

**DERBYSHIRE MENTAL HEALTH SERVICES NHS TRUST**

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS**

**Held in The Boardroom, Trust Headquarters, Bramble House, Kingsway, Derby,  
DE22 3LZ**

**On Wednesday 2<sup>nd</sup> December 2009**

**MEETING HELD IN PUBLIC**

Opened: 2.15 pm

Adjourned: 4.15 pm

**PRESENT:**

Alan Baines	Chairman
Alan Barclay	Non-Executive Director
Kathryn Blackshaw	Executive Director of Business Strategy
Graham Foster	Non-Executive Director
Paul Lumsdon	Executive Director of Nursing and Quality
Ifti Majid	Executive Director of Operations
Mick Martin	Non-Executive Director
Mike Shewan	Chief Executive
John Sykes	Executive Medical Director
Tim Woods	Executive Director of Finance
Graham Gillham	Director of Corporate and Legal Affairs
Alison Baker	Executive Business Assistant (Minute Taker)

**IN ATTENDANCE:**

Becky Brewer	HR Trainee
Jenna Cotton	HR Trainee
Ray Curry	Mental Health Action Group
C R Curry	Member of the public
Andrew Hare	Member of the public

**APOLOGIES:**

Lesley Thompson	Non-Executive Director
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**DMHT  
09/124      OPENING REMARKS**

*Those present were advised that the meeting would be audio recorded for the purpose of accurately recording the minutes. The audio recording would be retained for a period of six months, after which time it would be destroyed.*

*The Chairman referred to the official opening of the Ashbourne Centre, performed earlier in the day, by Sir John Brigstocke. The Ilkeston Resource Centre, would be officially opened by the Member of Parliament for Erewash, on 4<sup>th</sup> December 2009.*

*During the month of November, the Chairman had attended a Strategic Management Training Course in Leicester and had also met with Mark Ridge with regard to the Dignity in Care Campaign, a topic included on the December Board agenda. A positive meeting had taken place with members of the Mental Health Action Group to explore ways the organisation could move forward positively with the Trust.*

*The Chairman reported he had attended a Performance Review of the Adult North Business Unit and, once again, repeated his praise of the robust process by which by the Executive Directors monitor the Business Units' performance.*

Reference was made to the presentation given to Board members by Paul Lumsdon which had provided a comprehensive aide memoire with regard to the areas of risk, safety, quality and governance.

The Chairman was also pleased to report that his visit to the Radbourne Unit with Colette Handsley had been excellent and that Non-Executive Directors continued to visit ward areas to improve understanding and Board presence around the Trust.

The Mock 'Board to Board', facilitated externally, had taken place on 19<sup>th</sup> November 2009, the outcome of which had been most valuable to Board members.

A meeting had also taken place between the Trust's Chairman and Chief Executive and their counterparts from Derby City PCT to review recent service tender activity. The Chairman reported that he had attended the Business Development Group the previous week to look at the activity in the organisation for reviewing areas for developmental opportunity.

Lastly, the Chairman confirmed that individual annual appraisal meetings continued to be held with Non-Executive Directors and that steps would commence to appoint an experienced, clinically qualified Non-Executive Director, although advertising would not take place until the beginning of the New Year.

**DMHT  
09/125**      **MINUTES OF MEETING OF THE TRUST BOARD HELD IN PUBLIC ON  
WEDNESDAY 4<sup>th</sup> NOVEMBER 2009**

The minutes of the meeting held on 4<sup>th</sup> November 2009 were accepted and approved.

**DMHT  
09/126**      **MATTERS ARISING FROM MINUTES OF THE MEETING OF THE TRUST BOARD  
HELD IN PUBLIC ON 4<sup>th</sup> NOVEMBER 2009 AND ACTIONS MATRIX**

*DMHT 09/107 NHS Constitution*

Graham Gillham explained that the necessary amendments to the constitution would be carried out as required and the action could be removed from the matrix.

*DMHT 09/109 Financial Position*

Tim Woods confirmed that the reference to the Lorenzo Project had been removed from the summary information for the December Board.

*DMHT 09/109 Non Financial Position*

John Sykes advised that he had received confirmation that the joint project with Nottingham would proceed and he was due to meet with the national lead to review the impact on resources.

*DMHT 09/117 Estates Strategy Update*

Ifti Majid confirmed that the additional information had been completed and the Chairman asked Alison Baker to circulate a copy to Board members.

*DMHT 09/120 Operational Performance*

Kathryn Blackshaw reported that a breakdown of the workforce as a percentage of pay costs had been included in reports, going forward.

**DMHT  
09/127**      **IM&T STRATEGY UPDATE 2009 - 2013 – IFTI MAJID**

Ifti Majid referred to the Board's ratification of the IM&T Strategy in June 2009. At that time, the focus had been the 6 tactics to achieve the IM&T vision "to provide the right information at the right time to the right people to support the delivery of High Quality Care". In the last six months, significant changes had taken place in the IM&T landscape, particularly linked to the national solution, which had resulted in the Trust's

reprioritisation of when it would receive the national solution. The goal remained the same – to achieve a single electronic patient record – although the route to achieve this had changed and the Trust had moved suspend the Lorenzo project (until 2013 - 2014). The use of CareNotes would enable a single system to be delivered by February 2010. Ifti Majid was also pleased to report that the last six months had seen the implementation of Integrated Management Reporting (IMR) Programme and a benefits realisation plan would be produced for the Audit Committee.

A modernisation drive of staff 'tools' was currently underway across the organisation, with the rollout of some of the latest software, (such as Microsoft Office 2007), and maximising the use of the internet by staff. An IM&T Workforce Requirement Scheme had also been agreed which would enable the IM&T requirements of new staff to be identified more effectively.

30 KPIs were agreed (June 2009) and the Board were pleased to note improvements in seven of the areas, three of which had moved to 'green' status. A couple of KPIs had worsened due to target realignment by the Care Quality Commission, but it was pleasing to note that, since the Board papers had been produced, the organisation had now reached a 99.75% completion rate in data completeness, ahead of the new target of 99%.

The Board's attention was drawn to the table of specific strategic projects, and the status and progress of each. The overall financial costings for the projects was presented and the Board were pleased to note that the projects were on trajectory to deliver the approved budget.

In response to the Chairman, Ifti Majid reported that there were no significant causes for concern. Alan Barclay asked whether disaster recovery should be included in the IM&T Strategy and Ifti Majid explained that he had previously updated the Board with regard to the Disaster Recovery Plan, which was part of the IM&T Strategy. The next report in six months time would include an update.

Mick Martin asked how the Board would see the investment in IM&T delivering financial benefits for the organisation. Ifti Majid replied that the IM&T Strategy was the 'enabler' and the financial savings would be shown in CIP projects, which were reviewed weekly and included in the financial Board report. Mick Martin further questioned how the expected savings were tracked against the expenditure. Ifti Majid replied that detailed trajectory monitoring would be included in the Project Initiation Documents (PIDs) kept by the Project Office, which would describe the enabling schemes and the linked schemes to achieve savings.

Mick Martin asked the extent to which the Trust identified the user base for any item of technology, and how user input and acceptance testing was incorporated to ensure staff were engaged and kept informed of developments. Ifti Majid gave an example of the process adopted for the implementation of CareNotes, according to a set project plan, which included scoping, testing and training of the operators. This standard process was built into all IM&T projects and the Board were invited to attend to experience the process working. Mick Martin asked to what extent consultants had provided input to the development of the CareNotes system and Ifti Majid said that consultant input would be gathered at the beginning of a project by user engagement.

Graham Foster asked the Board to note that the Audit Committee in August had been provided with a report from Peter Charlton, IM&T General Manager, on the IMR Project. The Committee had asked for an indication of the ways that IMR would be aligned to the service line management project/service line reporting, and Peter Charlton was due to attend the December Audit Committee to provide feedback on those areas. Secondly, the Board were advised that the Audit Committee intended to

take an interest in matters of data quality. Graham Foster expressed a wish to work with Ifti Majid to develop a programme for 2010/11 to look at ways in which data quality assurance could be achieved, a suggestion welcomed by Ifti Majid.

Lastly, Graham Foster asked for an update on safeguards to prevent data confidentiality breaches. Ifti Majid replied that a number of initiatives had been taken forward, which included a current awareness raising campaign for staff. Training sessions were also being run to increase staff ownership of confidentiality issues. It was encouraging to note that the Trust's record for reporting confidentiality breaches was of a high standard with the inclusion of potential, in addition to confirmed, instances. A project had commenced to review information stored on the 'C' drives of PCs, to ensure confidential data had not been stored inappropriately. A project was also underway to phase out the use of faxed communications and an initiative was being rolled out for the secure transit of patient records with the use of 'net' bags.

The Chairman asked whether the Trust carried out a process for scanning for unauthorised software. Ifti Majid confirmed that the infrastructure managers used 'Zenworks' software to scan Trust PCs for unauthorised software. In addition, only Trust-approved data sticks were authorised to be used with Trust equipment. Paul Lumsdon agreed that the control measures in place to train staff were being evidenced at the Serious Untoward Incident Group.

In response to the Chairman, Ifti Majid explained that network capacity was an issue for the organisation. A system of central control had been developed to identify the areas of highest usage, such as 'top 10' lists for staff email inboxes.

**RESOLVED:**

- **To acknowledge the proactive approach being taken and note the progress on the delivery of the IM&T Strategy.**
- **To note the monitoring of IMR alignment to SLM/SLR, together with the strive for data quality assurance by the Audit Committee.**
- **To receive a further update report to the June 2010 Board meeting.**

**DMHT  
09/128**

**PROCUREMENT STRATEGY 2009 - 2012 – KATHRYN BLACKSHAW**

Kathryn Blackshaw provided some background information with regard to the context of the procurement agenda. The Trust had a non-pay budget of £17.7m at present and operated within Re:source, the East Midlands Procurement Hub. Services were commissioned from Derby Hospitals NHS Foundation Trust, which provided a supplies function. A new ordering system had been introduced, which had been problematic in the early stages, but which should allow for smoother procurement with improved authorisation procedures.

The Strategy before the Board contained the recommendations highlighted in the Cabinet Office Review of NHS Procurement. In addition, the Trust was involved in a three staged approach with Re:source: to review the ledger system in terms of opportunities for non-pay expenditure savings; to commence a review of current providers and produce a list of preferred providers; and to undertake training for staff in procurement, in particular with tendering skills.

The Trust's three-year Procurement Strategy had been prepared by Rachel Leyland (Head of Commissioning, Finance) and would be reviewed annually.

The Chairman referred to the Cabinet Office target of 3% savings and asked how the savings could be measured, and where the results would be presented. Kathryn Blackshaw replied that clear targets would be set with Re:source, which had experience of the levels of achievable savings and deliverable timescales. The Trust

had not previously undertaken such an exercise and the opportunity existed to find significant savings. The agreed targets would be applied to the various strands of the organisation as part of the annual planning process for 2010/2011.

Graham Foster asked whether the organisation had sufficient professional procurement staff able to identify the level of savings required as investment in such staff would often show returns in savings, which were a multiple of their cost. Kathryn Blackshaw stated that the Trust itself was limited with regard to professional procurement staff and was dependant on the Re:source and Derby Hospitals staff, who were experienced in their field. Tim Woods added that the purpose for the Re:source procurement team was to prevent the need for each organisation to have their own specialists. Paul Lumsdon added that the Trust would have the flexibility to use the most cost effective supplier.

In response to Mick Martin and Alan Barclay, Kathryn Blackshaw stated that the organisation had estimated a reduction in non-pay spend of between 5% and 20%. A clearer indication of savings would be known once the ledger system diagnostic work had been completed.

A lengthy discussion took place and further information was requested by the Board. Kathryn Blackshaw suggested that individual comments be passed through to her outside the Board meeting, and for the Strategy to be brought back to the Board in February 2010 for approval, once the diagnostic work had been completed.

**RESOLVED:**

- **To provide comments to Kathryn Blackshaw with regard to additional content; for the Draft Procurement Strategy to be revised to include the outcome of the diagnostic work, and brought back to Board for approval in February 2010.**

**DMHT  
09/129**

**CORE STANDARDS DECLARATION 2009 – PAUL LUMSDON**

Paul Lumsdon advised that the annual declaration of compliance with Standards for Better Health was a statutory duty for the Trust and would be submitted to the Care Quality Commission by noon on Monday, 7<sup>th</sup> December 2009. The Board were asked to recommend a declaration of full compliance for the period 1<sup>st</sup> April 2009 to 31<sup>st</sup> October 2009, based on the self assessment, which noted no significant lapses during that period. Delegated authority was also sought from the Board for the declaration to be submitted by the Chief Executive.

The Chairman asked how the process would change in future years. Paul Lumsdon advised that the Trust was already working in partnership with the Care Quality Commission, whilst they defined the future criteria and standards, working towards a December declaration and a greater depth of assurance would be required in the future in light of the expected changes.

In response to Mick Martin, Mike Shewan emphasised that the Trust had not missed a core target in the last three years. Alan Barclay added that the various external and internal reviews that had been conducted added assurance of the Trust's compliance. Graham Foster stated that the report indicated that, in all domains, the organisation met the standards required and had received adequate assurance from the various external and internal sources. Mick Martin asked for assurance that, although the Trust was not over-achieving in all areas, the broad range of data available could demonstrate a level of full compliance. Paul Lumsdon emphasised the areas that proved the level of compliance achieved and the Board gave their individual sign off to the declaration, with delegated authority given to the Chief Executive for submission on 7<sup>th</sup> December 2009.

**RESOLVED:**

- **To approve full compliance with all Standards for Better Health for the period 1<sup>st</sup> April 2009 to 31<sup>st</sup> October 2009.**
- **To sign off the declaration achieved by agreeing the recording of the names on page 36 of the declaration form.**
- **To delegate submission of the Declaration to the Chief Executive.**

**DMHT  
09/130**

**DEPARTMENT OF SPIRITUAL CARE WORKPLAN – PAUL LUMSDON**

Paul Lumsdon referred to the decision taken by the Board in August 2009 for a Spirituality Steering Group to be formed to take forward a review of the spiritual care agenda. Terms of reference and an action plan were brought before the Board to note.

Alan Barclay asked what had been agreed by the group with regard to the arrangements for formal worship. Paul Lumsdon replied that the services that had ceased were reinstated and the attendance numbers continued to be monitored, together with ways to support people in their faith.

In response to the Chairman, Paul Lumsdon confirmed that a more definitive update would be provided to the Board in June 2010.

Graham Foster questioned the approach taken and Paul Lumsdon provided the background to the steps taken. The Board had requested that service users and carers be engaged in discussions about any proposed changes to the spirituality service, and therefore the Spirituality Group was formed. Mike Shewan added that the Board had become involved due to a written request from a group representing service users and carers with regard to the way in which change was proposed. It was important to give assurance to those concerned initially that steps were being taken to ensure full engagement with those affected by any proposed changes.

**RESOLVED:**

- **To note the progress made by the Spirituality Group; and to agree to receive a further update once the work plan had been completed in June 2010.**

**DMHT  
09/131**

**DIGNITY IN CARE CAMPAIGN – PAUL LUMSDON**

Paul Lumsdon outlined a proposal to the Board for the implementation of the Dignity in Care Campaign, launched in November 2006 by the Department of Health. The required actions, set out in the Board report, were highlighted and it was noted that Mark Ridge, Head of Patient Experience, would take the operational lead for the implementation of the campaign programme.

The Chairman emphasized the importance of the Dignity in Care Campaign and urged members of the Board to sign up to become Dignity Champions.

**RESOLVED:**

- **To endorse the recommendations.**
- **To approve the campaign programme.**
- **To pledge individual support to become Dignity Champions.**

**DMHT  
09/132**

**UPDATE ON CORPORATE STRATEGIC OBJECTIVES – MIKE SHEWAN**

Mike Shewan referred to the four strategic objectives, agreed by the Board at the start of the financial year. Within the four objectives a set of 'stretch objectives' had been agreed with each Director to support the Trust's agreed direction of travel to achieve excellence.

The Board's attention was drawn to the Corporate Objectives Performance Dashboard and it was noted that progress against the objectives was mainly on target or complete. Slight slippage had occurred in some areas but these were not significant. Mike Shewan highlighted an amendment to item 5 under 'Productivity and Efficiency Improvements' and it was noted that the revised IPR framework would be rolled out by quarter 4, and not quarter 3, as stated in the report.

Mike Shewan referred to the substantial level of supporting information provided to the Board on a regular basis, which demonstrated progress against the objectives. In particular, he emphasized the excellent progress being made by the organisation in relation to the Quality agenda, Quality Account and CQUIN (Commissioning for Quality and Innovation), a year ahead of the requirement. The transformational redesign work against the adult care pathway was advanced and the level of clinical presence and input reported by the business units was encouraging. Moving forward, the successful approach taken with the Adult Care Pathway project would be beneficial, as a model, when looking at the other Care Pathways.

Mike Shewan highlighted the organisation's solid record in the achievement of statutory financial duties and referred to the current financial target, progress against which was on trajectory.

Mick Martin was pleased with the progress made and asked how well the organisation was prepared for the following year. Mike Shewan agreed that some areas of work had been reactive to the national position and further work would be required to explore areas for business growth.

Graham Foster raised the need to make progress to grow the membership of the Trust and made reference to the achievements of another NHS Trust. Mike Shewan acknowledged the importance of growing the membership, but added that comparisons to other Foundation Trusts could be misleading due to the large variances in the catchment population. It was also noted that membership growth could be affected by the two Acute Foundation Trusts who had already targeted the area with recruitment campaigns. Graham Gillham referred to the Trust's Membership Strategy and the point at which aspirant Trusts would be in a position to run elections for Governors.

**RESOLVED:**

- **To note the update report.**
- **To agree to receive a further update in April 2010.**

**DMHT  
09/133**

**INTEGRATED PERFORMANCE REPORT INCORPORATING FINANCIAL  
PERFORMANCE AND CIP POSITION – OCTOBER 2009 (MONTH 7) – PAUL  
LUMSDON/TIM WOODS**

**i) Operational Performance**

Paul Lumsdon presented the overall key achievements for the month, in particular the consistent achievement of the assertive outreach caseload, which remained above target; the rates of crisis home treatment, crisis gatekeeping and early intervention; bed occupancy rates; high percentage IPR completion rates; and low agency staff usage.

Turning to areas for improvement, Paul Lumsdon clarified that the two breaches of 'seven day follow up' in the report had been validated and were found not to be breaches. The delayed transfers of care was at 6.7%, but it was noted that at the time the report was written, the older people's service had risen to 9.9%. An action plan

had therefore been put in place and the Board were pleased to note that a reduction to 4% had been achieved. The rates of DNAs and cancellations for routine consultant outpatient appointments remained outside target, although some areas, such as Adult South, had made good progress.

The Chairman referred to his attendance at the Older People's Service Performance Review and praised the robust challenge by Paul Lumsdon and Ifti Majid for improvement plans to be drafted. He questioned why a similar level of challenge had not been adopted to improve the rates of DNAs and cancelled clinics. Ifti Majid replied that some elements had a time lag between implementation and the scheme results, but the target remained on trajectory for February 2010.

Graham Foster asked for further clarification with regard to the contracted and actual activity in the core business summary narrative for the Older People's service. Ifti Majid explained that the target had not been adjusted by commissioners to take account of the new team that had been set up and therefore the data appeared to show over-performance, when in fact there had been a service enhancement. In response to the Chairman, Ifti Majid further explained that the activity figures needed to be adjusted in line with the new income that was being received. Kathryn Blackshaw added that commissioners had raised the over-performance issue and validation exercises were being undertaken. The Chairman requested a footnote be included to explain the position.

The Chairman also requested clarification on the reason for the lack of activity in the Mother and Baby service. Kathryn Blackshaw agreed that the position needed to be reviewed in light of the message that beds were a shortage, but added that the service had been under-occupied throughout the year. A piece of work on service proposition was currently underway, led by Nick Duncan, with regard to perinatal services, and it would be necessary to look at the resulting trend analysis. Kathryn Blackshaw emphasized that one of the Trust's strengths for marketing the perinatal service was that most providers were only able to accommodate the mother, whereas the Trust was able to accommodate both the infant and mother.

Mick Martin returned to the DNAs and cancelled clinics and suggested it would be helpful to include benchmark information against other Trusts. Paul Lumsdon agreed to provide the additional information for the January Board report.

Mick Martin further questioned the staff turnover figures, which appeared to be in contrast to the national position and Paul Lumsdon agreed to provide an explanation for future reports. It was agreed that the graphs, showing staff costs as a percentage of income, would be provided on a quarterly basis.

Paul Lumsdon drew the Board's attention to the procedure notes that had been requested previously, which would be brought to an Executive Management Team meeting in December. Tim Woods and Graham Foster made reference to the discussion held at the Audit Committee with regard to the validation of high level report data and the positive comments made in relation to the Integrated Performance Report.

## **ii) Financial Performance**

Tim Woods was pleased to report that the Trust remained on target to achieve its financial duties. Although the year to date net position showed a technical deficit, the EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) margin remained on target at 6.8%, due to the fact that the revaluation had been taken into account after the EBITDA assessment.

Excluding the revaluation, the year to date surplus position was £853k against a plan of £1m at the year end. The Board were pleased to note that the business unit performance reviews had enabled accurate forecasting issues to be resolved. The potential risks associated with the swine flu outbreak continued to be monitored.

In response to Mick Martin, Tim Woods explained how the year end position had been calculated. A further discussion would take place in the confidential session of the Board with regard to the delivery of the cost improvement programme.

**RESOLVED:**

- **To note the contents of the Integrated Performance Report.**
- **To receive the additional explanatory information with regard to variances in the January Board report.**

**DMHT  
09/134**

**RECOGNISING 'FAIR VALUE' OF CAPITALISED LAND AND BUILDINGS – TIM WOODS**

Tim Woods presented the report and explained that a full discussion had taken place at the Audit Committee, which resulted in a request for the Board to receive an overview report on the current position.

The key points were highlighted, which included an impairment on asset values of £3.5m, together with an in-year indexation leading to a forecast impairment of £2m, which resulted in a total impairment of just above £5.5m. It was important to note that the Department of Health had confirmed that all impairments could be treated as 'technical' adjustments and therefore would not impact on either the Trust's surplus position or the NHS break-even duty.

It was also noted that the revaluation impacted across the whole of the Trust estate, not only the PFI buildings. The original construction cost was £35.6m, which had reduced to £32.8m following the revaluation. The figures had been provided by the District Valuer and validated internally. External Audit would undertake a review of the figures at the year end but had not highlighted any concerns at the present time.

Graham Foster explained that the Audit Committee had requested a report to the Board to ensure that Board members were aware of the significant figures involved and the reasons behind the revaluation. The indexation element was also significant and reflected the NHS benchmark indexation data for commercial properties, as applied to the Trust's estate, which had delivered another £2m of impairments. Tim Woods confirmed that Trusts would be able to make technical adjustments for impairments on this nature on a yearly basis.

**RESOLVED:**

- **To receive the report.**
- **To note the contents are subject to audit review;**

**DMHT  
09/135**

**RATIFIED RISK MANAGEMENT COMMITTEE MINUTES FROM THE MEETING HELD ON 8<sup>TH</sup> OCTOBER 2009, WITH ACTIONS MATRIX**

The ratified minutes from the Risk Management Committee meeting held on 8<sup>th</sup> October 2009 were received and noted by the Board.

**DMHT  
09/136**

**RATIFIED GOVERNANCE COMMITTEE MINUTES FROM THE MEETING HELD ON 8<sup>TH</sup> OCTOBER 2009, WITH ACTIONS MATRIX**

The ratified minutes from the Governance Committee meeting held on 8<sup>th</sup> October 2009 were received and noted by the Board.

**RATIFIED AUDIT COMMITTEE MINUTES FROM THE MEETING HELD ON 8<sup>TH</sup> AUGUST 2009, WITH ACTIONS MATRIX, INCLUDING REVISED TERMS OF REFERENCE**

The ratified minutes from the Audit Committee meeting held on 8<sup>th</sup> August 2009 were received and noted by the Board, together with the revised terms of reference.

*The Chair thanked those present and requested, in accordance with the Trust's Standing Orders, that representatives of the press and members of the public be excluded from the remainder of the meeting having regard to the confidential nature of the business to be transacted, the publicity on which would be prejudicial to the public interest. The Board wished the members of the public a happy Christmas and a five minute adjournment was called.*

**Date and time of the next meeting**

**Date of the next scheduled meeting**

**Wednesday, 6<sup>th</sup> January 2010 – at Trust Headquarters, Bramble House, Kingsway, Derby, DE22 3LZ**