



With all of us in mind

## Minutes of Trust Board meeting held on 28 July 2009

<b>Present:</b>	Joyce Catterick	Chair
	Ian Black	Non-Executive Director
	Bernard Fee	Non-Executive Director
	Jan Wilson	Deputy Chair
	Steven Michael	Chief Executive
	Nisreen Booya	Medical Director
	Hazel O'Hara	Chief Operating Officer
	John Scampion	Interim Director of Finance
	Noreen Young	Director of Nursing, Compliance and Innovation
<b>In attendance:</b>	Terry Dutchburn	Director of Business Development and Planning
	Ruth Unwin	Director of Corporate Development and Constitutional Affairs
	Bernie Cherriman-Sykes	Board Secretary (author)
<b>Apologies:</b>	Peter Aspinall	Non-Executive Director
	Anne Gregory	Non-Executive Director
	Alan Davis	Director of Human Resources and Workforce Development

### **TB/09/67 Welcome, introduction and apologies (agenda item 1)**

The Chair (JC) welcomed everyone to the meeting and the apologies, as above, were noted. JC apologised for the length of the papers and said she is committed to working with others to get the right information in the right form to aid Trust Board members.

### **TB/09/68 Declarations of interest (agenda item 2)**

There were no declarations of interest made over and above those previously declared.

### **TB/09/69 Interim report on update of the Integrated Business Plan (agenda item 3)**

Steven Michael (SM) introduced this item and explained that the paper presented to Trust Board covered three key areas as agreed at Trust Board in June:

- the Trust's marketing position;
- an update on service development and design;
- financial assumptions supporting the plan going forward.

Monitor has asked for a 'downside' remodelling of the Trust's plans for 2009/10 by the end of September 2009. No guidance has been given by Monitor and each Trust has to use its own financial models to prepare plans. He emphasised the challenge facing the organisation, particularly beyond 2011; however, the Trust is in a strong position in terms of its risk rating, staff and clinical engagement, service re-design and innovation, strong partnership support, and sound reputation for strong governance and clinical risk management.

He went on to stress the scale of the financial challenge for the Trust in terms of the national economic situation, demographic changes, morbidity issues related to the downturn in the national economy, greater contestability in the NHS system, and the need to demonstrate value for money.

Monitor has also asked Trusts to ensure that their Boards and governors are fully involved in the preparation of plans for September.

John Scampion (JS) presented Trust Board with the key factors driving financial plans and factors that are self-determined (i.e. risk rating, surplus and capital plans), what this means in terms of the resulting 'gap' in Trust finances, how the Trust can address this through traditional CIPs (i.e. 'salami' slicing), strategic schemes and use of the existing surplus.

SM explained that the Trust has a strong underlying surplus and the scenario presented would leave the Trust with a 1% surplus at the end of 2012/13, which would be substantially more than other Foundation Trusts. He confirmed that the service re-design will include a review of the Trust's estate with a view to rationalisation wherever possible. This would also include looking at alternative solutions to provision of acute in-patient services. JC questioned the comment made by the Medical Director that the Trust could realise more income through use of in-patient beds. Nisreen Booya (NHB) responded that demographic and commissioning changes will affect the way services are delivered and what constitutes secondary mental health services.

A number of comments were made following the input from SM and JS.

- Ian Black (IB) expressed his nervousness about planning to use the Trust's surplus and would prefer to retain this option as a contingency. This was noted. JC also commented that she was unsure what the Trust would need to use its surplus for at this stage, which would make it difficult for Trust Board to come to a view of whether this was a preferred option or not for meeting the 'gap'. SM responded that this remains an option and will form one of the scenarios presented to Monitor at the end of September.
- Jan Wilson (JW) commented that any course of action the Trust takes to ensure it remains sustainable and viable through the next few years must not marginalise quality and safety. Noreen Young (NY) responded that this highlighted the need for services to do things differently to ensure quality and safety are not compromised. Bernard Fee (BF) commented that this might result in the Trust making hard decisions about what services it is able to provide in the future.
- JC commented that, as one of the factors affecting the Trust's financial position relates to the third year pay increase for staff.
- The Trust has identified a 3% cost improvement programme year-on-year for the Foundation Trust application and this represented a challenge in terms of finding the increased savings of up to 6% and in achieving them. Further cuts will need radical changes to the way services are delivered.
- SM responded that this was not a new situation for this Trust in being asked to deliver more for less. The Trust would be undertaking this work to look at ways of improving services for service users and carers whilst finding efficiency savings anyway. To meet the current challenges, it just has to do this more radically.
- JC commented that she and SM would be using mental health networks to lobby at every opportunity against any reduction in mental health funding as the NHS enters these hard and challenging times.

- SM remarked that the Trust was currently a specialist provider of mental health services; however, there is potential to extend into the community provision sitting with PCTs.

A number of comments were also made regarding the draft of the Integrated Business Plan circulated with the agenda.

- The development of the engagement and change management process will be key to the development of the IBP both up to September and implementation beyond.
- JC reminded Trust Board that it had decided that the IBP should meet the Trust's purposes, being a brief, focused and clear document and represent a working document that will inform the Trust's direction and delivery of services for the next five years.
- TD explained that the document takes a different form from that set by Monitor to reflect the Trust's needs and provide an opportunity for review on a regular basis to reflect the environment the Trust operates in.
- IB remarked that setting up Business Delivery Units in each locality could potentially promote difference in service offer and duplication of management costs. SM responded that, as far as it can given differing commissioning strategies, the Trust will apply a consistent methodology across all localities.

JC summarised that Trust Board is supportive of the work with progress towards a plan in September. She questioned the capacity within the organisation to meet the Monitor timescales. TD responded that processes and mechanisms are being reviewed to ensure arrangements are in place to inform the September version of the IBP. IB supported the Chair's concern regarding capacity given annual leave commitments, swine flu and a new Director of Finance taking up post. SM assured Trust Board that he was confident that there are plans in place to address these concerns and to meet Monitor's timescales.

JC also confirmed that she wants to see Non-Executive Directors involved in the process between now and September. TD was asked to ensure that Non-Executive Directors are effectively engaged. It was suggested assigning different Non-Executives to different themes within the IBP. JC also asked that a meeting is arranged prior to Trust Board in September to sign-off the final draft. Two separate workshops for Trust Board and the Members' Council will be set up.

Ruth Unwin (RU) reminded Trust Board that the configuration of estate and workforce will not be clear in September and will follow from the development of the service model within resource envelope the Trust is anticipating. Related to this, the Trust will need to work with commissioners to ensure the revised service offer fits with the strategic plans for commissioning. However, a number of service opportunities will remain commercial-in-confidence to ensure the Trust can optimise these opportunities as they arise or if changes in central policy direction present opportunities for the Trust.

In response to NHB's plea that the Trust makes a decision on its estate configuration as a matter of urgency, JC remarked that there is a clear message

from the Foundation Trust Network that major re-configuration of services in the run up to or during a General Election will be found to be difficult to progress.

**It was RESOLVED to NOTE the progress with the refresh of the IBP, SUPPORT the continued development of revised service models and SUPPORT the change management process required to take this work forward.**

**TB/09/70 Annual planning update (agenda item 4)**

TD introduced this item, which represents the operational planning process underpinning development of the IBP. It was agreed to use the strategic session in November for Trust Board involvement in development of annual plans.

**It was RESOLVED to NOTE the work being done to refresh the annual planning guidance that will inform development of annual plans for approval by Trust Board by 1 April 2010.**

**TB/09/71 Partnerships and agreement of strategic principles (agenda item 5)**

Discussion on this item was taken in private.

**It was RESOLVED to:**

- **RECEIVE** a further paper in the private session of Trust Board in September on the clinical and non-clinical principles by which the Trust would assess any partnership proposal;
- **over the next three months. PROVIDE** further clarity on the Trust's position, including the service specification;
- **over the next three months, CONTINUE** the due diligence work with any potential partners.

**TB/09/72 Prison service update (agenda item 6)**

Discussion on this item was taken in private.

**It was RESOLVED to:**

- **SUPPORT** further negotiations with the PCT, whilst recognising that clinical risks remain in the system;
- **RECEIVE** a proposal on the future provision of services into prisons in the context of the IBP;
- **ASK** the Director of Business Development and Planning to benchmark spend by NHS Wakefield District against other commissioners and to compare the Trust's service offer with those currently out to tender.

**TB/09/73 Month 3 reports 2009/10 (agenda item 7)**

TB/09/73a Section 1 – Integrated performance report: strategic overview (agenda item 7.1)

TD reported that the Improving Access to Psychological Therapies (IAPT) tender to NHS Wakefield District was unsuccessful. Formal feedback will be available mid-

September. Informally, the Trust has been told that it was above the line for most domains other than finance.

JC commented that this was a really good report. Specific issues were raised as follows.

- 2.6.1 vacancy rate. The Trust is reporting 4.9% against a target of less than 10%. JC asked for some assurance that the Trust could offer safe services if the target level was reached. HOH responded that, at any point in time, the Trust uses vacancy management to achieve savings and vacancies do take time to work through the system. JC asked that a rationale is provided for the target figure and that the current figure is reviewed.
- 2.4.1 Care Programme Approach. BF commented that it is important the Trust continues to focus on this. NY responded that adult services has achieved the 80% target; however, progress in older people's services has stalled. Further work will be done to understand the causes of this and an update included in the Month 5 performance report.

TB/09/73b Section 2 – High level summary report – human resources and workforce development (agenda item 7.2(i))

HOH introduced this item on behalf of Alan Davis. She highlighted the Wellbeing survey, a new initiative in partnership with Bradford District Care Trust facilitated by Robertson Cooper. IB asked whether there was any link between surveys and key performance indicators. SM responded that these provide a meaningful suite of outcomes for staff, service user and community experience, which will provide the basis for improving services and the service user experience.

BF commented that he would like to see the report concentrate on areas in which the Trust needs to improve rather than on areas in which it does well. He asked whether there was an issue in the forensic service given the comparison with other Trust services. SM responded that this is a regionally-based service and would benefit from benchmarking against other medium secure services rather than other Trust services.

SM also commented that, given the level of change in the organisation, sickness levels were significantly lower than other Trusts.

JC asked whether Trust Board would support a change to the Terms of Reference for the Remuneration and Terms of Service Committee to scrutinise these issues in more depth with exceptions coming to Trust Board. This was agreed.

TB/09/73c Section 2 – High level summary report – compliance (agenda item 7.2(ii))

NY highlighted three areas of the report.

- The Care Quality Commission is undertaking safeguarding audits following the Baby P case. Monitor has asked for the action set out in a letter from David Nicholson to be publicised on Foundation Trust website. An action plan is in place and the Trust is performing well in four areas. Action is in place to address weaknesses in the fifth area (training). The result of the audit will be on the Trust's website by the end of September.

- The Trust is required to make three returns on the information governance toolkit this year. The return for 31 July 2009 will be 71%. This is a slight reduction in the submission in March 2009 due to changes in the toolkit. The Trust should be reporting an improvement in its score at the end of March 2010.
- The risk for infection prevention and control associated with long-term sick leave has been resolved.

It was agreed that, for future reports, only critical compliance issues should be reported to Trust Board. BF commented that this was an area the Clinical Governance and Clinical Safety Committee would be scrutinising in more detail to provide assurance for Trust Board as part of identification of key clinical issues and risks within the Trust led by NY and NHB.

TB/09/73d Section 3 – Finance report month 3 2009/10 (agenda item 7.3)

John Scampion (JS) took Trust Board through the key points of the report. With reference to the Monitor key data summary, JS confirmed that the figures reflect the original forecast plan submitted to Monitor as part of the Foundation Trust application. IB expressed a concern that, if this is the case, the adjusted forecast outturn agreed by Trust Board in June following a clear and transparent process is, therefore, not accurately reported to Monitor. It was agreed to amend the forecast to reflect the £3.8 million agreed by Trust Board, which is currently standing at £4 million. It was also agreed to include this in the exception report to Monitor.

TB/09/73e Section 4 – Quality Report (agenda item 7.4)

NY explained that this paper is the start of a process to provide a baseline report against the three Darzi principles starting with service user experience.

BF commented that quality will form a key part of the Clinical Governance and Clinical Safety Committee agenda, split into three parts covering analysis of key issues and risk, reporting on action taken, and regular updates relating to Executive Director portfolios. It was agreed to take involvement of the Members' Council in clinical governance areas into the Committee for discussion.

TB/09/73f Section 5 – Service performance and activity reports Quarter 1 2009/10 (agenda item 7.5)

HOH suggested that it might be appropriate to take this into the Clinical Governance and Clinical Safety Committee for more detailed scrutiny. She asked Trust Board to note the increase in case load and occupied bed days. Both are a good indicator of increase in activity. All four Monitor targets have been met year-to-date and PCT vital signs are improving. The occupancy rate for non-acute services in Wakefield is low and there are plans to rationalise this in 2009/10. This has now been agreed with Overview and Scrutiny and is currently being considered by commissioners and service users. This re-engineering will result in the Hyde Park capacity no longer being in the system.

RU explained that the legal advice referred to on page 12 related to asylum seeker status. NHB was asked to review the issue for the Trust.

TB/09/73g Section 6 – Exception reporting and action plans – Psychological therapy 18-week update (agenda item 7.6(i))

Discussion on this item was taken in private.

**TB/09/74 Serious untoward incidents (agenda item 8)**

Trust Board noted that the SUI review undertaken for 2008 is to be replicated from quarter 2 of 2009 and welcomed the reduced figure for this quarter.

**It was RESOLVED to NOTE the update on SUIs and Independent Inquiries.**

**TB/09/75 Business continuity planning (agenda item 9)**

TD took Trust Board through the paper and tabled the pandemic flu plan executive summary.

JC asked whether the Trust could continue to deliver safe services in the event of sickness and what mitigating action the Trust has put in place. TD gave assurance that there is a positive position across the Trust with no significant pressures as yet from sickness. What the Trust plans to do to address any risk is included in detailed service delivery flu plans. TD agreed to circulate these to Trust Board. JC asked for a weekly update from TD to be given to JW in her absence.

**It was RESOLVED to NOTE the business continuity arrangements across the Trust.**

**TB/09/76 Assurance Framework and Risk Register (agenda item 10)**

JC commented that she felt less assured about the Trust's reputation in the market place following the failure to secure the IAPT contract.

**It was RESOLVED to NOTE the assurances for 2009/10 quarter 1 and AGREE the risk register reflects the key risks facing the organisation.**

**TB/09/77 Monitor quarterly monitoring return (agenda item 11)**

SM reminded Trust Board of the agreement to make clear in the covering letter of the change to the end of year outturn. It was agreed to submit one exception report which would incorporate the issues in the quarter 1 financial monitoring letter as well as governance exceptions for RU to send to Monitor on 29 July 2009. It was agreed SM should give final approval for the submission.

Subject to the above, **it was RESOLVED to APPROVE the Monitor finance report and governance declaration for submission to Monitor.**

**TB/09/79 Award of contract for supply of domestic services (agenda item 12)**

Discussion on this item was taken in private and **it was RESOLVED to APPROVE the award of the contract to Initial Hospital Services.**

**TB/09/80      Date and time of next meeting (agenda item 13)**

The next public meeting of Trust Board will take place on Tuesday 29 September 2009 at Fieldhead in Wakefield.

**Signed .....**      **Date .....**