

MINUTES OF THE BOARD OF DIRECTORS' MEETING

Meeting Date: 9th October 2017
(Held in Public)

01/17 **Apologies for Absence**

Apologies were received from Mr John Amaechi (Non-Executive Director); Dr Ivan Benett (Non-Executive Director); Mrs Gill Heaton (Deputy CEO); and, Professor Cheryl Lenney (Chief Nurse).

02/17 **Declarations of Interest**

There were no additional declarations of interest for this meeting.

Decision:	Noted	Action by: n/a	Date: n/a
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03/17 **Group Chairman's Welcome and Opening Remarks**

- i) The Group Chairman confirmed that the MFT Governor Elections was now underway and the outcome of the elections was expected 28th November 2017; following which a Special Members Meeting would be convened to ratify the new Council of Governors on 6th December 2017. It was also noted that the first Council of Governors meeting was scheduled on 20th December 2017.
- ii) The Group Chairman reported that the 6th Nursing and Midwifery conference for the Central and Trafford sites had taken place the previous week, with colleagues from Wythenshawe attending also. She explained that it had been an excellent event with over 200 nurses and midwives in attendance to celebrate and reflect on the achievements made over previous 12 months.
- iii) The Group Chairman reported that she had attended the celebration of the *Ticker Club's* 30th anniversary on Saturday 16th September at Wythenshawe Hospital. It was noted that since the Club was founded, members had raised over £1.2 million through fundraising events.
- iv) The Group Chairman offered the Board's congratulations to the Volunteer Service team at the Central site who were presented with two Excellence in Volunteer Management Awards by the National Association of Voluntary Services Managers (NAVSM) on 29th Sept 2017.
- v) The Board noted that the Annual Members Meetings of the former CMFT and UHSM organisations were successfully held during September 2017
- vi) The Chairman also informed the Board that the CQC had announced a series of reviews in Local Authorities, including Manchester & Trafford, and the focus would be on older people aged 65yrs+ along with the interface between social care and general primary care and acute and community service.
- vii) The Chairman also announced that the Flu Campaign for 2017/18 had been launched.

Decision:	Chairman's Report Noted	Action by: n/a	Date: n/a
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Group Chief Executive's Report

- i) The Chief Executive confirmed that the new organisation had successfully come into being on the 1st October 2017; adopting a low key, business as usual approach. He explained that it was important that everything was carefully managed and steady over the coming months whilst also looking at clinical strategies alongside the wider health and social care economy in GM and beyond. He emphasised a strong 'business as usual' approach throughout the organisation.

Decision:	CEO's Report Noted	Action by: n/a	Date: n/a
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Operational PerformanceBoard Assurance Report

The Group Joint-Medical Director reported that since the publication of the July 2017 report, it was disappointing to now report that there had been two 'Never Events' (NEs) in RMCH. It was noted that whilst no significant patient harm had been received due to the NEs, the events should not have taken place if processes and procedures had been adhered to. He confirmed that the two events were currently under investigation.

The Group Joint-Medical Director also reported that the crude mortality rates continued to gradually decrease over a period of time despite an increase in activity. He explained that whilst the organisation's Hospital Standardised Mortality Ratios (risk adjusted methodology) was currently just below the national average and was deemed good, the SHMI was just within the confidence limits (on the 'funnel plot' presented) and therefore the Board noted that a number of checks were in place including review of individual deaths across Divisions, with Divisional Scrutiny Meetings chaired by Dr Ivan Benett (NED). It was also noted that reports were also presented to the Quality & Performance Scrutiny Committee. The Group Joint-Medical Director confirmed that no significant issues or concerns had been highlighted following detailed reviews at the present time.

In response to a question from Mr Roger Barlow, the Group Joint Medical Director confirmed that the Mortality data 'by-site' will be available for review prior to the next meeting of the Board.

The Group Chief Operating Officer provided an overview on the Patient Experience data presented in the Board Assurance Report on behalf of the Chief Nurse. Nurse recruitment and retention was highlighted and it was confirmed that recruitment was expected to improve over the Autumn period. The Board also noted performance against the range of Complaints targets.

Mr Trevor Rees confirmed that the report provided a good high level snapshot of complaints throughout the organisation. The Group Chief Operating Officer reported that the combined performance data for the new organisation was still under development and further refinements would be presented at future meetings of the Board.

The Group Chief Operating Officer reported that the Central Site had achieved a 4hrs A&E standard of 93.34% at the end of Q2 (2017/18) against an STF trajectory of 92.98%. It was noted that the Wythenshawe site had a target of 90.8% and had achieved 89.12%. The Board was reminded that the total STF target for the new organisation in Q3 (2017/18) was >90.8% and all sites were advised on the breaches tolerance. It was noted that performance against the Q3 target at 09.10.17 was 88.4% and this was a reflection of the overall pressures within the urgent care system.

The Board noted that the organisation's performance against the 62 Day cancer target was 80% against a target of 85%. The Group Chief Operating Officer explained that the areas of concern continued to be Upper & Lower GI, Urology, and, Lung Cancer Pathways. She explained that whilst work streams to develop the cancer pathways was on-going, the Trust was currently compliant with the National 10-point Plan (focused on pathways). She also confirmed that shared-learning was developing between CMFT and UHSM.

The Board was also advised that despite a 9% increase in the demand for diagnostics, there had been a reduction in the numbers of patients waiting >6wks on the Central Site by the end of July (down to 2.95% from 4%). However, it was also reported that there had been a challenge in August with non-Obstetric Ultrasound and MR at Wythenshawe Hospital and the numbers of patients waiting >6wks had increased from 1% to 7% during this period. The Group Chief Operating Officer confirmed that this provided an overall combined level of performance for the whole organisation of 4.6% for August 2017. It was noted that a range of recovery plans were in place within modalities to bring the organisation back onto trajectory by November 2017.

The Group Chief Operating Officer also provided a summary of the organisation's RTT performance and confirmed that whilst the target on the Central Site was being met with a fine margin of error (92.02%), Wythenshawe's performance in August was 86.3% and 87.6% in September (a combined performance for the same period was 90.06% which fell short of the 92% target). In response to a question

The Group Executive Director of Workforce & OD explained that the Trust's attendance benchmark standard is based on the average of the Shelford Group absence level (3.6% which is a challenging target). She explained that performance across the hospital sites was varied with particular challenges at Trafford Hospital and with non-qualified Clinical Support Workers. The Board noted the range of workstreams to address sickness absence and it was noted that the approach adopted at Wythenshawe over a number of years would now be rolled-out on the Central Site (focused on a model of health and wellbeing). It was further noted that a range of Workforce policies were currently under review with a focus on health & wellbeing going forward. The Group Executive Director of Workforce & OD explained that it would be up to 12 months before the Trust would witness a sustained level of performance in the right direction.

Attention was also drawn to the Band 5 Nursing & Midwifery Turnover and the emphasis on making sure that the right number of staff available on all shifts. The Board noted that annual variation between recruitment during the summer and winter months. The Group Executive Director of Workforce & OD also reported that she was disappointed with the Trust's non-compliance with the Appraisal indicator with two Hospitals on the Central Site falling short of the required trajectory along with Wythenshawe at 73%.

In response to a question Mr Trevor Rees, the Group Executive Director of Workforce & OD described how the organisation measured 'retention'.

The Joint Medical Directors reported that whilst the Consultant appraisal on the Central Site had maintained a 90%+ level of performance during the previous 12 months, the challenge in meeting the target was within the cohort of Junior Drs who were not affiliated with the Deanery (a recognised area of high turnover). They described the approach adopted to improve appraisal within this cohort of staff. The position in Wythenshawe was also noted (80% compliance over the 12 months period) and it was noted that policies and approaches were being aligned between sites with lessons learnt shared accordingly.

The Board noted the Board Assurance Report (August 2017)

Decision:	Noted	Action by: n/a	Date: n/a
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Chief Finance Officer's Report

The Chief Finance Officer reported that each of the predecessor Trusts had already reported financial performance for the first 5 months of 2017/18, to August 31st 2017, through the pre-existing Board meetings/ Committees. He explained that the report presented to the Board provided a highest-level summary current operating financial performance which would provide the platform for the new Trust as it commenced operation from 1st October 2017.

The Board noted that a summary of the Regulatory metrics for each predecessor Trust's current performance and the plan/forecast end-of-year position for Manchester FT, was appended to the report presented. The Chief Finance Officer explained that this Regulatory overview provided further context on the medium-term financial challenges facing the new Trust, already reviewed in some depth by the Board(s) during the FBC approval, Transaction assessment (by NHS Improvement) and Board self-certification processes.

The Board noted the financial results of the predecessor Trusts for the 5 months to 31st August, 2017 as outlined. It was confirmed that the former CMFT had delivered a surplus of £2.5m which was just in line with the plan trajectory year-to-date for delivery of the Control Total established by NHS Improvement for a £10.7m year-end surplus. It was also confirmed that UHSM had delivered a deficit of £6.5m, which was £0.5m better than the plan trajectory, subsequent to (and in the context of this delivery) a Control Total agreement was achieved with NHS Improvement in late September enabling access to Sustainability funding for UHSM from the second quarter of the year onwards.

The Chief Finance Officer explained that In both cases, and whilst these headline results had kept in line with trajectories in each Trust's plan, the run-rate performance over the first 5 months, if continued over the remainder of the year without marked step up in delivery, would not provide a basis for sustained delivery of Control Total trajectories.

The Board noted that with the Control Total for the Trust now agreed for the year as a whole, improved performance across the whole of the new Trust remained critical to delivery of this and thus in turn to accessing a remaining over £20m of Sustainability funding which attached to financial delivery over the third and fourth quarters of the year.

The Chief Finance Officer explained that a thorough review and challenge process by the Board was programmed to be undertaken through an early first meeting of the Board Finance Scrutiny Committee in the second week of November 2017.

The Board noted the summary of progress with in-year financial delivery; and, the further review and challenge delivery progress over the autumn (2017), through an early meeting of the Board Finance Scrutiny Committee.

Decision:	Noted	Action by: n/a	Date: n/a
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6/17

Strategic Review

Report on the Single Hospital Service Programme

The SHS Programme Director provided an update on all Single Hospital Service (SHS) Programme activities.

Particular attention was drawn to the amber transaction risk rating approved by the NHS I Board on 19th September 2017 following which a 'Grant of Merger' and 'Dissolution and Transfer of Property Order', required for the creation of Manchester University Foundation NHS Trust, were also signed by the Chief Executive of NHS I to take effect on 1st October 2017. It was noted that this had concluded the NHS I transaction process.

The SHS Programme Director confirmed that the work to de-register the former CMFT & UHSM organisations and to register the new MFT with the Quality Care Commission (CQC) had been successfully completed on 1st October 2017.

The Board noted that following the completion of the Stage 2 Review, the Independent Reporting Accountants (KPMG) had issued a 'comfort letter' supporting the unqualified opinion on all areas of the review thereby ensuring progression of the transaction approvals process. The SHS Programme Director explained that actions arising from the Independent Reporting Accountant's recommendations which needed to be completed pre-merger, were integrated into the Day 1 deliverables plan and concluded. He confirmed that the remaining actions had been encompassed into the post-merger deliverables plan.

The Board noted that the Integration Oversight Group would maintain active supervision of the progress and delivery of the recommendations through the post-integration planning processes.

The SHS Programme Director reported that a workshop for Non-Executive Directors regarding the Post-Transaction Integration Plan had been held on 8th September 2017 and a scheme to track progress of integration projects had also been introduced through the use of the online 'WAVE' tool.

The Board noted that the SHS Communications & Engagement plans had been successfully implemented pre and post merger with the adoption of a full range of communication channels and engagement strategies.

The SHS Programme Director explained that the SHS Team was planning to spend the forthcoming weeks formally closing the project, generating a legacy file and developing an account of lessons learnt. He explained that the process would aim to assist NHS colleagues who might be contemplating similar transactions and could also be used to inform any future guidance developed by NHS I.

The Board of Directors noted the current position of the Single Hospital Service Programme.

Decision:	Update report noted	Action by: n/a	Date: n/a
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Report on the MFT Vision & Strategic Aims

The Group Executive Director of Strategy presented a report on the organisation's proposed vision and strategic aims. He explained that the Trust recognised the need to establish a clear vision and aspirations for the new organisation, setting out where it wanted to be in 5 years' time. It was recognised that developing such a vision would be an opportunity to engage a wide spectrum of external and internal stakeholders, staff in particular, in setting the direction of the Trust and in view of this, it was felt that the right time to undertake such an exercise would be once the organisation was in a position to involve North Manchester General Hospital.

The Group Executive Director of Strategy explained that mindful of this timescale, there was, however, an immediate need to have a working description of the new Trust's vision and strategic aims in order to inform Annual Planning, Divisional Business Planning and as the basis for the Board Assurance Framework.

The Board recognised that the vision developed through the SHS programme and the joint strategic aims that were adopted by both Trusts individually could now be adopted by the MFT Interim Board. The Board was reminded that the strategic aims of the former CMFT & UHSM had previously been aligned for April-September 2017/18 in preparation for the merger. It was also acknowledged that once the new substantive Council of Governors and Board of Directors was in place, there would be an opportunity to re-consider and re-set the vision and strategic aims.

Following a brief discussion it was agreed that the vision of the new organisation, with effect from 1st October 2017, would be *“to improve the health and quality of life of our diverse population by building an organisation that: excels in quality, safety, patient experience, research, innovation and teaching; attracts, develops and retains great people, and; is recognised internationally as leading healthcare provider.”*

The Board also agreed the following strategic aims which included an additional aim relating to the delivery of the merger:

- *To deliver the merger of the two organisations with minimal disruption whilst ensuring that the planned benefits are realised in a timely manner*
- *To improve patient safety, clinical quality and outcomes*
- *To improve the experience of patients, carers and their families*
- *To develop single services that build on the best from across all our hospitals*
- *To develop our research portfolio and deliver cutting edge care to patients*
- *To develop our workforce enabling each member of staff to reach their full potential*
- *To achieve financial sustainability.*

The Board adopted the proposed vision statement and strategic aims on the basis that there would be an opportunity for review, once the substantive Board of Directors and Council of Governors were in place.

Decision:	Vision Statement & Strategic Aims Adopted by the new MFT	Action by: n/a	Date: n/a
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Update on Key Strategic Developments

The Group Executive Director of Strategy provided an update on a range of key strategic issues which were currently being progressed. Particular attention was drawn to the Greater Manchester Health and Social Care Devolution agenda.

The Board was advised that the Greater Manchester Health & Social Care Partnership (GMHSCP) and the Mayor's team would be working together on specific areas including the GM employment brand and mental health. It was also noted that the Trafford locality proposal was progressing through the Transformation Fund assessment process and had five elements, namely, LCO, Trafford Contact Centre, integration of health and social care, care complex and primary care. It was confirmed that MFT would be included as a key partner in the Partnership Board and Executive overseeing the further development and implementation of the plan.

The Group Executive Director of Strategy confirmed that GM had been successful in its bid for capital funding from the national funding for high performing STPs and this included funding for the implementation of Healthier Together (FBC approved by the GM CCGs Joint Committee on 19th September 2017). It was noted that further capital was expected to be made available following the Autumn Statement.

The Board noted further developments in relation to Theme 3 and the proposal to add more programmes including Critical Care and Anaesthetics; Clinical Radiology; Gynaecological Cancer; and, Clinical Pathology. It was noted that Ophthalmology was to be scoped further before a recommendation was made and HIV was being taken forward by the Greater Manchester commissioners. It was further confirmed that a scoping paper had been produced on Cardiology/Respiratory proposing that the specialties were considered separately.

The Group Executive Director of Strategy described progress with each of the MFT-led theme 3 projects, namely, Vascular services, Breast Cancer Services, and, Urology Cancer Surgery. He also confirmed that the work to look at the future configuration of benign urology services had commenced and would dovetail with the work on cancer services. The Board was advised that work continued to develop the case for change; the first Design Oversight Forum will take place in November.

The Board was advised that a proposal had been made for Gynaecological cancer to be added to the revised scope of the Theme 3 programme. It was also confirmed that the NHSE decision concerning the future configuration of adult congenital heart disease services was now expected in November 2017 and the Trust continued to work with Leeds and Newcastle to mitigate, as far as possible, the impact of the reduced workforce on services in Manchester.

The Board of Directors noted progress and the current position in relation to the Greater Manchester Devolution (including Theme 3) and Specialised Services.

Decision:	Noted	Action by: n/a	Date: n/a
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7/17

Governance

Organisations Combined Board Assurance Framework (BAF)

The Group Deputy CEO presented the latest iteration of the combined Board Assurance Framework (BAF) for the new Manchester University NHS Foundation Trust (MFT). He reminded the Board that a Board Assurance Framework (BAF) was required to allow the Group Board of Directors to have a clear understanding about where it gained its assurances from, and to seek further or additional arrangements where there was insufficient assurance. It was noted that the BAF brought together in one place all of the relevant information on the risks to the Board's strategic objectives.

The Group Deputy CEO explained that the two former FTs had well developed BAF documents which served as a useful starting point for the development of a BAF for the new FT. It was noted that the BAF for the new FT would go through a number of iterations during the early months of the operation of the new FT as the Group Board of Directors and officers gain greater familiarity with the organisation's risk environment and as assurance processes were developed and matured. The Board was reminded that earlier iterations of the BAF had been received by the Interim Board during August & September 2017 and the combined BAF was now a 'live' document and ongoing review would take place with further iterations presented to the Board of Directors on a regular basis.

In response to an observation from Mr Trevor Rees, the Group Executive Director of Workforce & OD confirmed that both the Quality & Performance Scrutiny Committee and the HR Scrutiny Committee were regularly undertaking 'deep dives' and seeking assurance around key risks and themes highlighted within the BAF on behalf of the Board of Directors.

In response to a question from Mr Barry Clare, the Group Deputy CEO confirmed that there had been extensive work and review by the Executive Leads, and their teams, over recent months to ensure that there were no key risks or issues from the previous two Foundation Trusts inadvertently omitted from the new organisation's combined High Level Risk Register and combined BAF.

The Board of Directors received the most up-to-date combined BAF (October 2017).

Decision:	BAF received by the BoD and regularly reviewed by the Scrutiny Committees	Action by: n/a	Date: n/a
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The New Organisations' Constitution (October 2017)

The Group Deputy CEO invited the Board of Directors to receive the MFT Constitution (including the Board of Directors' Standing Orders) which was ratified by the Interim Board of Directors on the 5th September 2017 and approved by the former *Central Manchester University Hospitals NHS Foundation Trust* on the 11th September 2017 and former *University Hospital of South Manchester NHS Foundation Trust* on 14th September 2017.

It was noted that in order to meet statutory and legislative requirements, a new Constitution for the new Manchester University NHS Foundation Trust (MFT) had been introduced from 1st October 2017.

The Board of Directors received the new MFT Constitution (October 2017).

Decision:	MFT Constitution received by the BoD	Action by: n/a	Date: n/a
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Process & Timeline for electing a New Council of Governors for MFT

The Group Deputy CEO described the process and timeline for electing a new Council of Governors for Manchester University NHS Foundation Trust (MFT). He outlined the composition of the Council of Governors as prescribed in the new organisation's Constitution (see also previous agenda item) and confirmed that the aim was to have a Council of Governors in place as soon as practicably possible after authorisation on 1st October 2017 in order to ensure that the period of time when the new Foundation Trust operated without this element of governance was minimised. The Group Deputy CEO also explained that establishing a Council of Governors early would also facilitate the speedy appointment of a substantive Board of Directors after authorisation, as permanent appointments could not be made until such time as the Council of Governors was in place.

The Board noted that the election of Public Governors would be in line with the latest Model Election Rules as published by the Department of Health and referred to in the new Constitution. It was also confirmed that the Electoral Reform Services (ERS) had been engaged to run the election process and this had commenced on 2nd October 2017 and would be completed by 28th November 2017. The Group Deputy CEO explained that as part of the drive to create a Council of Governors which was representative of the population served by the new Trust, a decision had been taken by the Interim Board in August 2017 to use the 'single transferable vote' (STV) as the method of election based on evidence which had shown that the STV was statistically more likely to lead to a representative body than the 'first past the post' method.

The Group Deputy CEO Group Deputy CEO confirmed that successfully elected candidates would formally start in office as Governors following the closure of a Special Members' Meeting held on 6th December 2017 and the first meeting of the MFT Council of Governors was currently scheduled for 20th December 2017.

The Board noted that the processes adopted for determining the composition of the Council of Governors and electing the Council members had been designed to be as open, transparent and equitable as possible.

Decision:	Noted	Action by: n/a	Date: n/a
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08/17 Date and Time of Next Meeting

The next meeting of the Board of Directors held in public will be on **Monday, 13th November 2017** at **2:00pm** in the **Main Boardroom**.

09/17 Any Other Business

There was no other business.

Present:	Mr D Banks Professor Dame S Bailey Mr R Barlow Mrs J Bridgewater Mr B Clare Mrs K Cowell Sir M Deegan Mr N Gower Mrs M Johnson Mrs J McCall Mrs C McLoughlin Mr S Nicholls Miss T Onon Professor R Pearson Mr T Rees Mr A Roberts	- Group Director of Strategy - Non-Executive Director - Non-Executive Director - Group Chief Operating Officer - Group Deputy Chairman - Group Chairman - Group Chief Executive - Non-Executive Director - Group Director of Workforce & OD - Non-Executive Director - Non-Executive Director - Group Deputy CEO - Group Joint-Medical Director - Group Joint-Medical Director - Non-Executive Director - Group Chief Finance Officer
In attendance:	Mr P Blythin Mr D Cain Mr A W Hughes	- SHS Programme Director - Deputy Chairman Fundraising Board - Director of Corporate Services/Trust Board Secretary
Apologies:	Mr J Amaechi Dr I Benett Mrs G Heaton Professor C Lenney	- Non-Executive Director - Non-Executive Director - Group Deputy CEO - Group Chief Nurse

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Kathy Cowell OBE DL, Chairman

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Alwyn Hughes , Trust Board Secretary