

The next general meeting of the **Trust's Council of Governors** meeting will take place

on: **Wednesday 12th December 2012**

at: **4.00pm – 6.00pm**

in: **Social Club, White Cross Road, York YO31 8JR**

Time	Meeting	Attendees
3.15pm – 3.55pm	Private meeting of the Council of Governors	Governors with Chairman and Foundation Trust Secretary
4.00pm – 6.00pm	Council of Governors meeting	Governors, Members and the public

If you are a Governor, Member of our Trust or member of the public and would like to ask a question, please contact the Foundation Trust Secretary, Anna Pridmore:

Email: anna.pridmore@york.nhs.uk or telephone: 01904 725075

All questions should be submitted by 12 noon on Monday 10th December

A G E N D A

No'	Item	Lead	Paper	Page
1.	<p><u>Chairman's Introduction</u></p> <p>The Chairman will introduce the meeting and welcome any Members of the Trust and of the public who are in attendance.</p>	Chairman		
2.	<p><u>Apologies for absence</u></p> <p>To receive any apologies for absence.</p>	Foundation Trust Secretary		
3.	<p><u>Declaration of Interests</u></p> <p>To receive the draft declarations of interests.</p>	Chairman	A	5
4.	<p><u>Minutes from the meeting held in public on 17th October 2012</u></p> <p>To receive the minutes from the meeting held on 17th October 2012.</p>	Chairman	B	11
5.	<p><u>Matters arising from the minutes</u></p> <p>To consider any matters arising from the minutes.</p>	Chairman		
6.	<p><u>Update from the private meeting held earlier</u></p> <p>To receive an update from the Chairman on the topics and decisions of the business discussed in the private meeting held prior to the meeting in public.</p>	Chairman	Verbal	
7.	<p><u>Lead Governor and other Governor Reports</u></p> <p>To receive a report from the Lead Governor and any other reports from Governors involved in ongoing activities related to the Trust.</p>	Lead Governor and other Governors	Verbal	
8.	<p><u>Minutes of Board of Directors</u></p> <p>To receive the most recently available minutes of the Board of Directors (September & October 2012); any questions will be taken as part of the Chief Executive Report see item 9).</p>	Chairman	C	19

No'	Item	Lead	Paper	Page
9.	<p><u>Chief Executive Report</u></p> <p>To receive an update from the Chief Executive on current issues at the Trust, including an update on the PCT's approach to the financial challenges in the North Yorkshire and York health economy. To take any questions or comments on the recent Board of Directors minutes (see item 8) and respond to any questions raised by Governors or submitted to the meeting.</p>	Chief Executive	Verbal	
10.	<p><u>Finance Director Report</u></p> <p>The Finance Director will take any questions on the Board Finance Report and briefly introduce the process for the preparation of the Annual Plan for financial year 2013/14.</p>	Finance Director	D	35
11.	<p><u>Non-executive Directors (NEDs)</u></p> <p>A brief introduction to three of our Non-executive Directors team.</p>	Libby Raper Philip Ashton Jennifer Adams	Verbal	
12.	<p><u>Any other business</u></p> <p>To consider any other items of business.</p>			
13.	<p><u>Next meeting</u></p> <p>The next meeting of the Council of Governors will be held on Wednesday 20th March 2013 at the Blue Room, North Entrance, Scarborough Hospital at 3.15pm.</p> <p>We anticipate calling an additional special meeting of the Council of Governors during February to update you the implications and recommendations of the soon-to-be-released Francis Report into the Mid-Staffordshire Foundation Trust. This session will be led by our Chief Nurse, Libby McManus and will also cover broader nursing strategy issues. We will publicise the date of this session as soon as we have firmed it up.</p> <p>A reminder that the induction programme for Governors is in mid-stream; forthcoming planned sessions are as follows:</p> <ul style="list-style-type: none"> • Director and senior manager introductions: 18th December 2012 and 16th January 2013 • Three bus tours of the Trust's facilities: <ul style="list-style-type: none"> – Tour 1 - Monday 7th January 2013 (all day) to Scarborough, Bridlington and Whitby – Tour 2 - Friday 18th January 2013 (all day) to York, Archways, St Helen's, White Cross Court & Selby – Tour 3 - Monday 28th January 2013 (half day) to Malton Hospital and St Monica's at Easingwold – <p>All Governors are welcome to attend any of these induction events.</p>			

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Draft declaration of interests

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Governor	Relevant and material interests					
	Directorships including non-executive directorships held in private companies or PLCs (with the exception of those of dormant companies).	Ownership part-ownership or directorship of private companies likely or possibly seeking to do business with the NHS.	Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS.	A position of authority in a charity or voluntary organisation in the field of health and social care.	Any connection with a voluntary or other organisation contracting for NHS services or commissioning NHS services	Any connection with an organisation, entity or company considering entering into or having entered into a financial arrangement with the NHS foundation trust including but not limited to, lenders or banks
Jeanette Anness <i>(Public: Ryedale and East Yorkshire)</i>	Nil	Nil	Nil	Nil	Nil	Nil
Terry Atherton <i>(Public: Bridlington)</i>	Nil	Nil	Nil	Nil	Nil	Nil
Paul Baines <i>(Public: City of York)</i>	Nil	Nil	Nil	Nil	Nil	Nil
Cllr Michael Beckett <i>(Appointed: North Yorkshire and York Forum)</i>	Caring for Business Ltd Next steps Health Resource Centre North Yorkshire and York Forum	Caring for Business Ltd (50% owner)	Caring for Business Ltd (50% owner)	Chair—Ryedale and District Mencap Specialist Advisor—Magnetic Arts CIC	Non-executive Director—North Yorkshire and York Forum Councillor—Malton Town Council Next Steps Mental Health Resource Centre Ryedale and District Mencap	North Yorkshire Credit Union Yorkshire Building Society Smile Co-Operative Bank
Ann Bolland <i>(Public: Selby)</i>	Nil	Nil	Nil	Nil	Nil	TBA
Andrew Butler <i>(Public: Selby)</i>	Nil	Nil	Nil	Nil	Nil	Nil
James Carder <i>(Public: Selby)</i>	TBA	TBA	TBA	TBA	TBA	TBA

Governor	Relevant and material interests					
	Directorships including non-executive directorships held in private companies or PLCs (with the exception of those of dormant companies).	Ownership part-ownership or directorship of private companies business or consultancies likely or possibly seeking to do business with the NHS.	Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS.	A position of authority in a charity or voluntary organisation in the field of health and social care.	Any connection with a voluntary or other organisation contracting for NHS services or commissioning NHS services	Any connection with an organisation, entity or company considering entering into or having entered into a financial arrangement with the NHS foundation trust including but not limited to, lenders or banks
Dr Jane Dalton (Public: Hambleton District)	Nil	Nil	Nil	Trustee and Director North Yorkshire and York Forum	Nil	Researcher —Health and Social Care, University of York
Dr David Geddes (Partner: NYY PCT)	Director —Medipex Executive Medical Director and Director — Primary Care, NHS North Yorkshire and York.	GP Partner —Clifton Medical Practice	Nil	Trustee —Clarence Gardens association. Medical Advisor —MIND @ Our Celebration	Partner of an employee of York NHS Foundation Trust.(Department of Gynaecology). GP —Harrogate District Foundation Trust OOH services.	Nil
Philip Hewitson (Appointed PCT (SWR))	Director—PCH Consulting Ltd Director—Parabola Ltd	Director—PCH Consulting Ltd Director—Parabola Ltd	PCH Consulting Ltd	Trustee—Research in Specialist and Elderly Care	Lay Member—Scarborough and Ryedale CCG	Nil
Stephen Hinchliffe (Public: Whitby)	Nil	Nil	Nil	Nil	Nil	TBA
Margaret Jackson (Public: York)	Nil	Nil	Nil	Nil	Nil	Nil
Rowena Jacobs (Partner: University of York)	Nil	Nil	Nil	Nil	Nil	Nil
Alison MacDonald (Staff: Nursing & Midwifery Class)	Director and Company Secretary—Health and Safety Consultancy	Nil	Nil	Nil	Nil	Nil

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Helen Mackman (Public: City of York)	Nil	Nil	Nil	Nil	Member —Vale of York Clinical Commissioning group's Public Engagement Steering Group	Nil
Sheila Miller (Public: Ryedale and East Yorkshire)	Nil	Nil	Nil	Chairman —Ryedale Link. Member —Derwent and SRCCG Patients Groups	Nil	TBA
Helen Noble (Staff: Scarborough)	Nil	Nil	Nil	Nil	Nil	Nil
Les North (Staff: Community Staff)	Nil	Nil	Nil	Nil	Nil	Nil
Nevil Parkinson Public: Selby District)	Nil	Nil	Nil	Director —West Riding Masonic Charities Ltd	Nil	Nil
Cllr Caroline Patmore (North Yorkshire County Council)	Nil	Nil	Nil	Nil	Councillor —North Yorkshire County Council District Councillor—Hambleton District Council	Councillor —North Yorkshire County Council
Mr James Porteous (Public: York)	Trustee —Notions Business and Marketing Consultants	Nil	Nil	President —British Polio Fellowship - Yorkshire Region, Leeds and North Yorkshire Region British Polio Fellowship Chairman —Wheelchair Users Advisory Panel (Harrogate District Hospital NHS Foundation Trust)	Nil	Nil

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Cllr Joseph Richies (Appointed: City of York Council)	TBA	TBA	TBA	TBA	TBA	TBA
Martin Skelton (Staff: Clinical Professional)	Nil	Nil	Nil	Nil	Nil	Nil
Brian Thompson (Public: Patient/Carer)	Trustee —Thompson’s of Helmsley Ltd	Nil	Nil	Nil	Nil	Nil
Dr Andrew Volans (Staff: Scarborough)	Nil	Nil	Nil	BMA Rep —LNC Medical Lead —College of Search and Rescue Medicine. Training Rescue Paramedics for Coast Guard Helicopter Service	Nil	TBA
Sue Wellington (Public: Scarborough)	Nil	Nil	Nil	Nil	Nil	Nil
David Wheeler (Public: Scarborough)	Nil	Nil	Nil	Nil	Nil	Nil
Penelope Worsley (Public: York)	Trustee —NGO working overseas	Nil	Nil	Nil	Nil	TBA

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Minutes of the meeting of the York Teaching Hospital NHS Foundation Trust Council of Governors held in public on 17th October 2012, in the White Cross Road Social Club, York, YO31 8JR.

Present at the meeting

Chairman of the meeting:

Mr Alan Rose, Chairman

Public Governors:

Mr Terry Atherton, Bridlington
Mr James Carder, Bridlington
Mr Paul Baines, City of York
Mrs Margaret Jackson, City of York
Mrs Helen Mackman, City of York
Mrs Penelope Worsley, City of York
Dr Jane Dalton, Hambleton District
Mrs Anne Bolland, Selby
Mr Andrew Butler, Selby
Mrs Jeanette Anness, Ryedale & East Yorkshire
Mrs Sheila Miller, Ryedale & East Yorkshire
Mr Brian Thompson, Ryedale & East Yorkshire
Mrs Sue Wellington, Scarborough
Mr David Wheeler, Scarborough

Appointed Governors:

Councillor Caroline Patmore, North Yorkshire CC
Councillor Michael Beckett, North Yorkshire & York Forum
Mr Philip Hewittson, SWR PCT
Dr Rowena Jacobs, University of York

Staff Governors:

Mrs Alison MacDonald, York
Mrs Helen Noble, Scarborough/Bridlington
Mr Les North, Community

Attendance:

Mr Philip Ashton, Non-executive Director and Senior Independent Director
Mrs Lucy Brown, Head of Communications
Mr Patrick Crowley, Chief Executive
Mr Michael Keaney, Non-executive Director
Ms Elizabeth McManus, Chief Nurse
Mrs Anna Pridmore, Foundation Trust Secretary
Mr Michael Sweet, Non-executive Director
Professor Dianne Willcocks, Non-executive Director

Apologies for absence:

Apologies were received from the following governors:

Dr David Geddes, NYY PCT, Appointed Governor
Mr Stephen Hinchliffe, Whitby, Public Governor
Mr Nevil Parkinson, Selby District, Public Governor
Mr James Porteous, City of York, Public Governor
Councillor Joseph Riches, City of York Council, Appointed Governor
Mr Martin Skelton, Clinical Professional, Staff Governor
Dr Andrew Volans, Scarborough, Staff

The Chairman welcomed the Governors to the first meeting following the elections. He also thanked those Governors who recently completed their period of office and are no longer Governors for their work and dedication to the role. He confirmed he would be writing to each of the retired Governors over the next few weeks.

Mr Rose also welcomed members of the public to the meeting.

12/31 Declaration of Interests

Mr Rose asked Governors to consider their declarations and let Mrs Pridmore know any declarations they may have. The paper included in the pack has a number of declarations missing. He asked that governors ensure they submit their declarations as soon as possible and keep them up to date as their circumstances change

12/32 Minutes of Council of Governors Meeting held in Public –23rd May 2012

The minutes were approved as a true record of the meeting.

12/33 Matters Arising from the Minutes

There were no matters arising

12/34 Update from the meeting held in private

Mr Rose advised that the Council of Governors had discussed a number of issues and made a number of decisions as follows:

The Governors approved the re-appointment of Grant Thornton as the external auditors for 2 years from 1 April 2013.

The Governors reviewed the appraisal of Professor Willcocks and Ms Raper, two Non-executive Directors.

The Governors approved the re-appointment of Ms Raper as a Non-executive Director.

Mr Rose asked Mrs Mackman to advise on the approvals given while he was outside the meeting. Mrs Mackman advised that the Governors had approved

the re-appointment of the Chairman and reviewed the appraisal of the Chairman. The Governors also approved the increase in the remuneration of the Non-executive Directors.

12/35 Audit Committee Annual Report

Mr Ashton presented the Audit Committee Annual Report. He highlighted the key points in the report and described the role of the Audit Committee. He advised that two of the members of the Audit Committee had changed: Mrs Linda Palazzo and Professor John Hutton had left the Trust. Consequently two new Non-executive Directors have been appointed to the membership; they are Mr Michael Keaney and Ms Libby Raper. Mr Ashton drew the Council's attention to the functions of the Audit Committee and raised that the Audit Committee also seeks to gain assurance on clinical and other assurance functions, so it does not just review the financial systems. He added that this is a growing area of work for the Audit Committee.

The Council of Governors **noted** the report and the comments made.

12/36 Presentation from the External Auditors on their role and the Report on the Quality Account

Mr Rose welcomed Mr Graham Nunns (partner) and Mr Gareth Mills (manager) from Grant Thornton and invited them to give their presentation.

Mr Nunns and Mr Mills gave a presentation that provided information about their role, the work they had undertaken in 2011/12 and the Quality Report. The presentation has been attached to the minutes.

The Governors **noted** the Quality Governance Report and the comments made by Mr Mills on the work undertaken in preparing of the report.

12/37 Chief Executive and Chairman open session

Mr Rose invited the Chief Executive to give a summary of the recent and current activities in the Trust.

Mr Crowley reminded the Governors that the completed acquisition was only 3 months old, but this first quarter was very important to the Trust. It will be the first time the Trust has been measured formally as one enlarged organisation. He was able to advise the Governors that the early indication of the financial position is that the Trust has made a slight surplus. We are slightly behind the planned position.

Mr Crowley added that at the time of the work starting for the acquisition the Trust took on responsibility for Selby and York Community (health) Services and management responsibility for Scarborough, Whitby and Ryedale Community (health) Services. The integration of communities was managerially completed at that stage, but there has been a period of delayed integration of the services while the Clinical Commissioning Groups (CCGs) have developed.

Mr Crowley added that during the last financial year the Trust had started sharing management disciplines and back office functions with Scarborough.

The Trust had introduced the performance management system used in York to Scarborough and started to work on the cultural differences and personal development processes. This resulted in opportunities opening-up for the staff in Scarborough. The Trust has also spent a lot of time developing the IT infrastructure between the two sites.

Since the 1st July, when the acquisition was completed, the Trust has appointed a number of Clinical Directors in Scarborough to complement the existing Clinical Directors in post in York. There have been two Executive Boards since July. This will change after Christmas and there will only be one Strategic Executive and there will be a rationalisation of those appointments, so there will be 15 clinical Directors across the whole Trust.

Mr Crowley added that he believes this was the right decision for York and for Scarborough and this being demonstrated by the work that is being done.

Mr Crowley advised in terms of performance that the Trust has a healthy “scorecard”. The 18-week target in York is proving difficult to achieve at present, but, as a whole Trust, the target is being achieved, as Scarborough is performing well. There are some specific issues in general and orthopaedic surgery that the Trust is currently resolving. There is some pressure on the A&E (Accident and Emergency) target, which is a whole system target, but this is a pressure shared with a significant number of Trusts. In relation to Cancer Services there are some challenges; because there are a small number of patients in specific categories, it is harder to achieve the targets.

In terms of Bridlington, there are two vexed questions that arose during the acquisition. The first was the perceived under-utilisation of Bridlington. The second was the Theatre facilities. During the early part of the acquisition, it was agreed that investment would be made in Bridlington and complementary growth in the use of Bridlington would also take place. This has resulted in a ‘7 day a week’ operation in Bridlington and as a result Bridlington is able to take some pressure off other sites.

York also inherited some very well-developed plans for the site in Scarborough, which was how it was able to request an additional £20m capital support. Recently the Trust employed some architects to develop some drawings for the development of part of the York site. The intention is to bring the two plans together to decide what the development strategy will look like.

The Governors **confirmed** they were assured about Bridlington.

Mr Crowley went on to describe the challenges in the North Yorkshire area and the reasons for those challenges. He explained that the challenge first emerged when the PbR (payment by results) system was introduced. This legacy has continued and the mis-match of the funding formula has been seen in the income the PCT receives and the tariff payment the PCT is required to make to providers. 18 months ago, the North Yorkshire Review, lead by Professor Hugo Mascie-Taylor, was published. This review included a high-level view of the NY services; the report did not fully acknowledge the demographic changes and the problem will only continue to increase until this is addressed. The Review proposed the removal of 200 acute beds across the county and the financial resources would be moved to the community. 200 acute beds have been taken

out of the NY area and leadership and thinking around the continued work that needs to be undertaken has continued. The Chief Executives in the area have commissioned a further review, which is currently being undertaken by KPMG; the design for this piece of work was undertaken in a short period of time and was designed to build on the NY review. KPMG are reaching the final stage of their field work. Mr Crowley advised he should have the report soon and he would share it with the Board of Directors.

Mrs Miller raised the point that there has been no patient or community involvement in this Review. Mr Crowley accepted the point made, but explained that the review was being undertaken in a managerial/clinical vacuum, following which there would be an opportunity for engaging with the public on it.

Mr Butler noted that the Trust had been experiencing very high levels of demand during the summer time and asked if the Trust would experience even higher demands in the winter. Mr Crowley explained that would not necessarily be the case, it would depend what the winter was like.

Mr Hewittson enquired if the removal of the 200 beds was planned across the patch. Mr Crowley advised that each Trust made its own individual plans. What has been missed is the existing PCT deficit. York Teaching Hospital NHS FT is a £400m+ organisation and is being required to make £24m efficiency savings nationally; there is a savings target of £60m which the PCT will benefit from. Mr Hewittson enquired if work was underway to ensure there is some working with other agencies such as nursing homes. Mr Crowley advised that the Local Authority are the co-owners of the NY Review and so actions have also put the Local Authority under some pressure to shed costs. Mr Crowley gave an example of the sort of pressure they are experiencing and how the Trust and the Local Authority are working together. He added that a recent aspect of this is the introduction of the “virtual wards” in the community.

Mr Crowley agreed he would bring an update on the KPMG report to the next meeting.

Mrs Miller added that the people of Ryedale were very impressed with both Mr Crowley and Mr Rose during the acquisition.

Mr Rose thanked Mr Crowley for his presentation.

12/38 Minutes of the Board of Directors

The Council **noted** the summary minutes provided and raise no questions on the minutes.

12/39 Non-executive Directors introduction

Mr Rose invited Professor Willcocks, Mr Sweet and Mr Keaney to each talk a little about themselves and their business and organisational background.

Professor Willcocks described her professional background and experience and described her work in the Trust.

Mr Sweet also described his professional background and experience and his

work in the Trust.

Mr Keaney described his professional background and explained that he had only been in the Trust for 7 weeks and so was still finding his feet.

There will be an opportunity for the other three Non-executive Directors to introduce their background and activities at the next Governor meeting.

12/40 Lead Governor Report

Mrs Mackman presented her report. She referred to the completion of the election process and the work undertaken in preparation for the elections. She advised that a number of individuals that had put their names forward to become governors, but had not been elected, were now involved in some of the work of the Patient Involvement Lead (Kay Gamble). Mrs Mackman referred to the role of the Governors; she explained that it is not an operational role – the Board is there to make the decisions, but the Council of Governors is part of the process of decision-making and assurance.

Mrs Mackman added that she is involved with Mrs Gamble in a project of meeting all Governors before the end of November.

Mrs Mackman advised her report would be circulated to all Governors after the meeting.

Mr Rose thanked Mrs Mackman for her report.

12/41 Update on the induction programme

Mr Rose advised that the next induction session will be held on 6th November between 10am and 4pm. This session will include time with the Chairman and Chief Executive, lunch and a session with the Chief Nurse (regarding patient experience).

12/42 Any other business

There was no other business.

12/43 Next meeting

The next meeting of the Council of Governors will be held on 12th December 2012 at the Social Club, White Cross Road, York, YO31 8JR. (1515hrs; 1600hrs in public).

Post-meeting note

Following the meeting Dr Dalton asked for a further report to be provided to Governors as there had not been time at the meeting for her to present it.

Dr Dalton had attended the unveiling of the new palliative care facility at St Monica's, Easingwold, on Wednesday 17th October. The atmosphere was one of immense community pride. Funding for this facility was provided wholly as a result of charitable efforts from the Friends of St Monica's. I attended the Easingwold and

Villages Community Forum on Thursday 4th October, with the Chairman. This is the second year the Trust has been invited to address the Forum.

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Minutes of the meeting of the Board of Directors of York Teaching Hospital NHS Foundation Trust, held in the Blue Room, Scarborough Hospital, on Wednesday 26th September 2012.

Present:	Mr A Rose	Chairman of the Trust
	Mrs J Adams	Non-executive Director
	Mr P Ashton	Non-executive Director
	Mr A Bertram	Executive Director of Finance
	Sir M Carlisle	Associate Non-executive Director
	Mr P Crowley	Chief Executive
	Ms P Hayward	Executive Director of HR
	Mr M Keaney	Non-executive Director
	Ms E McManus	Chief Nurse
	Mrs L Palazzo	Non-executive Director
	Mr M Proctor	Deputy Chief Executive/ Chief Operating Officer
	Ms L Raper	Non-executive Director
	Mr M Sweet	Non-executive Director
	Dr A Turnbull	Executive Medical Director
	Professor D Willcocks	Non-executive Director

Attendance: Mrs A Pridmore Foundation Trust Secretary

12/163 Apologies for absence

There were no apologies for absence. The Chairman welcomed the two new Non-Executive Directors, Jennie Adams and Mike Keaney, to their first Trust Board meeting and gave a short summary of the business background of each. The Chairman also welcomed Mr Leo McGrory, Chairman of the Scarborough LINKs, who was invited to attend as an observer, as part of the process of transitioning to Board meetings held in public. The Chairman also noted that the meeting today is being held in Scarborough, in recognition and emphasis of the distributed nature of the Trust. The Board will continue to hold meetings in York and Scarborough, with the plans for the next 15 months of meetings to be distributed shortly.

12/164 Declarations of Interests

The amendments to the declarations of interest were **noted**. The members of the Board of Directors were asked to advise Mrs Pridmore of any further changes.

12/165 Minutes of the meeting of the Board of Directors held 29th August 2012

The minutes were **approved** as being a true record of the meeting.

12/166 Matters arising from the minutes

There were no matters arising from the minutes.

12/167 Patient Experience

Dr Turnbull read a letter of complaint, which the Board noted.

12/168 Quality and Safety Committee

Mr Rose asked Ms Raper, as Chairman of the Quality and Safety Committee, to give her report on the deliberations of the Committee to the Board.

Ms Raper referred to the summary included in the Board papers and highlighted the key points of the discussion, including the continuing progress with the roll-out of the Harm Free Care approach, the aim to involve Governors in the “15 steps” programme and the results of the York and Scarborough national cancer inpatient surveys.

Ms Raper raised the issue of leadership walk-rounds. The Board discussed the leadership walk-rounds and made a number of observations about the current system. It was recognised that the current system could be developed and improved. A number of suggestions were made, including Governors being included in the walk-rounds and establishing a number of set standards around walk-rounds, including the number of Executives undertaking them. It was **agreed** some further work would be undertaken and reported back at the next Board meeting.

Dr Turnbull advised the Board that the Human Tissue Authority (HTA) had visited the Trust on 19th September 2012 and undertaken a review of pathological specimen consent management arrangements and have approved the whole Trust having one license, with Scarborough being viewed as a satellite site. They reported that they had identified one minor and one major concern in respect of patient identification and identification of deceased patients. Dr Turnbull advised that the issues also exist at York and a consistent system is being introduced to across the organisation. He also advised that the HTA approved the plans that have been developed for the mortuary at Scarborough.

Dr Turnbull raised the subject of the ‘flu vaccine programme for this year. He advised that Scarborough had received the vaccines and York would receive their batch in the next few days. The early indications are that there is not expected to be a pandemic. He added that the Department of Health have this year proposed a target of 70% of frontline staff should receive a vaccine, in the past this has been exceeded in the acute part of the Trust, but not community. He went on to advised that the language and approach of the national debate about mandating vaccines has been changed very slightly so that the tone of the communication about the debate has changed. Dr Turnbull advised that Board members would have an opportunity to receive their vaccinations at the Board meeting. (All Board members were vaccinated during the lunch-break).

12/169 Patient Reported Outcome Measures (PROMs) Data

Dr Turnbull advised that the PROMs system is changing. Historically, the ethos has been for patients to report on whether they feel better; this has now been extended. There is a well-validated questionnaire and the validation is around value for money rather than purely outcome. The patients’ perception against the cost is how the measure is made. If the cost is high it reduces the value of the outcome. The value of PROMs for the Trust will move from £0.25m to £1m and the data will be much more contemporary and available at consultant level.

The other change is that the system will no longer be funded by the Department of Health. The Trust will be required to purchase the questionnaires from a company. The company

the Trust is using as part of a consortium is People for Health. The cost has been estimated between £6 and £7 per person, which equates to a total of £13,000 pa.

The Board enquired how the Trust could achieve above 100%, as shown in the report. Dr Turnbull explained that the system uses last year's activity to predict the current year, so if the Trust undertook 500 hip operations last year, then that figure is used as the denominator in the following year. So if the Trust undertook 600 hips the second year, that would result in a score above 100%.

Dr Turnbull drew the Board's attention to the funnel diagrams included in the report and commented that Scarborough has historically had lower participation rates than York, but York had very high rates. Neither site was an outlier on any measure.

12/170 Finance and Performance Committee

Mr Rose asked Mr Sweet, as Chairman of the Finance and Performance Committee, to give his report on the deliberations of the Committee to the Board.

Mr Sweet advised that the Committee had reviewed the Finance Report in detail and he would like to bring the following items to the Board's attention:

- **Finance Report** – The Trust is in a similar position to last month. The income and expenditure is in balance for the month, but £0.7m behind plan. There continues to be an issue with the excess demand of work that is coming through the Trust and the Trust is working with the commissioners to support their management of the demand levels. The NYYPCT had a Board meeting on 25th September at which they identified a number of possible initiatives that they intend considering to provide further short-term savings. (The list was circulated). The schemes include potential initiatives to reduce the level of elective work and to reduce the ratio of follow-ups from 1:2.1 to 1:1. Other proposals refer to the community beds, the community Minor Injury Units (MIUs) and the use of selected high-cost drugs. Mr Crowley added that Mr Bertram and Mr Proctor would be leading the discussions for the Trust with the PCT and CCGs around assessing viability and measuring the impact of the proposed initiatives.

In terms of agreed transition funding, Mr Sweet confirmed that the liquidity support, and 1/3 of the revenue support, related to the transaction has been received. The final 2/3 should be received by the Trust by the end of October 2012. In terms of the capital support, the Treasury has requested some detailed information about the schemes and this has been duly provided. The Board recognised that the Treasury were trying to make sure they could explicitly tie the schemes to the money. The Board discussed the delay and agreed that it was disappointing, but were assured that the capital money was underwritten by the Department of Health.

Sir Michael asked if Mr Bertram and Mr Crowley could confirm that the capital money would be dedicated to capital schemes. Mr Crowley confirmed that the capital money would be dedicated to the capital schemes, not used to support operating issues.

With regard to the efficiency report, Mr Sweet advised that the committee had reviewed progress. It was noted that the Cost Improvement Programme (CIPs) were still in arrears; it is the intention, however, to stay with the current strategy, as the process is still new at Scarborough. The Board discussed the progress and noted

observations on the cultural differences that exist between the two sites: Scarborough is conservative in their identification of savings, but is better about structural changes, whereas the York is adept at taking costs out, but is less open-minded about how to introduce structural changes. It was accepted that this observation is a generalisation, but nevertheless of interest.

Mr Bertram reminded the Board that there are a large number of schemes and the system allows the Trust to have full oversight of progress. Mr Crowley added that both hospitals are at different levels of evolution. Sir Michael added that he felt that service line reporting would be very important going forward, to make sure it was clear where the income and costs were. Mr Sweet added that service line reporting was included in the agenda of the Finance and Performance Committee and a paper had been reviewed at the last meeting. More detailed discussion on the plans for rollout to Scarborough were deferred to subsequent meetings of the Committee. Mr Bertram added that the Trust will start the newly introduced CIP panel reviews. Directorates who are struggling to achieve their plans will be asked to develop alternative plans (plan B). Additionally the performance management meetings (PMM) that include Mr Crowley, Mr Proctor and Mr Bertram will also include Ms McManus and Dr Turnbull. At these review meetings the Directorate are expected to present their immediate and longer-term plans for managing the quality aspects of CIPs.

The Board **noted** the comments and the assurance given from the work of the Finance and Performance Report.

- **Operations Report** – Mr Sweet mentioned that the committee had discussed the proposals that have been put forward to by the PCT and already discussed in the Board. It was agreed that there could be a significant impact on the ability of the Trust to continue to achieve the targets. In terms of the 1:2.1 referral rate, non-achievement of this current target (which is part of the PCT contract) does mean the Trust could incur a penalty fee of up to £0.5m, Mr Bertram added that this is already reflected in the financial position reported to the Board.

The Committee has continued to review the targets and has reviewed the 62-day cancer target which was failed last quarter. The Emergency Department has also been discussed at the Committee and it was understood by the committee that the action plan that has been developed will be reviewed and feedback will be given in three months (December 2012).

Mr Sweet added that the Committee had been advised that the Commissioning for Quality and Innovation (CQUIN) targets proposed by the PCT are still a challenge for the Trust. Those challenges are being discussed with a view to resolution and will be on the agenda of the next meeting of the F&P Committee.

Mr Proctor summarised a meeting that had been held with the PCT about the proposed measures suggested. Mr Bertram and Dr Turnbull were also present at the meeting. The meeting discussed the following proposals:

A review of elective activity – this will be undertaken by the introduction of a reviewing referrals panel consisting of a GP and a Consultant amongst others with the object of ensuring that the agreed thresholds for treatment are adhered to. It is intended that this will reduce the numbers referred, but it is also recognised that the review will only be undertaken if it is appropriate to do so, and in the discussions

with the PCT. Mr Proctor did stress that the time spent on such reviews cannot be included in the 18-week referral to treatment pathway.

- **A review of outpatient follow-up appointments in line with best practice** –The contracted ratio is 1:2.1 the PCT would like to reduce that to 1:1 during quarter 4. The 1:1 ratio is achievable, but the PCT will need to work with the Trust to ensure it is achieved and it might have an impact on patients and will certainly involve GPs undertaking follow-up work that they currently do not do. The impact could be that a patient may wait for a significant length of time to have their follow-up, or the patient is asked to return to the GP. The PCT have agreed that they will undertake some further work and come back to the Trust.
- **A review of minor injuries units opening hours with a view to some closures** – The impact of this could affect the Trust's ability to achieve the 4-hour access target. The Trust, for September, did not achieve 98%. This will not impact on the reporting to Monitor as it is only for one month, but the proposal from the PCT will create some additional pressure in the system when MIU patients turn up at the Trusts emergency departments.
- **A review of community hospital beds with a view to some short-term closures** – This would impact on the Trusts' ability to move patients to lower levels of care when it was appropriate. During the discussions, the PCT has recognised and agreed that the fixed and semi-fixed costs that the Trust would have would need to be covered by the PCT, and the Trust would aim to redeploy staff into other areas.

Mr Proctor added that the Trust does have a contract in place and these changes would be a variation to contract, which the PCT has no legal right to introduce. Any changes would have to be made in negotiation and by agreement with the Trust. Part of those negotiations would be to be clear about the knock-on effect of removing, relocating or cutting back services in the Trust.

The Board **agreed** that many of these proposals will result in receive a big public reaction, particularly the potential closure of beds and minor injury units. The Board also recognised that the short-term reaction would not solve the underlying problems; this has also been recognised by the Clinical Leads in the Clinical Commissioning Groups (CCGs). Mr Crowley added that some of this has already been picked-up through the work KPMG were commissioned to undertake following the North Yorkshire Review. Sir Michael asked if the KPMG work would address the strategic future of the area. Mr Crowley confirmed it would. The intention is to try to stop the currently agreed £19m deficit for this year becoming much larger.

Dr Turnbull added his thoughts; he felt a slight sense of disappointment as he felt that the Trust had been here before. He suggested that innovation and clinical pragmatism is needed. 1:1 referral ratings could be considered unsafe in some circumstances. He added that there needs to be a balance, there are some follow-ups that are 1:0, whilst other cases warrant a large number of follow-ups over many years.

Mr Proctor referred to the desire of the PCT to reduce drugs costs; he advised that the PCT is considering moving from Lucentis to Avastin, but they are currently waiting for the national guidance to be published by the Department of Health.

The Board were **assured** by the report given by Mr Sweet and the comments made by Mr Proctor, but recognised there do remain a number of concerns about the proposed changes to services put forward by the PCT.

12/171 Chairman's items

The Chairman introduced his paper and raised with the Board that he had been made aware of an acute Trust in the region that was currently involved in a tender exercise for the A&E service they provide, against a private provider. This same Trust has now increased the level of resource required to those putting bids together, as it is currently responding to over 30 separate "Any Qualified Provider" (AQP) tenders initiated by the CCGs in its area.

Mr Rose referred to the elections being held of the Governors and confirmed that they had been completed.

The Board discussed the Chairman's report and **noted** the information included.

12/172 Report of the Chief Executive

Mr Crowley referenced the KPMG briefing noted and agreed he would arrange for it to be circulated to Board members outside the Board meeting. He advised that a workshop had been planned for 11th October for the York and Scarborough patch specifically. He added that KPMG had arranged themselves into three project teams and the report the Chief Executive's group would receive at the end of October would include the findings of all three teams. He added that he hoped he would have the draft report for the October time-out, that he could then share with Board members. Mr Crowley added that there is a further piece of work that only covers the City of York. This is work that is being led by the City Council and will include the PCT and VOYCE along with the Trust and the CoYC. The intention is to get a general approach and understanding of the issues that exist. There are three actions to be carried out:

- Scope the work and use of resources in the city.
- Some pathway redesign; the scope for this will be written in 2013/14 and include issues around capacity and capability.
- Establish an operational group on the patch that immediately addresses the issues of patients that are caught in the system.

Mr Crowley added that this work will support the preparation work being undertaken to look for alternative structuring of the next wave of community services contracts. Mr Proctor and Mr Bertram will be attending a session where there will be a discussion about a whole system approach to the commissioning health and social care services in the future.

The Board **noted** the points made in the discussion and the actions being taken. The Board **agreed** that further discussions would be held in the Board time-out.

12/173 Monitor consultation on Licence proposals

Mrs Pridmore presented the draft response to the Monitor consultation document. Mrs Pridmore highlighted the key points and asked members of the Board to consider the draft response in advance of the final version being circulated to the Board outside the Board meeting, prior to being sent to Monitor. The Board were advised that the closing date for the consultation was 23 October 2012.

Mr Rose asked Board members to consider the document in the papers and let Mrs Pridmore have any comments over the next week.

12/174 Workforce Committee

Mr Rose asked Professor Willcocks, as Chairman of the Workforce Strategy Committee, to give her report on the deliberations of the Committee to the Board.

Professor Willcocks reminded the Board that the Workforce Strategy Committee was a slightly different Committee from the Quality and Safety and the Finance and Performance. Its role has been defined as part of its terms of reference and will be reviewed on a regular basis.

Professor Willcocks summarised the discussions the Committee had about the proposal on the future provision of nurse bank and nursing establishment review. Mr Proctor asked if it had been determined what agency would be used. He explained that there had been some significant questions expressed by staff over the use of NHSP. Ms Hayward explained that a new model was being considered and that she was aware of the sensitive debates that were being held. She reminded the Board that the approach was as described in the HR Strategy reviewed by the Board some months ago. She added that a business case is being developed and will be presented to Corporate Directors sometime over the next few months. The expectation is the service will be reviewed over the next 2 years. The Board enquired which group was undertaking the detailed review of nursing levels. Ms McManus advised that it was the Nursing and Midwifery workforce group. The results of their work would be considered by the Workforce Strategy Committee.

Professor Willcocks referred to the overview report prepared by the HR Director and asked the Board to note and wish the team luck on the Health Service Journal Award that they have been short listed for. The Board **noted** that the team had been short listed and wished them luck.

The Board discussed the work of the Committee and were **assured** about the start the Committee had had and the work outlined by Professor Willcocks.

12/175 Business cases

The Board of Directors were asked to consider and approve the following business cases.

12/175.1 2012/05: Enhancing Senior Medical Cover in Emergency Medicine

Mr Proctor summarised the change and evolution to working patterns that had occurred over the last 10 to 15 years. He explained that Junior Doctors are now having less exposure to practice in the way that the current consultants did when they were Junior Doctors. He advised that the conflicts that exist mean that the 'out of hours' service is becoming a national problem. Mr Proctor explained that the business case is addressing the problems that exist and will continue to develop in emergency medicine.

Sir Michael enquired if this case was a site-specific (York) business case. In this case, it is predominantly about the York resources, but Dr Turnbull advised that anyone appointed to a post was appointed to work across the whole organisation, so might be based in one site, but would be expected to work in others, if that was required. It was **agreed** that it should be made clearer in all business cases that the expectation would be to work across the whole organisation.

Mrs Palazzo commented that the business case was well-written and did make a very good case for approval. She commended the supporting information attached to the business case and added that the case should not be approved as a long-term plan, but as a step towards it.

Mr Crowley added that as the PCT are suggesting that some minor injury facilities might be removed, the implementation of this first phase would help support the impact of the PCT policy and is not inconsistent with what the Royal Colleges are suggesting will be needed to ensure adequate establishment of staff in Emergency Medicine.

The Board discussed the implications of business cases of this size coming to the Board for approval with little, if any, previous discussion. The Board **agreed** that some of these intentions had been included in the Integrated Business Plan (IBP) and the Annual Plan, so the Board had seen the information before. It was however **agreed** that a schedule of what business cases might be coming forward would be developed.

Action: Mr Bertram to develop a schedule for the Board of Directors of the business cases that might be considered by the Board in the near future.

The Board of Directors **approved** the business case.

12/175.2 2012-13/62 Appointment of 8 Consultant Anaesthetists to support new demand, change in junior medical staff cover and increased Intensive Care workload

Mr Proctor presented the business case and explained that this related to junior medical staff. The numbers of junior staff have reduced and the extent of the competencies has also been reduced. The Anaesthetists have been managing the problem in the past, but cannot continue to manage the problem in the same way. Critical care is anticipated to grow further and it is unreasonable to continue to pay the on-call rate to have the consultants deliver the service, when it could be delivered more economically by adding additional capacity. Currently there is approved funding for 2 consultants.

Mrs Palazzo asked if the Trust could afford to expand the establishment by that many in one go and, if so, how would it be afforded? She also enquired if the option to appoint overseas doctors had been exhausted. Mr Proctor confirmed that it had not been exhausted and more work was being undertaken. If it did prove possible to appoint that way, then that would be a route the Trust would take, as it would reduce the costs slightly. Mr Proctor added that the intention is to undertake the recruitment in sections and not all at once, so that there is not such a significant increase in costs in one go.

The Board enquired what the timeline for the first appointment was. Mr Proctor advised that it was expected that the first appointment would be completed by 1st February 2013 -- starting the process in mid-November 2012.

Dr Turnbull added that part of this is about ensuring that today's work is done today and does not slip to later in the week, where it will impact on other work. He added that the ITU post is really important to support the reduction of mortality programme.

The Board enquired if there was any evidence to support the need through SI reports. Dr Turnbull confirmed there was, specifically related to deteriorating patients.

The Board discussed the business case and **agreed** that of the 8 posts included in the business case:

- 2 additional theatre activity posts (linked to previous surgical business cases) were already approved and funded and should therefore progress to recruitment
- 3 posts supported the additional theatre activity and recruitment should progress
- 3 posts requested were to provide additional critical care cover and of these 2 posts were approved to progress to recruitment but the third post was not approved at this stage. The Board requested that after recruitment of the agreed 2 critical care posts, and appropriate time had past for these posts to be integrated into the team, a case for the third post be represented to the Board.

The Board **approved** the business case for the appointment of 7 of the 8 requested posts; 1 post (linked to critical care) should be represented to Board at a later stage.

Mr Crowley raised with the Board that careful consideration should be given to how these decisions should be communicated in the Trust. The Board **agreed**.

12/176 Next meeting of the Board of Directors

The next formal meeting of the Board of Directors will be held on 31st October 2012, at Scarborough Hospital Blue Room.

This will be followed by a private Board time-out for the afternoon of 31st October to be held in the Blue Room. The continuation of the Board time-out on 1st November 2012 will be held at Ox Pastures Hotel Scarborough.

12/177 Any other business

There was no other business.

Minutes of the meeting of the Board of Directors of York Teaching Hospital NHS Foundation Trust, held in the Blue Room, Scarborough Hospital, on Wednesday 31st October 2012.

Present:	Mr A Rose	Chairman of the Trust
	Mrs J Adams	Non-executive Director
	Mr P Ashton	Non-executive Director
	Mr A Bertram	Executive Director of Finance
	Mr P Crowley	Chief Executive
	Ms P Hayward	Executive Director of Human Resources
	Mr M Keaney	Non-executive Director
	Ms E McManus	Chief Nurse
	Mr M Proctor	Deputy Chief Executive/Chief Operating Officer
	Ms L Raper	Non-executive Director
	Mr M Sweet	Non-executive Director
	Dr A Turnbull	Executive Medical Director

Attendance: Mrs A Pridmore Foundation Trust Secretary

Mr Rose welcomed Miss Sue Wellington and Mr David Wheeler, Scarborough Public Governors, to the meeting as observers.

12/178 Apologies for absence

Apologies were received from Professor Willcocks.

12/179 Declarations of Interests

The amendments to the declarations of interest were **noted**. The members of the Board of Directors were asked to advise Mrs Pridmore of any further changes.

12/180 Minutes of the meeting of the Board of Directors held 29th August 2012

The minutes were **approved** as being a true record of the meeting.

12/181 Matters arising from the minutes

There were no matters arising from the minutes.

12/182 Patient Experience

The Trust has established a process for reading a complaint and the compliment received by the Trust at each Board meeting. Ms Hayward read a letter of complaint, which the Board noted. The complaint related to an issue around 'Do not attempt Cardio-Pulmonary Resuscitation' (DNACPR). Mr Sweet enquired if a DNACPR decision would expire once the patient had left the Trust. Dr Turnbull advised that it would not expire. The system had been changed a couple of years ago. The DNACPR now stays with the patient and is sent on to other agencies the patient has contact with, such as a nursing home or the GP.

Unfortunately, Professor Willcocks was due to read the compliment, but was unable to attend the meeting, so the Board of Directors did not hear a compliment.

Ms McManus added that she is preparing a statement on the Liverpool Pathway for the press following the recent reports and for the York Health Overview and Scrutiny Committee (OSC). The Board agreed that the portrayal of the Liverpool Pathway in the press had been unhelpful. She added that the Liverpool Pathway is not a means to shorten stay or anything else that the press suggested. It was **agreed** that this should be a subject discussed at the Council of Governors in the future.

12/183 Quality and Safety Committee

Mr Rose asked Ms Raper, as Chairman of the Quality and Safety Committee, to give her highlight report on the deliberations of the Committee to the Board.

Ms Raper thanked Mr Sweet for attending the meeting on behalf of Mrs Adams, who was unavailable. She referred to the summary included in the Board papers and highlighted the key points of the discussions. Mrs Raper particularly drew the Board's attention to the Family and Friends test and the detail of the perception included in the Board report and the attached appendix 2. The appendix 2 paper implied there were some resource implications of putting the system in place. Ms Raper asked Ms McManus if those resource requirements had been quantified. Ms McManus advised that the Group had only just started to meet and had not had an opportunity to quantify the resource implications. She expects to be able to provide some information to the Committee by December/January.

Mr Rose asked if there would be a published national league table of such data. Ms McManus commented that she would expect there to be something, but at this stage it was not clear what it might be.

Ms Raper referred to the safety briefings included in the Medical Director's report. She commented that there had been a reduction in the level of compliance and asked Dr Turnbull to comment. Dr Turnbull advised that it has to do with the way the fields are completed on the computer. The Trust rate is approximately 80%. The Board was reminded that this information was specific to York. Scarborough data would be included in the near future. Dr Turnbull added that the Directorates have discretion as to what questions are included in checklist so that they are appropriate to the operation being carried out. Mrs Adams enquired if it could be identified who was not complying with the requirement. Dr Turnbull confirmed that the system did have that facility and that the Clinical Directors were responsible for tackling individuals who did not comply. The Board asked if the information included those operating at Ramsey. Dr Turnbull advised that he was not sure if Ramsey collected the information for their patients, but if the Trust was undertaking work using Trust Consultants the use of the checklist would be captured.

Ms Raper asked Dr Turnbull to update the Board on the reducing mortality report including the 'summary hospital-level mortality indicator' (SHMI) and 'hospital standardised mortality ratio' (HSMR). Dr Turnbull updated the Board on the current SHMI and HSMR figures. He advised that the Trust is still coded as two separate Trusts, as this is historic information, so the tables included in the report are shown separately. Dr Turnbull referred to the table that showed the diagnosis-specific SHMI rates and highlighted the SHMI – renal. Dr Turnbull advised he had reviewed this rate in some detail. He had established that both sites, when they were individual Trusts, coded differently. He added that he did not believe there had been sufficient consistency with the coding and the coding is being undertaken more accurately now.

Dr Turnbull also reported to the Board that there had been two Never Events. The first was a wrong site surgery, a patient had the wrong tooth extracted and the second occurred in October 2011 but has only recently been identified when the patient returned for a routine scan.

Dr Turnbull reported to the Board on the flu immunisation statistics. He advised that for the York site there had been an 8.5% take up as at 26th October 2012. The flu vaccines have only been available in York for one week. At the Scarborough site there has been a 30% uptake. The Scarborough site has had vaccines available for about a month. Across the whole Trust there has been about a 10% uptake. The Department of Health has set a target of around 70% and the Trust is required to submit its figures on a weekly basis. There are roving teams working across the Trust. Dr Turnbull added that he is currently discussing with the Medical School the requirement for medical students to receive the vaccine.

The Board noted the report and thanked Ms Raper for the information.

12/184 Director of Infection Prevention and Control quarterly report

Ms McManus advised that the report included Q1 and Q2. There is no significant variance across the organisation, although the risk does increase over the winter months. As the Board is aware, activity has been consistently high throughout the summer and has continued during the autumn. This has meant that extra beds have been put in some areas, which makes it more difficult to maintain excellent cleaning standards and making it easier for infection to spread; in that situation, efforts are redoubled to maintain the standards. Ms McManus added that the level of activity in the Trust also makes it difficult for staff to always comply exactly with the policy. It was **agreed** that the Quality and Safety Committee would discuss this point in more detail.

Action: Mrs Pridmore to include compliance with policy on the work programme for the Quality and Safety Committee.

The Board asked about the c.diff. concern raised by Dr Todd in the Executive Board minutes. Ms McManus commented that Dr Todd flags-up risks as appropriate and provides advice to the Corporate Directors on the level of that risk and how it might be appropriate to mitigate it. The Executive Board does review the systems and consideration is given to additional suggestions that are made. An example of this was the introduction of a re-designed drug chart.

The Board **noted** the report and thanked Ms McManus for her report.

12/185 Finance and Performance Committee

Mr Rose asked Mr Sweet, as Chairman of the Finance and Performance Committee, to give his report on the deliberations of the Committee to the Board.

Mr Sweet advised that the Committee had reviewed the Operations Report in detail and he would like to bring the following items to the Board's attention:

Operations Report – the cancer targets are being achieved, there just are some pathways that are proving more difficult. In terms of the 62 day target, the requirements that have been put in place require the Trust to refer the patient by day 38. Mr Crowley added that

discussions have been held with Hull to agree what the risk-sharing arrangements would be if the referral is received over 38 days. There is a clear difference between the Yorkshire Cancer Network and the East Yorkshire Cancer Network and how they view the 62 day target.

The patients that have waited 52 weeks will be clear by the end of December 2012 and not October 2012, as stated in the report. The reason for the delay is as a result of patient choice.

Finance Report – as the Board is aware, Lucentis is an expensive drug that is paid for as a pass-through contract. The element that does affect the Trust is the procedures that are undertaken in the consultation before the drug is given. The level of activity within the Trust has been lower than expected.

Mr Sweet asked Mr Bertram to update the Board on the capital monies. Mr Bertram advised that the £20m capital has not as yet been released by the Treasury, but the Trust has received all the revenue and liquidity support expected. The delay is as a result of the need for final conversations to be held between the Department of Health (DH) and the Treasury. The Trust has asked for and received further clarity around the DH commitment. This support has been received from the Strategic Health Authority in the form of a letter, which has been forwarded to Monitor.

Mr Rose enquired when the capital money was required. Mr Bertram advised that the development in Graham Ward (Scarborough) has been started and design teams are commencing other development schemes. This work is at some risk; should the agreed capital be delayed much further there will be an impact on the capital programme and some of the programme will need to be halted. The Board registered its disappointment with the continued delays, given the clear commitment given at the point of acquisition to provide the necessary strategic capital.

Efficiency report – there have been great improvements in the achievements this month and the Trust is now ahead of where it was at this time, last year. In terms of staff, the Committee reviewed the closing gap between the vacancies and numbers of staff in post. The Committee discussed the dynamics of the reduction in use of locum staff in Scarborough and the increase in staff employed by the Trust. It was agreed that the increase growth in employed staff was not necessarily detrimental to the Trust's efficiency programme and expenditure management as it often reduced the overall levels of costs.

Mr Sweet asked the Board to congratulate General Surgery in achieving triple green status. Mr Sweet asked if Mr Rose would write to the Clinical Director on behalf of the Board. It was **agreed** that Mr Rose would send a letter.

Action: Mr Rose to write to the Clinical Director of General Surgery.

Mr Sweet advised that the Efficiency Panel Reviews have been taking place looking at the micro and macro schemes and adding to the challenge already given to the Directorates.

The Board **noted** the report and thanked Mr Sweet for his comments.

Mr Sweet advised that the Finance and Performance Committee had reviewed the document during the meeting and were assured that the information being submitted to Monitor was consistent with the information reported to the Board.

The Board considered the self certification information and **approved** the return.

12/187 Chairman's items

The Chairman referred to his report and highlighted some key points. He referred to the Foundation Trust Network (FTN) conference and the discussions held about the changes in the system. The continuing debate about how Trusts work through this time of change was central to the debate. This matches the debates the Trust is having with the development of the KPMG review. This will be discussed in more detail during the Board time-out.

Mr Ashton asked if these discussions include the Clinical Commissioning Groups (CCGs). Mr Rose confirmed it did. There was a need to develop and change the relationships that currently exist with the PCT and recognise the massive pressure the CCGs are under. Dr Turnbull added that the politicians must also be involved, particularly where there are changes that need to be put in place.

The Board **noted** the comments made on the report prepared by the Chairman.

12/188 Report of the Chief Executive

The Open Day programme was included in the Chief Executive's report and outlined the proposed programme for next year. Mr Crowley commented on the programme and asked for those with a personal interest in the development of the programme next year to let him know so that they can be involved.

Mr Crowley referred to the staff survey. He advised that staff were being encouraged to complete the survey. The Trust values the comments and responses it receives and uses the information to improve the working environment for staff.

Mr Crowley referred to the Hillsborough report. He drew the Board's attention to the assurance given in the paper.

Mr Crowley added that he could report that Mr Rose had been formally reappointed as Chairman by the Council of Governors for a further two years at their last meeting. This means the Chairman will be in post until March 2015.

Mr Crowley also advised that Dr Peter Kennedy, the first Chief Executive for the York Hospital Trust, recently died. He left the Trust in 1999, having laid the foundation stones for the organisation, so allowing it to develop into the organisation it is today. Mr Crowley advised that he would attend the funeral along with Mr Proctor and represent the Trust.

Ms Hayward added that a pyramid was being installed in one of the courtyards in the York hospital. The intention is that the names of those staff that die in service are engraved on the pyramid along with the names of other staff that the Trust would like to recognise.

The Board **noted** that the Trust had won an extended Cytology screening contract and suggested that the Board should write to those involved in securing the contract to recognise them for their hard work.

The Board **noted** the comments and the detail in the report and were assured by the information.

12/189 Integration Programme Progress Update

Mr Crowley presented the report and highlighted the systematic reviews that have been undertaken across the corporate work streams. He advised that this process will be completed in the near future. Mr Proctor chairs the Performance Management Liaison Group; this group makes the judgements on the additional resources needed to deliver the integration.

The Board discussed the clinical risks identified in the report, specifically Neurology and Rheumatology. Dr Turnbull added that both risks give the Trust an opportunity to change processes and develop other approaches in a suitable way that suits both sites. He added that there are some concerns around recruitment.

The Board discussed the issues identified in the report around Corporate Nursing. Ms McManus explained that the delay relates to finalising the people into the defined posts. The staff are employed by the Trust, there are just some final changes to make with certain roles.

12/190 Next meeting of the Board of Directors

The next formal meeting of the Board of Directors will be held on 28th November 2012, in the Boardroom at York Hospital.

12/191 Any other business

Mr Rose asked the Board to **note** that Ms Raper, Non-Executive Director, had been reappointed by the Council of Governors at their last meeting for a further three years. He gave the Board's congratulations.

Mr Rose thanked the two Governors for observing the Board meeting and requested their feedback on the value of this.

Afternoon session

The afternoon session was preparation work for the Board time-out to be held on 1st November 2012.

Trust Objectives – the Board discussed the current objectives and strategy frames. Some minor amendments were suggested to the bullet points in the document, along with the agreement to amend the Quality and Safety Strategy objective and phrasing of the frame.

Action: Update the objectives and frames as agreed - Corporate Directors lead by Mrs Holden. This should be completed by December 2013.

Board self-assessment – the Board discussed the self-assessment and the update given. It was recognised that this piece of work should be repeated in the next 12 months and link it to the Board development programme. A decision would be made early next year on the process to be adopted.

Action: Ensure there is a comment included in the return the Trust will formulate for Monitor in January to show the plan for continued review of the functioning of the Board of Directors - Mrs Pridmore.

Monitor Quality Governance Plan – the Board received an updated Quality Governance action plan for consideration. It was agreed that further work was required to allow the Board to confirm the statement that should be signed in January 2013.

Action: Undertake a more detailed review of compliance with the action plan including a review of the full Quality Governance Plan – lead by the Chief Nurse. This should be completed by January 2013.

Standing Operating Procedure for Corporate Governance

Mrs Pridmore presented this report and explained the purpose of the introduction of the process. It was agreed that the document would be published initially on the intranet and in the near future included on the Internet. Directors were asked to provide any feedback to Mrs Pridmore over the next couple of weeks.

Action: Board members to provide any comments to Mrs Pridmore as soon as possible. Mrs Pridmore will finalise the first version of the document and arrange for it to be published on the intranet prior to publication on the internet. This should be completed by March 2013.

Board Time-out – 1st November 2012

The Board of Directors were joined by other directors and a number of the Clinical Strategic Leads to discuss a range of strategic issues related to the short and medium term development of the North Yorkshire health economy.

Council of Governors – 12 December 2012

Finance Report

Action requested/recommendation

To note the contents of this report.

Summary

This report details the financial position for York Teaching Hospital NHS Foundation Trust for the period ended 31st October 2012.

At the end of October, there is an Income and Expenditure deficit of £0.05m against a planned surplus for the period of £0.99m and an actual cash balance of £15.2m. The Income and Expenditure position places the Trust behind it's Operational plan.

Strategic Aims

Please cross as appropriate

- | | |
|---|-------------------------------------|
| 1. Improve Quality | <input checked="" type="checkbox"/> |
| 2. Improve our effectiveness, capacity and capability | <input checked="" type="checkbox"/> |
| 3. Develop stronger citizenship through our working with partners | <input checked="" type="checkbox"/> |
| 4. Improve our facilities and protect the environment | <input checked="" type="checkbox"/> |

Implications for equality and diversity

None directly identified.

Reference to CQC outcomes

No reference to CQC outcomes.

Progress of report	Board of Directors 28 November 2012
Risk	There are financial risk implications identified in the report.
Resource implications	There are financial resource implications identified in the report.

Owner	Andrew Bertram, Finance Director
Author	Graham Lamb – Deputy Finance Director
Date of paper	November 2012
Version number	Version 1

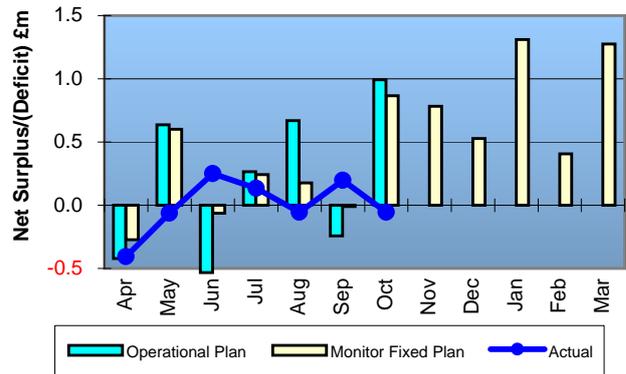
YORK TEACHING HOSPITAL NHS FOUNDATION TRUST

Financial Report for the Period 1 April 2012 to 31 October 2012

High Level Overview

- * A net I&E deficit for the period of £0.05m (York +£0.22m; Scarborough -£0.28m after transition support) means the Trust is behind plan by £1.0m.
- * CIPs achieved at the end of October total £15.5m. The CIP position is running £0.8m behind plan.
- * Income for NYY and other PCTs is estimated to be ahead of plan.
- * Cash balance is £15.2m, and is below plan due to the delayed receipt of the planned capital funding for Scarborough.
- * Capital programme is behind plan, due to delayed receipt of capital funding.
- * The provisional Monitor Financial Risk Rating is 3, which is on plan
- * Transitional support is contributing a net £1.5m to the underlying reported I&E position.

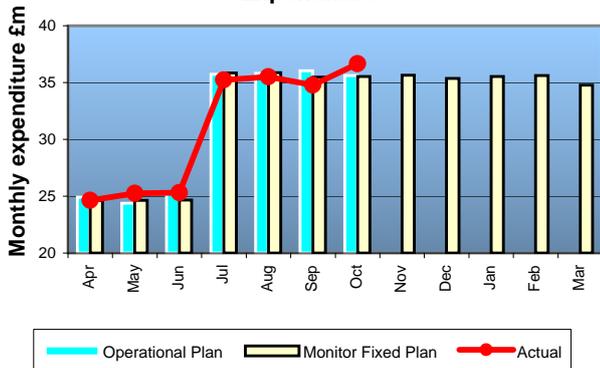
Net Income & Expenditure



Key Period Operational Variances

	Plan £m	Act.£m	Var. £m
Clin.Inc.(excl. Lucentis)	184.2	182.9	-1.3
Clin.Inc.(Lucentis)	5.7	4.5	-1.2
Other Income	28.7	29.8	1.1
Pay	-142.5	-142.6	-0.1
Drugs	-19.0	-19.0	0.0
Consumables	-20.5	-20.4	0.1
Other Expenditure	-28.1	-27.7	0.4
	8.5	7.5	-1.0

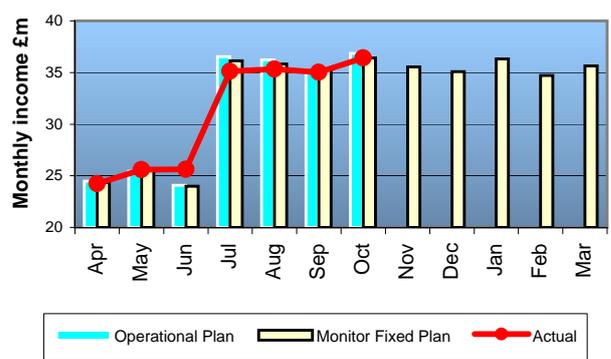
Expenditure



At the end of October there is a favourable variance against operational expenditure budgets of £0.33m. This comprises:-

- Operational pay being £0.09m underspent.
- Drugs in balance, underspending on Lucentis is being partially offset by overspending on excluded high cost drugs.
- Clinical supplies £0.06m underspent, primarily due to uncommitted provisions.
- CIPs are £0.80m behind plan, and there is £0.98m other underspending.

Income



At the end of October income is behind plan by an estimated £1.40m. This comprises:

- Elective and day case income are behind plan by £2.16m, primarily due to case mix varying from plan.
- Non elective income is ahead of plan by £0.59m due to the threshold adjustment being less than planned for period.
- Out patient income is ahead of plan by £2.57m, due to activity being ahead of plan.
- A&E is ahead of plan (£0.32m). Other clinical income is £3.82m behind plan, of which £1.2m is a shortfall on Lucentis.
- Other income is £1.10m ahead of plan.

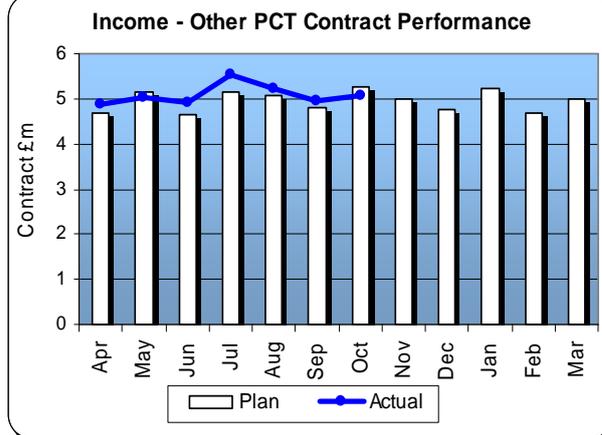
YORK TEACHING HOSPITAL NHS FOUNDATION TRUST

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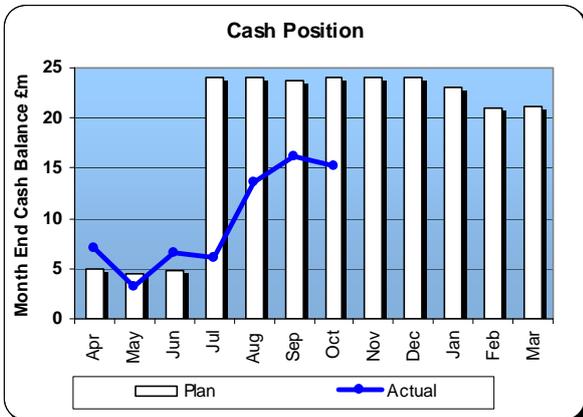
Annual contract value is £289.4m (York £221.7m, Scarborough £67.7m).

Income is estimated to be ahead of the contract plan by £5.0m for the year to date, of which York £3.5m and Scarborough £1.54m. The Scarborough income position prior to acquisition was £0.7m ahead of the contract plan.



Annual contract value is £59.4m (York £29.2m, Scarborough £30.2m).

The contract is slightly ahead of plan.



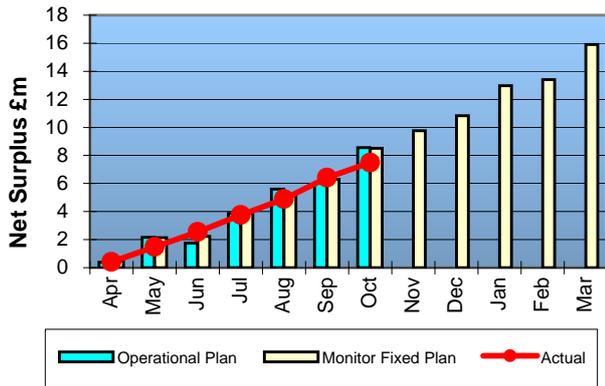
Cash balances at the end of October totalled £15.2m. This is significantly lower than plan, mainly due to external delay in receipt of the planned capital funding for Scarborough.

Monitor Liquidity Ratio					
Risk Rating	5	4	3	2	1
Days Cover	60	25	15	10	<10
Trust Actual Days		26			

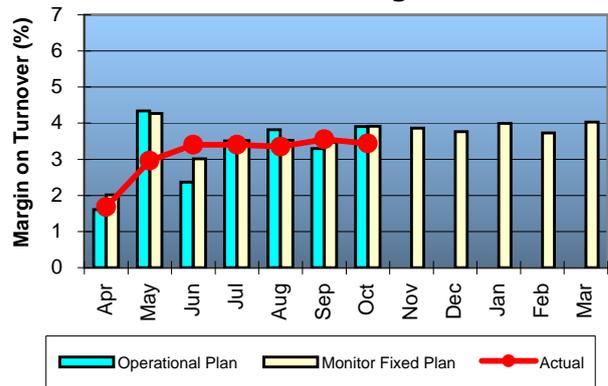
YORK TEACHING HOSPITAL NHS FOUNDATION TRUST

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EBITDA

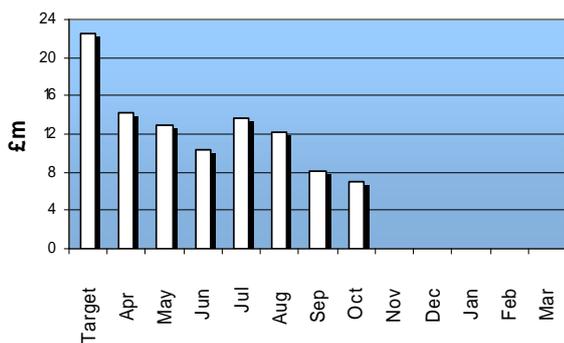


EBITDA Margin



Actual EBITDA at the end of October is £7.5m (3.4%), compared to operational plan of £8.6m (3.9%), and is reflective of the overall I&E performance.

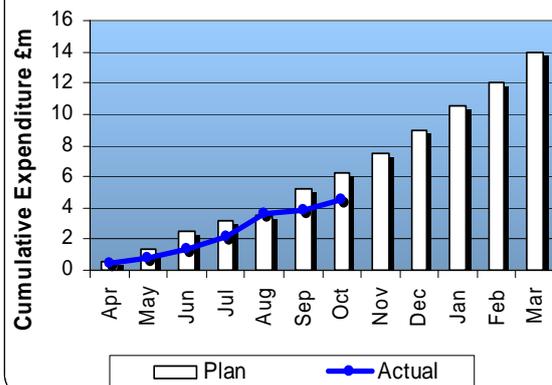
CIP Outstanding Requirement



The full year efficiency requirement is £22.6m (York £16.9m, Scarborough £5.7m). At the end of October £15.5m has been cleared, leaving £7.1m still to achieve.

The outstanding target to be achieved in July increased over June due to the Scarborough share of the CIP now being part of the Trust's overall plan.

Capital Programme

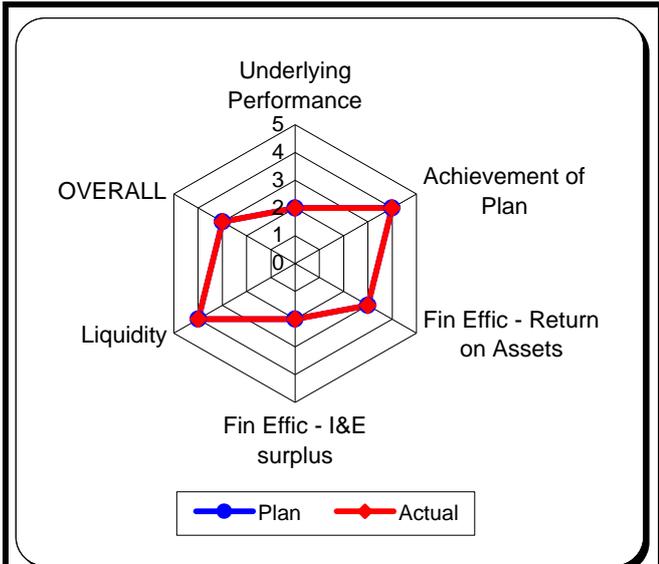


Capital expenditure at the end of October totalled £4.5m, and is behind plan due to the delayed receipt of capital funding for the Scarborough site.

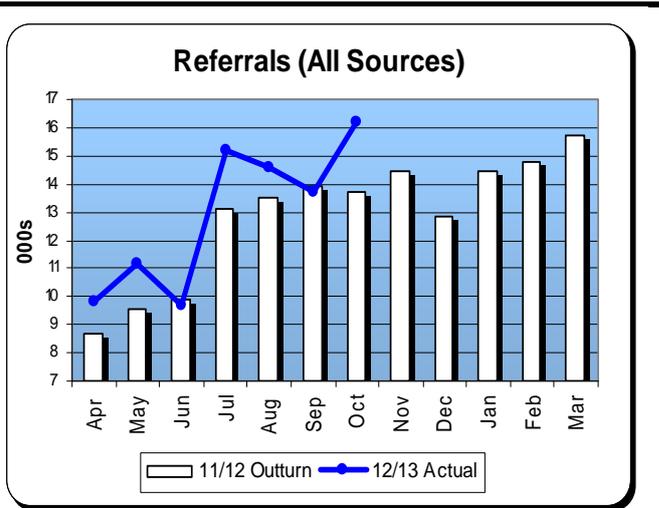
Schemes with significant spend in the year to date include: the new MRI scanner, radiology reporting, lift replacement phase 3, and the IT virtual server, at York, and Roofing works at Bridlington. Work has also started on the escalation ward at Scarborough, and planning for Maple 2.

YORK TEACHING HOSPITAL NHS FOUNDATION TRUST

Financial Report for the Period 1 April 2012 to 31 October 2012

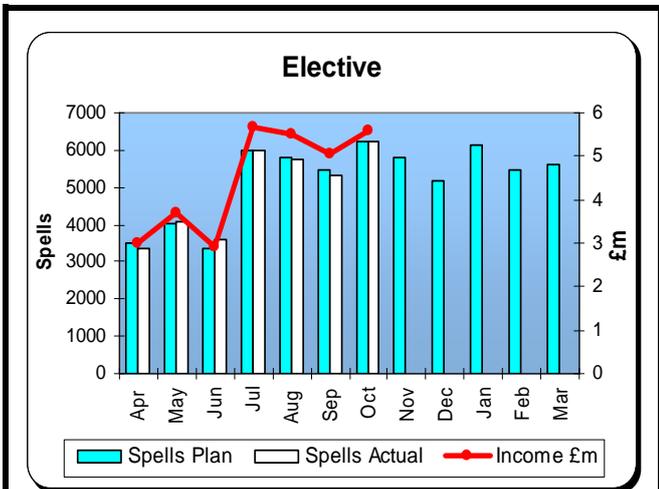


The Trust's provisional overall FRR for the period is 3, which is in accordance with the plan submitted to Monitor.



Annual plan 154,662 referrals (based on 2011/12 outturn)

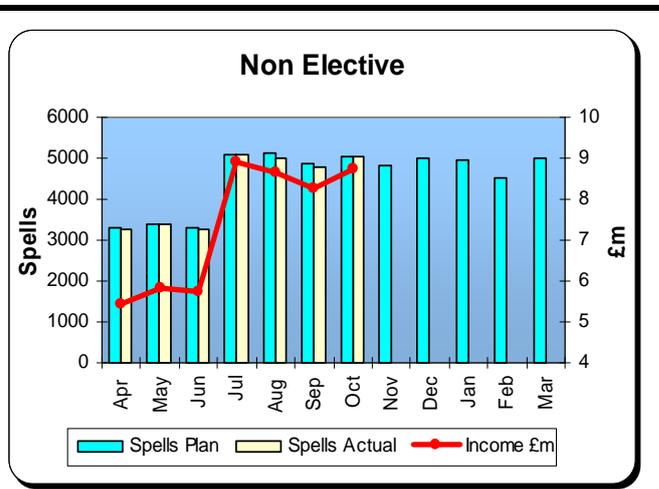
Variance at end of October: +7,929 referrals (+10%)
 GP referrals +2,670 (5%)
 Cons to Cons referrals +56 (0%)
 Other referrals +5,203 (+23%)



Annual Plan (Spells) 62,414
 Variance at end of October: +23 spells (+0.1%):
 inpatient -250; daycase +273. York +32 (+0.1%);
 Scarborough -9 (-0.1%).

York variances: Ophthalmology (+20%),
 Rheumatology (+7%), Anaesthetics (+40%) ahead
 of plan. General Surgery (-4%), T&O (-4%),
 Gynaecology (-19%), Paediatrics (-65%),
 Medicine for the Elderly (-61%) behind plan.

Scarborough variances: Urology (+11%), General
 Medicine (+9%) ahead of plan. General Surgery (-
 23%), Pain (-18%), Ophthalmology (-22%) behind
 plan.



Annual Plan (Spells) 54,399
 Variance at end of October: -209 spells (-0.7%).
 York -222 (-0.9%); Scarborough 13 (+0.2%)

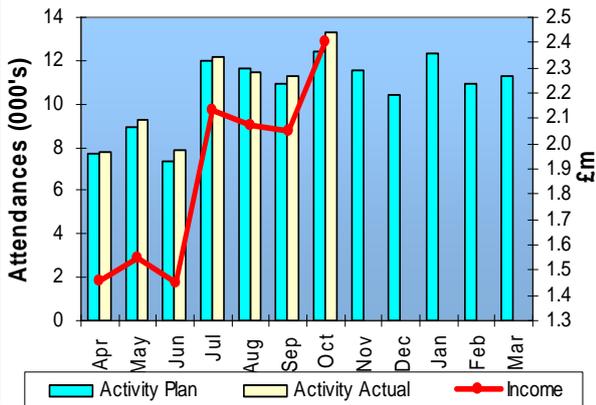
York variances: General Medicine (-14%), Trauma
 and Orthopaedics (-9%), Medicine for the Elderly (-
 7%), Ophthalmology (-61%) behind plan. ED
 (+36%), General Surgery (+6%), Paediatrics (+22%)
 ahead of plan.

Scarborough variances: General Medicine (+8%),
 T&O (+14%), Geriatric Medicine (+7%), Obstetrics
 (+7%) ahead of plan. General Surgery (-17%),
 Gynaecology (-20%) behind plan.

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Outpatient First Attendances



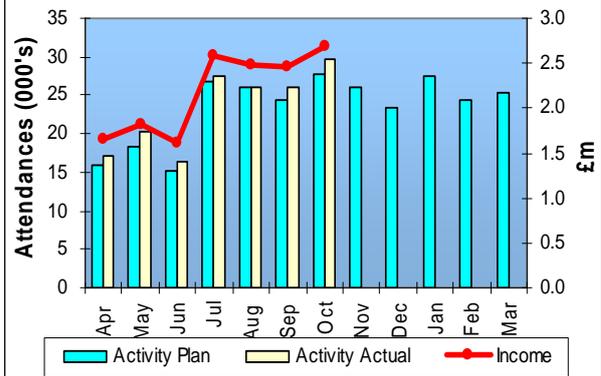
Annual Plan (Attendances) 127,520

Variance at end of October: +2,099 attendances (+3.0%). York +298 (+0.5%); Scarborough +1,801 (+14.7%).

York variances: Anaesthetics (+25%), General Medicine (+5%), Obstetrics (+36%), T&O (+45%), ahead of plan. Dermatology (-40%), Gynaecology (-18%), behind plan.

Scarborough variances: Elderly Medicine (+24%), General Medicine (+9%), ENT (+48%), General Surgery (+32%), Obstetrics (+47%) ahead of plan.

Outpatient Follow Up Attendances



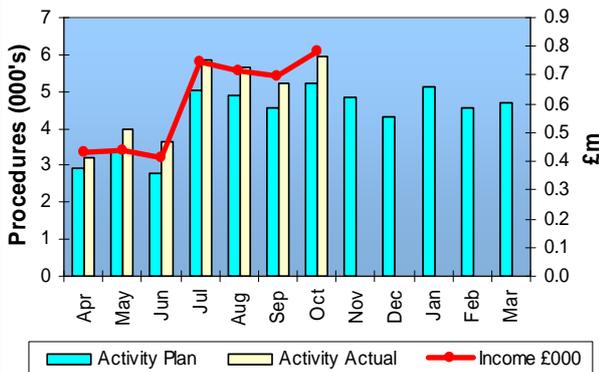
Annual Plan (Attendances) 281,451

Variance at end of October: +8,094 attendances (+5.2%). York +6,019 (+4.9%), Scarborough +2,075 (+6.3%).

York variances: General Medicine (+6%), Paediatrics (+10%), T&O (+12%), ahead of plan. Dermatology (-30%), Gynaecology (-10%), Ophthalmology (-2%), behind plan.

Scarborough variances: T&O (+8%), Ophthalmology (+5%), Obstetrics (+16%), Pain (+26%), Rheumatology (+26%) ahead of plan. Dermatology (-22%) behind plan.

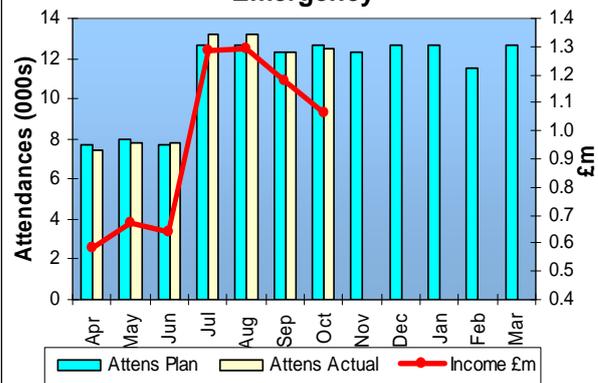
Outpatient Procedures



Annual Plan (Attendances) 52,282

Variance at end October: +4,868 procedures (+17.0%). York +4,555 (+20.5%); Scarborough +313 (+4.8%)

Emergency



Annual Plan (Attendances) 135,577

Variance at end October: +632 (+0.9%). York -1,240 attendances (-2.3%); Scarborough +1,742 (+9.4%)

