

EAST LANCASHIRE HOSPITALS NHS TRUST BOARD MEETING



Safe

Personal



Effective



TRUST BOARD PART 1 MEETING
27 APRIL 2016, 14:00, SEMINAR ROOM 4, ROYAL BLACKBURN HOSPITAL

AGENDA

v = verbal
p = presentation
d = document
✓ = document attached

OPENING MATTERS				
TB/2016/128	Chairman's Welcome	Chairman	v	2.00
TB/2016/129	Open Forum To consider questions from the public	Chairman	v	
TB/2016/130	Apologies To note apologies	Chairman	v	
TB/2016/131	Minutes of the Previous Meeting To approve or amend the minutes of the previous meeting held on 30 March 2016	Chairman	d✓	
TB/2016/132	Matters Arising To discuss any matters arising from the minutes that are not on this agenda	Chairman	v	
TB/2016/133	Action Matrix To consider progress against outstanding items requested at previous meetings.	Chairman	d✓	
TB/2016/134	Declarations of Interest To note any new declarations of interest from Directors.	Company Secretary	v	2.10
ACCOUNTABILITY AND PERFORMANCE				
TB/2016/135	Integrated Performance Report To note performance against key indicators and actions being taken to recover areas of exception to expected performance. The following specific areas will be discussed: <ul style="list-style-type: none"> • Performance • Quality & Safety • Finance • HR • Safer Staffing <p style="text-align: center;">TO FOLLOW</p>	Director of Operations	d	2.15
GOVERNANCE				
TB/2016/136	Directors' Register of Interests To confirm and approve the Directors' Register of Interests for inclusion into the Annual Report 2015/16	Company Secretary	d✓	2.35
TB/2016/137	Delegation of Authority for Approval of the Annual Report and Accounts 2015/16 To consider the proposal for the delegation of authority to the Audit Committee.	Company Secretary	d✓	2.40
TB/2016/138	Auditor Panels To approve the recommendation of the Audit Committee	Company Secretary	d✓	2.45
CLOSING MATTERS				
TB/2016/139	Any Other Business To discuss any urgent items of business.	Chairman	v	2.50

TB/2016/	Open Forum To consider questions from the public.	Chairman	v	
TB/2016/	Date and Time of Next Meeting Wednesday 25 May 2016, 14.00, Seminar Room 4, Learning Centre, Royal Blackburn Hospital.	Chairman	v	3.00

Please note that due to the junior doctors' strike action that is taking place on the day of the Board meeting, we shall endeavour to conduct the meeting within a shorter than usual time of approximately 1,5 hours.

TRUST BOARD REPORT

Item **131**

27 April 2016

Purpose Action

Title Minutes of the Previous Meeting
Author Miss K Ingham, Minute Taker
Executive sponsor Professor E Fairhurst, Chairman

Summary:

The draft minutes of the previous Trust Board meeting held on 30 March 2016 are presented for approval or amendment as appropriate.

Report linkages

Related strategic aim and corporate objective As detailed in these minutes

Related to key risks identified on assurance framework As detailed in these minutes

Impact

Legal Yes Financial No

Maintenance of accurate corporate records

Equality No Confidentiality No

Previously considered by: NA

(131) Minutes of the Previous Meeting

EAST LANCASHIRE HOSPITALS NHS TRUST
TRUST BOARD MEETING, 30 MARCH 2016
MINUTES

PRESENT

Professor E Fairhurst	Chairman	Chair
Mr K McGee	Chief Executive	
Mr S Barnes	Non-Executive Director	
Mrs C Pearson	Chief Nurse	
Dr D Riley	Medical Director	
Mr P Rowe	Non-Executive Director	
Mrs G Simpson	Director of Operations	
Mr D Wharfe	Non-Executive Director	
Mr J Wood	Director of Finance	

IN ATTENDANCE

Mrs A Bosnjak-Szekeres	Company Secretary	
Mr M Hodgson	Director of Service Development	
Mr D Holden	Interim Governance Adviser	
Mrs C Hughes	Interim Director of Communications	
Miss K Ingham	Minute Taker	
Mr K Moynes	Director of HR and OD	
Miss S Monks	Trainee Anaesthetist	Observer/Audience
Mrs S Moorcroft	Pfizer Representative	Observer/Audience
Mr G Parr	Public Governor, Pendle	Observer/Audience
Mrs B Redhead	Public Governor, Ribble Valley	Observer/Audience
Mr B Todd	Member of the Public	Observer/Audience

APOLOGIES

Mrs E Sedgley	Non-Executive Director
Mr R Slater	Non-Executive Director

TB/2016/091

CHAIRMAN'S WELCOME

Professor Fairhurst welcomed Directors, Governors and members of the public to the

meeting. She introduced Mrs Bosnjak-Szekeres, Company Secretary to Directors and welcomed her to her first Trust Board meeting.

TB/2016/092 OPEN FORUM

Mr Todd asked whether the Trust had a policy in place regarding the placement of married patients in care homes or rehabilitation facilities. He provided the example of the recently reported case in the local media of a married couple who were unable to remain together following placement in separate care homes. Mr McGee confirmed that these decisions are not within the remit of the Trust, but are made by the local Clinical Commissioning Groups.

Mrs Redhead, Public Governor for Ribble Valley asked whether the Trust envisaged a significant issue as a result of the further reduction to the agency cap that is due to come into effect on 1 April. Mr Moynes confirmed that the Trust have processes in place should the Trust need to authorise the override the current agency caps, which include approval by the Medical Director for medical staff or the Director of Nursing for nursing staff and only take place should there be a risk to patient safety. Directors noted that there had been 41 overrides for nursing staff in month, but no overrides for medical staff.

TB/2016/093 APOLOGIES

Apologies were received as recorded above.

TB/2016/094 MINUTES OF THE PREVIOUS MEETING

Directors, having had the opportunity to review the minutes of the previous meeting, approved them as a true and accurate record.

RESOLVED: The minutes of the meeting held on 24 February 2016 were approved as a true and accurate record.

TB/2016/095 MATTERS ARISING

Action Plan and Timeline Emergency Department Consultant Recruitment

Mr Moynes reported that an action plan including timelines had been developed to improve recruitment to Consultant posts within the Trust's Emergency Department. He confirmed that the Trust had 16 candidates shortlisted for interview.

Mr Moynes provided a brief overview of the action plan, including the details of overseas recruitment; candidate referral; flexible working options and attractive recruitment and relocation packages. Directors noted that a Patient Centred Workforce and Planning event is arranged for 21 April 2016 to look at recruitment throughout the Trust.

RESOLVED: Directors noted the update provided and asked that an update be

provided from the event.

TB/2016/096 ACTION MATRIX

All items on the action matrix were reported as complete or were to be presented as agenda items today or at subsequent meetings. Updates were received as follows:

TB/2016/056: Open Forum – Mr McGee confirmed that there would be no delay to the development of a memorial garden at the Burnley General Hospital site. An appropriate location had been identified within the hospital grounds, capital is in the process of being sourced and the development has been included in the Estates and Facilities workplan for the coming year.

TB/2016/064: Safer Staffing Report – Mr Moynes reported that he had been in contact with the Home Office regarding the English Language examination requirements, it was confirmed that the level seven pass rate was a requirement of the Nursing and Midwifery Council (NMC). Mrs Pearson reported that she receives weekly updates from the overseas recruitment company and the Trust are expecting to have an initial cohort of six nurses in post in late April, with a further cohort arriving in early May. She went on to confirm that most of the recruited nurses from the Philippines have passed three of the four elements of the test, however should they fail on one element they must re-sit the whole test. Directors noted that the recruitment company have implemented an intensive course to improve the numbers of nurses who pass the test.

TB/2016/077: Open Forum – Mr Holden confirmed that an agenda item to review the good work of the Trust in relation to student nurses would be scheduled for quarter two of the year.

RESOLVED: **The position of the action matrix was noted.**
An agenda item to review the good work of the Trust in relation to student nurses would be scheduled for quarter two of the financial year.

TB/2016/097 DECLARATIONS OF INTEREST

Directors noted that there were no amendments to the Directors' Register of Interests and there were no declarations in relation to agenda items.

RESOLVED: **Directors noted the position of the Directors Register of Interests.**

TB/2016/098 CHAIRMAN'S REPORT

Professor Fairhurst reported that the Trust had received a visit from David Behan CBE, Chief Executive of the Care Quality Commission (CQC) on 11 March 2016. He commented that

he had been encouraged by his visits to the wards, particularly in relation to the clear demonstration of the ideas and morale of staff at ward level. Following his visit, the staff on wards had reported that the visit was helpful in terms of allowing them to convey their commitment to the organisation and their pride in being a part of it. Mr McGee reported that Mr Behan had given positive feedback regarding the visit, particularly in relation to the openness and honesty in the organisation and the recognition of the areas where improvements needed to be made.

Professor Fairhurst reported that the Trust Board has commenced a 12 months externally facilitated Board Development Programme earlier in the month.

RESOLVED: The report was received and Directors noted the updates provided.

TB/2016/099 CHIEF EXECUTIVE'S REPORT

Mr McGee drew Director's attention to the previously circulated report and highlighted that purdah would commence on 15 April 2016 until 24 June 2016, the day of the EU referendum. As a result the Trust would need to consider the matters that could be discussed in the public domain during this time.

He went on to confirm that the Trust was currently extremely busy through its emergency care pathway, including the Urgent Care Centres. The Trust regularly sees in excess of 600 attendances per day through this pathway and Mr McGee thanked staff for their continued efforts through these busy and testing times.

He reported that the Trust has announced a new partnership with the National Institute of Health Research (NIHR) and became a full partner in the NIHR Collaboration for Leadership in Applied Health Research and Care (CLAHRC). Directors noted that this partnership would help the Trust to grow in terms of research and development and would be focused on end of life care, stroke services and wound care across community service provision.

Mr Hodgson reported that the Trust's Integrated Musculoskeletal (MSK), pain and rheumatology service has received a 'Service Configuration and Pathways' award.

Mr McGee confirmed that the Trust's new Acute Medical Unit (AMU) has been operational for five months now. During this time in excess of 12,000 patients had been through the Unit and the ambulatory care service, with many being assessed, treated and discharged quicker than through the previous Medical Assessment Unit model..

Mr McGee drew attention to the summary of his calendar for the month of March and highlighted his attendance at the NHS Providers Chairs and CEO's network meeting that had taken place on 17 March. He provided a brief overview of the session and reported that there would be a number of measures of success for Trusts in the coming years; these

included overall CQC ratings, achievement of NHS Constitutional standards, delivery of financial targets and the ways in which Trusts contribute to wider system configuration. Directors noted that the elements were closely interlinked, particularly those relating to delivery of the constitutional standards and financial targets. Mr McGee confirmed that significant parts of his and other Board members time would be taken to work within the Pennine Lancashire and Healthier Lancashire programmes.

Mrs Pearson confirmed that in relation to the national consultation on a new support role for nursing, she had been in contact with the Health Education England to express an interest in the Trust being involved as a pilot site for any associate nurse roles that may be developed.

RESOLVED: The report was received and Directors noted the update provided.

TB/2016/100 PATIENT STORY

Mrs Pearson read out a patient story from a gentleman known as Mr K. He had been a Heavy Goods Vehicle (HGV) driver prior to his retirement and had not been a regular attender at his GP practice. Mr K developed symptoms of breathlessness whilst on holiday and upon return went to his doctor to report this. His GP referred him to the Trust's Respiratory Team. Mr K was allocated a consultant who sent him for various tests and a shadow was discovered on his lung. As a result of further investigations Mr K was diagnosed as having pulmonary fibrosis, provided with oxygen and referred to Wythenshawe hospital for further treatment. He reported that had it not been for the treatment received at Burnley General Hospital he would not be here today.

The only negative aspect to the care and service received by the Trust was reported to be in relation to the system used for recall appointments, which he felt does not work well and can lead to significant periods of time between appointments. Mr K also reported that the Burnley site is better set up to cater for his needs. Not only is it geographically closer to his home, but also the various elements of the service, such as the X-Ray department and consulting rooms are closer together than at the Blackburn site.

Mr K complimented the integrated therapy service and his consultant, Dr Hafeez, particularly in relation to the support offered and their approachability.

Professor Fairhurst thanked Mrs Pearson for the story and highlighted the various links between the story and the work that will be carried out as part of the Trust's Clinical Strategy. This included workforce development and the training and development of Nurse Specialists.

RESOLVED: Directors received and noted the patient story.

TB/2016/101 BOARD ASSURANCE FRAMEWORK

Dr Riley presented the framework to Directors for information and confirmed that there were a number of items for review and approval. He confirmed that following discussions with Mr Moynes and Mr Holden he recommended that risk SR/BAF/002: The Trust fails to deliver and develop a safe, competent workforce, should remain unchanged at this time due to the improvements that have been seen in the last 12 months.

Dr Riley went on to report that the Operational Delivery Board had undertaken significant discussion regarding risk SR/BAF/003: Partnership working fails to support delivery of sustainable safe, personal and effective care. As a result a recommendation was made to the Board to increase the rating from 9 to 12 based on the recognition that, whilst partnership working has never been better, the consequence of failure to deliver a safe, personal and effective workforce had increased. Directors discussed and approved the recommended change to the framework.

RESOLVED: Directors received, discussed and approved the changes to the Board Assurance Framework.

TB/2016/102 CORPORATE RISK REGISTER

Dr Riley presented the report to the Board for information and confirmed that one risk had been escalated to the Corporate Risk Register in month. The specific risk was in relation to the risk of not retaining the pan-Lancashire Community Equipment Store contract (risk ID 2154) and had been increased to an overall rating of 16 against a target of 8. Mr Hodgson confirmed that a preferred bidder had been identified, however the contract has not yet been awarded.

Dr Riley confirmed that risk ID 453: Pathway for spinal fractures would be de-escalated from the register in time for the next meeting as the issues that led to the increase have now been rectified.

Directors noted that whilst the issues relating to risk ID 5083: Failure to have a robust system to assess and manage patients with mental health needs had been improved they had not been completely resolved. In relation to risk ID 2053: Workload in pharmacy Chemotherapy unit leading to delays in treatment, Dr Riley confirmed that any delays have no impact upon patient safety.

RESOLVED: Directors received the report and approved the proposed changes to the Corporate Risk Register.

TB/2016/103 SERIOUS INCIDENTS REQUIRING INVESTIGATION (SIRI) REPORT

Dr Riley reported that there had been two never events reported at previous meetings and the Trust were awaiting the outcome of the review into the case regarding wrong site surgery. It is hoped that it will be confirmed not to be a never event. He drew Directors' attention to the 'corporate learning from incidents' section of the report and confirmed that it related to Venus Thromboembolism (VTE). The Trust had received a Section 28 report from the local Coroner on this matter and as a result the Trust Policy for management of patients with VTE had been revised in line with the recommendations in the notice.

RESOLVED: Directors received and noted the report provided.

TB/2016/104 CLINICAL STRATEGY

Dr Riley presented the Trust's Clinical Strategy and provided a brief overview of the work that had been undertaken to develop it within the organisation and with partners. He confirmed that the Trust was keen to move from being a provider of acute care into being a healthcare provider by 2021. Directors noted that the strategy identified a number of key themes, including the need to agree the governance principles with Healthier Lancashire and Pennine Lancashire partners; increasing primary and community care involvement; improved standardisation; changing non-elective pathways and reviewing and networking specialist services.

Mr McGee requested additional information regarding the planned work within primary care. Dr Riley responded that the issues with recruitment of nursing staff had been discussed at length in previous meetings and confirmed that GP recruitment was facing similar issues. The Trust was keen to work with GP practices to better integrate primary care services into the acute setting and provide more seamless care to the population.

Mr Hodgson commented that the document was comprehensive and suggested that a number of the transformational items would require significant input from partner organisations to deliver the expected outcomes.

Mr Rowe commented that the coming months and years would be an exciting time for the Trust and welcomed the move towards improving self-care and closer working with primary care providers. Mr McGee commented that the Trust would be looking to work closely within the Pennine Lancashire healthcare system and with other partners within the area to ensure adoption of the Trust's Clinical Strategy. Mrs Simpson commented that the Strategy had been written with input from the Trust's clinicians and management teams. She suggested that the Trust would be unable to manage the delivery of seven day services alone and would require closer working from health and social care providers, in addition to increased funding from commissioners.

Professor Fairhurst asked members of the public who were in attendance at the meeting

whether they had any comments to make or questions to ask relating to the Strategy. Mr Parr, Public Governor for Pendle commented that there was no mention of working with the voluntary sector and suggested that these groups would be more than willing to work with the Trust for the benefit of the population of East Lancashire. Mr McGee agreed that this was a good point and indicated that voluntary sector input would be sought in the near future. Mr Wood drew Directors' attention to the diagram on page 14 of the document which depicts the way in which the Trust and services across the health and social care sector would inevitably move in the coming years.

RESOLVED: Directors received, discussed and approved the Strategy.
It was agreed that greater input would be sought from voluntary sector services.

TB/2016/105 OPERATING PLAN 2016/17

Mr Hodgson reported that following feedback from the NHS Trust Development Authority (NTDA) on the initial draft of the operating plan a revised version of the plan had been developed.

Mr McGee thanked Mr Hodgson and his team for their work on the development of the comprehensive document. Directors discussed the most appropriate ways to inform staff, partners and members of the public of the content of the plan so that it is meaningful to them.

In response to Mr Rowe's question Mr Hodgson confirmed that the ability to hold organisations to account will be more significant than ever in the coming year, particularly in relation to the Pennine and Healthier Lancashire workstreams. He went on to report that the NTDA had sought to ensure that Provider and Commissioner plans were aligned for each area.

RESOLVED: Directors received and approved the Operating Plan for submission to the NTDA on 11 April 2016.

TB/2016/106 INTEGRATED PERFORMANCE REPORT

Mrs Simpson reported that the Trust continues to meet all cancer targets and performance against RTT targets. She confirmed that there were 32 complaints received in month; which remained below the internal threshold. The Trust continues to receive positive scores for the Friends and Family Test. Both SHMI and HSMR mortality rates remain within the expected range. The Trust continues to achieve the Hospital Ambulance Screen data quality compliance measure.

Performance against the four hour standard improved slightly in month, but it remains a

significant challenge, with current performance at 89.95% against the 95% threshold. Directors noted that, whilst the Trust continues to find performance against the standard difficult, its performance against the standard at national level remains good. Staffing across the ED pathway remains an issue, particularly in relation to consultant and middle grade medical staff and nursing staff. Mrs Simpson reported that the Trust had received a letter from Jim Mackey, Chief Executive of NHS Improvement to thank the Trust and its staff for their continued hard work to ensure that patient safety is not compromised during times of high demand and pressure.

Mrs Simpson provided an update to Directors on the actions developed at a recent workshop including; the involvement of the Programme Management Office (PMO) in the management of the emergency pathway, work to reduce the impact of patients who could be triaged within the ambulatory care service and the work being undertaken with Dr Riley to appropriately manage patients who are referred into the pathway for tests that may have been referred from GP's. Directors noted that the Trust, local social care providers and commissioners will be participating in a 90 day improvement collaborative hosted by the NTDA to further improve the way that the emergency pathway functions.

Mrs Simpson reported that the Trust had reported a month end position of a £11.2 million deficit, which was in line with the revised control total set by the NTDA earlier in the year. Mr Wood commented that non-elective activity had increased in month with complexity of cases also increasing and this in turn is putting additional pressure on finances.

Mr Barnes commented that it was pleasing to hear of the work to improve performance against the four hour standard. He went on to ask where the Trust would be in six months' time, given the pressures that were being seen. Mrs Simpson confirmed that the Trust is committed to delivering the four hour standard. The Trust had been required to submit a trajectory for recovery to the NTDA which ensured the Trust would meet the 95% target for the year 2016/17. Directors noted that the ability of patients to access primary care services has a significant impact on Trust performance and it was likely that the introduction of the 'living wage' in social care would also have an impact on acute care.

In response to Mr Rowe's question, Mrs Simpson reported that many of the Trusts who are performing better than ELHT in relation to the four hour standard are either considerably smaller or specialist Trusts with less demand for the service. She went on to confirm that the Trust currently runs the emergency care pathway with a 50% vacancy factor in its consultant staffing consequently, there is a reliance on locums and middle grade doctors, but there are also shortages in these staff groups.

Directors welcomed the discussion regarding performance against the four hour standard, as it provided a broad understanding of the context and issues and the processes that were in

place to improve performance.

RESOLVED: Directors received the report and the actions being taken to recover performance in specified areas were supported.

TB/2016/107 STAFF SURVEY 2015 RESULTS REPORT

Mr Moynes presented the report, he confirmed that the results were an improvement on the results from the previous year which was pleasing. Directors noted that the Trust had elected to carry out a full census with a return rate of around 39%. Mr Moynes provided a brief overview of the result and confirmed that the Trust had scored in the top 20% of Trusts in 12 areas, average in four areas and below the national average in three areas. Issues of concern related to the number of appraisals carried out but it was noted that the quality of appraisals had improved since the last survey.

Mr Moynes confirmed that an action plan has been developed and included the development of a business case for a wellbeing and mental health service for staff.

Directors discussed the levels of engagement that were evident within the Trust and the levels that were expected by staff. Mr Moynes confirmed that the results of the survey would go a significant distance to cementing the Trust's position in the top 100 NHS Trusts to work for. In response to Mrs Pearson's question, Mr Moynes confirmed that only one other Trust in the region had carried out a full census of staff.

Professor Fairhurst asked for an update in relation to the number of staff who had received their flu vaccination. Mr Moynes confirmed that 84% of staff had received the vaccination which was the highest number of any acute Trust in the country.

Mr McGee commented that he was delighted to see the results of the survey and it was evidence that the Trust had a strong and engaged workforce. He thanked the HR and Staff Engagement teams for their work in ensuring a good response rate.

RESOLVED: Directors received and noted the report and its contents.

TB/2016/108 QUALITY COMMITTEE ANNUAL REPORT

Mr Rowe presented the report to members and confirmed that it was an accurate reflection of the work carried out by the Committee in 2015/16. He drew Directors' attention to the proposed workplan for the forthcoming year and the revised terms of reference for approval. Directors approved the revisions to the terms of reference and approved the proposed Committee workplan. Professor Fairhurst thanked the Committee members for their work in year.

RESOLVED: Directors received the report and approved the revisions to the terms of reference and annual workplan.

TB/2016/109 FINANCE AND PERFORMANCE COMMITTEE UPDATE REPORT

Mr Wharfe presented the report for information to Directors.

RESOLVED: Directors received and noted the report provided.

TB/2016/110 FINANCE AND PERFORMANCE COMMITTEE ANNUAL REPORT

Mr Wharfe presented the report to members and confirmed that it was an accurate reflection of the work carried out by the Committee in 2015/16. He confirmed that the Committee had met 11 times in the year. He drew Directors' attention to the revised terms of reference for approval. Directors approved the revisions to the terms of reference and approved the proposed Committee workplan. Mr Wharfe thanked the Committee members for their scrutiny and oversight at the Committee in year.

RESOLVED: Directors received the report and approved the revisions to the terms of reference.

TB/2016/111 REMUNERATION COMMITTEE UPDATE REPORT

Professor Fairhurst presented the report to the Board for information.

RESOLVED: Directors received and noted the report provided.

TB/2016/112 TRUST BOARD PART 2 INFORMATION REPORT

Professor Fairhurst informed the Board that this report documented the items discussed at the last private Board meeting in February 2016. She advised that items will be brought to Part 1, the meeting in public, at the appropriate time subject to issues of confidentiality and commercial confidence. The items listed will remain under Part 2 whilst there remain aspects of confidentiality.

RESOLVED: Directors received and noted the report provided.

TB/2016/113 ANY OTHER BUSINESS

There were no further items of business brought to the Board.

TB/2016/114 OPEN FORUM

Mr Todd asked how the Junior Doctor strike action had affected the Trust, particularly in relation to cancellation of surgery and outpatient appointments. Dr Riley confirmed that the days of industrial action that have taken place have undoubtedly had an effect on services but the Trust had developed and deployed plans to minimise the disruption. As a result, a small number of elective operations had been rearranged to free up theatre space for

emergency operations. A number of outpatient appointments had also needed to be postponed to allow clinicians to be available to treat in-patients during the strike action. Mrs Simpson confirmed that the last strike action had seen 29 operations cancelled whilst 212 were undertaken as planned. Dr Riley confirmed that the planned strike action that is scheduled for 26 and 27 April would cause more issues, particularly within the emergency care services as Junior Doctors will not provide emergency care on these days. Directors noted that increased planning was being undertaken to manage patients safely and effectively over this 48 hour period. For example, annual leave and study leave for medical staff is being cancelled or managed on a case by case basis and senior clinicians will be redeployed into the emergency care pathway. Dr Riley commented that the Trust was hopeful that a suitable resolution would be reached at national level and the strike would not go ahead. Mrs Simpson confirmed that weekly planning meetings are taking place to plan for the strike action which includes input from all divisions and local commissioners.

In response to a subsequent question from Mrs Redhead, Public Governor for the Ribble Valley, Mrs Simpson confirmed that patients who have their appointments cancelled as a result of strike action receive as much notice as possible of the cancellation and they are provided with an alternative appointment as soon as possible.

Mr Todd asked for an update on the ability of the Trust to access GP systems and vice versa. Mr Wood confirmed that the two systems now have a better interface and are more accessible than in the past, however this was not functioning as required yet. He reported that the Trust Board had approved a business case to develop an improved information management and technology (IM&T) strategy earlier in the year but this would take around three years to fully implement.

Mr Parr commented that the Clinical Strategy that had been approved was an excellent document and boded well for the future of care in the area. He went on to comment that the positive staff survey results were testament to the improvements that had been seen in the organisation in the previous two years.

TB/2016/115 BOARD PERFORMANCE AND REFLECTION

Professor Fairhurst asked Directors to consider the performance of the Trust Board over the course of the last year and whether the Board had given adequate consideration to items that had been presented.

Professor Fairhurst specifically mentioned the external assurance the Trust Board was receiving through such pieces of work in the Board Development Sessions with the Good Governance Institute. Directors discussed the items that had been presented to the Board in the year and it was felt that all items had been considered appropriately and had received

the necessary levels of scrutiny. Mr McGee suggested that for the future of the Board there would need to be a suitable balance struck between the working of the Trust and the wider partnership working that will continue to take place across the local and regional areas. Mr Hodgson commented that consideration would need to be given in the future between strategic issues and holding the Board to account.

In relation to the agenda items presented at the meeting today, Mr McGee commented that the results of the Staff Survey demonstrated a clear focus on staff engagement, which is an area for further development in the future. Dr Riley suggested that the significant discussion surrounding the performance against the four hour standard had highlighted that whilst the Trust were performing well at a regional level there was significantly more that must be done to improve performance. Directors noted that with the exception of the four hour standard, the overall performance of the organisation was good and was as a result of the considerable efforts of the staff working for the benefit of patients.

Directors agreed that there was a need to consider the intelligence that can be brought from the local population and there should continue focus on meeting the needs of the patients that the Trust serves, likewise in the development of strategy within the organisation.

Professor Fairhurst suggested that meeting dates be circulated to the Local Authorities and Healthier Lancashire with an invitation to attend future meetings.

RESOLVED: **Local Authority and Healthier Lancashire partners would be sent details of future Trust Board meetings along with invitations to attend.**

TB/2016/116 DATE AND TIME OF NEXT MEETING

The next Trust Board meeting will take place on Wednesday 27 April 2016, 14:00, Seminar Room 4, Learning Centre, Royal Blackburn Hospital.

TRUST BOARD REPORT

Item **133**

27 April 2016

Purpose Action

Title	Action Matrix
Author	Miss K Ingham, Minute Taker
Executive sponsor	Professor E Fairhurst, Chairman

Summary: The outstanding actions from previous meetings are presented for discussion.

Members are asked to note progress against outstanding items and agree further items as appropriate

Report linkages

Related strategic aim and corporate objective	Put safety and quality at the heart of everything we do Invest in and develop our workforce Work with key stakeholders to develop effective partnerships Encourage innovation and pathway reform, and deliver best practice Become a successful Foundation Trust
Related to key risks identified on assurance framework	Transformation schemes fail to deliver anticipated benefits The Trust fails to deliver and develop a safe, competent workforce Partnership working fails to support delivery of sustainable safe, personal and effective care The Trust fails to achieve a sustainable financial position The Trust fails to achieve required contractual and national targets and its improvement priorities Corporate functions fail to support delivery of the Trust's objectives

Impact

Legal	No	Financial	No
Equality	No	Confidentiality	No

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ACTION MATRIX

Item Number	Action	Assigned To	Deadline	Status
2015/66: Talent Management	Update report to be provided in early 2016	Director of HR and OD	June 2016	Agenda Item June 2016
2016/023: Safer Staffing Report	The professional judgement review report on beds in ward areas to be presented to a future Trust Board meeting.	Director of Nursing	When Available	Agenda Item (timing to be advised)
TB/2016/095: Matters Arising	Feedback from the Patient Centred Workforce and Planning event to be provided to the Board	Director of HR and OD	April 2016	Oral Report
TB/2016/104: Clinical Strategy	It was agreed that greater input would be sought from voluntary sector services.	Chief Executive/ Medical Director	April 2016	Oral Report
TB/2016/115: Board Performance and Reflection	Local Authority and Healthier Lancashire partners would be sent details of future Trust Board meetings along with invitations to attend.	Company Secretary	April 2016	Oral Report

TRUST BOARD PART 1

Item 136

27 April 2016

Purpose Action

Title	Directors' Register of Interests
Author	Mrs A Bosnjak-Szekeres, Company Secretary
Sponsor	Professor E Fairhurst, Chairman

Summary: Section 7 of the Trust's Standing Orders describes the duties and obligations of Board Members in relation to declaring interests. All Board Members have recently been asked to review and update their interests and this report provides the up to date entries in the Register. The Register is available for public inspection and it is presented annually to the Trust Board for approval and inclusion in the Trust's annual report.

Recommendation: The Board is asked to approve the presented Register of Director's Interests and authorise its inclusion into the Trust's annual report for 2015/16.

Report linkages

Related strategic aim and corporate objective	Become a successful Foundation Trust
Related to key risks identified on assurance framework	Corporate functions fail to support delivery of the Trust's objectives

Impact

Legal	Yes	Financial	No
The Trust would be in breach of its own Standing Orders and its regulatory obligations should it omit to have proper arrangements in place for the Directors' declarations of interests.			
Equality	No	Confidentiality	No

DIRECTORS' REGISTER OF INTERESTS

Name and Title	Interest Declared	Date last updated
Professor Eileen Fairhurst Chairman	Professor in Public Health – University of Salford Trustee – Ben Johnson Foundation	15.4.2016
Kevin McGee Chief Executive	Positive Nil Declaration	15.4.2016
Stephen Barnes Non-Executive Director	Chair of Nelson and Colne College	18.4.2016
Peter Rowe Non-Executive Director	Director – Rowe Creative Ltd	18.4.2016
Elizabeth Sedgley Non-Executive Director	Accountant for various local firms	20.4.2016
Richard Slater Non-Executive Director	Positive Nil Declaration	20.4.2016
David Wharfe Non-Executive Director	Positive Nil Declaration	20.4.2016
Christine Pearson Director of Nursing	Positive Nil Declaration	18.4.2016
Damian Riley Medical Director	National Clinical Assessment Service Clinical Assessor and Trainer - small amounts of work are undertaken in this role and funded by NCAS Member of British Medical Association Registered with General Medical Council Spouse employee - GP in Dyneley House Surgery, Skipton Sister is an employee of pharmaceutical company Novartis	15.4.2016
Gillian Simpson Director of Operations	Spouses business (Simpsons Furniture, Colne) – provides cots for NICU at BGN	15.4.2016
Jonathan Wood Director of Finance	Positive Nil Declaration	18.4.2016

Name and Title	Interest Declared	Date last updated
Martin Hodgson Director of Service Development	Positive Nil Declaration	15.4.2016
Kevin Moynes Director of Human Resources & Organisational Development	Governor of Nelson and Colne College	15.4.2016

Angela Bosnjak-Szekeres, Company Secretary, 20 April 2016

TRUST BOARD REPORT

Item **137**

27 April 2016

Purpose Action

Title	Delegation of Authority to the Audit Committee
Author	Mrs A Bosnjak-Szekeres, Company Secretary
Executive sponsor	Mr J Wood, Director of Finance

Summary:

The report sets out the proposal for the delegation of authority by the Board to the Audit Committee for the approval of the annual report, audited accounts, annual governance statement and quality accounts for 2015/16.

Report linkages

Related strategic aim and corporate objective n/a

Related to key risks identified on assurance framework n/a

Impact

Legal	Yes	Financial	No
the Trust would be in breach of its regulatory obligations should it omit to submit its audited accounts to the Department of Health by the given deadline.			

Equality	No	Confidentiality	No
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Previously considered by: n/a

Background

1. The Trust's Standing Orders and the Reservation and Delegation of Powers describe the Board's authority to receive and approve the annual report and accounts.
2. Section 1.3 of the Standing Orders states the Trust's powers to delegate and make arrangements for delegation. Section 5.3 describes the delegation from the Board to the Committees.
3. The deadline for the submission of the annual report and audited accounts for 2015/16 is on the 2 June 2016. According to the annual plan presented by the Trust's external auditors, Messrs Grant Thornton at the last Audit Committee meeting on the 13 April 2016, the reporting of the audit findings and signing of the financial statements opinion will occur on the 1 and 2 June respectively. Thus, it would not be possible to present the final audited accounts for approval to the Board at its meeting on the 25 May. In previous years, the Board has delegated the authority to the Audit Committee to approve the audited accounts in order to ensure that they were submitted by the prescribed timelines. The recommendation below is based on the approach taken by the Board in the past.

Recommendation

4. The Board is asked to delegate the authority to the Audit Committee to approve the annual report and audited accounts for 2015/16, the annual governance statement and the quality accounts at its meeting on the 1 June 2016 and to authorise the Chairman of the Audit Committee and the Director of Finance with the submission of the audited accounts and relevant documents to the Department of Health on the 2 June 2016.

TRUST BOARD REPORT

Item

138

27 April 2016

Purpose

Action

Title

Auditor Panels

Author

Mrs A Bosnjak-Szekeres, Company Secretary

Executive sponsor

Mr Jonathan Wood, Director of Finance

Summary: The report sets out the requirement under the Local Audit and Accountability Act 2014 for the Trust to set up an Auditor Panel to advise on the selection of an external auditor. The Audit Committee considered the options for the establishment of the Auditor Panel at its last meeting and agreed to make a recommendation to the Board to approve the Audit Committee itself to undertake the role of the Auditor Panel.

Recommendation: The Board is asked to approve the recommendation of the Audit Committee and consider a suggestion of appointing an Executive Board Member to serve on the Auditor Panel with the Non-Executive Directors.

Report linkages

Related strategic aim and corporate objective

Encourage innovation and pathway reform, and deliver best practice

Become a successful Foundation Trust

Related to key risks identified on assurance framework

Corporate functions fail to support delivery of the Trust's objectives

Impact

Legal

Yes

Financial

Yes

Equality

No

Confidentiality

No

Previously considered by: Audit Committee on 13 April 2016

Legal - The Trust would be in breach of its legal and regulatory obligations if the Auditor Panel is not established.

Financial - The financial impact will become clearer once the Trust agrees the preferred procurement option for appointing the external auditors for the financial year 2017/18.

Introduction

1. The Department of Health has confirmed in 2015 that health bodies will move to a new audit framework in 2017/18 under the *Local Audit and Accountability Act 2014 (the Act)*, which replaces centralised arrangements for appointing local (i.e. external) auditors to local authorities and health service bodies (NHS trusts and clinical commissioning groups) with a system that allows each body to make its own appointment. This will mean that NHS trusts must select and appoint their own auditors and directly manage their contracts for the audits for the financial year starting April 2017, with the legislation requiring that the auditors are appointed by 31 December 2016.
2. The first stage of the new process is for NHS trusts to set up auditor panels, to advise and oversee the auditor appointments. The panels need to be in place and have begun to prepare for the appointment of external auditors by spring 2016. Existing audit committees (or sub-set) can be nominated to be the auditor panel.

Background

3. The key provisions set out in the 2014 Act are:
 - a) The Audit Commission closed on 1st April 2015 and it is no longer responsible for the centralised system of appointing external auditors to local authorities and health service bodies (The Act abolishes the Commission and repeals the *Audit Commission Act 1988*).
 - b) The Audit Commission's ongoing functions transferred to a variety of other bodies. Of particular importance is the *Code of Audit Practice* which defines the scope, nature and extent of local public audit work. Since 1st April 2015, the Code has been issued by the Comptroller & Auditor General (through the National Audit Office) and applies to all audits from 2015/16 onwards.
 - c) There is a new approach to the regulation of local public audit and eligibility of local auditors.
 - d) Local public bodies select and appoint their own auditors on the advice of auditor panels.

Regulations

4. A set of regulations have been issued under the Act that are relevant to health bodies. The aim of the Regulations is to ensure that there is appropriate scrutiny and oversight of the Trust's relationship with its external auditor. This will be achieved through the establishment of an Auditor Panel chaired by an independent member who is not part of the Trust's management structure (a Non-Executive) and the

majority of other Panel members must also be independent, so it can objectively look at the wider public interest.

5. The regulations stipulate that the Auditor Panel must either be a specially established panel or an existing Committee, Sub-committee or panel. Amongst the NHS bodies that have auditor panels in place at this stage, many decided to nominate their existing Audit Committee (or a sub-set of the committee) to act as the Auditor Panel to evaluate prospective external auditors prior to appointment. The arrangements of this kind were influenced by the following:
 - a) By definition the Audit Committee is independent and its members have the relevant experience and skills.
 - b) It has an established relationship with the external auditors and agrees their annual strategy and plan.
 - c) It reviews external auditors' work and performance, including reports throughout the year.

Options considered by the Audit Committee

6. The Audit Committee considered two options at its meeting on the 13 April 2016. The first one considered was where the Audit Committee is nominated to act as the Auditor Panel and the second one where a separate Auditor Panel is established. The Audit Committee agreed to recommend the first option to the Board where the Committee itself would fulfil the role of the Auditor Panel.
7. Should the Board agree the recommendation the Committee's terms of reference will need to be updated to reflect the additional responsibilities that it will have when acting as the Auditor Panel. The revised terms of reference will then be presented to the Board for ratification.

Accountability

8. In terms of accountabilities, the Chairman of the Auditor Panel would provide a report to the Trust Board about the Auditor Panel's activities and decisions. If the Board agrees that the Audit Committee will fulfil the Auditor Panel role, the report of the Auditor Panel Chairman should be separate from the report and minutes of the Audit Committee in order to demonstrate that the Auditor Panel is fulfilling its distinctive role.

Auditor Panel

9. The Auditor Panel must have at least three members, including a Chair who is an independent Non-Executive member of the Trust Board. As set out earlier in the report, the majority of the Panel's members must also be independent and Non-Executive members of the Board, but the Panel may include a minority of members who are not considered independent (either Executive member of the Board or Trust staff). This option was discussed by the Audit Committee and a suggestion was made that the Board might one to consider the appointment of the Director of Finance on the Auditor Panel.
10. The Auditor Panel must advise the Trust on the maintenance of an independent relationship with the appointed auditor and the selection and appointment of the local auditor, including the purchase of 'non-audit services' from the auditor. Many audit firms offer services to their clients over and above external audit, such as consultancy, taxation advice or project management. There could be advantages to the Trust in procuring these services from the firm also providing the external audit (for example, their existing knowledge of the business) but it is essential that an impartial relationship between external auditor and the Trust is maintained, in which the robustness and independence of external audit is not compromised, or seen to be compromised, by considerations of additional lucrative contracts. Although the contract length can be anything from 1 to 5 years, 3 to 5 years is considered as a usual length of the contract.

Conclusion and Recommendation to the Board

11. From 2017/18 onwards, NHS trusts must have an 'auditor panel' to advise on the appointment of their external auditors. The 2017/18 appointment must be made by the end of the preceding year (i.e. by 31st December 2016) and the Trust must have in place an Auditor Panel to carry out the function.
12. The Board is asked to agree the recommendation of the Audit Committee and authorise the Committee to fulfil the role of the Auditor Panel. The Board is also asked to consider the suggestion about the appointment of the Director of Finance to serve on the Auditor Panel.

Angela Bosnjak-Szekeres, Company Secretary, 15 April 2016