The Director of Planning and Information confirmed that corporate data sources were good at tracking systems but it was important to ensure all areas of the Trust had the same systems.

The Trust Board noted the report.

TB16/05/21 Register of Interests and Register of Gifts, Hospitality and Sponsorship

The Director of Assurance presented the report, submitting the Register of Interests for Board members for inclusion in the Trust's Annual Report, and providing the Register of Gifts, Hospitality and Sponsorship for review.

Members of the Board were asked to notify the Head of Corporate Governance of any amendments required by 13 May 2016.

The Trust Board noted the Register of Interests and the Register of Gifts, Hospitality and Sponsorship.

TB16/05/22 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.

TB16/05/23 Any Other Business

There was no other business.

TB 16/05/24 Date of the next meeting

A meeting of the Board to be held in public will take place on Wednesday **13 July 2016** at 10:00 am in the George Pickering Education Centre, John Radcliffe Hospital.

Signed

Date