

Minutes of the Blackpool Teaching Hospitals NHS Foundation Trust
Council of Governors Meeting held on Monday 16th May 2011
at 9.30 am in Room 4, Health Professionals Education Centre, Blackpool Victoria Hospital

Present: Miss Beverly Lester – Chairman (for items 1 to 11 and 18 to 37)

Council of Governors

Public Governors:-

Mr Eric Allcock – Blackpool Constituency
Mr Peter Askew – Wyre Constituency
Mr John Bamford – Wyre Constituency
Mr John Butler – Blackpool Constituency
Mrs Hannah Harte – Blackpool Constituency
Mr Austin McNally – Wyre Constituency
Mr Arthur Roe – Blackpool Constituency
Mr Ramesh Gandhi – Wyre Constituency
Mrs Anne Smith – Fylde Constituency
Mr Chris Thornton – Blackpool Constituency

Staff Governors:-

Mr Andrew Goacher – Nursing and Midwifery
Mrs Cherith Haythornthwaite – Clinical Support
Dr Tom Kane – Medical and Dental
Mrs Samantha Woodhouse – Nursing and Midwifery

Appointed Governors

Mr Doug Garrett – Blackpool, Fylde and Wyre Economic Development Company
(Chairman – for items 12 to 17)
Dr Tom Kennedy – University of Liverpool
County Councillor Paul Rigby – Lancashire County Council
Mr David Slater – Business Link
Mr Mike Wistow – Lancashire Care Trust

In Attendance: Mr Aidan Kehoe – Chief Executive
Mr Tim Welch – Deputy Chief Executive
Mrs Pat Oliver – Director of Operations
Mr Robert Bell – Director of Clinical Support & Facilities Management (for item
Mrs Mary Aubrey – Associate Director of Corporate Affairs
Miss Judith Oates – Foundation Trust Secretary
Mrs J Gaynor – Acting Membership and Communications Officer
Mr Jay Bevington – Partner, Deloitte LLP
Ms Anne Clark – Blackpool LINk
Mr Duncan Hannam – GSK
Mr Jamie Macdonald – Environment Officer (for item 8)
Dr Vicki Ellarby – Vision Programme Director (for item 9)
Ms Helen Sayer – Programme and Business Change Manager (for item 9)

1. Chairman's Introduction

The Chairman welcomed the following Governors:-

- Dr Tom Kennedy, the newly Appointed Governor from the University of Liverpool.
- Cherith Haythornthwaite – the newly elected Staff Governor for Clinical Support.

Mrs Haythornthwaite gave a brief outline of her role as the Medicines Management Specialist Nurse within the Trust's Pharmacy Department.

The Chairman also welcomed:-

- Pat Oliver, the newly appointed Director of Operations.
- Jay Bevington – a partner from Deloitte who had been invited to observe the meeting as part of his work on the effectiveness of the Council of Governors; it being noted that this issue would be discussed under agenda item 20.

The Chairman also reported that Jean Taylor had replaced Christine Sconce as the Appointed Governor from UCLAN.

Governors were reminded that two additional Governors had been elected (Claire Lewis and Christopher Lamb) as a result of the proposed transfer of community services.

The Chairman introduced two observers at the meeting; Anne Clark from Blackpool LINK and Duncan Hannam from GlaxoSmithKline.

2. Apologies for Absence

Apologies for absence were received from Mrs Janice Dickson, Mr Cliff Chivers, Mr Mark Chapman, Mrs Jean Taylor, Mr John Longstaff, Mrs Tina Daniels, Mrs Claire Lewis, Mr Christopher Lamb and Mr Richard Emmess.

3. Chief Executive's Report

Mr Kehoe reported on the following:-

- Performance Review Meeting with Monitor
- Appointment of Director of Operations
- QuIPP
- QuIPP and Better Care Better Value
- Opening of Duncan House
- PCT Cluster Appointments
- Microbiologist Job Planning
- Blackpool Gazette's Eve Best of Health Awards 2011
- Trust Twitter Site
- League of Friends

Performance Review Meeting with Monitor

It was noted that the Trust was still being monitored by Monitor and that recent meetings had been more comfortable due to the turnaround in the Trust's financial position; it being noted that:-

- A very small surplus had been achieved at the year end.
- The income and expenditure was satisfactory.
- The cash balance had significantly improved.

It was noted that it would be reported in the Annual Accounts that there would be exceptional items, i.e. redundancy payments.

With regard to 2011/12, Mr Kehoe stated that the key issue was the delivery of the QuIPPP programme; it being noted that the Trust was aiming to achieve the QuIPPP and return to a financial risk rating of 3.

Mr Bamford congratulated Mr Kehoe in respect of the improved financial position and asked about the key areas that needed to be focused upon. Mr Kehoe highlighted a number of issues, for example, better cash management, a more robust QuIPPP programme resulting in more long term benefits, implementation of the electronic patient record system and investment in the new Surgical Centre which would provide more efficient services and result in achievement of other requirements such as single sex accommodation.

League of Friends

Mr Kehoe advised the Governors that the League of Friends had very generously donated £1.2 million which would enable the Trust to proceed with the previously deferred Women's and Children's Development.

Wesham Hospital

Mrs Smith asked about the transfer of services from Wesham Hospital. Mr Kehoe advised the Governors that the Trust had received a letter from the Secretary of State for Health regarding the temporary closure of Wesham which was being discussed at the next meeting of the Overview and Scrutiny Committee. Mr Kehoe pointed out that permanent closure would be subject to public consultation and that a coherent and articulate document would need to be produced, detailing the whole health strategy for the next five years.

Additional Activity

Mr Gandhi asked about the Trust carrying out more activity. Mr Kehoe commented that there was less resource in the system and it was about working in a more effective way and ensuring that treatment for patients was right first time. It was noted that growth was not really an option.

4. KPMG Action Plan

Mr Kehoe presented the latest KPMG action plan which outlined the progress against each of the actions and the dates for delivery.

Mrs Smith expressed concern about recommendation R20 (page 11) in relation to the long term poor performance of the Clinical Audit service and asked whether any progress had been made. The Governors were reassured that this issue had been discussed by the Audit Committee and that this year's Audit Plan was linked to the organisational objectives of the Trust.

RESOLVED: **That a clinical audit report would be submitted to the next meeting of the Council of Governors with an explanation about the clinical audit work plan and the link to the corporate objectives.**

5. Corporate Objectives 2011/12

Mr Kehoe presented the Corporate Objectives for 2011/12 which were structured around the six key elements of the Trust's vision; it being noted that the focus was around patient safety and quality.

Mr Bamford commented that it was a concise and focused document but that there appeared to be an overlap between the objectives and the Annual Plan. Mr Welch stated that the production of an Annual Plan was a statutory requirement by Monitor.

With regard to patient care, Mr Bamford asked about the objectives in relation to issues where treatment is time critical, ie fractured neck of femur, stroke, etc. It was noted that this information was included in the Advancing Quality objective where compliance was 95%. It was further noted that significant improvements had been made in respect of fractured neck of femur and length of stay and also that the latest Stroke indicators showed 90% compliance.

Mr Slater stated that it was not clear from the objectives how the Trust was performing in specific areas. Mr Kehoe referred to the areas where the Trust was not performing particularly well, i.e. end of life care, and suggested that the information could perhaps be presented differently to show that improvements were needed. Mr Kehoe confirmed that all relevant information was incorporated within the document but may not be easily identified

Mr Gandhi stated that it would be helpful to have target figures rather than just percentages. It was noted that the performance reports included baseline figures.

RESOLVED: **That an additional column with target figures would be included in the corporate objectives.**

That "fractured neck of femur" would be included within the objectives.

Proposed by Dr Kane and seconded by Mr Gandhi.

6. Serious Untoward Incidents

Mr Kehoe briefed the Governors on the serious untoward incidents that had occurred since the previous meeting.

7. Quarterly Complaints/PALS Reports

Mr Kehoe presented the quarterly Complaints/PALS Report for the period 1st January to 31st March 2011.

Mr Bamford commented that the highest number of complaints appeared to relate to non-clinical issues, ie communication.

Mrs Woodhouse advised the Governors that customer care training was provided for staff and commented that there was further work to be undertaken in this area. It was noted that staff who did not perform well were required to attend the training.

Mr McNally suggested that customer care training should be mandatory for HCAs.

RESOLVED: **That the Board would debate whether customer care training should be mandatory.**

Mrs Smith referred to the two complaints relating to incorrect administering of drugs.

RESOLVED: **That Mr Kehoe would make enquiries and advise the Governors accordingly.**

Mr Allcock asked about complaints being resolved at an early stage. Mr Kehoe explained that this was the purpose of PALS and pointed that PALS activity had increased.

Mrs Oliver reported that, as part of clinical leadership and the changes to the structure, it was recognised that the ward managers needed to be more readily available and more accessible and therefore Matrons were being placed in clinical areas. Mrs Woodhouse reported that there were senior nurse clinics where specific time was set aside to address concerns and queries.

12. Minutes of the Previous Meeting

RESOLVED: **That the minutes of the previous meeting held on 14th February 2011 be agreed as a correct record and signed by the Chairman.**

Proposed by Mr Bamford and seconded by Mrs Smith.

Mr Bamford asked whether the draft minutes could be circulated in advance of the agenda for the next meeting and also whether the agenda and enclosures could be distributed earlier than one week in advance of the meeting.

RESOLVED: **That the draft minutes would be circulated in advance of the following meeting and the agenda for future meetings would be distributed as early as possible.**

13. Matters Arising

There were no matters arising.

8. Waste Management

Jamie Macdonald gave a detailed presentation about waste management (slides attached).

Mr Goacher asked about the waste management plans in relation to areas accommodating high risk patients. Mr Macdonald stated that these areas would be reviewed as part of the overall strategy.

RESOLVED: That Mr Macdonald would ensure that the Infection Prevention Team was made aware of the strategy.

Mrs Smith commented that waste management was an important subject and it was interesting for Governors to be informed about progress.

9. Vision Programme

Dr Ellarby introduced Helen Sayer, Programme and Business Change Manager, both of whom gave a detailed presentation about the Vision project (slides attached).

10. Finance Report

Mr Welch reported that the financial forecasting process indicated a revised forecast for the year, with a break even position in respect of income and expenditure and a cash balance of £6.3 million.

It was noted that the Trust had delivered a surplus of £300,000, however, Monitor had excluded a number of exceptional items therefore the figures would include two major areas of change, namely, impairment of fixed assets and redundancy costs.

Mr Welch explained that the financial risk rating, which was the mechanism by which Monitor assessed risk, remained at 2 which was predominantly driven by the liquidity position.

Mr Slater asked about the monitoring arrangements for QuIPPP and about the process for identifying problems. The Chairman advised that bi-weekly meetings took place and that she and two Non-Executives attended each meeting. Mr Welch stated that the process was milestone driven and therefore he would be aware each week of any non-achievements.

11. Quarterly Performance Report

With regard to workforce, three areas were rated green (staff in post, turnover and appraisal) and one area was rated red (sickness absence). It was noted, however, that there had been a significant percentage improvement in sickness absence to 3.2% during March and a significant improvement in terms of the management of sickness absence. Governors were advised that the divisions were regularly monitored as part of their performance review.

With regard to length of stay, Mrs Oliver reported that work was on-going across the Trust to make improvements. It was noted that different ways of working had been introduced in respect of emergency care during the recent bank holiday periods which had proved worthwhile although there were lessons to be learned for future seven day working arrangements.

With regard to quality measures, it was reported that there was further work to be undertaken to ensure improvements in respect of MRSA, complaints and patient falls.

Mr Gandhi asked the reason for the patient falls target not being achieved, particularly when staffing levels had increased. Mrs Oliver stated that it was due to ward layout and observational issues and single sex accommodation. Mrs Woodhouse explained that high risk patients were being closely monitored, i.e. hourly rounds, use of nurse call system.

At this juncture the Chairman left the meeting.

14. Chairman's Appraisal/Objectives 2010/11

It was noted that the Nominations Committee had discussed the Chairman's appraisal and objectives at the meeting held on 9th May 2011.

Mr Garrett reported that the Nominations Committee, on behalf of the Council of Governors, had reviewed the Chairman's performance in terms of the set objectives for 2010/11 and, overall, the outcome had been positive. Mr Garrett referred to one objective which had not been achieved in relation to the financial performance of the Trust; it being noted that the view of the Committee had been that this objective was not the responsibility of just one person but the collective responsibility of the Board.

Mr Garrett referred to the Deloitte Report and the fact that Jay Bevington had included within his review the leadership style of the Chairman and the improvements that needed to be made in this area.

Mr Garrett advised the Council of Governors that the Nominations Committee had added metrics to the performance objectives for 2010/11 and included quantification around the metrics.

Mrs Smith commented that a constant complaint from amongst the Governors was the lack of communication in relation to developments, i.e. official openings. Mr Garrett referred to objective 9 of the 2011/12 objectives in relation to developing the role of Governors and suggested that Governors should consider collectively how this should be progressed.

At this juncture, Mrs Oliver mentioned the celebration events that took place across the Trust and suggested that Governors would benefit from listening to the presentations.

Mr Gandhi referred to Governors' attendance at Board Meetings and queried why the agenda could not be distributed in advance to those Governors scheduled to attend. It was noted that this issue would be discussed under agenda item 31.

15. Chairman's Objectives 2011/12

Mr Garrett advised the Council of Governors that the Chairman's objectives for 2011/12 were linked to the Annual Plan and the reports from KPMG and Deloitte.

RESOLVED: **That the Chairman's objectives for 2011/12 be approved.**

17. Chairman's and Non-Executive Directors Annual Remuneration Uplift

Mr Garrett reported that the Nominations Committee had approved the recommendation that there would be no remuneration uplift for the Chairman and Non-Executive Directors; it being noted that this was in line with other public sector organisations.

16. Chairman's and Non-Executive Directors Appraisal/Objectives 2010/11

Mr Garrett reported that the Chairman had completed the appraisals for all Non-Executive Directors with the exception of one and had agreed their objectives for 2011/12.

At this juncture the Chairman returned to the meeting.

18. Membership Strategy

Mrs Aubrey reported that the Membership Strategy had recently been reviewed and amended and that Mrs Smith and Mrs Gaynor had presented a revised draft to the Membership Committee for comments which had subsequently been approved.

Mr Gandhi mentioned that he was aware that some members were not receiving Trust information.

RESOLVED: **That Mr Gandhi would advise Mrs Gaynor about those members who had not received membership information.**

That the Membership Strategy be approved.

Proposed by Mr McNally and seconded by Dr Kane.

19. Annual Plan 2011/12

Mr Welch reminded the Governors that Harry Clarke had given a presentation at the last meeting in February and, subsequent to this, Governors had been given the opportunity to comment on the content of the document.

Mr Welch referred to the draft document and confirmed that it was the substantive document except for the figures which needed to be reconciled with the auditor's figures.

It was noted that a Governors' Sub-Group meeting had been arranged for 23rd May when Mr Welch would be giving a presentation on the Annual Plan.

Mr Welch reiterated that the Trust was reporting a break even position for 2011/12 and a year end cash balance of just over £8 million and that the key element to be worked into the financial plans was TCS which was a major part of the financial strategy.

Mr McNally referred to the financial projections on page 12 and commented that they would be difficult to achieve and that this should be taken into consideration when forecasting. Mr Welch stated that this was the reason for the break even position this year and commented that there was a mitigation strategy.

Mr Welch asked that delegated authority be given to the Governors' Sub Group on 23rd May to approve the Annual Plan 2011/12.

Mr Allcock referred to the reduction in headcount and potential redundancies and asked that this be discussed at the meeting on 23rd May. Mr Welch stated that part of this year's process was to ensure that the last stage of the QuIPPP scheme was sign-off in respect of quality and safety by the Medical Director and the Director of Nursing. It was noted that Mrs Oliver had recently become involved in the sign-off to ensure that there was no effect on patient pathways. The Chairman advised the Governors that the Board had made it clear that any implementation of QuIPPP must not affect patient safety and quality.

RESOLVED: **That approval be given to delegate authorisation for approval of the Annual Plan 2011/12 to the Governors Sub-Group on 23rd May 2011.**

Proposed by Mr Allcock and seconded by Mr Gandhi.

20. Deloitte Report and Action Plan

The Chairman reported on the review of Board effectiveness undertaken by Deloitte and referred to the associated action plan which highlighted areas for improvement.

Mr Bevington discussed some of the headlines from the review as follows:-

- The Governors' role was to hold the Board of Directors to account.
- Interviews had taken place with 18 external stakeholders.
- Meetings had taken place with two staff focus groups.
- All members of the Board had been interviewed and follow-up sessions arranged.
- The Board was very well regarded by external stakeholders (which was a positive outlier).
- The focus groups had been positive.
- The Board was a cohesive Board and took collective responsibility (which was a positive outlier).
- The level of challenge, both in terms of volume and materiality, had increased since September 2010.
- There had been a recommendation to refresh the non-executive section of the Board with additional skills set although it was pointed out that there was no criticism of any one individual Board member.
- There were a number of recommendations regarding financial reporting in order to ensure that the financial issues could be easily understood.
- There were a number of recommendations regarding financial management and the effectiveness of the finance function.

Mr Bevington stated that, overall, there was evidence that the Board was effective and Mr Bevington acknowledged the difficulties that the Board had been required to deal with during the past few months.

Mrs Smith referred to the issue of Governors attending Board meetings and, in particular, receiving the Board agenda in advance of the meeting. The Chairman confirmed that at present only Board members received the Board agenda in advance of the meeting.

RESOLVED: **That this issue would be discussed again by the Board.**

That this issue would be addressed as part of the work being undertaken by Mr Bevington in relation to the Governors effectiveness tool.

Mrs Smith asked about proxy arrangements in the event of Governors being absent from meetings.

RESOLVED: **That this issue would be addressed as part of the effectiveness work.**

Mrs Smith raised the issue of all Governors being able to assess members of the Board in advance of the feedback provided by the Nominations Committee in relation to the performance of the Chairman and Non-Executive Directors.

RESOLVED: **That this issue would be addressed as part of the effectiveness work.**

The Chairman confirmed that Mr Bevington's work with the Trust involved reviewing the questionnaire, observing the Council of Governors meeting and facilitating a workshop, following which he would be able to report on the effectiveness of the Council of Governors.

21. Annual Report and Accounts/Quality Report 2010/11

Mrs Aubrey advised the Governors that the Annual Report had been produced in accordance with Monitor's annual reporting manual and that the second draft had been submitted to the Audit Committee on 3rd May and that feedback was awaited.

With regard to the Quality Accounts, Mrs Aubrey reminded the Governors that they had previously been given the opportunity to comment on the document; it being noted that comments had been incorporated into the document wherever possible although it was pointed out that Monitor required the document to be produced in a standard format.

Mrs Aubrey also reminded the Governors that a Governors' Sub-Group had been convened in early March to agree the content of the Quality Accounts and to agree the local indicators to be reviewed by the External Auditors. It was noted that the External Auditors' findings would be included in the Annual Report and Quality Report and presented to the Audit Committee and the Board on 2nd June 2011. Mrs Aubrey expressed thanks to the Governors for their participation.

22. Clinical Leadership: Proposed Divisional Management Structure

Mrs Oliver advised the Governors that the recruitment process had been set up for the appointment of Divisional Directors, Deputy Directors of Operations and Associate Directors of Nursing and that, hopefully, it would be completed by the first week in June.

23. Governors' Objectives 2011/12

The Chairman reported that the Governors Sub-Group that had been established to review the Annual Plan would also review the Governors draft objectives for 2011/12.

24. Patient Experience Governors Sub-Group
The Chairman proposed that, in order to enable more Governors to become involved in patient experience, the existing Patient Experience Committee be disbanded and that a Governors Patient Experience Committee be convened with meetings on a quarterly basis to include wards visits and presentations. The Governors thought that this would be an excellent way forward.
Mr Allcock asked about the terms of reference for the newly established committee.
- RESOLVED:** **That the terms of reference for the Governors Patient Experience Committee would be considered at the inaugural meeting.**
- That any suggestions for inclusion in the terms of reference be forwarded to Miss Oates.**
25. The Intelligent Board Workshop (Building Knowledge and Information on the Patient's Experience): Zero Tolerance Policy
The Chairman referred to "The Intelligent Board Workshop - Zero Tolerance Policy" and suggested that there may be a role for the Governors in this initiative.
- RESOLVED:** **That this issue would be discussed at the next meeting of the Membership Committee.**
26. Declarations of Interest
The Chairman asked the Governors to complete the declaration of interests form and return it to Miss Oates as soon as possible.
- RESOLVED:** **That Governors complete the declaration of interests form and return it to Miss Oates as soon as possible.**
27. Governor Elections for September 2011
The Chairman updated the Governors in respect of the imminent elections; it being noted that those Governors whose terms of office was due to expire in September 2011 had been advised about the timescale for standing for re-election. It was noted that these elections would coincide with the elections for the vacant seats in the Blackpool Constituency and the Lancashire & South Cumbria Constituency. The Chairman advised the Governors that nominations to replace Christopher Lamb and Roy Haskett were awaited from the CVS and Blackpool Council respectively.
28. Vision Programme Update
It was noted that this issue had been discussed under agenda item 8.
29. Membership Report
Mrs Smith referred to the comprehensive membership report which was self explanatory.

Mrs Smith asked if boxes could be displayed around the hospital sites for membership application forms.

RESOLVED: **That the Chairman would contact Mr Bell about this request.**

30. Items Referred from the Membership Committee Meeting held on 5th May 2011

Reference was made to the latest edition of the Trust's newsletter and the fact that information about TCS had not been included.

31. Feedback from Governors' Attendance at Board Meetings on 30th March 2011 and 27th April 2011

Further discussion took place about Governors' attendance at Board Meetings and it was reported, by those Governors who had attended a Board Meeting, that it had been a positive experience and it had been interesting and beneficial.

32. Feedback from the North West Governors Forum – 24th February 2011

It was noted that the North West Governors Forum had been a worthwhile event and that other Governors should be encouraged to attend future events.

33. FTGA Development Day – 7th April 2011

It was noted that Mr Bamford and Mr Allcock had attended the FTGA Development Day and had prepared some notes from the event.

RESOLVED: **That Miss Oates would circulate the notes, together with the presentation slides once received, to the Governors.**

34. Chairman's Communications

- The Chairman advised the Governors that Emma Dawkins had been appointed substantively to the post of Assistant Director of HR (OD and Transformational Change) and that part of her remit would be to develop the role of the Governors. It was noted that Mrs Dawkins would be attending the Council of Governors meeting in August and the Membership Committee meeting in November.
- The Chairman reported that the Trust's Gastroenterology Department had become one of the first in the country to receive an International Quality Mark for decontamination standards.

35. Motions or Questions on Notice

Mr Bamford – Public Governor for the Wyre Constituency:-

Could the Governors have a description of the process by which the priorities for the next year are set and how the Governors' views are taken into account?

It was noted that this question was linked to the discussion regarding agenda item 5.

36. Urgent Motions or Questions

There were no urgent motions or questions.

37. Date of Next Meeting

The next meeting will take place on Monday 15th August 2011 at 9.30 am in Room 4, Health Professionals Education Centre, Blackpool Victoria Hospital.