MINUTES

Pennine Care **NHS**

NHS Foundation Trust

Board of Directors
Wednesday 24 May 2017 at 9.30 am
Boardroom, Pennine Care Trust Headquarters, 225 Old Street, Ashton-under-Lyne, OL6 7SR

PART I

Present:

John Schofield	Chairman
Martin Roe	Acting Chief Executive
Henry Ticehurst	Medical Director / Acting Deputy Chief Executive
Keith Walker	Executive Director of Operations
Judith Crosby	Executive Director of Service Development and Sustainability
Emma Tilston	Acting Executive Director of Finance
Ian Trodden	Executive Director of Nursing and Healthcare Professionals
Keith Bradley	Non-Executive Director
Sandra Jowett	Non-Executive Director
Michael Livingstone	Non-Executive Director
Ian Bevan	Non-Executive Director
Tony Berry	Non-Executive Director
Joan Beresford	Non-Executive Director
Paula Ormandy	Non-Executive Director

In attendance:

Louise Bishop	Trust Secretary
Gillian Bailey	Assistant Trust Secretary
Beth English	Digital Communications Officer
Iain Marsland	Chief Information Officer – *item 8.2*
Elizabeth Stanley	Member of the public

Governor representation:

Martin Stevenson	Public Governor (Trafford)

Prior to the commencement of the meeting, the Board received an update on the Trust's response to the tragic events at the Manchester Arena on Monday 22 May 2017. Mr Walker reported that the Trust's gold command has been established on Tuesday 23 May 2017. Communications were issued to staff during the course of the day, including the circulation of a telephone helpline number and email address. Up to 50 emails were received from staff, with many asking about how they could provide support. The response from staff and services had been outstanding, with immediate provision being made to free up psychiatric and psychology support for dispatch into GM; including support for GP practices, schools, and A&E departments. In addition, a specific borough lead was designated in each town to

ensure there was a direct point of contact for local stakeholders. The Trust continued to work with GM leads, including the production of guidance on how to access support, which had been cascaded across the GM footprint.

Gold command was stood down during the evening of 23 May 2017 and business as usual protocols were adopted via on call arrangements with additional support. The Trust continued to be at a state of readiness as the situation evolved and to be responsive to people's needs.

Professor Jowett enquired as to the expectation of the longer-term needs of people in coming to terms with what had happened. Dr Ticehurst advised that this would be an evolving process that would develop and be coordinated in conjunction with GM.

The Board thanked Mr Walker for the update and commended the Trust's staff and their response during this difficult time. It was agreed that a statement of thanks would be sent out to staff on behalf of the Board from the Chairman and Acting Chief Executive.

1. Apologies for absence

No apologies were received.

2. Declarations of interest

No interests were declared.

3. Update from the Chairman

The Chairman recorded that this was the final meeting of Tony Berry as Non-Executive Director, whose term of office was concluding at the end of May 2017. The Board expressed its thanks for Mr Berry's service to the organisation and wished him well for the future.

The Chairman formally noted that Claire Molloy had been appointed as the Trust's new Chief Executive, who was due to commence in post in September 2017. The Board recorded its congratulations to Ms Molloy and looked forward to welcoming her to Pennine Care.

4. Patient story

Ian Trodden presented a patient story to the Board, which had been circulated to members on 23 May 2017.

The story was in the form of a letter of thanks from a family whose daughter had accessed speech and language therapy. The note focused on the work of two members of staff, and via their hard work, dedication, and compassion, had a significantly positive impact on the child and the family. To this end, the family had been able to enjoy family social situations that were hitherto distressing for their daughter to participate in.

The family had given their consent to share this story, and the Board thanked Mr Trodden for presenting it to them.

5. Previous meeting of the Board of Directors

5.1 Minutes from a meeting of the Board of Directors

The Chairman presented the minutes from a meeting of the Board of Directors (PI) held on 26 April 2017 to the Board for approval.

The minutes were approved as an accurate record, subject to amendment under item 5.1 (Acting Chief Executive's report: April 2017, 9th paragraph) to read: *"Professor Jowett enquired whether the Trust would preclude identifying other opportunities that might include estates or corporate services that might help with the overall position. Mr Roe responded that, in totality, possible savings achievable through estates and corporate services would be relatively small, compared with the overall budget target. Separately, the Trust has a substantive plan for CIPs incorporating challenging options across the Trust; however, given the challenge, the Trust would carefully monitor all opportunities for cost and cash improvements going forward, irrespective of the size of the financial deficit".*

6. Matters arising and action plan

6.1 Action plan arising from meetings of the Board of Directors

The Chairman presented the action plan arising from meetings of the Board of Directors to the Board for approval.

The Board approved the action plan.

6.2 Board Strategy sessions: May 2017

The Chairman presented a summary of the Board Strategy sessions that had taken place during May 2017 to the Board for noting.

The Board noted the report.

6.3 CQC assessment / action plan update

Henry Ticehurst provided a verbal update on the CQC assessment to the Board for assurance.

Dr Ticehurst reported that the Trust had recently met with the CQC, during which there had been a review of the action plan. There were two main areas of discussion – the child health system that had recently been subject to media attention; and the matter of mixed sex accommodation. In relation to the latter, the Trust had asked the CQC to direct it to an organisation that fully complied with its mixed sex accommodation guidance, but it was unable to

do. Despite this, the CQC still expected the Trust to comply with its guidance irrespective of the unintended consequences on bed availability if this could be achieved, given that bed occupancy was over 100% and wider estate considerations.

The Trust was developing guidance for the reporting of breaches of mixed sex accommodation – a draft of this document would be shared with Board outside the meeting. The CQC had reviewed the Trust's incidents relating to this matter, and had suggested there was a culture of under-reporting and that some incidents should have been graded higher. Of the 60 relevant incidents reported since November 2016, the CQC had asked the Trust to review five. A further update regarding mixed sex accommodation would be provided at the next meeting. There was a process in place within governance teams to review all these incidents; however this had not been as effective as it could have been due to service pressures hence this was also being addressed. Further work included enhanced robustness around safeguarding, with training across all wards on how to grade and report an incident, and what should be reported to local authorities as a safeguarding alert. Ms Beresford enquired whether the Trust was receiving a consistent approach from local authorities regarding safeguarding.
Mr Trodden replied that the response was mixed; however it was important for the Trust to ensure it was consistent in its practices irrespective of this.

Mr Livingstone enquired if the scope of the CQC forthcoming unannounced inspections would specifically examine incidents relating to mixed sex accommodation or looking at all those areas from the action plan that was within the organisation's gift to address. Mr Trodden responded that all domains would be included in the assessment; however privacy and dignity was expected to be an area of focus. With regards to progress against the action plan, a Board session was scheduled for 7 June 2017 to review assurances. Mr Walker added that the actions taken had been through the recent DBU quarterly assurance process; however the sustainability of ensuring these were embedded into practice was fragile due to pressures on services.

The Board noted that a further update would be provided at the next meeting.

7. Annual reporting

7.1 Annual Report 2016/17 (including the Quality Account)

Martin Roe presented the Annual Report 2016/17 (including the Quality Account) to the Board for approval.

Mr Roe reminded colleagues that the first draft of the Annual Report was circulated to Board on 25 April 2017 and the final draft on 17 May 2017. The first draft of the Quality Account was circulated on 7 April 2017 and subject to a Board session on 12 April 2017. The final draft was circulated on 17 May 2017. The documents had been reviewed by the external auditors and they were satisfied with the final content.

The Board approved the Annual Report and Quality Account 2016/17.

7.2   Annual accounts 2016/17

Emma Tilston presented the Annual Accounts 2016/17 to the Board for approval.

Ms Tilston reported that the accounts had been subject to a detailed review by Audit Committee on 19 May 2017. Moreover, Audit Committee received Grant Thornton's audit report and noted that an unqualified opinion would be issued on the financial statements.

The Board approved the Annual Accounts 2016/17.

7.3   Governance self-certification

Martin Roe presented a report on governance self-certifications to the Board for approval.

Mr Roe reminded Board that the Trust was required to annually self-certify whether it had complied with the conditions of the NHS provider licence. Specifically, by the end of May 2017, the Board had to confirm it had taken all necessary precautions to comply with the provider licence (Condition G6), and that it had a reasonable expectation that required resources would be available to deliver commissioner requested services (CoS7).

In reviewing the information provided in the report, the Board confirmed compliance with Condition G6 and 3a of CoS7, noting that the Trust considered itself to have adequate resources to continue in operational existence for the foreseeable future, supported by effective systems of financial management and control, and on-going discussions with NHSI, commissioners and GM about implementing an improvement plan linked to increased investment.

8.   Strategy

8.1   Acting Chief Executive's update: May 2017

Martin Roe presented the Acting Chief Executive's report for May 2017 to the Board for information.

With regards to strategic plan delivery, Mr Roe noted that all six programmes now had an identified ED sponsor and work was ongoing to identify programme plans and core objectives. The report noted that a Prior Information Notice (PIN) was anticipated for the Oldham locality; however this might now have changed and an update would be provided in PII of the meeting.

The EDs had recently received a presentation on the staff wellbeing service, which was launched in September 2014 and proven to be a great success. The EDs had approved permanent funding to ensure the service continued to provide vital mental health support to the workforce. The business case would be circulated to Board members outside the meeting for information.

With regards to the issue of financial investment, Mr Roe reported that Jon Rouse (Chief Office, GM H&SC Partnership) met with commissioners on 11 May 2017. No formal feedback had been received to date; however there was a session scheduled with commissioners to discuss service line reporting in June 2017. The PwC sustainability report was due to be issued to commissioners and a workshop would be held to support this. To date, the Trust had received no responses from commissioners to its submission of the high level improvement plan at the end of March 2017. Moreover, the Trust continued to wait for a response from GM to its Health Informatics business cases submitted in December 2016. Mr Roe noted that he was due to meet with Anne Gibbs (Director of Delivery Improvement, NHSI and GMHSCP) in the near future.

The Board noted the report.

8.2 Health Informatics Steering Group highlight report: May 2017

Iain Marsland presented the Health Informatics Steering Group highlight report for May 2017 to the Board for assurance, which also included an additional briefing on the cyber attack.

Mr Marsland reported that the Steering Group was given a demonstration of Omnijoin videoconferencing facilities, which was being used by services including district nursing, speech and language therapy, and for medical handovers. Services were using the facility to see more patients, and to support a more integrated ways of working. The Chairman welcomed the potential of the facility; however emphasised the need to capture benefits and to fully evaluate the system to support potential further investment. Following further discussion it was agreed that a report was be presented to Board in three months to outline the evaluation protocol and the plan for its future use / expansion.

Mr Marsland noted that the main area of discussion at the Steering Group was the Health Informatics Programme Strategic Outline Case (SOC), which provided an overarching view of the required investment and change required to deliver the Health Informatics Strategy. The Board was scheduled to receive a further update at a separate session on 7 June 2017.

With regards to the child health system, the go live date had been moved to the end of October 2017 as a result of further dialogue with NHS England and NHS Digital regarding the complexity of data quality issues. The revised date had been agreed with the supplier and the Trust's technical team; plus NHS Digital was contributing financially to the extension of the current licences. The Chairman questioned if there was any risk to families because of

continued data quality issues. Dr Ticehurst advised that there was no reason to suggest there were any problems with how vaccinations had been administered or a risk of harm to patients; and clinical staff would continue to administer vaccinations safely and in line with national guidelines.

The report included an update on the recent cyber attack. Mr Marsland reported that the Trust's antivirus software found and quarantined the virus on Friday 12 May 2017. As the day progressed, it became clear this was a national issue and the NHS put into place emergency actions, including detailed information and guidance from NHS Digital. Only 12 PCs had been found with files encrypted by the virus and these had been dealt with. The ICT team continued to monitor the network closely for further issues.

The Board noted the report.

8.3   Strategic Objectives 2016/17: final outcomes

Judith Crosby presented a report on the Strategic Objectives 2016/17: final outcomes to the Board for information.

Ms Crosby explained that the report provided a final year-end summary of the key outcomes from the 2016/17 strategic objectives and set out a proposed timescale for agreement of the strategic objectives for 2017/18. A detailed summary of progress against each of the 2016/17 objectives was included as an appendix to the report. A further briefing note would be circulated outside the meeting to confirm the mapping of the objectives to the strategic plan, as per the Board session held in March 2017, including which of the objectives had concluded (2b, 3b, and 4a).

Learning from the experience of developing and monitoring the 2016/17 strategic objectives, such as the timing of setting the objectives and accurate measure of progress, had been recognised. Strategic objectives for 2017/18 would be identified as part of the PMO development programme; and the draft objectives would be shared with Board at a strategy session in July 2017 ahead of formal Board sign off.

Professor Jowett welcomed the report, and commended Julie Taylor (Director of Business Development) for the work undertaken to pull together this complex set of information. It was important to understand what had been achieved during 2016/17, including which objectives had concluded, and how the work undertaken would be built on during 2017/18.

Mr Livingstone queried the experiences of colleagues as the NED link into the objectives and whether it would continue. Professor Ormandy replied that she had worked closely with Caroline Poole (Strategic Lead Long Term Conditions) regarding the self-care and self-management objective via regular contact and reviewing reports. Ms Crosby added that the input of Professor Ormandy had proved very useful; and suggested that a fuller discussion about the NED link to the strategic objectives be held during the July Board session on the 2017/18 strategic objectives.

The Board noted the report.

8.4   Quality Strategy 2017 - 2019

Ian Trodden presented the Quality Strategy 2017 – 2019 to the Board for approval.

Mr Trodden reminded colleagues that the Strategy had been circulated previously to Board members, and subject to a Board session in April 2017.

The Board approved the Quality Strategy 2017 – 2019.

9.   Performance and Quality Assurance reporting: April 2017

9.1   Monthly Performance and Quality Assurance highlight report

Keith Walker presented the monthly Performance and Quality Assurance highlight report for April 2017 to the Board for assurance. Matters raised in the report had been subject to a detailed discussion at the Performance and Quality Assurance Committee on 23 May 2017.

The Board noted the report.

9.2   Risk register report summary

Ian Trodden presented the risk register report summary to the Board for assurance. The full corporate risk register report had been subject to discussion at the Performance and Quality Assurance Committee on 23 May 2017. There were several areas of presentation and formatting that were requested and being actioned via the Committee.

The Board noted the report.

9.3   Board Assurance Framework summary

Louise Bishop presented the Board Assurance Framework (BAF) summary to the Board for assurance. The BAF had been subject to discussion at the Performance and Quality Assurance Committee on 23 May 2017. In light of the recent KPMG internal audit report, actions were underway to make the document more user-friendly and dynamic.

The Board noted the report.

9.4   Finance dashboard

Emma Tilston presented the Finance dashboard for April 2017 to the Board for assurance.

Ms Tilston reported that the financial position in month one was a deficit of £377k, giving a favourable variance of £82k against the planned deficit of £459k. The forecast outturn for the year was in line with the planned deficit position of £6.6m. Agency spend in-month one was lower than planned and work was underway to understand why this was; however these reductions were not expected to be sustained. Further to the Chairman's query regarding agency targets, Ms Tilston confirmed that the Trust's internal target was £11m this year, £1m lower than 2016/17, with DBUs having their own specific targets based on history and understanding of their issues. The NHSI tolerance level was 50% against its target of £8.2m agency expenditure. The Trust continued to monitor agency spend where it was supporting system pressures or the achievement of national targets.

The cash balance at month one was lower than planned as it had assumed receipt of the £1m VAT refund from HMRC, and £1m CQUIN income relating to the delivery of the 2016/17 control total. The latter was now forecast to be received in month two.

Capital expenditure in month one was £217k, 58% of planned spend. A full review of the capital programme has commenced to identify opportunities and risks to improving the liquidity / cash position of the Trust.

Use of Resources metrics in month one were either in line or ahead of the planned position; and the Trust remained in segment two. The next report would pick up measurement against the surplus plan reported to NHSI in December 2016.

Mr Bevan enquired if there were any areas of concern in light of the early overall underspend position. Ms Tilston noted that there were divisional underspends linked to non-pay; adding that Mr Walker was establishing finance performance clinics to implement management actions targeted at delivering budgets. These clinics were expected to commence in line with Q1 data, and their frequency thereafter would depend on financial performance within the DBUs.

Mr Livingstone sought clarification about the CIP target. Ms Tilston explained that the 2017/18 target was £8.6m, but because of the decision to not implement mental health schemes totalling £2.4m, the revised in-year target was £6.2m. The overall target of £8.6m remained, with schemes totalling £5.2m identified.

In terms of the national picture, the combined deficit for NHS trusts was estimated to be between £700m - £750m deficit, which would be a significant achievement given continued operational pressures. The official figures would be published after the general election.

The Board noted the report.

9.5   Mental Health and Community Health governance report

Ian Trodden presented the Mental Health and Community Health Governance dashboards and narrative for April 2017 to the Board for assurance.

Referring to the community services report, Mr Trodden drew attention to the case of child AK, noting that he had sought further assurance that robust processes had been followed in respect of safeguarding processes, and these had been received.

Mr Trodden reported on a fire incident that took place at Saxon Ward on 21 May 2017. Fire services and the police attended the scene. A patient was removed to a medical ward for smoke inhalation but had not suffered any serious effects. A full investigation was underway.

The Board noted the report.

10.   Audit Committee

10.1   Feedback from a meeting of the Audit Committee held on 19 May 2017

Tony Berry provided feedback from a meeting of the Audit Committee held on 19 May 2017 to the Board for assurance. A highlight summary from the meeting was tabled to support this item.

Mr Berry reported that the Committee received and approved the Annual Governance Statement for inclusion in the Annual Report. The Committee received the Head of Internal Audit opinion, which was 'significant assurance with minor improvement opportunities'. The internal audit plan for 2017/18 was reviewed and approved subject to further ED discussions about the scope of the cyber maturity assessment.

The Committee received the counter fraud annual report, and recorded its thanks and best wishes to Jon Cohen (Local Counter Fraud Specialist) who was leaving KPMG.

Audit Committee conducted a detailed review of the annual accounts 2016/17 and concluded that it would recommend to the Board that the accounts could be approved and signed. Grant Thornton delivered its audit findings report and confirmed it would be issuing an unqualified opinion on the financial statements. In addition, the value for money audit concluded that the Trust had proper arrangements in all significant respects to ensure it delivered value for money in its use of resources. Mr Berry added that Jackie Bellard (Engagement Lead, Grant Thornton) was due to retire, and the Committee recorded its thanks for her service. The new Engagement Lead was John Farrar. Board agreed that it would be useful to receive Mr Farrar's biography.

With regards to the Quality Account, Mr Berry stated that the Committee received Grant Thornton's external assurance report (which would be

presented to the Council of Governors), and noted that it would be issuing an unqualified conclusion.

Mr Berry concluded his feedback by thanking colleagues for their support during his tenure as Audit Committee Chair, and conveyed his best wishes to Mr Livingstone, who was taking over this role.

The Board noted the report.

11.   Board Governance

11.1   Information circulated to Board since last meeting

The Chairman presented a report on information circulated since the last Board meeting.

The Board noted the report.

12.   Council of Governors

12.1   Feedback from a meeting of the Council of Governors held on 16 May 2017

The Chairman provided verbal feedback from a meeting of the Council of Governors held on 16 May 2016.

The Chairman noted that the Council held a separate session prior to the main meeting to receive an update on the financial plan 2017/18. At the formal meeting, the Council approved the Chairman's annual appraisal, NED remuneration, process for the appointment of new Chair and NED, and the appointment of a new Chief Executive.

The Board noted the update.

12.2   Update on Council of Governor elections

Louise Bishop provided a verbal update on the Council of Governor elections to the Board for information.

Ms Bishop explained that the Trust was part way through this year's election process. The deadline for the receipt of nominations closed on 10 May 2017. 22 nominations were received for 15 seats; and five constituencies would be subject to a contested election. No nominations had been received for the two vacant seats in Trafford. Consequently, there would need to be a piece of work with Trafford services regarding engagement and involvement. In light of purdah ahead of the General Election, the Governor election dates had been modified to delay the notice of election until 12 June 2017. This meant that the poll would close on 30 June 2017, and the Trust would be notified of the results on 3 July 2017. A welcome meeting for the new Governor cohort was scheduled for 4 July 2017.

The Board noted the update.

13.   Any other business

No other business was discussed.

14.   Date and time of next meeting

The next meeting of the Board of Directors will take place on Wednesday 28 June 2017 in Committee Room 2&3, 1st Floor, Trafford Town Hall, Talbot Road, Stretford, M32 0TH, commencing at 10.30 am.

JS/MR/LB/GB/240517