

Salford Royal NHS Foundation Trust (SRFT) and Pennine Acute Hospitals NHS Trust (PAT)

Shared Meeting of the Boards of SRFT and PAT

Monday 22 May 2017 at 3.30 – 4.30pm
Humphrey Booth Lecture Theatre, Mayo Building

Shared Agenda

1. PART 1

2. Apologies for Absence

3. Declarations of Interest

4. Minutes from Previous Meetings:

3.1) SRFT Part 1 – Meeting held on 27th March 2017

3.2) PAT Part 2 – Meeting held on 30th March 2017

5. Board Assurance Framework/Corporate Risk Register 2017/18: Opening Position

Chief Executive

5.1) SRFT

5.2) PAT

6. Standing Financial Instructions

Chief Finance Officer

7. Confirmation of the establishment of Statutory Standing Committees in Common:

Group Secretary

- Audit Committee
- Nominations Committee
- Charitable Funds Committee

(Verbal confirmation at the meeting)

8. 2016/17 Annual Report & Annual Accounts including Quality Report

Group Secretary

(For information only prior to approval by Group Audit Committee)

8.1) SRFT

8.2) PAT

9. Group Audit Committee Summary Report

Chairman of Group Audit Committee

– meeting held on 28th April 2017

10. Verbal CEO Report from Group Committees in Common

Chief Executive

11. Date and Time of Next Meeting:

Monday 4th September 2017 at 2.00 - 3.30pm

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal

Resolution: To exclude the press and public from the meeting at this point on the grounds that publicity of the matters being reviewed would be prejudicial to public interest, by reason of the confidential nature of business. The press and public are requested to leave at this point.

SRFT # 274090
2017-05-19 12:04:38 (UTC+00)

12. PART 2

13. Minutes from Previous Meetings:

13.1 SRFT Part 2 – Meeting held on 27th March 2017

13.2 PAT Part 2 – Meeting held on 30th March 2017

CLOSE

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

Present:

Mr Jim Potter, Chairman
Sir David Dalton, Chief Executive
Dr Joanna Bibby, Non-Executive Director
Mr Chris Brookes, Executive Medical Director
Mrs Diane Brown, Senior Independent Director
Mrs Rowena Burns, Non-Executive Director
Mrs Elaine Inglesby-Burke CBE, Executive Nurse Director/Deputy Chief Executive
Mr Raj Jain, Executive Director of Corporate Strategy and Business Development
Mrs Diane Morrison, Salford Director of Finance
Mr Ian Moston, Executive Director of Finance
Mr Peter Murphy, Salford Nurse Director
Dr Chris Reilly, Non-Executive Director
Mr Paul Renshaw, Director of Organisational Development and Corporate Affairs
Mr Jack Sharp, Executive Director of Service Strategy and Development
Dr Hamish Stedman, Non-Executive Director
Mr James Sumner, Executive Director of Performance and Improvement
Dr Peter Turkington, Salford Medical Director
Mr John Willis CBE, Vice-Chairman
Mrs Jane Burns, Associate Director of Corporate Affairs and Trust Secretary
Mrs Rebecca McCarthy, Deputy Trust Secretary

Observing:

Mrs Agnes Leopold-James, Staff Governor
Mrs Eve Scott, Assistant Director of Governance
Mrs Chris Mayer CBE

Apologies for Absence:

None

No.	Item	Action
	Welcome The Chairman welcomed everyone present to this meeting of the Board of Directors. He confirmed that the meeting would be held in two parts: a first part open to members of the public, and a second part in private session for confidential matters.	
1.	Patient Story The Board of Directors listened to a Patient Story read by the Salford Medical Director.	
Opening Matters		

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

No.	Item	Action
<p>2.</p>	<p>Chairman's Opening Remarks</p> <p>Establishment of Group The Chairman confirmed the new Group arrangements, established by the Boards of the Salford Royal NHS Foundation Trust (Salford Royal) and Pennine Acute Hospitals NHS Trust (Pennine), would take effect from 1st April 2017. The Chairman stated that the Boards had created a Group Committees in Common to oversee the key functions of Salford Royal and Pennine, comprising the Executive and Non-Executive Directors of Salford Royal. The Chairman confirmed the Group Committees in Common meeting arrangements; the meeting would be held in public, save for the review of confidential matters which would be reviewed in private session, and that the agenda, papers and presentations from the public part of the meeting would be made available via the Salford Royal and Pennine websites.</p> <p>The Chairman confirmed that the Boards of Salford Royal and Pennine would continue to meet three times a year (May, September and December) to fulfil specific responsibilities that were reserved to the Boards, and to monitor the work of the Group Committees in Common.</p> <p>The Chairman stated that full details of arrangements would be made available on the Salford Royal and Pennine websites and publicised within staff and public newsletters.</p> <p>Dr Joanna Bibby The Chairman confirmed that Dr Joanna Bibby would finish in her role as Non-Executive Director with Salford Royal following the March Board meeting. He commented that Jo had been a Non-Executive Director since July 2013 and, on behalf of the Board, expressed sincere thanks to Jo for her significant contribution to Salford Royal.</p> <p>Mrs Chris Mayer CBE The Chairman confirmed that Mrs Chris Mayer CBE had been appointed by the Council of Governors as a new Non-Executive Director at Salford Royal with effect from 1st April 2017.</p> <p>Group Secretary The Chairman confirmed that Mrs Jane Burns had been appointed as Director of Corporate Services and Group Secretary.</p>	
<p>3.</p>	<p>Apologies for Absence The Board of Directors accepted apologies for absence as recorded above.</p>	

SRFT # 274090
2017-03-19 18:04:38 (UTC+00)

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
4.	<p>Declarations of Interest The Chairman requested that Directors declared any actual or potential conflict of interest relevant to their role as a member of the Board of Directors and in particular to any matter being discussed at the meeting. There were no interests declared.</p>	
5.	<p>Minutes: Part 1 of the Previous Meeting The Chairman confirmed that Part 1 of the previous meeting held on 30th January 2017 had been open to members of the public. The draft minutes, recorded of that session, were reviewed by the Board of Directors and approved as a true and correct record.</p>	
6.	<p>Matters Arising No matters arising.</p>	
7.	<p>CEO Report including the Integrated Board Performance Dashboard</p> <p>7.1 Nurse Staffing Issues The Chief Executive provided a comprehensive update with respect to the continuing work to address the significant number of registered nurse vacancies. He stated that despite some positive indicators, including 81 WTE registered nurses having joined the Trust since January and slight improvement in retention, it was predicted that the net position would improve by another 50-60 nurses in the following 6 months, against a backdrop of over 200 registered nurse vacancies. The Chief Executive confirmed that a new approach to workforce recruitment and retention had been developed and would be rapidly pursued. The Executive Nurse Director provided an outline of initiatives including:</p> <ul style="list-style-type: none"> - Recruitment of Band 3 & 4 Care Support Workers to provide enhanced support to current registered nurses - Review of opportunities for Therapy and Administrative staff to support registered nurses - High profile facebook and twitter campaigns and further use of targeted advertising - Rewrite of all correspondence to potential candidates to ensure it is appropriate and contemporary - International recruitment campaign focused on India in conjunction with Pennine Acute Hospitals NHS Trust <p>The Executive Nurse Director emphasised the critical importance of retaining staff whilst proactively pursuing recruitment.</p>	

DRAFT # 274090
2017-03-19 18:04:38 (UTC+00)

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
	<p>In response to the Vice-Chairman querying the staff views regarding the new approaches, the Salford Nurse Director explained that many of the ideas had been directly generated from Ward Managers across the organisation. Furthermore, he highlighted that Trendcare was being led by the Ward Team, and was now being safely implemented on ten wards. He stated that Trendcare would be utilised as an evidence base to progress roll substitution.</p> <p>7.2 Annual Staff Survey</p> <p>A Non-Executive Director, Dr Hamish Stedman, declared an interest and confirmed that his wife and sister-in-law were current members of staff. The Chairman acknowledged the interest declared.</p> <p>The Chief Executive reported that, in broad terms, staff engagement levels had remained the same as the previous year, 3.8 out of 5, in line with the average score for integrated acute and community trusts. He confirmed that although in overall terms colleagues remained highly engaged, this was not at the levels the trust has enjoyed historically and that the ambition remained to be in the top 20%. He specifically highlighted that the supplementary commentary had revealed a perception that the trust's attention has shifted from 'better care' to giving priority to 'lower cost'.</p> <p>The Chief Executive expressed his view that the exceptionally challenging operational matters faced by the trust continued to impact on staff engagement and outlined key focus areas to improve patient and service user experience and also staff engagement:</p> <ul style="list-style-type: none"> - Improving patient safety, flow and experience - Delivering more Quality Improvement activity - Better supporting colleagues by delivering workforce resourcing plans <p>In response to a Non-Executive Director seeking further information regarding information gained from exit interviews and the resultant organisational response, the Director of Organisational Development and Corporate Affairs confirmed all registered nurse leavers from the previous 12 months had received an exit interview which had revealed the primary reasons for leaving as retirement, relocation, and to a slightly lesser degree, work-life balance. The Senior Independent Director acknowledged the trust's response to staffing issues and sought clarification as to whether Trendcare provided contrary evidence to the '1 to 8' safe staffing numbers, and the staff reaction to this. The Executive Nurse Director provided an example of roster re-engineering on a surgical ward to address fluctuations in staffing requirements at certain times of the day and night, and expressed her view that following successful pilot on 10 wards, there would be a willingness to undertaken roster reengineering across other wards.</p> <p>A comprehensive discussion took place regarding the degree to which the corporate recruitment functionality was supporting and enabling the proposed</p>	

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
	<p>actions, and the need to engage and communicate differently with staff. The Executive Director of Corporate Strategy and Business Development confirmed that discussion had commenced with workforce colleagues to conduct an external review, utilising a validated approach to benchmark recruitment and engagement processes. The Director of Organisational Development and Corporate Affairs confirmed the HR Divisional Teams worked extremely closely with the clinical divisions; and that Divisional workforce plans had now been approved and were being progressed. In addition, he affirmed the commitment of Salford Directors to be visible to frontline staff, supported by internal communications and social media. Non-Executive Directors emphasised the importance of effective communications with staff to ensure alternative approaches to addressing clinical staffing issues were firmly understood.</p> <p>In response to a Non-Executive Director querying the disproportionate percentage of clinical support workers at night, the Chief Executive described the approach to increase the number of clinical support workers to support registered nurses and ensure patient safety. The Executive Nurse Director confirmed that, in addition to the nationally determined Staffing Dashboard, that the Trendcare Report usefully demonstrated the number of care hours required, and how many had been provided, alongside split in blended skill mix. The Executive Director of Performance and Improvement expressed his view regarding the key actions to help resolve staffing challenges including addressing length of stay and bed occupancy to alleviate pressures on frontline staff. The Chief Executive summarised the discussion, highlighting the significant attention being paid to clinical staffing issues by the Salford Directors, alongside a recommitment to utilising QI methodology.</p> <p>7.3 Financial Position The Chief Executive reported that the financial position in month (February) was £0.7m better than planned, and that the forecast outturn position for the year had improved to a surplus of £1m. The Chief Executive confirmed the calculated Single Oversight Framework use of resources score was on plan at a score of 2.</p> <p>The Chief Executive stated that much work was taking place to set budgets for 2017/18 and highlighted the significant, and challenging, cash saving requirement of £28m in 2017/18.</p> <p>7.4 Key Performance Indicators</p> <p>7.4.1 A&E 4 Hour Standard (95% standard) The Chief Executive reported that performance in February was 77%. He added that intensive work continued to develop improvement plans, which would be presented later in the meeting. The Chief Executive reported that NHS England and the Secretary of State had confirmed that this standard was</p>	

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
	<p>the one that they attached most importance and would financially penalise trusts if they are unable to make sustained performance improvement (90% by October 17). The Chief Executive noted that Salford Royal only reported Type 1 activity and unlike other trusts, was unable to include low acuity walk-in activity from other locations within the reported figures. Furthermore he expressed his view that that the standard no longer served the purpose for which it was intended and distorted priorities for the NHS.</p> <p>7.4.2 GP Referred X-Rays The Chief Executive referred to discussion from the Board of Directors meeting in January 2017 regarding the need to reduce reporting times for GP referred X-rays, and confirmed that subsequent action had resulted in a reduction from an average of two weeks to 10 days in February. He stated that progress would continue to be monitored via the Executive Assurance and Risk Committee.</p> <p>7.5 Strategic Issues</p> <p>7.5.1 Integrated Care Organisation The Chief Executive explained that local Home Care providers were signaling some difficulty in recruitment and retention, and that Salford Royal would continue to engage with commissioners to examine how a sustainable market for home care in 2017/18 could be maintained, potentially utilising some of the additional resources for Adult Social Care announced in the budget in March. The Chief Executive added that good progress continued to be made in the development of an accountable care organisation.</p> <p>7.5.2 Midwife Led Maternity Unit (MLU), Ante and Post Natal Clinics The Chief Executive informed the Board of Directors that plans continued to be progressed to relocate the MLU. He highlighted a risk relating to the potential for an extension to the 1st October deadline for transferring the MLU to new accommodation to be sought. The Board of Directors acknowledged the agreed plan and reaffirmed the position that the 1st October was a date that must be adhered to.</p> <p>7.5.2 North West Sector and Healthier Together The Chief Executive reported that a draft business case base had been produced which included a contribution to the capital costs for the new build on the Salford Royal site. He highlighted that there remained unresolved issues relating to the intrinsic capital solution to include trauma facilities</p> <p>7.5.3 Establishing a Group The Chief Executive reported that considerable progress had been made on the Management Agreement and confirmed further detail would be provided later in the meeting.</p>	

SRFT # 274090
2017-03-19 18:04:38 (UTC+00)

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

University Teaching Trust

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
8.	<p>Quality Improvement Dashboard</p> <p>The Executive Nurse Director presented the Quality Improvement Dashboard. She highlighted positive performance with respect to Catheter Urinary Tract Infections (Ca-UTI) and pressure ulcers in the community.</p> <p>The Executive Nurse Director highlighted that there had been a data point outside the upper control limit in the crude mortality chart in December 2016 and subsequent two months at the edge of the upper control limit. She confirmed that Salford Royal would monitor whether this had been replicated nationally.</p> <p>The Executive Nurse Director expressed her disappointment with respect to the negative trend in patient satisfaction, acknowledging that the significant system pressures, and issues identified via the staff survey, were inextricably linked.</p> <p>The Chief Executive informed the Board that the Care Quality Commission (CQC) had recently published a review of the way NHS trusts review and investigate deaths with focus on systems for sharing learning and making sure recommendations are acted upon. The Salford Medical Director confirmed a Mortality Surveillance Group had been established, providing a structure for conducting mortality reviews, and forum for colleagues to reach a conclusion and benchmark. The Executive Nurse Director confirmed a key focus for the Group Director of Governance would be embedding systems for shared learning.</p> <p>In response to the Senior Independent Director seeking further information regarding the Inpatient Friends and Family Test performance, the Executive Nurse Director explained that due to different providers utilising different methods of collecting this measure, direct comparison should be approached cautiously. She commented that whilst quality and safety was being maintained amid the significant operational challenges, the trust's internal systems mirrored the downward trajectory in patient satisfaction.</p> <p>A Non-Executive Director acknowledged the demonstrable achievements and continued positive performance against many patient safety and quality indicators. The Executive Nurse acknowledged that performance remained stable against the majority of indicators, expressing her disappointment with respect to pressure ulcers (acute) which had, against the trust's own exceptional performance, indicated a potential deterioration. A Non-Executive Director suggested that it may be beneficial to review Board level KPIs in order to ensure consistency in reporting and present a definite position of where the trust aimed to be. The Trust Secretary confirmed this work was underway and would be presented to the Board of Directors in due course in the context of</p>	

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
	<p>Group arrangements.</p> <p>The Executive Nurse Director informed the Board that QI initiatives for Group had been considered including the PJ Paralysis and Last 1000 Days initiatives, which would be developed within Care Organisations with the engagement of frontline staff.</p> <p>The Chief executive stated that Salford Royal's QI collaboratives had been a major staff engagement initiative for many years, and reiterated the importance of refreshing engagement with staff utilising this methodology. The Senior Independent Director echoed this comment and made reference to the Well Led Governance Review observation suggesting further opportunity for clinicians to contribute to the redesign of services.</p> <p>The Board of Directors reviewed and confirmed the Quality Improvement Dashboard.</p>	
<p>10.</p>	<p>Better Care at Lower Cost</p> <p>The Executive Director of Finance provided progress against plans to deliver savings of £20m in year and £30m recurrently in 2016/17. He highlighted the focus on transacting current schemes to deliver the forecast outturn.</p> <p>The Executive Director of Finance confirmed that dedicated communications to support to the Better Care at Lower Cost programme had been commissioned, recognising staff perception that the programme had focussed on cost reduction. In response to the Vice-Chairman seeking assurance regarding the level of 'buy-in' and certainty with respect to 2017/18 plans, mindful of the significant shortfall in savings achieved via the patient-flow and workforce workstream in 2016/17, the Executive Director of Finance highlighted the sizeable discussion that had taken place at the monthly Productivity Improvement Board regarding the challenging cost saving requirement for 2017/18. He confirmed the necessity to further reduce optimism bias and confirmed the Group Committees in Common would actively engage with the Care Organisations to seek assurance as to how each would achieve its target. In response to the Senior Independent Director querying lessons learnt from the workforce workstream in year that would be taken forward, the Executive Director of Finance highlighted the importance of divisions driving their respective workforce strategies. The Senior Independent Director further questioned if the skills were present in the organisation to drive and support delivery of the divisional workforce strategies. The Executive Director of Finance referred to the scale of the workforce transformation and confirmed a review of the capacity and effectiveness of the corporate supporting functionality was to be undertaken. The Director of Organisational Development and Corporate Affairs confirmed Divisional Workforce Strategies had been approved by the Salford Directors; outlining a potential gap for the</p>	

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
	<p>Divisions with respect to the use of technology to support and supplement the workforce.</p> <p>The Board of Directors reviewed progress of the Trust's Better Care at Lower Cost Programme plans to deliver savings of £20m in year and £30m recurrently in 2016/17.</p>	
<p>11.</p>	<p>Salford Urgent and Emergency Care System Review</p> <p>The Executive Director of Performance and Improvement provided a comprehensive presentation with respect to the Salford Urgent and Emergency Care System, including analysis of performance against the A&E 4 hour standard from 2014/15 onwards, issues impacting on current performance and actions being taken to alleviate pressures and improve patient flow. The Executive Director of Performance and Improvement concluded that the trust needed to reduce its Delayed Transfers of Care rate and introduce 25 further beds to enable the capacity to reconfigure its specialties, reduce length of stay and outliers.</p> <p>The Executive Medical Director stated that despite extraordinary pressures on the Emergency Department, patient safety remained a priority and was being maintained. He referred to the use of GP streaming in the daytime, currently deflecting circa 300 patients per month from within the department, and provided an example of a primary care streaming model currently being employed in Luton that was being considered.</p> <p>A Non-Executive sought clarification regarding the required trajectory, and if the stated short term actions would enable this trajectory to be achieved. The Chief Executive confirmed the Greater Manchester Sustainability and Transformation Plan trajectory was 90% by May, with NHS Improvement requiring 90% by October with month on month, and quarter on quarter, improvement and an aggregate position of 95% by March 18. The Chief Executive expressed caution that additional bed capacity to reduce outliers and focus on length of stay would not deliver a step change in performance without securing bed occupancy levels in the organisation.</p> <p>The Vice-Chairman referred to the proposal to adopt additional beds, and queried if alternative options had been considered such as moving those patients with DToC to a bespoke ward. The Executive Director of Service Strategy and Development confirmed that alternative options had been explored, however were cost inhibitive and not quick to mobilise. In response to the Vice-Chairman seeking further information regarding flex within the organisation and potential to futureproof, the Executive Director of Performance and Improvement confirmed that winter escalation plans suggested 5-15% flex. He stated that the additional beds would address the current length of stay issue, with beds that could close and mobilise in the</p>	

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
	<p>winter period. The Chief Executive provided additional context regarding the current conditions in the health and social care system, including dependency on social care funding and fragility in the workforce, both of which remained out with Salford Royal's control. He stated that the Board must set actions with reliable controls, cognisant of external factors.</p> <p>In response to a Non-Executive Director querying the extent to which Salford Royal was creating flexibility within a Greater Manchester health and social care system that was not suitable, the Executive Director of Performance and Improvement clarified that 90% of the DToC were within Salford, and therefore within the gift of the Integrated Care Organisation.</p>	
<p>9.</p>	<p>Integrated Care Organisation Programme Report</p> <p>The Executive Director of Service Strategy and Development provided an update on progress that had been made in developing an Integrated Care Organisation (ICO) as part of an Integrated Care System (ICS), including update about:</p> <ul style="list-style-type: none"> • The development of transformation plans for the adult population of Salford • The development of the wider Integrated Care System • The formal close-down of ICO implementation actions identified through the transaction and technical integration phase • ICO performance and improvement measures <p>The Board of Directors reviewed and confirmed the report.</p>	
<p>10.</p>	<p>Chairman's Report from the Council of Governors</p> <p>The Chairman presented key discussions and actions from the Council of Governors meeting held on 15th March 2017. The Chairman highlighted that the Council of Governors had approved transitional Group governance arrangements, including the establishment of a Shadow-Group Council of Governors as a subgroup of Salford Royal's Council of Governors and revision to the composition of the Salford Royal Council of Governors.</p>	
<p>11.</p>	<p>Amendments to the Constitution of SRFT</p> <p>The Chairman confirmed that the Constitution of Salford Royal NHS Foundation Trust (SRFT) has been revised to reflect the revised composition of Salford Royals Council of Governors, as approved by the Council of Governors at its meeting on 15th March 2017.</p> <p>He confirmed that the Constitution had also been amended to:</p> <ul style="list-style-type: none"> - allow membership to any individual who is fourteen years of age or older, in line with Pennine Acute Hospitals NHS Trust's membership criteria; 	

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
	<ul style="list-style-type: none"> - align disqualification from membership with the Foundation Trust's Violence and Aggression policy; - include Model Election Rules 2014, permitting Trusts to use electronic voting methods for the purposes of their Council of Governors' elections; - revise quorum of the Council of Governor to eight Governors (i.e. approximately two thirds of the Council) - extend the timeline for calling an election, if there is no next highest polling candidate for that seat, from three to six months - revise the quorum of the Board of Directors to five Directors (from four) <p>The Board of Directors reviewed and approved the proposed amendments to the Trust's Constitution with effect from 1st April 2017 and noted that NHS Improvement (Monitor) would be notified of the amendments to the Trust's Constitution.</p>	
12.	<p>Annual Review: NHS FT Code of Governance</p> <p>The Chairman presented a review of compliance with Monitor's NHS Foundation Trust Code of Governance.</p> <p>The Chairman confirmed a review of compliance with each provision had been undertaken by the Trust Secretary and Chairman. This had determined that the trust complied with the Code's provisions, with the exception of:</p> <ul style="list-style-type: none"> - <i>B.1.2 – At least half the BoD, excluding chairperson, should comprise independent NEDs</i> <ul style="list-style-type: none"> • There are 13 members of the BoD, excluding the chairperson, this includes 7 Executive Directors. Arrangements were described in detail to Monitor in August 2014 and Monitor confirmed no governance concerns and current arrangements were fully acceptable. - <i>Provision B.7.1 – In exceptional circumstances, NEDs may serve longer than six years (two three-year terms following authorisation of the FT) but subject to annual reappointment.</i> <ul style="list-style-type: none"> • The Chairman was re-appointed by the Council of Governors in December 2014. His term of office was set to expire at the end of the Annual Members Meeting 2017, at which point he will have served 11 years as Non-Executive Director/Chairman. The Council of Governors' decision in this regard was based on the Chairman's outstanding contribution and performance, and as the Board of Directors had seen refresh of both Executive and Non-Executive Directors over recent years, the reappointment of the Chairman beyond one year would provide stability during a significantly challenging period. • Subsequently, the tenure of the Chairman was extended until 30th June 2018 (extending current term of office to three years) by the Council of 	

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
	<p>Governors in March 2017. The Council of Governors recognised the exceptional circumstances and importance of stability during Group transitional arrangements, and acknowledged the significant experience and expertise of the Chairman.</p> <ul style="list-style-type: none"> • Two Non-Executive Directors were reappointed beyond 6 years during 2014/15 for a period of 1 year and 2 years respectively. The reappointment for a 2 year term of office was made in order to stagger future reappointments. • Two Non-Executive Directors were reappointed beyond 6 years during 2015/16, however this was for a period of 1 year only, this included the NED reappointed for a 1 year period in 2014/15. The two Non-Executive Directors were again reappointed during 2016/17 for a 1 year period. • In March 2017, the Council of Governors extended the tenure of the two Non-Executive Directors, described above, until 31st March 2019 (extending their current term of office to two years and three months). At 31st March 2019, one of the above Non-Executive Directors will have served eleven years and three months and the other, ten years and three months. Governors recognised the exceptional circumstances and the importance of stability during Group transitional arrangements, and the significant experience and expertise of these particular Non-Executive Directors. <p>The Board had received a detailed report that described the Trust's level of compliance across every provision within the Code.</p> <p>The Board of Directors reviewed the information provided and confirmed compliance with the provisions of the Code as described, including explanation of why the Trust had departed from B.1.2 and B.7.1.</p>	
11	<p>Summary Reports from the Board of Directors' Standing Committees:</p> <p>a) Audit Committee – meeting held on 17th February 2017 The Chairman of Audit Committee provided overview of the key matters and decisions made at the Audit Committee meeting held on 17th February 2017. He highlighted that a limited assurance internal audit report with respect to Clinical Audit had been presented at the meeting, and that he had discussed the findings with the Salford Medical Director, who would provide a progress report to the Audit Committee in due course.</p> <p>b) Executive Assurance and Risk Committee – meetings held on 20th February 2017 and 20th March 2017 The Executive Director of Performance and Improvement provided overview of the key matters and decisions made at the Executive Assurance and Risk Committee meeting held on 20th February and 20th March 2017. The Senior Independent Director requested additional detail in summary reports to enable clearer understanding of issues being addressed via the committee.</p>	

Meeting of the Board of Directors

Draft Minutes: Part 1

Held in Public

Monday 27th March 2017

Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal.

safe • clean • personal

No.	Item	Action
	<p>c) Strategy and Investment Committee – meeting held on 15th March 2017 The Chairman presented a summary of the key matters discussed at the Strategy and Investment Committee meeting held on 15th March 2017.</p> <p>d) Advisory Board for Integrated Care – meeting held on 26th January 2017 The Executive Director for Service Strategy and Development provided overview of key matters and decisions made at the Advisory Board for Integrated Care meeting held on 26th January 2017.</p>	
15.	<p>Any other business No other business.</p>	
16.	<p>Date and Time of the Next Meeting The Chairman confirmed that the next meeting would take place on Monday, 22nd May 2017 from 2pm at Humphrey Booth Lecture Theatre, Mayo Building.</p>	
<p>Closure of Part 1 of the Board of Directors' Meeting</p>		
17.	<p>Exclusion of the Public</p> <p>The Board of Directors resolved to exclude the press and public from the meeting at this point on the grounds that publicity of the matters being reviewed would be inappropriate, by reason of the sensitive and confidential nature of business.</p> <p>Members of the public were requested to leave the meeting room at this point.</p>	

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

Minute

Trust Board of Directors Room F7, Education Centre The Royal Oldham Hospital	30 March 2017 10.30am
---	----------------------------------

		Owner	Timescale
	Present Mr J Potter, Chairman Mrs D Brown, Non-Executive Director Sir D Dalton, Chief Executive Mr D Finn, Director of Finance (to Item 26/17) Mrs E Inglesby-Burke, Chief Nurse Mr J Lenney, Director of Workforce & OD Mrs C Mayer, Non- Executive Director Mrs M Ollerenshaw, Non-Executive Director Mr J Willis, Non-Executive Director		
	In Attendance Mrs J Adams, Interim Director Mr G Barclay, Assistant Chief Executive / Board Secretary Mr C Brookes, Medical Director, SRFT and PAT DPCI Ms K CalvinThomas, Director of Strategy Mrs N Firth, Director of Nursing, ROH Mr A Lynn, Head of Communication Mrs L McCluskie, Director of Estates and Facilities Mr S Taylor, Managing Director, FGH/RI		
	Public One staff side representative		
18/17	Welcome The Chairman welcomed everyone to the meeting.		
19/17	Patient Story Mr Barclay read a patient story which described an extended length of stay in hospital for a patient whilst awaiting a diagnosis. Mr Barclay said that the story would be read to all staff and form part of the April Team Talk.		
20/17	Declaration of Interests There were no declarations of interest.		
21/17	Procedural Business a) Minute of the Trust Board of Directors' Meeting held on 26 January 2017 The minute was submitted and approved.		
22/17	Chairman's Remarks The Chairman said that this meeting would be the final meeting of The Pennine Acute Hospitals NHS Trust Board where there would be a comprehensive agenda, prior to an establishment of		

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

	<p>the Committee in Common with Salford Royal FT from 1 April 2017. The Trust Board would thereafter meet three times per year to consider matters which had been reserved to the Board.</p> <p>The Chairman said that this meeting also marked the end of Mrs Ollerenshaw's term of office after 6 years as a Non-Executive Director. The Chairman thanked Mrs Ollerenshaw for her input to the Board and across the Trust as a whole during her term of office.</p> <p>The Chairman said that Ms Calvin Thomas would be transferring to a new post as Director of Strategy for the Manchester LCO from April 2017 and Mr Lenney would transfer to a new post as Director of Workforce for Manchester LCO in May 2017. The Chairman added that following a realignment of corporate governance support across Salford Royal and Pennine Acute Trusts this would be Mr Barclay's final meeting as Board Secretary after fulfilling that role for eight years. Mr Barclay would be continuing within the Trust in another senior role. The Chairman thanked Ms Calvin Thomas, Mr Lenney and Mr Barclay for their contributions to the Board.</p>		
23/17	<p>Chief Executive's Report</p> <p>Sir David spoke to his report and commented on the most recent conference call held with the Chief Officer for Greater Manchester and the CQC about progress on the Pennine Improvement Plan. The CQC had been interested to hear about work to improve the medical and maternity services and on a number of key indicators. The CQC had commented favourably on the Trust reported improvements and the use of NAAS to identify issues. The CQC had noted the Trust's view that patient safety was not being compromised in acute assessment units although all recognised that these units were a key pinch point in the urgent care system. A further follow up call would be arranged in one month's time. The Trust's Director of Governance was constantly updating the evidence base to support the improvement plan which would enable effective scrutiny of key topics.</p> <p>Mrs Mayer asked about the level of direction provided by the Pennine Improvement Board. Sir David said that the Board was chaired by the Chief Officer of Greater Manchester and the Board felt able to ask any questions and to receive any information required. Professor Makin asked whether CQC had enquired about the transition to Care Organisations and whether any further risks were emerging. Sir David said that CQC had noted all of the work underway within the Trust.</p> <p>Sir David commented on the national introduction of IR35 which would bring into effect changes to tax regulations, the intention of which was that individuals on personal service contracts would transfer to an employer's payroll and be taxed at source. There were a large number of individuals on personal service contracts providing clinical services to the Trust, particularly at Rochdale Infirmary. The number of staff engaged on personal service contracts was symptomatic of the difficulties engaging permanent staff in a number of specialties. Sir David said that individuals in a number of specialties had indicated that they would not wish to transfer to the Trust's payroll and this could</p>		

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

place service provision at risk. Mr Lenney had been leading work on short and long term solutions and the immediate risks to service provision had been addressed. Sir David asked whether any further risks had been identified and Mrs Adams advised that there was a particular issue in gastroenterology which was being addressed, but the wider implications would be escalated to NHS Improvement.

Sir David reported that Trust performance against the urgent care 4 hour target for February was 78.1% against an agreed external trajectory of 93.6%. Trajectories for the 4 hour target for 2017/18 were that Greater Manchester expected all sites to be at 90% by October 2017 and the majority of Trusts in aggregate at 95% by March 2018. The key focus within the Trust was on avoiding any 12 hour trolley waits from 1 April 2017. Good progress had been made at Fairfield and Oldham during March although North Manchester continued to report a number of 12 hour breaches. The rate limiting factor at North Manchester was patient flow, particularly assessment bed capacity. The North Manchester Care Organisation team had been challenged to make additional assessment bed capacity available within 16 weeks. This would, in turn, mean that some elements of day case surgery would be relocated to Rochdale Infirmary and some elements of inpatient surgery would be relocated to Fairfield General Hospital. Sir David said that these changes would bring staffing and estates challenges and he asked the Board to support the team at North Manchester in achieving these.

Mrs Brown asked what improvement in performance could be expected within 16 weeks. Sir David said that the work within this timescale would be to create the additional bed spaces. There would be a further challenge to staff these beds within the 16 week period. Any improvement in performance would follow thereafter. Mr Willis asked to what extent patient care was currently being compromised. Mr Brookes said that the biggest achievement over the last few months had been to stabilise and make safe the Accident and Emergency department at North Manchester General Hospital, with support from Consultants from Salford Royal and Central Manchester FTs. This improvement within the Accident and Emergency department had not, however, translated into improvements in flow out of the department as that had been constrained by the number of assessment beds available. Mrs Mayer asked about the impact on Rochdale Infirmary and Fairfield General Hospital of transferring surgical activity to those sites. Sir David said that there was capacity to use the facilities at Rochdale and Fairfield more intensively and he would expect to see changes in surgical practice as services were transferred.

Mrs Adams commented that the urgent care challenges at Oldham were different from those at North Manchester and some of the solutions which had been implemented by commissioners would need to be looked at again, alongside addressing capacity in the wider health and social care system, particularly long term residential care and transitional care beds. Mrs Adams added that agreement had recently been reached with Bury CCG and Local Authority on single Trust management of the integrated discharge teams and she hoped to achieve a

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

similar agreement with Oldham in the near future.

Board members indicated their support for all of the actions underway and in particular the expansion and staffing of the assessment unit at North Manchester General Hospital.

Mrs Brown commented that a number of indicators in the integrated performance report showed a deteriorating position and she asked what assurance could be provided that the new Care Organisation leadership teams were focused on these issues. Sir David said that the Trust remained in a period of transition with full implementation of the Care Organisation leadership arrangements expected by October 2017. Along with the Executive team he had met with each Care Organisation over the past week to discuss their operational plans for 2017/18 and the key risks. Mrs Brown said that the key issue was to identify when positive changes could be expected.

Sir David said that the learning from experience report, to be discussed later in the agenda, highlighted a (positive) upward trend in the number of incidents reported quarter on quarter with the highest number of incidents recorded within the Trust reported in Q3 at 4,670. At the same time the Trust had also reported the lowest number of serious incidents. This indicated a more open culture to identifying issues, but also that the improvements being made in a number of areas was having an impact in that the severity of incidents was reducing. Sir David commented that Dr Sinniah, Deputy Medical Director, was leading work on addressing delays in diagnosis, such as those identified in the patient story from the start of the meeting. Mr Brookes said that an interim report on delayed diagnosis had been submitted to the Executive Clinical Effectiveness Governance Committee. This had identified key issues regarding the need for clarity on who was responsible for each patient at any given time and in relation to IT systems. Mr Brookes said that he expected to see significant improvement once these were addressed.

Sir David commented on the Staff Survey results for 2016 which had held steady compared to the previous year. There had been some positive improvement reported from nursing and support staff but the overall Trust position was that there remained scope for considerable improvement. A key topic in the recent discussions with Care Organisation leadership teams had been their responsibility for supporting middle managers engage with staff.

Sir David referred to a number of strategic matters including the establishment of the Single Hospital Service, the transfer of acute services from North Manchester General Hospital to the Single Hospital Service and the transfer of community services to the Manchester LCO. Work continued with colleagues across Manchester to create a "road map" for the safe transfer of services. Work continued to plan the transfer of Women and Children's services at North Manchester General Hospital to CMFT in November 2017.

The Integrated Performance Report was noted.

DRAFT # 274090
2017-05-19 18:04:38 (UTC+00)

<p>24/17</p>	<p>Finance Report for the Period ending 28 February 2017</p> <p>Mr Finn reported that at month eleven the Trust was reporting a £9.5m deficit against a planned deficit of £14.72m, a favourable variance against plan of £5.2m which if maintained would be matched by additional STF funding from NHSi in March 2017. That in turn meant the Trust could report a projected deficit of £4.8m at which point NHSi had provided an additional £900,000 meaning that the month 12 projected outturn would be £3.9m deficit.</p> <p>Mr Lenney commented that year to date agency spend was £36.9m compared to planned expenditure of £24.9m. Expenditure had exceed plans and trajectories throughout the whole year. Mr Finn said that almost all agency expenditure had been incurred on medical and nursing staff. NHSi had advised that the Trust's control total for 2017/18 would be £23m. Mr Finn advised that the Trust would be unable to achieve such a significant reduction in one year.</p> <p>Mr Finn said that the Trust had achieved its CIP target for 2016/17 without the need for any non-recurring carry forward to 2017/18.</p> <p>A revised capital resource limit plan of £23.7m had been agreed by NHSi in October 2016. At the end of month 11 the CRL was underspent by £6.8m and the year-end forecast was a £7m underspend.</p> <p>Mr Willis commended the considerable work undertaken during the year and with partners to achieve the year end position outlined. However, he reminded the Board of the Trust's underlying deficit. Mrs Mayer said that achieving the CIP target in-year without a non-recurring carry forward was significant progress on previous years. The Chairman asked whether the cash position for 2017/18 would be adjusted as it appeared to be very tight. Mr Finn said he would cover this in his budget paper.</p> <p>The report was noted.</p>		
<p>25/17</p>	<p>Budget Setting and Annual Plan Update 2017/18</p> <p>Mr Finn spoke to his paper and said that although financial plans had been submitted to NHSi earlier than in previous years a control total for 2017/18 had not yet been agreed. The budget paper was therefore based on an assumption of a deficit control total of £25.1m, STF funding of £18.1m, full payment of CQUIN monies and agreement to a £23m agency control total. The budget also assumed inflation funding of 2.1% to cover pay awards, apprenticeship levy, incremental drift and non-pay inflation. The CIP target would be 3.2% totalling £21.1m. The budget also assumed recognition of £20.5m of funding to support the Improvement Plan.</p> <p>The budgets had therefore seen set on this basis rather than the deficit control total offer from NHSi of £4.5m or the £42.9m deficit submitted to NHSi on 30 December 2016. Mr Finn said that he could propose this budget to the Board as it was based on agreed contracts with commissioners and agreed</p>	<p>SRFT # 274090 2017-05-19 18:04:38 (UTC+00)</p>	

	<p>Improvement Plan funding.</p> <p>Work was underway to reconstruct the Trust's financial plans and reporting which had been in place at Trust and across sites and at divisional level for the last 14 years, into Care Organisation budgets. Control totals for income and expenditure on patient activity had been identified for each Care Organisation. Mr Willis commented that there had been a tremendous volume of work undertaken to achieve this position in such a short timescale and he commended the finance team for this. He asked whether the Care Organisations had signed off on the budgets allocated to date. Mr Finn said that the budgets had been signed off at the Executive Finance Governance Committee held earlier in the week and the CIP targets had been accepted at a separate senior leadership session.</p> <p>The budget included a £37m capital plan for 2017/18. This included £5m for The Royal Oldham Hospital and £5m for North Manchester General Hospital for essential capital estates work ahead of the transformation plans for the sites. The plan also included completion of the intermediate care facility at North Manchester General Hospital, a CT scanner for the Accident and Emergency department at The Royal Oldham Hospital, £3m towards an electronic patient record, a further £4m towards IM&T and £10m for medical and scientific equipment.</p> <p>Mr Finn agreed with the Chairman's earlier comment that the cash position for 2017 was extremely tight and predicated on a £25m deficit plan the Trust would require revenue support of £25m. He anticipated approval of this from NHSi although added that a number of other Trusts across the country were also seeking similar support.</p> <p>Mr Finn said that the only figure which he anticipated may change would be the level of STF funding and he therefore sought approval of the budget on that basis. Mr Willis said he was content to approve the budget but would seek greater assurance on how the level of agency expenditure would be reduced and he asked for sight of a plan for this. Mrs Mayer said that the Trust had historically delivered a healthy cash position and she asked at what point external support would be requested. Mr Finn said that if the £25m deficit plan was supported by NHSi then he would apply for support at the start of the financial year but would only draw it down when required. Mrs Ollerenshaw asked whether the Trust was making the maximum use of digital technology and was leveraging sufficient support from Salford Royal's digital leadership role. She asked what work was being undertaken to look ahead a further 10 years to identify the workforce requirements for the future combined with advancing technology.</p> <p>The budget was approved on the basis outlined in Mr Finn's paper and it was agreed that Mr Finn should keep the Board updated on any significant changes.</p>		
26/17	<p>Pennine Improvement Plan</p> <p>Mrs Adams spoke to her paper which set out progress made towards the delivery of the improvement plan. Additional</p>		

SECRET # 274090
2017-05-19 18:04:38 (UTC+00)

	<p>actions had been added to the plan as other issues had arisen and emerged from audits and from the NAAS.</p> <p>Commenting on the 77 “must do” actions further work was required on EBME, DNACPR, MCA and DOLS.</p> <p>Mrs Brown commented that taken together, workforce issues remained the most significant risk, and she asked about the impact of these issues on implementing the plan. Mr Lenney said that considerable work was underway across a number of areas to recruit additional staff. The prime focus for induction should be in local areas.</p> <p>The Chairman asked about the Pennine Improvement Board’s view on progress. Mrs Adams said that the plan was shared at each meeting of the Improvement Board and also with NHSi and CQC. The improvement board appeared content with overall progress while retaining a particular focus on improving urgent care.</p> <p>Mr Willis commented that the actions rated red were largely related to workforce and he asked how those issues might be addressed rather than continued expenditure on agency staff. Mrs Adams outlined a number of alternative staffing approaches being adopted. Mrs Mayer asked how assurance could be provided that agency staff were providing appropriate levels of care. Mrs Inglesby Burke said that the Trust’s bank and arrangements for engagement of agency staff would be transferred to NHS Professionals over the next few months. NHS Professionals had robust processes in place and she was confident that the Trust would be able to demonstrate appropriate assurance to CQC. Professor Makin added that improved arrangements for reporting on locum medical staff had been introduced at Care Organisation level and this would allow greater focus on this area. Sir David asked for a heat map to be prepared outlined where permanent and temporary locum staff were deployed along with RAG thresholds. Mr Brookes agreed to action this.</p> <p>The report was noted.</p>	<p>CB</p>	
<p>27/17</p>	<p>Learning from Experience Report</p> <p>Mrs Inglesby Burke spoke to her report which summarised incidents, inquests, complaints and PALS for the period October to December 2016. Mrs Inglesby Burke said that the lengthy report demonstrated the level of scrutiny being applied to this area. She commented on the following key issues:</p> <ul style="list-style-type: none"> • The number of incidents was the highest ever recorded in the Trust but with fewer in the most serious categories. This indicated positive improvement. • The majority of serious incidents related to 12 hour trolley waits. No harm had arisen due to these incidents. • Improved identification of pressure ulcers • A significant reduction in the number of patient falls • An increase in reporting in the maternity service again indicating improved confidence amongst staff • A reduction in the most serious category of complaints • An increase in the number of PALS enquiries • No prevention of future death notices from the Coroner 	<p>SRFT # 274090 2017-05-19 18:04:38 (UTC+00)</p>	

	<p>during the period</p> <p>Mr Willis asked about the level of confidence in data quality. Mrs Inglesby Burke said that confidence in this area was increasing but was not yet fully assured.</p> <p>The report was noted.</p>		
28/17	<p>Infection Prevention and Cleanliness Report</p> <p>Mr Brookes spoke to his report which set out infection prevention and control activities and cleaning performance for the period November 2016 to March 2017. Mr Brookes said that he regarded infection prevention as a cross cutting standard and a touchstone for clinical leadership. He said that there was no requirement for additional resource to reduce infection, rather it required leadership, responsibility and accountability across the Trust. He highlighted Clostridium Difficile and stated that achieving improvements in handwashing, timeliness of samples and antimicrobial stewardship did not increase cost but would dramatically improve quality. He said his ambition was to move the Trust from average performance to one of the top performers in the country.</p> <p>For the year to date:</p> <ul style="list-style-type: none"> • The Trust had recorded 57 hospital attributed cases of Clostridium Difficile against a target for the year of 55. All cases had been subject to a root cause analysis and the key theme was the need for timeliness in undertaking various actions. • A new national target had been introduced for E-coli bacteraemia with the intention of a 50% reduction by 2020. • Positive progress was noted in reducing MSSA bacteraemia. • CPE remained controlled. <p>Further improvements had been made in cleaning but the key issue was to ensure that improvements remained consistent across the Trust. Mrs Mayer asked about the cleaning audit data and why some areas had still not reached the required standard. Mrs McCluskie said that those areas reporting amber were marginal fails and there was sustained and continued improvement across the Trust. Mrs McCluskie said that she would bring a paper to the executive team and to the Board in due course to recommend bringing the cleaning service back in house.</p> <p>Mrs Inglesby-Burke commented on nurse and AHP cleaning scores which highlighted a number of red areas. She said that the NAAS was also capturing this information and improvements would be directed through this process.</p> <p>The report was noted and Mr Brookes sought and received support from the Board on the importance of reducing infections and improving cleaning scores.</p>	LMcL	
29/17	<p>Annual Staff Survey Results 2016</p> <p>Mr Lenney spoke to his report which provided an overview of</p>		

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

the staff survey results for 2016.

The survey had been issued to 9,000 staff during October and November 2016 with a 45% response rate (4,000 staff). The paper highlighted that staff engagement had remained static since the 2015 survey and the Trust remained in the bottom 20% in overall terms. Mr Lenney said that while there had been some improvement in some key areas including the nursing scores, the overall staff engagement score had not changed. Mr Lenney said that while he was personally disappointed, he was not surprised given the significant changes in the Trust over the last year and the announcement of the CQC inspection result, both of which caused uncertainty and anxiety amongst staff. He said the Trust's reputation would affect how existing staff felt about coming to work and would have an impact on the ability to recruit new staff.

Mr Lenney highlighted a number of key themes:

- The results correlated with the Trust's quarterly pulse checks.
- The Trust performed particularly poorly in the areas of recognition, fairness, confidence in reporting, team working, health and wellbeing.
- Staff in community services reported the highest levels of engagement whilst staff at North Manchester General Hospital, The Royal Oldham Hospital and in Elective Access reported the lowest levels of engagement. Staff in Women and Children's services reported low satisfaction levels but these had improved on the previous year.

Mr Lenney highlighted a number of priority actions:

- To create clarity around the new direction and vision for the Trust
- Introduction of a staff engagement model at Care Organisation level
- Clarity around the future organisational form, particularly Care Organisations
- Modelling behaviour and also reporting on how behaviour impacted on others
- Prioritising key issues for each care organisation
- An opportunity to sign up as part of the NHS employers "Quest" group

Mrs Mayer said that she could correlate areas of good performance to areas where the Trust had good leadership. However, the rest of the report was damning. She asked whether targeting performance improvement and including targets in individual performance objectives would be helpful. She also commented on the need for greater focus on security for staff. Mrs Brown commented that focusing down on a smaller number of priorities would be helpful. Sir David said that the focus should now lie with Care Organisation leadership teams and their increased visibility should help improve a number of areas. Sir David confirmed that the Trust would implement the Go-engage model and would seek to join the Quest group.

Mrs Ollerenshaw said that the results were disappointing. She

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

	<p>commented that while appraisals were being held staff did not see these as being quality discussions. She commented that over the last few years a lot of effort had been put into leadership development but it would appear that no real progress had been made. She echoed the comments from Mrs Mayer on security and said that the Trust must not accept violence from patients. Mr Lenney replied and said that further work was needed to understand the responses in relation to violence.</p> <p>Mrs Inglesby Burke said that she did not anticipate any significant change in the overall engagement score from the 2017 survey. She expected that it would take until 2018 before there was a significant change.</p> <p>The report was noted.</p>		
30/17	<p>Board Assurance Framework and Corporate Risk Register Mr Barclay spoke to his report. The Board Assurance Framework had been reviewed by each responsible director and had been reviewed in detail by the Executive Assurance and Risk Committee on 21 March 2017. The committee had spent time considering the updated position and in particular proposals to amend risk scores.</p> <p>Mr Barclay led the Board through a number of key risks and identified where EARC had proposed that risk scores be amended. A number of actions had enabled EARC to recommend that risk scores be reduced for seven risks. EARC had also proposed that the risk 5.1.2 relating to cancer should be increased due to weaknesses in the system for managing cancer patients.</p> <p>Mr Barclay drew the Board's attention to the new risk score for the Friends and Family Test (patients), to the separation of the risk relating to Evolve, and new risks relating to the maternity handover of care solution, the Clinisys laboratory system and cyber security. Board members noted the close correlation between the Board Assurance Framework and the Board agenda which indicated that the assurance and risk system was working well.</p> <p>Mr Willis asked about the impact of the risk relating to the Clinisys lab system and Mrs Adams agreed to advise Mr Willis. Mrs Brown commented on the risk on recruitment and retention and said that additional actions were required in relation to retention.</p> <p>The Board considered and accepted the new and escalated risks and considered and accepted the amended scores.</p>	<p>JA GB/JL</p>	
31/17	<p>Group Governance Arrangements Mr Barclay spoke to his paper which provided an update on the developing governance arrangements for PAT and SRFT in transition to Group. The paper followed on from the paper on Group standing orders submitted to the January Trust Board meeting. The paper before the Board included Standing Financial Instructions and a detailed scheme of delegation which were provided for review and approval by the Board and</p>		

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

	<p>which were applicable to Pennine Acute, Salford Royal and the Committee in Common.</p> <p>The Board:</p> <ul style="list-style-type: none"> • Reviewed and approved the standing financial instructions to take effect from 1 April 2017 • Reviewed and approved the detailed scheme of delegation to take effect from 1 April 2017 subject to an amendment to section 1 which had been agreed by the SRFT Board: <ul style="list-style-type: none"> ○ For pay and non-pay revenue and capital expenditure/ requisitioning/ ordering/ payment of goods and services/ budget virements (excluding VAT): ○ between £500,000 and £1,499,999 - to be approved by Care Organisation Management Board (or Group Executive Management Board if relevant to Group); ○ over £1m - to be notified to Group Strategy and Investment Committee for information; ○ £1,500,000 or more - to be approved by Group CiC. • Further amended the standing orders agreed at the January meeting to delegate power to the Audit Committee to approve the annual report, quality report and annual accounts and complete submission to the regulator. • Approved the appointment of Sir David Dalton as Chief Executive Officer to Group CiC and Mrs Judith Adams as Chief Delivery Officer to Group CiC • Noted that Chief Officers had been appointed in each Care Organisation • Confirmed the appointment of Mrs Jane Burns as Board Secretary to the Pennine Acute Hospitals NHS Trust. 		
32/17	<p>Board Sub Committees and EARC Report</p> <p>a) Audit Committee – 15 February 2017</p> <p>The minute was noted.</p> <p>b) Charitable Funds Committee – 9 March 2017</p> <p>The minute was noted.</p> <p>c) Executive Assurance and Risk Committee – 21 February 2017 and 21 March 2017</p> <p>The report was noted.</p>		
33/17	<p>Board Action Checklist</p> <p>Noted.</p>		
34/17	<p>Eliminating Mixed Sex Accommodation – Declaration of Compliance.</p> <p>Approved.</p>		
35/17	<p>Date and Time of Next Meeting</p>		

c:\TMP\6800\gibru4uw.osw

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

	It was agreed that the next meeting of the Board be held on Monday 22 May 2017 in the Humphrey Booth Lecture Theatre, Mayo Building, Salford Royal at 3.30pm		
36/17	Resolved That representatives of the press and other members of the public be excluded from the remainder of the meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest.		

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

Salford Royal NHS Foundation Trust (SRFT) and Pennine Acute Hospitals NHS Trust (PAT)

Title of Report	Standing Financial Instructions
Meeting	Shared Board Meeting of SRFT & PAT
Author	Joe Lever, SRFT Head of Procurement
Presented by	Joe Lever, SRFT Head of Procurement
Date	22nd May 2017
Executive Summary	This report confirms amendments to the Standing Financial Instructions that govern the Trusts procurement activities.
Annual Plan Objective	5. Delivery of Mandatory Standards
Principal Associated Risks	N/A
Recommendations	<p>The SRFT and PAT Boards are asked to approve the below amendments to the Standing Financial Instructions:</p> <ul style="list-style-type: none"> • Adopt Pennine Acute Hospitals NHS Trust (PAT) Quotation/Tender limits for all Care Organisations that the new threshold should be as PAT's i.e. excluding VAT • Quotation waivers should be signed off Procurement Director/Chief Procurement Officer and tender waivers signed by either Chief Financial Officer or Director of Finance of Care Organisation's whether it is revenue or capital non-pay. • That the Standing Financial Instructions are amended stipulating a more generic term for this such as 'applicable OJEU threshold for both Foundation Trusts and NHS Trusts'. Terminology such as this covers off both values and then wouldn't require amendments every 2 years as thresholds change.
Public and/or Patient Involvement (Including equality related impacts)	
N/A	
Communication	
N/A	

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

Freedom of Information

Please indicate appropriate box below

A – This document is for full publication

B – This document contains FoIA exempt information

C – This whole document is exempt under the FoIA

If you have chosen B above, highlight the information that is to be redacted within the document for subsequent removal.

Confirm to the Group Secretary which applicable exemptions apply to the whole document or to highlighted sections.

1. Introduction

This report is to make amendments to the current Standing Financial Instructions that govern Salford Royal NHS Foundation Trust (SRFT) and Pennine Acute Hospitals NHS Trusts (PAT) procurement activities; the proposed amendments are set out below.

2. Standing Financial Instructions

As part of the integration between SRFT and PAT it was agreed to standardise Standing Financial Instructions (SFI's) for all Care Organisations. There are a number of areas which require amendments in order to ensure the application of the SFI's is possible, practical and appropriate.

The proposed amendments below relate to the following:

- Quotation/Tender limits
- Approval of Waivers
- Adjustment to EU Threshold value

The previous limits for both organisations were as follows:

Quotations/Tender limits

SRFT:

- Up to £10k – 2 verbal quotations*
- £10-25k – 3 formal quotations*
- £25k – EU threshold – formal tender process*

Salford's threshold include VAT

PAT:

- Up to £15k – 2 verbal quotations*
- £15-50k – 3 formal quotations*
- £50k – EU threshold – formal tender process*

PAT's exclude VAT

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

*All of the above aren't mandatory or applicable if there is an appropriate framework agreement that can be utilised and demonstrate value for money.

Currently the revised SFI's are in line with SRFT's however given that both organisations are now procuring jointly this will increase the value of orders and contracts as part of joint exercises subsequently this will increase the aggregated value of these contracts. Therefore, adopting PAT's limits for quotation and tender exercises will ensure that practically the procurement team across all care organisations can ensure competitive procurement processes are undertaken within a reasonable timeframe but also demonstrate value for money that will deliver the goods/services that each of the Care Organisations require.

When benchmarking these limits with other similar sizes Trusts their tender thresholds are the same as what PAT's were previously.

Approval of Waivers

Within the revised SFI's it stipulates that only the Chief Financial Officer can sign off quotation and tender waivers related to revenue non-pay expenditure but that the Chief Financial Officer or the Director of Finance for CO's can approve capital waivers for quotation and tender waivers.

Previously at Salford quotation and tender waivers are signed off by the Procurement Director and Director of Finance. At PAT the quotation waivers are signed off by the Divisional Managing Director or Clinical Director; tender waivers are signed off by the Director of Finance.

The proposed way forward is as follows:

- Quotation waivers – purchases between £15-50k are signed off by the Procurement Director/Chief Procurement Officer or Care Organisation Director of Finance
- Tender waivers – purchases above £50k are signed off by the Chief Finance Officer or Care Organisation Director of Finance

The approval of waiver forms for all non-pay related purchases whether revenue or capital should be delegated to the appropriate people as above with no differentiation between revenue and capital.

Adjustment to EU Threshold value

Within EU law and Public Contract Regulations 2015 this legislation states that public sector organisations are required to market test opportunities within the Official Journal of European Union (OJEU) should they go above a specific financial value. These values are different depending on the type of public sector body, what is being procured (goods, services or works) and are revised every two years.

The currently legislation states that the EU threshold limit for FT's is £164,176 which would apply to Salford and non FT's is £106,047 which would apply to Pennine.

The revised SFI's state that wavering of quotations & tenders is up to the value EU procurement threshold £164,176 (€209,000). This isn't applicable to PAT as they aren't a Foundation Trust and they must work to a lower limit of £106,047.

3. Conclusion

In summary, the following recommendations are submitted to the Board of Directors for approval:

- Adopt PAT Quotation/Tender limits for all Care Organisations that the new threshold should be as Pennine's i.e. excluding VAT

- Quotation waivers should be signed off Procurement Director/ Chief Procurement Officer and tender waivers signed by either Chief Financial Officer or Director of Finance of CO's whether it is revenue or capital non-pay.
- That the SFI's are amended stipulating a more generic term for this such as 'applicable OJEU threshold for both Foundation Trusts and NHS Trusts'. Terminology such as this covers off both values and then wouldn't require amendments every 2 years as thresholds change.

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

Salford Royal NHS Foundation Trust (SRFT) and Pennine Acute Hospitals NHS Trust (PAT)

Title of Report	Report from Group Audit Committee – 28th April 2017
Meeting	Shared Board Meeting of SRFT & PAT
Author	Rebecca McCarthy, Deputy Trust Secretary
Presented by	John Willis, Chairman of Audit Committee
Date	22nd May 2017

Executive Summary	A summary is provided for the SRFT Board of Directors of the key matters and decisions from the Group Audit Committee meeting on 28 th April 2017.
Annual Plan Objective	N/A
Principal Associated Risks	N/A
Recommendations	The SRFT and PAT Boards are asked to review the summary of the meeting and the agreed actions.

Public and/or Patient Involvement (Including equality related impacts)
N/A

Communication
N/A

Freedom of Information
Please indicate appropriate box below

A – This document is for full publication

B – This document contains FoIA exempt information

C – This whole document is exempt under the FoIA

If you have chosen B above, highlight the information that is to be redacted within the document for subsequent removal.

Confirm to the Group Secretary which applicable exemptions apply to the whole document or to highlighted sections.

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)

PART A: SRFT & PAT

- 1. SRFT: Draft Annual Governance Statement 2016/17** – The Group Chief Executive Officer presented the draft SRFT Annual Governance Statement for inclusion within the SRFT 2016/17 Annual Report and Accounts. Audit Committee received assurance from the Group Chief Executive Officer effective governance assurance systems were in operation enabling the identification and control of risks.
- 2. PAT: Draft Annual Governance Statement 2016/17** – The Group Chief Executive Officer presented the draft PAT Annual Governance Statement for inclusion within the PAT 2016/17 Annual Report and Accounts. Audit Committee received assurance from the Group Chief Executive Officer that the risk management arrangements and board assurance framework had been completely revised during the year and that the Trust had received significant assurance upon it from Internal Audit. The Group Chief Executive Officer acknowledged the continuing challenges to achieve stabilisation of services.
- 3. Group Audit Committee Work Plan 2017/18** – Reviewed and confirmed the Group Audit Committee work plan and reporting schedule for 2017/18, with the inclusion of a mid-year review of Group Audit Committee effectiveness, together with a review of the revised assurance framework, acknowledging the inter-dependency with other committees.
- 4. Group Governance Framework Manual** – Noted the approvals made to date in establishing the Group Governance Framework Manual and plan for completion.

PART B: SALFORD ROYAL NHS FOUNDATION TRUST

- 5. Draft Annual Report and Quality Accounts 2016/17** – Reviewed first draft of the Annual Report in pre-designed format and first designed draft of Quality Accounts 2016/17 and provided comments/amends. Final review and approval of the Annual Report and Quality Accounts 2016/17 will take place at the Audit Committee on 24th May 2017.
- 6. Pre-Audited Annual Accounts 2016/17** – Reviewed and confirmed. A detailed discussion took place with respect to SRFT becoming a member of the Greater Manchester Pension Fund (GMPF) administering pensions for Adult Social Care employees and the pension liabilities of transferred staff. Audit Committee was informed that this matter, and associated risk, had been raised prior to entering the ICO transaction, and was bound by the complexity and application of multi public sector and national accounting regulation. The External Auditor confirmed that, as the amount was material, further confirmation had been requested with respect to the guarantee of funding agreed with Salford City Council.
- 7. Accounting Policies for 2016/17 Annual Accounts** – Reviewed and confirmed the Accounting Policies for use in preparation of the 2016/17 Annual Accounts.
- 8. Review of going concern assessment based on draft Annual Accounts for year ending 31st March 2017** – Reviewed and accepted.
- 9. Annual Review of Audit Committee** – Performance review undertaken. Confirmed all key duties of the committee as delegated by the Board of Directors for 2016/17 had been fulfilled.
- 10. CQC Fundamental Standards and Outcomes: Review of Corporate Assurance Reports** – Recent visits to the following areas were reviewed:
 - Ward B1
 - Heartly Green

A detailed discussion took place regarding the concerns with moderate impact identified via the Corporate Assurance Reviews, specifically estates and equipment related matters at Heartly Green following its achievement of SCAPE status in the previous month. Audit Committee requested confirmation that all actions had been taken forward appropriately.

11. **Update: Emergency Preparedness and Business Continuity Strategy** – Reviewed the Service Continuity Policy and Strategy and proposed integrated approach to the delivery of Service Continuity Policy and the Major Incident (Emergency Preparedness) Plans.
12. **Annual Fire Safety Report** – Reviewed and confirmed activity in regard to the Trust’s Fire Safety Policy, training, risk assessments and incidents throughout 2016/17.
13. **Annual Procurement Plan Progress Report** – Reviewed and confirmed.
14. **Information Report: Clinical Coding and Data Quality** – Reviewed and confirmed the positive outcome of the clinical coding audits that took place during 2016/17.
15. **External Audit Progress Report** – Confirmed update to the Audit Plan covering work on value for money and the Quality Report.

16. Internal Audit:

- a. **Internal Audit Progress Report** – Reviewed and confirmed update of internal audit findings and reports issued to the Trust since February 2017:

Work Completed	Assurance
Combined Financial Systems	Significant
Research Funding – Finance Arrangements (Finance Department)	Significant
Information Governance	Significant
Cyber Security	Significant
Integrated Care Organisation	Significant
Outpatients	Significant
Payroll/HR	Significant
HR Key Controls	Significant
Assurance Framework Opinion	Significant

- b. **Director of Audit Opinion and Annual Report 2016/17** – Reviewed and accepted.
- c. **Draft Internal Audit Plan 2017/18** – Reviewed and approved.

17. Anti-Fraud:

- a. **Annual Report 2016/17** – Reviewed and confirmed actions taken were appropriate.
- b. **Anti-Fraud Management Action Tracker Follow Up Report** – Reviewed and confirmed.
- c. **Annual Plan 2017/18** – Reviewed and confirmed.

PART C: PENNINE ACUTE HOSPITALS NHS TRUST

18. **Draft Annual Accounts 2016/17 and Accounting Policies** – Reviewed and confirmed.
19. **Booking and Scheduling: Progress Report** – Reviewed issues identified as requiring improvement within the centralised Booking & Scheduling function, achievements/improvements of department to date and future priorities.
20. **E-Rostering Internal Audit Action Plan Review** – Reviewed progress against the recommendations identified in the internal audit of e-rostering.
21. **Diagnostics Internal Audit Action Plan Review** – Reviewed progress made to date against the recommendations identified in the internal audit of diagnostics.

DRAFT # 214090
 2017-05-19 18:04:38 (UTC+00)

22. Finance Directors Report – Reviewed and approved, including losses and compensation payments.

23. Internal Audit:

a. Internal Audit Progress Report – Reviewed and confirmed update of internal audit findings and reports issued to the Trust since February 2017:

Work Completed	Assurance
Combined Financial Systems	Significant
IT Service Management	Significant
Information Governance Toolkit	Significant
Nurse Revalidation	Significant
Medical Job Planning	Limited
Medicines Management	Limited
Working Time Arrangements for Coronial Post Mortems	Limited
Assurance Framework Opinion	Meets NHS Requirements

Audit Committee requested response to the limited assurance internal audits of Medicines Management and Working Time Arrangements for Coronial Post Mortems.

Audit Committee stated that responsibility must be appropriately identified at Care Organisation or Group level for each internal audit.

b. Director of Audit Opinion and Annual Report 2016/17 – Reviewed and accepted.

c. Draft Internal Audit Plan 2017/18 – Reviewed and approved.

24. Anti-Fraud:

a. Counter Fraud Progress Report: February to March 2017 – Reviewed and confirmed.

b. Local Counter Fraud Work Plan 2017/18 – Reviewed and confirmed.

25. External Audit

a. Interim Audit Progress Report – Confirmed update to the Audit Plan covering work on value for money. Audit Committee discussed the progress made during 2016/17 with respect to financial sustainability.

b. External Audit Technical Update – Reviewed and confirmed.

SRFT # 274090
2017-05-19 18:04:38 (UTC+00)