

ANNUAL GENERAL MEETING
WEDNESDAY 18 SEPTEMBER 2024
BOARDROOM, FUSION HOUSE
3:00pm to 4:00pm
AGENDA

Item

- 1 Welcome from the Chairman, Mr Sarwar**
- 2 Minutes from the Annual General Meeting held on 21 November 2023 (for noting)**
- 3 Presentation of the Annual Report by Chief Executive, Mr Hodgson**
- 4 Celebratory Video, Mr Hodgson**
- 5 Presentation of the Annual Accounts by Mrs Brown, Executive Director of Finance**
- 6 Questions from the Public**
- 7 Close of the meeting by Chairman, Mr Sarwar**

EAST LANCASHIRE HOSPITALS NHS TRUST
ANNUAL GENERAL MEETING,
21 NOVEMBER 2023
AUDITORIUM, LEARNING CENTRE, ROYAL BLACKBURN TEACHING HOSPITAL
MINUTES

PRESENT

Mr S Sarwar	Voting	Chairman
Mr M Hodgson	Voting	Chief Executive/Accountable Officer
Mrs T Anderson	Voting	Non-Executive Director
Mrs K Atkinson	Non-Voting	Executive Director of Service Development and Improvement
Mr S Barnes	Voting	Non-Executive Director
Mrs M Brown	Voting	Executive Director of Finance
Mrs S Gilligan	Voting	Chief Operating Officer
Mr J Husain	Voting	Executive Medical Director
Mr T McDonald	Non-Voting	Executive Director of Integrated Care, Partnerships and Resilience
Mrs K Quinn	Non-Voting	Executive Director of People and Culture
Mrs C Randall	Voting	Non-Executive Director
Mr K Rehman	Voting	Non-Executive Director
Mrs L Sedgley	Voting	Non-Executive Director
Mr R Smyth	Voting	Non-Executive Director
Miss S Wright	Non-Voting	Joint Executive Director of Communications and Engagement (ELHT and BTHT)

IN ATTENDANCE

Mrs A Bosnjak-Szekeres	Director of Corporate Governance/Company Secretary
Mrs K Buchanan	Principal of Burnley College
Mr D Byrne	Corporate Governance Officer (Minutes)
Mrs E Cooke	Joint Deputy Director of Communications and Engagement
Dr F Dad	Principal and Chief Executive of Blackburn College
Mr P Hegarty	Programme Director, Lancashire and South Cumbria Integrated Care Board

Miss K Ingham	Corporate Governance Manager
Mrs J Pemberton	Deputy Chief Nurse
Mr S Walmsley	Engagement Team Leader, Health Watch Lancashire

APOLOGIES

Professor G Baldwin	Voting	Non-Executive Director
Mr P Murphy	Voting	Chief Nurse

AGM/2023/001 WELCOME FROM THE CHAIRMAN

Mr Sarwar welcomed members and the public to the Annual General Meeting. He advised that he had been in post as Chairman for around 11 months and commended the inclusive, open and transparent culture that he had observed in the Trust during this time. Mr Sarwar added that there was a need for the organisation to continue to adapt to wider cultural changes and to address a number of significant challenges with regard to diversity.

Mr Sarwar went on to praise the work being done by colleagues throughout the organisation and noted that significant sacrifices continued to be made to manage the extreme pressures being seen in urgent and emergency care pathways, both in terms of the number and acuity of patients. He indicated that the Trust was becoming more involved in system work and stressed that this required a very different approach to its activities as an individual organisation. Mr Sarwar highlighted that the Trust was making good progress in recognising its role as a high performing organisation and how it could serve as a system leader going forward.

Mr Sarwar extended his thanks to the colleagues that had recently departed the Trust, including his predecessor, Professor Eileen Fairhurst, and a number of Executive Directors. He commended the leadership that these colleagues had brought to the organisation and extended his thanks to them and on behalf of the Board. Mr Sarwar welcomed Mr Murphy, Mrs Randall and Mrs Sedgley to the organisation and advised that an additional Associate Non-Executive Director, Melissa Hatch, would also be joining the Trust from December 2023 onwards.

Apologies were received as recorded above.

AGM/2023/002 MINUTES OF THE PREVIOUS MEETING

The minutes of the Annual General Meeting held on 11 October 2022 were noted to be a true and accurate record.

AGM/2023/003 PRESENTATION OF THE ANNUAL REPORT

Mr Hodgson provided an overview of the Trust's performance and activities since the previous meeting. He highlighted that the Trust was an integrated one in the truest sense of the word, as it ran a range of community services as well as a range of secondary and specialist services at its Royal Blackburn Teaching Hospital (RBTH) and Burnley General Teaching Hospital (BGTH) sites.

Mr Hodgson reported that the Trust had performed well in a range of categories in 2023-24 and had achieved the majority of national targets. He explained that it had come in just under the 76% target against the four-hour accident and emergency standard but had continued to perform strongly with regard to ambulance handover times and in relation to community services. Directors noted that the Trust had achieved 98% for its two-hour urgent community response target and had expended its virtual ward capacity to around 180 beds. Mr Hodgson confirmed that the Trust had also achieved its cancer related trajectories and had done particularly well in relation to the Faster Diagnosis Standard. He stressed the importance of the Trust's workforce in achieving these standards and highlighted that the Trust had scored above the national average in all nine key themes in the 2022-23 staff survey.

Mr Hodgson confirmed that the Trust had achieved all of its financial targets for 2022-23, with a final deficit position of £4.2m and had achieved a Waste Reduction Programme (WRP) of £47.7m.

Mr Hodgson went on to refer to the ongoing industrial action being taken by junior doctor and consultant medics and a range of other staff groups in the Trust. He emphasised that the Trust would always respect the right of colleagues to undertake action of this nature. Mr Hodgson paid testament to the Trust staff who had been involved in managing and mitigating the disruption caused to patients but acknowledged that there had been negative impacts, with around 6,000 appointments needing to be rescheduled.

Mr Hodgson informed Directors that the Trust had received an inspection of its urgent and emergency care areas during 2022-23, during which the intense pressures on staff had been recognised, as well as the many elements of high-quality care and compassionate practice on show. He added that a separate inspection of the Trust's maternity services had also taken place and reported that they had received a very positive evaluation.

Mr Hodgson advised that the Trust had made significant progress around its health equity agenda over the previous 12-month period. He explained that this work had been initiated during the initial waves of the COVID-19 pandemic and was focused on ensuring fair equitable services that did not disadvantage any patient or population groups. Mr Hodgson indicated that further health equity work would be taking place over the coming months that would focus on the reduction of waiting lists, particularly in relation to cancer and screening services.

Mr Hodgson referred to the formal establishment of statutory healthcare systems in 2022-23 and highlighted that system activity had quickly become the normal way of working since. He emphasised that this offered many benefits in terms of better integrated health and care across Lancashire and South Cumbria (LSC). Mr Hodgson added that Executive Directors now performed system roles in addition to their duties in the Trust and confirmed that the Trust had also recently been selected to the host of the 'One LSC' programme, which was intended to bring several corporate services more closely together.

Mr Hodgson highlighted that the Trust's Place partners continued to play a key role in its activities, particularly following the formal establishment of Place-Based Partnerships in 2022-23. He acknowledged that the working arrangements between the Trust and its Place partners had been somewhat neglected over recent years but confirmed that this had now been addressed.

Mr Hodgson went on to state the challenges facing the Trust were likely to be just as significant, if not more so, during 2023-24 as they had been in 2022-23. He advised that the pressures on urgent and emergency care pathways were expected to continue to increase over the coming months and that the additional focus on finances would make maintaining the balance between quality and patient safety even more important. Mr Hodgson reiterated that the Trust continued to perform well in the majority of national performance targets and had made a number of significant achievements over recent months, including the

implementation of a new Electronic Patient Record (EPR) system and addressing any Reinforced Autoclaved Aerated Concrete (RAAC) estates issues. He indicated that elective recovery would likely remain a significant area of focus through the rest of 2023-24 and reported that despite the additional difficulties incurred through industrial action and essential estates work, it was still on track to achieve all related targets by the end of March 2024. Mr Hodgson highlighted Directors that the Trust's work in transforming community areas across LSC was seen as an exemplar and that system colleagues had indicated that it would be replicated across the region.

Mr Hodgson concluded his update by reiterating that 2022-23 had been a challenging, but ultimately successful, year for the Trust. He acknowledged that despite this, there was clearly more to be done in a number of key areas and confirmed that work would be taking place to improve waiting list positions and to protect the health and wellbeing of colleagues.

RESOLVED: Members received and noted the Annual Report.

AGM/2023/004 CELEBRATORY VIDEO

A short video was presented attendees summarising the positive developments that had taken place in the Trust over the previous 12-month period.

AGM/2023/005 PRESENTATION OF THE ANNUAL ACCOUNTS 2022-23

Mrs Brown presented the Annual Accounts to attendees. She confirmed that the Trust had once again met all of its statutory financial duties for 2022-23 and explained that the small financial deficit had been related to the pay award for staff that had not been agreed until later in the year.

Mrs Brown reported that total income for the 2022-23 had increased by 6% from the previous year, due to a combination of inflation and increased activity. She added that expenditure had also increased by the same amount and clarified that this was primarily due to a technical adjustment to account for Private Finance Initiative (PFI) activity throughout the year. Directors noted that there had been an increase of £37.1m in total operating income from the previous year and that this was primarily made up of the £17.4m pay award funding and a £20m increase in block income.

Mrs Brown went on to provide a summary of the Trust average employee numbers and costs. She reported that the average pay cost had increased a by £37m overall due to

additional hosted services and services provided by the Trust to other organisations. Mrs Brown added that the average cost per employee had also risen from £49,231 to £51,786 and that there had been other rises in several operational related expenses, including drug and estates costs. She explained that other operational expenses had been lower due to the reclassification of operating leases. Mrs Brown reported the total capital investment for the year at £32.5m, £7.6m of which had been provided for the replacement of RAAC affected material. Directors noted that £3.6m had been spent on the conversion of two old theatres at BGTH and that £3.4m had been spent on required lifecycle works.

Mrs Brown noted that the Trust was already seven months into 2023-24 and that it was expected to be a significantly challenging year, with an ambitious savings target of £54m. She advised that the Trust was falling slightly short of this target and confirmed that a recovery plan had been developed to address this and ensure that it was able to meet its savings plans as best as it could.

Mrs Brown went on to explain that its financial strategy for 2023-24 was focused on five key elements: its current baseline position, the drivers of deficit, financial grip and control, its WRP and collaboration and transformation. She emphasised that the Trust had a long history of sound financial stewardship but acknowledged that there would be significant challenges ahead.

RESOLVED: Members received and noted the Annual Accounts.

AGM/2023/006 QUESTIONS FROM THE PUBLIC

Mr Sarwar invited questions from any members of the public in attendance.

Dr Dad extended his congratulations to Mr Hodgson and the rest of the Executive team for their achievements in 2022-23. He requested additional clarification on current self-assessment rates against a potential future inspection by the Care Quality Commission (CQC), particularly with the Trust's aspirations to become an 'Outstanding' rated organisation. Dr Dad also noted that the Trust's cost savings programme was likely to be significant and enquired if there was expected to be any significant impact on services.

Mr Hodgson explained that the Trust had established a dedicated task and finish group to prepare for any future visit by the CQC and that it had now been in operation for the best

part of a year. He confirmed that a full portfolio of evidence had been pulled together around various areas, including any CQC related key lines of enquiry and highlighted that the Trust had moved on significantly in many areas. Mr Hodgson acknowledged that there were still some areas of concern, particularly in relation to the escalating pressures on urgent and emergency care pathways and confirmed that action plans were in place to address these. He added that the additional financial challenges being seen nationally were also cause for concern but indicated that the Trust was on track to achieving a forecast outturn position that would be acceptable to the system.

Mr Sarwar noted that it was likely that the Trust would be assessed as part of the wider LSC system as well as an individual organisation. He added that both the CQC and provider organisations would need to learn to adapt to this going forward but stated that the Trust would continue to make the appropriate preparations, and hold itself to account when needed, in the interim.

Referring to Dr Dad's query regarding the potential impact on services from the wider financial challenges facing the NHS, Mr Hodgson acknowledged that further discussions would be needed as to whether the Trust would be able to continue to provide all of the services that it had in the past. He confirmed that any decisions would need to be made in conjunction with Integrated Care Board (ICB) colleagues and stressed that other organisations across the country would also be facing similar choices.

Mr Sarwar pointed out that these issues were linked to the wider need for the Trust to ensure that it was delivering the right services for the population of East Lancashire. He added that this would need to be done in collaboration with local government colleagues and the voluntary, faith and private sectors. Mr Sarwar reiterated that any decisions regarding services would have to be done in consultation with the ICB and emphasised that the Trust's priority would remain on keeping patients safe and maintaining quality of care.

In response to a further query from Dr Dad regarding the capability of the Trust to push back on what it was being expected to deliver whilst managing the significant pressures that it was currently experiencing, Mr Hodgson stated that the Trust had a statutory responsibility to meet its financial obligations but acknowledged that there was also a fundamental need for these to be achievable.

Mr Barnes noted that there would be a number of opportunities opening up in local communities over the coming months and years and urged the Trust to consider the possibilities that it could take advantage of through greater partnership working. He acknowledged that it would take great deal of capacity and effort to push this through and get partnerships in place across a footprint as large as East Lancashire but expressed concern that the Trust could fall behind in several crucial areas if this was not done.

Mr Sarwar agreed with Mr Barnes' assessment and provided assurances that the Trust was taking measured steps towards greater collaboration.

Mr Hodgson also concurred with Mr Barnes' comments and pointed out that strengthening community services would play a crucial role in reducing the current pressures on emergency services.

AGM/2023/007 CLOSE OF THE MEETING BY CHAIRMAN

Mr Sarwar extended his thanks to Directors and to all other attendees for joining the meeting. He stated that despite the difficulties already seen during the current financial year, there was still real sense of optimism throughout the Trust, and that this reflected the quality of its staff. Mr Sarwar acknowledged that there was still a significant amount to be done in a number of crucial areas and that it was incumbent on the Trust's senior leaders to harness the talent within the organisation and continue to deliver high quality services for the population of LSC.