

MINUTES



Pennine Care
NHS Foundation Trust

Board of Directors

Wednesday 28 February 2018

Boardroom, Trust Headquarters, 225 Old Street, Ashton-under-Lyne, OL6 7SR,
commencing at 1.30 pm

PART I

Present:

Evelyn Asante-Mensah	Chair
Keith Bradley	Non-Executive Director
Sandra Jowett	Non-Executive Director
Julia Sutton-McGough	Non-Executive Director
Martin Roe	Executive Director of Finance / Deputy Chief Executive
Henry Ticehurst	Medical Director
Keith Walker	Executive Director of Operations
Judith Crosby	Executive Director of Service Development and Sustainability
Jackie Stewart	Executive Director of Nursing and Healthcare Professionals (Acting)

In attendance:

Louise Bishop	Trust Secretary
Gillian Bailey	Assistant Trust Secretary
Helen Lord	Senior Communications Officer
Marie Boles	Members of the public

Governor representation:

Karen Kelland	Public Governor, HMR
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1. Apologies for absence

Apologies were received from Claire Molloy (Chief Executive), Mike Livingstone (Non-Executive Director), Joan Beresford (Non-Executive Director / Deputy Chair), Daniel Benjamin (Non-Executive Director), and John Scampion (Non-Executive Director).

2. Declarations of interest

No interests were declared.

Although not an interest against an item contained within the agenda, Keith Bradley noted that he had been made Chair of Salford University. The Board recorded its congratulations to Lord Bradley on his appointment.

3. Questions

No questions were raised by public attendees.

4. Patient story

Due to the harsh winter weather conditions affecting the area, colleagues from Oldham were unable to attend the meeting to deliver the patient story. It was agreed they would be invited to a future meeting.

5. Previous meeting of the Board of Directors

5.1 Minutes from a meeting of the Board of Directors

Joan Beresford presented the minutes from a meeting of the Board of Directors (PI) held on 31 January 2018 to the Board for approval.

The Board approved the minutes as an accurate record.

6. Matters arising and action plan

6.1 Action plan arising from meetings of the Board of Directors

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

The Board approved the action plan.

With regards to item two on the action plan, Ms Stewart reported that information regarding the MSA equality assessments was now available to be circulated outside the meeting.

DECISIONS/ACTIONS/NEXT STEPS:

- The Board noted that the assessments had been completed and, upon circulation of the information, any queries should be directed to Ms Stewart outside the meeting.

7. Strategy

7.1 Chair and Chief Executive's update: February 2018

No business was discussed.

8. Performance and Quality Assurance reporting

8.1 National planning guidance 2018/19

Judith Crosby presented a report on national planning guidance for 2018/19 to the Board for information. This had also been discussed at the Board development session held on the morning of 28 February 2018.

Ms Crosby explained that the paper provided an overview of the NHS England published national planning guidance for 2018/19. The initial assumption was that GM, as an integrated care system, would submit a single narrative and aggregated income and expenditure position. Since writing the paper, it had come to light that GM had been unable to negotiate the conditions with NHSE for a single GM submission so each organisation was required to submit its own draft operational plan narrative and financial template by 8 March 2018. The final Board approved plans were due for submission by the end of April 2018 based on contract discussions with commissioners.

The GM team had produced an initial analysis of the published guidance, which was appendix 2 of the report, which summarised the potential implications for GM. Importantly there was a requirement for commissioners to achieve the mental health investment standard.

In light of there being individual organisational responses to the planning guidance, Lord Bradley enquired as to how any variances with the GM strategic plan would be reconciled. Ms Crosby advised that dialogue continued between the GM and central teams; however there were several organisations that could not meet their control totals so without additional funding it difficult to see how this would be reconciled.

DECISIONS/ACTIONS/NEXT STEPS:

- The Board noted the report and subsequent update.
- A further Board development session on the plans for 2018/19 was scheduled for 19 March 2018.
- The business plan 2018/19 would be presented to Board in March 2018.

8.2 Monthly Performance highlight report: January 2018

Keith Walker presented the monthly Performance highlight report for January 2018 to the Board for assurance.

Mr Walker highlighted an emerging issue, which had been noted at the last meeting of the Performance and Finance Committee, in relation to the capacity to deliver the contract for dental services. There was a particular issue regarding recruiting dentists to deliver the service that was having a direct impact on the ability to perform a range of tasks as required by the contract. The Trust was in formal dialogue with NHS England regarding the matter. Dr Ticehurst added that this was a national issue that had been exacerbated by the inability to secure locums in light of the introduction of IR35 and associated tax implications. Mr Walker noted that the Performance and Finance Committee was minded to have a deep dive into the situation and how the risks were being managed. Dr Sutton-McGough concurred that these issues had been highlighted during a recent visit to dental services.

Dr Sutton-McGough spoke of a recent visit to the Oldham DBU, where there had been a theme around compliance with basic life support (BSL) targets, and queried how this was being addressed. Mr Walker replied that the Trust was providing more BSL sessions than required so there was work to look at staff access and DNAs. The Trust was also looking to realign the leadership and management of this area out of HR and into governance and operations – it was anticipated that closer links with operations would help to remove some of the existing barriers. Ms Stewart added that compliance with these types of targets was due to a mixture of issues so, for example, the Trust was also looking at how it delivered training and how it benchmarked against the targets of other organisations.

The Board noted the report.

8.3 Mental Health and Community Health governance report: January 2018

Henry Ticehurst presented the Mental Health and Community Health governance report for January 2018 to the Board for assurance.

Following the report at the last meeting of several deaths in Tameside and Glossop in December 2017, Dr Ticehurst advised that a further death reported during January 2018. There was no indication of themes across these cases, which were subject to investigation. Psychological support was being provided to the teams involved.

In Bury, the death of a client on leave from the ward had been reported – this case was subject to investigation.

On Saxon ward, a client had barricaded themselves into their bedroom by blocking the lock with chewing gum. Work was underway with Estates regarding consequent actions.

The Trust was keeping the CQC up to date regarding all serious incident cases.

The Chair asked for further information about the support mechanisms available for staff in light of patient deaths or other such serious incidents. Ms Stewart replied that staff could be fast tracked to the Trust's wellbeing service; plus debriefs were offered to teams and psychological therapy services would conduct bespoke sessions. In addition, Matt Walsh (Patient Safety Lead) was very active in visiting and supporting teams. Mr Walker added that Schwartz rounds had also been well received and were often planned as part of the support process.

With regards to community services, Dr Ticehurst drew attention to the increase in medication errors. Many of these related to 'omitted medicines' and the timetabling of visits to patients. There were also cases relating to missed doses of insulin, which were subject to detailed investigation. Dr Ticehurst stressed that despite the increase in incidents, the harm relating to medication errors continued to reduce year-on-year.

The Board noted the report.

8.4 Finance executive dashboard: January 2018

Martin Roe presented the finance executive dashboard for January 2018 to the Board for assurance.

Mr Roe reported that the financial position was in line with the revised forecast outturn position for 2017/18, a deficit of £4.9m. This was due mainly to the release of the CQUIN risk reserve in line with NHSI guidance.

Mr Roe reminded colleagues that a key element of the revised forecast position related to invoicing commissioners for additional activity from income generation beds and 1:1 observations. The activity in these areas clearly indicated that services were under significant pressure, for example, there was a high level of in Bury and Rochdale in January 2018 for income generation beds.

The Trust's cash position was ahead of plan – the closing cash position at the end of January 2018 was £12.1m. Although ahead of plan, the forecast position highlighted declining cash balances with the expectation that, in the absence of additional investment, the Trust would be required to access some form of interim cash support during Q2 of 2018/19.

The Trust had received notification that the NHSI agency cap for 2018/19 was £7.6m, a £0.7m reduction on the 2017/18 cap. Assuming agency spend in 2018/19 remained constant at £9.0m, the Trust would still maintain a Use of Resources metric of 2; however the headroom before moving to a rating of 3 would be reduced so there was a need to maintain pressure on the use of agency. Mr Roe sought assurance the Trust was not intending to utilise agency if it struggled to recruit to safer staffing levels. Ms Stewart replied that there was no intention to do this; however the random nature of 1:1 observations meant the Trust might still need recourse to support from agency staff to manage these episodes.

The Board noted the report.

8.5 Financial plan 2018/19 and 2018/19 control total letter

Martin Roe presented a report on the financial plan for 2018/19 and the 2018/19 control total letter to the Board for decision.

Mr Roe explained that the report comprised of two elements:

1. An update on the 2018/19 financial position and a request for Board to endorse a quality assured financial plan for 2018/19 as per the enforcement undertakings.
2. A letter regarding the 2018/19 control total and request for Board to accept this or not.

With regards to the updated 2018/19 financial position, the papers included an update on the situation presented at Board development on 31 January 2018. There had been further detailed discussions during the Board development session held during the morning of 28 February 2018. The report therefore represented the Trust's formal notification that its draft plan submission forecast deficit in 2018/19 was £12.6m by March 2019 along with the reasons for that. In accordance with the enforcement undertakings, the Board was required, by the end of February 2018, to provide NHSI with a quality assured financial plan for 2018/19. It had been agreed this would be submitted to the regulator by 8 March 2018.

As part of the draft plan submission, the Trust had to indicate whether or not it was signing up the 2018/19 control total, which was a £3.6m surplus. Given the planned deficit submission of £12.6m, this represented a significant gap. Whilst the Trust wanted the forecast deficit to reduce, this was unlikely to be sufficient to close to the gap to the control total. The Trust needed to recognise that if it was unable to sign up to the control total it would be unable to access the GM digital fund next year. Mr Walker asked if there were other sources of funding the Trust could access that did not fall into the governance of the control total. Mr Roe replied that firm offers from the commissioners were expected by the end of this week – they had seen an increase in investment for mental health but there was uncertainty how much would be invested in Pennine Care. It was difficult to plan for next year however when there was no surety about income. In the absence of this, the information currently available indicated the Trust would not achieve the 2018/19 control total.

Lord Bradley responded that assurances had been received last year that additional investment would come from commissioners but it did not materialise. Moreover, there was a disconnect between discussions taking place with NHSI, and its awareness of the Trust's financial position, and the content of the control total letter. Lord Bradley was mindful to reject the control total but, should this be the decision of the Board, it was on the basis of a large degree of uncertainty.

Mr Roe noted that he had written to Mr Livingstone, Ms Beresford, and Mr Benjamin outside the meeting regarding the control total. Mr Benjamin had responded to say he did not see how the Trust could sign up to the control total given the financial position of the organisation.

DECISIONS/ACTIONS/NEXT STEPS:

- With regards to the 2018/19 forecast position, the Board endorsed a quality assured financial plan of £12.6m deficit as set out in the report, which would be submitted to NHSI by 8 March 2018.
- The Finance and Capital plan 2018/19 would be presented to Board in March 2018.
- The Board resolved to reject the control total for 2018/19 of £3.6m surplus as per the letter from NHSI dated 6 February 2018.
- Rejection of the control total was on the basis of considerable uncertainty regarding firm financial offers from commissioners, plus it was highly

unlikely the Trust would be able to turn a £12.6m deficit into a £3.6m surplus without severely compromising quality and safety.

9. Board governance

9.1 Proposals for strategic governance, accountability and assurance architecture

Louise Bishop presented a report regarding strategic governance, accountability and assurance architecture to the Board for decision.

Ms Bishop reminded colleagues that work had commenced in November 2017 to address a recognised need to strengthen and streamline the Trust's governance arrangements in the context of the challenging environment it was operating in. In December 2017, the Board approved a proposed new committee structure that would see the creation of a Performance and Finance Committee, Quality Committee, and People and Workforce Committee. Since January 2018 a number of meetings had taken place with the new Committee chairs, EDs, NEDs, and Trust officers to develop Terms of Reference (ToR). The draft ToR for each of the new committees were appended to the report and submitted for approval. Furthermore, the ToR for the Board of Directors and the Board Appointment and Remuneration were also included in the papers.

Following the first meeting of the People and Workforce Committee (in shadow format), a number of changes were made to the draft ToR and an updated version was handed out to Board members. Ms Bishop summarised the key changes from the version in the papers. Ms Stewart enquired if there had been consideration of including clinical leadership in the meeting. Professor Jowett advised that this was not been explicitly discussed at the first meeting but was happy for a proposal to be presented at the next meeting.

Referring to the Performance and Finance Committee ToR, Ms Crosby noted that she had discussed with Mr Benjamin a change to the wording in relation to investment policy; however this could be picked up when the ToR were revised.

DECISIONS/ACTIONS/NEXT STEPS:

- The Board approved the Terms of Reference for the:
 - Board of Directors
 - Board Appointment and Remuneration Committee
 - Quality Committee
 - Performance and Finance Committee
 - People and Workforce Committee (as per the updated version tabled at the meeting).
- The new Board committees would be subject to review after three formal meetings of each.

- A proposal for inclusion of clinical leadership on the People and Workforce Committee would be presented to the next Committee meeting in April 2018.
- Internal and external communications would be sent out advising stakeholders of the changes to the Board governance architecture.
- Work would now commence on formulating the layer of supporting architecture below Board Committee level, including the remit and focus of executive lead groups.
- The Board recorded its thanks to all involved in developing the new structure.

10. Performance and Finance Committee

10.1 Chair's report from a meeting of the Performance and Finance Committee held on 14 February 2018

In the absence of Daniel Benjamin, Sandra Jowett presented the Chair's report from a meeting of the Performance and Finance Committee held on 14 February 2018. This was the second meeting of the Committee, held in shadow format pending approval of the Terms of Reference.

Professor Jowett noted the key issues from the meeting, including reference to the issues within dental services as noted elsewhere in the meeting. The Committee also discussed the potential loan for a female PICU – a further update would be provided in PII of the meeting. Future meeting dates would move to the Thursday before Board in an effort to better fit in with reporting deadlines.

The Board noted the report.

11. Quality Committee

11.1 Chair's report from a meeting of the Quality Committee held on 20 February 2018

In the absence of Mike Livingstone, Julia Sutton-McGough presented the Chair's report from a meeting of the Quality Committee held on 20 February 2018. This was the first meeting of the Committee, held in shadow format pending approval of the Terms of Reference.

Dr Sutton-McGough noted that extensive discussions took place regarding the Terms of Reference for the Committee, which was supported by Deloitte, and the key areas of change from the original draft were noted in the highlight report.

The Committee was clear that its work needed to be driven by the Quality Strategy, and there would be further discussions about this at the next meeting. The Committee received an update on progress against the CQC action plan, and further updates would be scheduled for future meetings. A major area for development was the operational governance arrangements

sitting below the Committee and how these would link to the Committee's workplan. A further key area of work was the development of an integrated performance report along with ensuring the nuances of information were not lost within aggregated data.

The Board noted the report.

12. People and Workforce Committee

12.1 Chair's report from a meeting of the People and Workforce Committee held on 27 February 2018

Sandra Jowett provided a verbal Chair's report from a meeting of the People and Workforce Committee held on 27 February 2018. This was the first meeting of the Committee, held in shadow / planning format pending approval of the Terms of Reference.

Professor Jowett noted that the Committee held a detailed discussion regarding the ToR – changes had since been made and presented for approval under item 9.1 of the Board's agenda. The matter of potential gaps between Committees came up, and this would be looked at by the Trust Secretary as part of the overall Board governance arrangements.

The Committee discussed the submission of workforce data to Health Education England. The last submission was in 2016 (there was no submission requirement in 2017), and the next submission of data was due by 8 March 2018 but there did not appear to be a mechanism by which this moved through the governance structures. This was one of the areas that would need to be factored into the information / updates received by the Committee in future.

The Committee received an update on the review of the People and Workforce Strategy, which was currently in draft format. The meeting in April 2018 would receive the Strategy plus delivery plan and profiling of the current workforce. In addition, work was underway regarding the development of KPIs and a balanced score card in support of the Strategy.

Mr Roe enquired if the Committee would be looking at the workforce delivery plan, given that this was a key aspect of constructing the LTFM. Professor Jowett replied that the Committee was keen to receive current and projected workforce information along with the plans and activities to support the workforce requirements of the future.

The Board noted the report.

13. Audit Committee

No business was discussed.

14. Council of Governors

14.1 Feedback from a meeting of the Council of Governors held on 13 February 2018

Louise Bishop provided verbal feedback from a meeting of the Council of Governors held on 13 February 2018 to the Board for noting.

Ms Bishop reported that, in the absence of Ms Asante-Mensah, Joan Beresford chaired the Council of Governors meeting on her behalf.

The Council approved a recommendation from the CoG Appointment and Remuneration Committee to appoint John Scampion as a new Non-Executive Director. Mr Scampion commenced in post on 19 February 2018. The Council also approved a recommendation from the CoG External Audit Review Group to re-appoint Grant Thornton as the external auditor for a period of two years from 1 June 2018, subject to minor negotiations.

The Council received updates on the proposed Board governance, accountability and assurance architecture; the Audit Committee Annual Report; elections to the NHS Providers Governor Advisory Council; and this year's Governor elections.

The Board noted the update.

15. Other reports

15.1 Quarterly report on safe working hours: doctors and dentists in training

Henry Ticehurst presented a report on safe working hours: doctors and dentists in training to the Board for noting.

Dr Ticehurst explained this was a mandated Board report required as per the junior doctor contract, and was provided by the Trust's Guardian of Safe Working on a quarterly basis. An annual report was due for presentation to Board in March 2018.

The Board noted the report.

15.2 Information circulated since the last meeting

The Chair presented the schedule of information circulated to the Board since the last meeting.

The Board noted the report.

16. Any other business

16.1 Reservation of Powers and Delegation of Powers / Standing Financial Instructions (SFIs)

Mr Roe noted that the Trust's Reservation of Powers and Delegation of Powers policy, along with the SFIs, were due for renewal on 28 February 2018. The Board was asked for an extension of one month to the documents whilst further work was undertaken on the review ahead of presentation of the revised policies to Board in March 2018.

DECISIONS/ACTIONS/NEXT STEPS:

- Board approved an extension of one month for the Reservation of Powers and Delegation of Powers and SFIs.
- The reviewed documents would be submitted to Board for approval in March 2018.

16.2 Winter weather conditions

In light of the harsh winter weather conditions affecting the area, Mr Walker highlighted the efforts of staff in getting to work and caring for patients. There had been few disruptions to services because staff had gone over and above to make sure patients continued to receive the care they needed.

The Board recorded its thanks to staff during this difficult time and commended their dedication to the populations they served.

16.3 Year-end requirements

Ms Stewart reported that the Quality Account was due to be submitted on 29 May 2018, which was the day before Board. A request was therefore made for the Quality Account to be signed off by the Audit Committee on 25 May 2018. Ms Bailey pointed out that the submission timetable this year would also have implications for the sign off of the Annual Report and Accounts.

DECISIONS/ACTIONS/NEXT STEPS:

- The Board suggested the matter was discussed with the chairs of the Audit Committee and Quality Committee; and then present a formal request for Board to grant delegated authority to Audit Committee to sign off these documents on its behalf.

17. Reflections on the meeting

The Chair asked for reflections regarding the meeting. No specific comments were made on this occasion.

18. Date and time of next meeting

The next public meeting of the Board of Directors will take place on Wednesday 28 March 2018, in the Boardroom, Trust Headquarters, 225 Old Street, Ashton-under-Lyne, OL6 7SR, commencing at 1.00 pm.

CM/EA-M/LB/GLB/280218