

DERBYSHIRE MENTAL HEALTH SERVICES NHS TRUST

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

Held in The Boardroom, Bramble House, Kingsway

On Wednesday 1st April 2009

MEETING HELD IN PUBLIC

Opened: 2.05 pm

Adjourned: 4.00 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
Michael Martin	Non-Executive Director
Mike Shewan	Chief Executive
John Sykes	Executive Medical Director
Lesley Thompson	Non-Executive Director
Tim Woods	Executive Director of Finance
Graham Gillham	Director of Corporate and Legal Affairs
Alison Baker	Executive Business Assistant (Minute Taker)

IN ATTENDANCE:

Chris Wheway (Unit General Manager for Adults North), Roger Formby (British Telecom – Digipens Consultant) and Andrew Hare (Member of the Public)

APOLOGIES:

None

INTRODUCTORY COMMENTS

The Chairman welcomed Chris Wheway to the public session of the Board and introductions were provided.

Those present were advised that the meeting would be audio recorded and it was noted that all Trust Board members had signed a declaration confirming their agreement to the recording taking place. The audio recording would be retained for a period of six months, after which time it would be destroyed.

The Chairman reported that the three new Non-Executive Directors had attended their two day induction programme in Nottingham, run by the Appointments Commission. The executive team had been working extremely hard on progressing the new Integrated Business Plan and Financial Model to support the Foundation Trust application and public consultation events had been held at Trust Headquarters and in Chesterfield, with a further event to be held on 16th April in Derby. The Chairman advised that he had met with the Chief Executive of Derby City Council and two local Members of Parliament. He had chaired an interview panel for a new Consultant Psychiatrist and had been introduced to the new Associate Hospital Managers who would be assisting with the Mental Health Act Managers' Hearings. The recruitment process for the vacant post of Non-Executive Director had commenced and an open session would be held on 24th April 2009. The closing date for applications was 6th May 2009 and the interviews would be held on 27th May 2009. The earliest date that a new Non-Executive Director could be appointed was therefore the beginning of July.

**DMHT
09/31**

**MINUTES OF MEETING OF THE TRUST BOARD HELD IN PUBLIC ON
WEDNESDAY 4th MARCH 2009**

The minutes of the meeting held on 4th March 2009 were accepted and approved.

**DMHT
09/32**

**MATTERS ARISING FROM MINUTES OF THE MEETING OF THE TRUST BOARD
HELD IN PUBLIC ON 4th MARCH 2009 AND ACTIONS MATRIX**

DMHT 09/24 and 08/90 Strategic Scan

Mike Shewan reported that a meeting was scheduled to take place with Kathryn Blackshaw and the Procurement Hub, and a further update would be provided thereafter.

DMHT 09/24 and 09/13 Operating Framework for NHS in England 2009/10

Kathryn Blackshaw was pleased to confirm that the contract with Derbyshire County PCT for 2009/10 had been signed and was available for the Board to view if required.

DMHT 09/24 and 09/14 Transforming Community Services

The Chairman advised that he had written to both the Derbyshire County and Derby City PCTs to look at closer working between respective Non-Executive Directors. Both had suggested that Board to Board meetings be scheduled and dates were being finalised. Lesley Thompson asked for an update on progress with the relationship strategy between the Trust and stakeholders and Kathryn Blackshaw replied that it was one of a number of strategies underpinning the Integrated Business Plan. Draft heads of terms had been put together and would be brought to the Board over the May/June/July period.

DMHT 09/24 and 09/17 Integrated Performance Report

The Chairman confirmed that further discussion would be held later in the meeting in relation to the review of the nature and content of reports brought to the Board.

DMHT 09/26 Corporate Governance Framework: Codes of Conduct – Declaration of Directors' Interests 2008/2009

The Chairman added to the previous declaration, his interest as The Independent Lay Observer for the Bar Standards Board.

**DMHT
09/33**

CORPORATE STRATEGIC OBJECTIVES

Mike Shewan presented his report and reflected on the four strategic objectives previously agreed by the Trust Board. The Board was responsible for determining the top level strategic objectives for the Executive to cascade throughout the Trust and agree appropriate objectives with the various tiers in the organisation.

The table attached to the paper demonstrated the five "drivers" to the achievement of the four strategic objectives and each would have a lead Director with personal "stretch" objectives assigned to them. This would also enable progress to be made around the development of the organisational culture, user experience and quality.

In response to Lesley Thompson, Mike Shewan set out the rationale for the way the objectives had been structured and the expected delivery during the first and second half of the year would be more clearly defined once objectives had been set with individual Directors.

Mick Martin suggested that more information should be included around the steps that needed to be taken to achieve the four strategic objectives. Kathryn Blackshaw drew the Board's attention to page 20 of the IBP which included a fuller supporting narrative. Graham Foster asked why none of the significant Information Technology projects were listed and Ifti Majid replied that IM&T was embedded in the next level down and would be shown through the IM&T team's objectives, rather than a separate key objective. Mike Shewan agreed to include reference to IM&T support in achieving the Director objectives.

RESOLVED:

- **To approve the level 1 objectives, so that the Chief Executive could agree key objectives with each Executive Director, and they in turn with their direct reports.**
- **To receive a report on a six monthly basis on the progress against the agreed objectives.**

**DMHT
09/34**

ANNUAL FINANCIAL PLAN 2009/2010, INCLUDING UPDATE ON EFFICIENCY STRATEGY

Tim Woods presented his paper which was based on discussion with budget holders, the submission made to the Strategic Health Authority and the contract discussions with the Trust's coordinated commissioner, Derbyshire County PCT. The contract had now been signed (as mentioned earlier by Kathryn Blackshaw) and the income was underpinned by the contract.

The organisation was forecasting a net £1million operating surplus for 2009/10. This was linked to the issue of the revaluation of the Trust's estate and a £5million technical adjustment was estimated which could result in a £4million deficit. This had been discussed with the Strategic Health Authority, which had approved the Trust's approach, identified as a technical formal deficit with a £1million operating surplus. In the event that the Trust remained an NHS Trust, the Strategic Health Authority had confirmed that the deficit would not count against the Trust's breakeven duty. Alan Barclay asked how the Strategic Health Authority had confirmed their agreement and whether formal notification would be received. Tim Woods replied that all Trusts had been asked to look into the issue of revaluation and it was for the Department of Health to review the national picture, but that the Strategic Health Authority had agreed the Trust's approach.

In response to the Chairman, Tim Woods confirmed that the EBITDA (Earnings before Tax, Interest, Depreciation and Amortisations) position of 7% was acceptable. The overall risk rating had reduced to 3.4 due to other issues around assets and the cash position. This was not the highest in terms of prospective FT performance but was a sound position. The Trust had planned well for the PFI development, having built up a reserve for the PFI coming on line.

A cost improvement programme (CIP) of 3% needed to be delivered, in line with national requirements. The revenue budgets were set out in Appendix A and B and Tim Woods drew the Board's attention to the 0.5% income that would be received in respect of CQUIN. This would become increasingly important as the Trust moved forward with the FT assessment in terms of the demonstration of progress towards the achievement of quality standards.

Turning to efficiency and cost improvement, Tim Woods made reference to the current developmental stage of the organisation and the movement away from traditional transaction savings towards savings based on service transformation. The total efficiency required for 2009/10 was £3million. A Trust wide programme had been undertaken to formulate plans for increased efficiencies and effectiveness. The current position, since the Board paper had been written, was that £2million had been identified and the Resources Committee was focussed on closing the £1million gap. Executive debate was needed to underpin the work undertaken and review spending on agency staff. Over the 2008/09 financial year, £5million had been spent on agency staff and a 20% reduction would secure the additional £1million required to meet the efficiency target.

Alan Barclay asked what measures were in place to monitor the workforce and use of agency staff. Mike Shewan replied that a Workforce Balanced Scorecard was regularly taken to the Executive Management Group and Paul Lumsdon added that statistics were also included in the Integrated Performance Report. Ifti Majid assured

the Board that the Trust used a data system when temporary labour was required which would advise on the most cost effective option for any given service area.

In response to Graham Foster, Tim Woods said that the 3% CIP target was felt to be appropriate for this year but agreed that it would be necessary to explore the achievement of a 4% CIP programme for future years.

Mick Martin asked whether timelines had been set throughout the year to monitor progress against the achievement of the CIP target. Tim Woods confirmed that targets had been set and the business units were aware of the importance of early delivery of the CIP schemes. Mike Shewan stated that the measures identified had not included the productivity and efficiency work being undertaken by Meridian and, if the schemes suggested by Meridian delivered the savings highlighted, there was the capability to add significantly on a recurrent basis to the plans already in place.

Picking up a comment from John Sykes, the Chairman stressed the need to ensure that efficiency measures did not impact on the quality and safety of the service. Kathryn Blackshaw added that each efficiency strategy that had been identified included exploration of the impact on quality. Paul Lumsdon explained that the Resources Committee, which was chaired by Tim Woods, would have quality measures identified for each scheme suggested and the impact would be forecast and monitored.

Alan Barclay suggested that Quality items should be given a higher priority on the Trust Board agenda and the Chairman agreed to change the running order of agenda items. Paul Lumsdon advised that it was his intention to bring the Quality Strategy forward to the May Trust Board which would pull together the various strands of assurance and monitoring.

In response to the Chairman, Tim Woods advised that the CIP position would be reported to the Board on a monthly basis.

Graham Foster asked whether any material contributions or issues were expected to arise from the Estates Strategy. Tim Woods replied that there were some issues in the current CIP around leases and additional issues were likely to be identified. It was important to look at forward planning the Meridian cost efficiency schemes across future years to ensure maximum benefit.

Finally, Tim Woods directed the Board to the draft Capital Programme 2009/10 at Appendix C. The schemes included in the programme had all been reviewed by the Strategic Capital Action Team (SCAT) and a regular report would be brought back to the Board. The key projects were the Kingsway Retraction Project and Lorenzo Project.

Key risks for the Board to note were highlighted as increased in-year costs of Lorenzo; cost and volume under performance; delivery of savings; increased pay costs; Derwent Shared Services partnership risks; and the funding of impairments.

RESOLVED:

- **To adopt the initial budgets and approve the expenditure from this budget for the year: April 2009 – March 2010**
- **To approve the revenue start point budgets, revenue budgets and the start point position on the capital programme.**

**DMHT
09/35**

INTEGRATED GOVERNANCE STRATEGY

Paul Lumsdon presented the Integrated Governance Strategy 2009 – 2012, which had been developed following the review of the governance structure. The former Clinical Effectiveness Strategy and Trust Risk Strategy were now combined into one Integrated Governance Strategy.

The Integrated Governance Report would be brought to the Board on a quarterly basis from the May meeting, and the revised Governance Structure would also be brought to the May Board.

Following the review undertaken by Lord Darzi, a clear Quality Strategy would be produced and brought to the Board.

Minor amendments and corrections were agreed and noted.

Lesley Thompson asked how delivery of the strategy would be measured by the Board. Paul Lumsdon replied that achievement would be measured against the three domains; Safety; Patient Experience; and Evidence Based Practice. The Risk and Governance Committees would look at aspects underpinning the Quality Strategy and a detailed indication of monitoring and reporting would be included in the Quality Strategy.

Subject to minor amendments agreed, the Board:

RESOLVED:

- **To approve the Integrated Governance Strategy 2009-2012.**
- **To receive the quarterly Integrated Governance Report.**
- **To receive the revised Governance Structure to the May Trust Board**
- **To receive the Quality Strategy to the May Trust Board.**

**DMHT
09/36**

TRUST BOARD ANNUAL AGENDA SCHEDULE

Graham Gillham advised that the Annual Agenda Schedule was being brought back to Board for its quarterly review. Executive Directors were requested to feed comments back to Alison Baker directly to amend the reporting timetable.

In response to Lesley Thompson, Graham Gillham agreed that a large number of items appeared to be being brought for information but stated that it was necessary to bring documents to the Board that had been discussed at length elsewhere in order to demonstrate Board awareness and for sign off. Mike Shewan added that the challenge was to demonstrate an audit trail.

RESOLVED:

- **To consider the Board Annual Agenda plan at the July meeting.**

**DMHT
09/37**

INTEGRATED PERFORMANCE REPORT INCORPORATING FINANCIAL PERFORMANCE – FEBRUARY 2009 (MONTH 11)

Paul Lumsdon advised that he had met with Mick Martin to review the format of the Integrated Performance Report and a revised version had been included in the Board papers. The Executive summary had been re-drafted but was still at an early stage. The key achievements were highlighted and the Board were pleased to note that teams continued to meet or exceed targets for assertive outreach, crisis home treatment and crisis gatekeeping and the discharge liaison team in older people's services had seen a further reduction in delayed discharges. Since the paper had been written Paul Lumsdon was able to advise the Board that the yearly target for delayed discharges had been met. The early intervention caseload target had also been met since the report had been written. Further work was still to be done with the completion rates for individual performance reviews (IPRs). There had been one breach of the seven day follow up due to a service user that was not able to be contacted, despite repeated attempts by the team.

Graham Foster asked whether benchmarking figures existed for other Trusts with regard to IPR completion rates. Paul Lumsdon replied that the Trust was in line with another Mental Health Trust whose completion figures had been released. The annual staff survey had shown a 60% – 65% completion rate, but it was certainly an

area where it was important to exceed the benchmark set by other Trusts and strive to achieve a target of 95%. Issues in the past had been related to an easy reporting system, lengthy paperwork and the Knowledge and Skills Framework (KSF). The process was currently under review but responsibility lay with local managers to ensure that all staff had received a documented IPR and that objectives had been set to help the Trust achieve its corporate objectives. In response to Graham Foster's question on the reasons for the lack of success with IPR completion, Ifti Majid explained that there had been a lack of understanding amongst staff on the IPR and KSF process, together with a capacity issue due to the lengthy paperwork that was in place. The documentation had since been reviewed and the IPR and KSF elements had been separated. Since those steps were taken, IPR completion had seen an incremental rise, which was expected to continue.

Turning to the financial position, Tim Woods advised that the end of year figures would be brought after the annual accounts closure process on 22nd April 2009. The overall financial position was on plan and the Trust was forecasting to meet all financial duties including the £1million Strategic Health Authority control total. In response to the Chairman, Tim Woods reported that the Trust had made a planned deficit in February and would make a planned deficit in March. Expenditure forecasts showed an increasing runrate towards the year end, reflecting expenditure on the non-recurrent programme. Careful management of expenditure had taken place to ensure that the control total of £1million was met.

In terms of the capital position at the end of February, capital expenditure was £2.4million (15% underspent against a year to date plan of £2.8million). The planned expenditure for the year was £4.1million and the Trust was currently forecasting an undershoot marginally by £0.2million.

RESOLVED

- **To note the financial position and that the Trust was now closing down the 2008/09 financial year as part of the annual accounts process.**

**DMHT
09/38**

BOARD ASSURANCE FRAMEWORK

Paul Lumsdon stated that the Board was required to have a current and up to date Board Assurance Framework (BAF) that was developed from the Trust Business Plan and Strategic direction. As those were under development at present, the Board needed to approve, in lieu of a new BAF, a revision, and also approve the existing BAF subject to a complete review process in the near future. The existing BAF had been updated in light of reports and changes against the identified issues and risks, and the changes and revisions in lead officers and their responsibilities.

The Chairman asked who applied the rating to the likelihood and impact. Paul Lumsdon replied that the person identifying the risk would apply the initial rating which would then be signed off by the lead director. The form would then be taken to the Risk Management Committee, where it would be reviewed and re-evaluated if required. The Chairman further questioned the process for carrying the risk over to 2008/09. Paul Lumsdon explained that the risk would often still exist but the mitigation in place would significantly reduce the impact and likelihood. The Risk Management Committee had been focussed on the top five risks in the Trust good progress had been made, which would be evidenced in the Risk Management Committee minutes.

In response to Lesley Thompson, Paul Lumsdon confirmed that the IBP risks would include the same risks as included in the paper and the Board was being asked to sign off the previous years 147 objectives and the risks connected to them. The risks in the IBP would be brought to the next Risk Management Committee for discussion.

Graham Foster asked how essential the BAF was to the Board in light of the audit plan and whether more regular meetings were needed to review the document. Paul

Lumsdon added that one of the reasons to bring the Risk Management and Governance Committee minutes to the Board was to ensure the Board were kept updated. Mike Shewan reminded the Board that discussion had taken place when the Risk Management and Governance Committees ceased to be Board committees on the basis that the majority of the assurance function for the Board would be carried out by the Audit Committee. Lesley Thompson said that not all Non-Executive Directors attended the Audit Committee at the present time and wider attendance could be explored. Graham Foster agreed that the BAF would be taken to the Audit Committee on a quarterly basis and suggested an annual review at the Trust Board.

RESOLVED:

- **To consider, accept and approve the revised Board Assurance Framework to go forward as the Board Assurance Framework for 2009/2010.**
- **To commission the review and re-write of a new Board Assurance Framework based on the developed Business Plan and strategic direction of the organisation going forward within the next six months (by October 2009) to become the new Board Assurance Framework.**
- **To note the planned approach for the Board Assurance Framework to be taken to the Audit Committee on a quarterly basis and then to Trust Board on an annual basis.**

**DMHT
09/39**

APPOINTMENT OF ASSOCIATE HOSPITAL MANAGERS – MENTAL HEALTH ACT

Graham Gillham reminded the Board of the steps that were taken to widen the panel of Hospital Associate Managers. After appropriate introductions, screening and meetings, seven people had been identified who were prepared to undertake the role. Board approval was required before the individuals would be able to commence their training programme. In response to Lesley Thompson, Graham Gillham confirmed that the number of existing Associate Hospital Managers was approximately a dozen. By increasing the number of suitable persons available to sit on Managers' Panels, the risk to the Trust of patients seeking redress – for example for unlawful detention was reduced. The issue would continue to be monitored by the Mental Health Act Committee. Lesley Thompson added that the Mental Health Act Commission were keen to see Non-Executive Directors in attendance on Panel Hearings.

RESOLVED:

- **To appoint to the Mental Health Act Committee persons listed as Associate Hospital Managers for the purposes of the Mental Health Act:- Verena Timons, Clive Warbrick, Pauline Vale, Jim Greaves, Eleni McLoughlin, John Jablonski and Linda Moore.**

**DMHT
09/40**

INFECTION CONTROL ANNUAL REPORT

Paul Lumsdon was pleased to present the Annual Report on Infection Control. The key themes were identified and since the report had been written, the training figures for the end of the year had been received. The Trust had achieved a success rate of 90% for training of staff in infection control.

No cases of Meticillin-Resistant Staphylococcus Aureus (MRSA) Bacteraemia (blood stream infection) had been identified within the 2008/09 financial year. The Trust had had two cases of Clostridium Difficile (C'diff) diarrhoea. There continued to be a low level of reporting of reportable cases of infection, and was in line with previous years.

Cleanliness had been taken forward with all nursing staff now in uniform, which had seen a positive response by service users. The implementation of the national 'Clean your Hands' campaign had demonstrated a marked improvement in the adherence to excellent standards of hand hygiene and the clinical audit programme was in place

and moving forward. The report was brought to the Board before being published on the website.

The Chairman asked why the training figures for medical staff had demonstrated a 'red alert'. Paul Lumsdon explained that the figures were on the increase and John Sykes added that Associate Medical Directors had been tasked with ensuring attendance improved at mandatory training. Previously problems had arisen due to the continuing professional development programme for medical staff, by the Royal College of Psychiatry, which included areas such as infection control, and the staff had therefore not thought the Trust programme was necessary.

RESOLVED:

- **To approve the recommendations and the required programme for 2010.**
- **To monitor medical staff attendance at mandatory training.**

**DMHT
09/41**

CONSULTANT APPOINTMENT

Mike Shewan explained that an Appointments Advisory Committee had held interviews on 13th March 2009, the outcome of which was that the panel were in unanimous agreement that the appointment to a Consultant Psychiatrist vacancy in General Adult Psychiatry should be offered to Dr M Belgamwar. Board approval was required before the appointment could be made.

John Sykes advised the Board that a programme was in place to decrease the number of long term locum consultants in post to substantive appointments. The medical budget would be devolved, in line with management responsibilities, to the business units which would tie into the delivery of the CIP programme and new ways of working.

RESOLVED:

- **To formally confirm the offer of appointment of a Consultant Psychiatrist in General Adult Psychiatry to Dr M Belgamwar.**

**DMHT
09/42**

STANDARDS FOR BETTER HEALTH ANNUAL ASSESSMENT

Paul Lumsdon referred the Board to the previous month's Board paper where a progress report was provided and delegated authority given for the Chief Executive to sign off the final declaration. Comments from partner organisations had been received and nothing significant had been raised. The full Healthcare Commission report was available to Trust Board members, and would be available at a later date to members of the public.

In response to Mike Shewan, Paul Lumsdon confirmed that the comments had been the best received by the Trust when compared to previous years.

RESOLVED:

- **To agree to the text within the completed sections of the declaration.**
- **To approve full compliance with all Standards for Better Health for the period 1st April 2008 to 31st March 2009.**

**DMHT
09/43**

RATIFIED RISK MANAGEMENT COMMITTEE MINUTES FROM THE MEETING HELD ON 10TH FEBRUARY 2009, WITH ACTIONS MATRIX

The ratified minutes from the Risk Management Committee meeting held on 10th February 2009 were received and noted by the Board. Paul Lumsdon referred to the informative presentation given by Penny Gee around Counter Fraud, which was well received by Committee members.

As discussed earlier, a significant focus for the Risk Management Committee was around the top five red risks to the organisation and the minutes demonstrated the ongoing monitoring that was taking place.

**RATIFIED MENTAL HEALTH ACT COMMITTEE MINUTES FROM THE MEETING
HELD ON 10TH DECEMBER 2008, WITH ACTIONS MATRIX**

The ratified minutes from the Mental Health Act Committee held on 10th December 2009 were received and noted by the Board.

**MENTAL HEALTH ACT COMMISSION ANNUAL REPORT AND FORMAL
RESPONSE**

Graham Gillham brought the Mental Health Act Commission's annual report to the attention of the Board and advised that the Mental Health Act Area Commissioner had attended the meeting to present the report. He would have paid visits, often unannounced, to all areas of the Trust where detained patients were located, and raised one recommendation, which had been dealt with. Overall he found no issues of concern to the patients around their care and treatment and was pleased to find that there was less variability of standards of care across the Trust since the last report. The Board were pleased to receive a very positive report from an external perspective.

John Sykes added that the Mental Health Act Commission had written to the Trust recently, asking for doctors to be volunteered to visit other Trusts to give second opinions to their patients as part of various appeals. It had been felt that such an arrangement would take a consultant away from the Trust for at least a day and therefore a contractual arrangement was being explored with the Mental Health Act Commission, which would secure income for the Trust when providing such a service.

The Chairman 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. A five minute adjournment was therefore called.

Date and time of the next meeting

**Wednesday, 6th May 2009 commencing at 2:00pm in the Boardroom, Trust
Headquarters, Kingsway Hospital, Bramble House, Kingsway, Derby, DE22 3LZ**