

**EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST****REPORT TO: COUNCIL OF GOVERNORS****DATE: 9 JULY 2015****REPORT FROM: FINANCE & INVESTMENT COMMITTEE CHAIR – 23rd JUNE 2015****PURPOSE: Information****SUMMARY OF KEY AGENDA ITEMS AND BUSINESS:**

The meeting reviewed the following matters.

Performance matters from the corporate scorecard and activity report were discussed. The key points were:

- There was No MRSA in May and C-Dif cases are 7 for the year.
- Mortality is rising for RAMI and slightly for SHMI but is low/stable for crude and HSMR.
- Blood culture training metric needs re-assessment as it is high when the junior doctors come in and then is low the rest of the year
- Readmissions continue to drop slowly.
- 4 hour standard was 88.4% for May, is currently 88% for June, 89% for quarter.
- Ambulance handovers validation has been raised through the Performance meeting as SECAM have stop validating the number
- FNOF 36 hours is volatile, low in May but not a statistical breach.
- Sickness rates are very low compared to peers,
- The current un-validated position for May 2015 shows non-compliance against the 62 day GP cancer standard, 31 day first treatment & 31 day subsequent surgery standards. All other performance measures have been met.
- This is the fifth month of non-compliance against the 62 day standard. Urology pathway continues to see delays with diagnostics. Current action plan for urology has a trajectory for return to compliance in late Q2. Until then this target will remain non-compliant.
- May performance against the 2014/15 standards was; non-admitted care 94.1%, (95%) admitted care 81.0% (90%), incomplete pathways 88.4% (92%) and there were five patients who were waiting 52+ weeks as at the end of May.
- The Trust backlog position remained relatively static throughout May decreasing marginally by 36 in month. Whilst the Orthopaedic backlog continues to reduce (-61), exceeding their trajectory, backlog growth occurred in General Surgery (+19), ENT (+18) and Dermatology (+9).
- Issues in ENT are related to a change in casemix, planned additional lists are now being filled with complex cases severely impacting the numbers of activity undertaken.
- Slow start to 15-16 continues compared to plan. Referrals are in line with plan but activity is significantly below. All points of delivery are behind plan - daycases is expected to catch up during the year but the others may not.

- Acuity of patients is rising which is making it difficult to effect LoS. In particular for example we are seeing high numbers of majors at A&E at Ashford.
- Finance Performance for period ended December:-
  - I&E Performance ytd is a £6.2m deficit.
  - Month 2 EBITDA is £1.4m adverse to plan driven by ward and A&E staffing costs, continuing Aseptic stock write offs and CIP shortfalls.
  - Bottom line is also £1.4M behind plan as there are no significant below EBITDA variances.
  - This puts the Trusts COSRR calculation at a value of 2 which is on plan.
  - Gain on the East Kent CCG contract is £2.4M to AP2 due to low activity.
  - CIPs delivery is a £1.2M shortfall to plan in year and plans are being delayed somewhat by the CQC revisit.
  - Cash is above plan by £4M due to early CCG payments and an early VAT reclaim.
  - Cash forecasts indicate that the revised I&E forecast of £35M would lead to a cash deficit by the start of quarter 4
  - Capital will need to be further restricted from plan to assist with the cash challenge.
  - Both income and costs included in the plan for KPP and SACP are not hitting the ledger due to delays in both projects. This is distorting the financial position showing lower income but costs still appear on plan as they are higher than expected on other items of spend e.g. agency staff.
  - Monitor's review of the Trust Plan was discussed and the review meetings to be held at a Director level
  - Pharmacy stock and invoice issues on homecare drugs was raised.
- The business case for engaging management consultant help on re-planning/forecasting for the revised 15/16 financial position for the Trust was presented to the FIC for approval. This case has been lodged with Monitor. A discussion occurred about how to benchmark productivity as a Trust. The business case was supported. The need to use SLR information to inform decision making was also discussed.
- Improvement Efficiencies Update:- Jacqui Horne presented on 15/16 CIP progress. The Amber/Green Schemes were now set at £9M and £6.8M of red schemes as at mid June. The CIP status reports now include legacy non recurrent schemes which need to be made recurrent. Opportunities on schemes such as vascular theatres reviews, Medicines Management, Dover Business case and workforce schemes on agency staff were reported. Opportunities, in terms of asset sales and looking at zero valued assets were flagged. Service Level Agreement reviews and the process for QIAs on CIPs were also discussed.
- There was a review of potential commercial tenders in the region and their impact on the Trust. Opportunities in ophthalmology were discussed. The Status of the trust Laundry and potential contracts was also mentioned.
- The FIC discussed the post implementation review of approved business cases. It was agreed that business cases should contain metrics in the for measuring success and these must be clear. The FIC would like to understand if recent significant staff investments have been successful both clinically and financially.
- The Financial policies for Business Cases and Overseas Visitors were reviewed and minor changes noted. These amended policies were approved,

the latter is recommended to the Board for approval.

**BOARD ACTION TAKEN**

The Board endorsed ratification of the Overseas Patient Policy on recommendation from the Finance and Investment Committee, subject to the policy being formatted in line with the Trust's Policy on Policies.

## EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

**REPORT TO:** COUNCIL OF GOVERNORS

**DATE:** 9 JULY 2015

**REPORT FROM:** REMUNERATION COMMITTEE AND NOMINATIONS COMMITTEE  
HELD ON 28 MAY 2015

**PURPOSE:** Information

**SUMMARY OF KEY AGENDA ITEMS AND BUSINESS:****The Remuneration meeting discussed the following agenda items:**

- 1. Executive Director objectives.** The CEO provided the Committee with the objectives of each Executive Director for discussion. The CEO agreed to incorporate all amendments discussed by the Committee. The objectives would be measured at the mid-year review.
- 2. Remuneration Review Benchmarking.** The Committee agreed a proposal for conducting a benchmarking review by the Hay Group. A final report would be considered by the Committee when concluded.

**The Nominations meeting discussed the following agenda items:**

- 3. Executive Appointments.** The Committee agreed the job description and person specification. A remuneration of £130 (maximum) was agreed and the Committee recognised there were no pay issues and remuneration had been appropriately benchmarked. The panel would consist of the Chair, CEO, Director of HR and an Independent panel member. The Chair would be asked to identify an additional NED to participate.
- 4. Substantive CEO Appointment.** The Committee would be holding a further meeting to discuss the candidate pack and timeline for appointment. The Board of Directors would be kept informed of progress.
- 5. Very senior manager appointments.** The Committee noted the successful appointment to the Divisional Director Specialist Services. Remuneration for this post was confirmed as comparable to other Divisional Director positions.

**SUMMARY OF KEY ACTIONS FROM THE MEETINGS:**

- Agreed process for conducting a remuneration benchmarking review by the Hay Group.
- Candidate pack agreed for the Chief Nurse and Director of Quality.
- Further meeting planned to discuss and agree the candidate pack and timeline for CEO Appointment.
- The Nominations Committee met again on 25 June 2015 to agree the CEO Recruitment process.

Richard Earland  
Chair Remuneration Committee and Nominations Committee  
May 2015

## EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

**REPORT TO:** COUNCIL OF GOVERNORS MEETING  
**DATE:** 9 JULY 2015  
**REPORT FROM:** QUALITY COMMITTEE HELD ON 23 JUNE 2015  
**PURPOSE:** Information

**SUMMARY OF KEY AGENDA ITEMS AND BUSINESS:**

The Quality Committee discussed the following agenda items:

**Quality Improvement Strategy**

SSm reported that engagement with Divisions on the Strategy was underway to ensure engagement and ownership.

There was concern that only c.80% of clients would recommend the ED to their Friends and Family, principally because of issues around waiting times and attitude. However, some wards had achieved 100% recommendation. Complaint response times were longest in the Surgical Division, which also had the largest number of complaints open so further work with this area to improve both the speed and wording of responses was planned.

Whilst the particular challenges in CDUs explained their low score, the Committee asked whether there was any evidence of systemic failure. SSm/HO'K agreed to arrange for the three sites to meet to establish some common principles and determine whether any learning could be transferred across sites. HO'K would also triangulate all the quality and safety metrics across the CDUs with the Matrons and Ward Managers to check for common themes and actions that needed to be taken.

HG apprised the Committee of three recent Never Events (all concerning local anaesthesia). The concern was not so much that these related to human error but to the fact that clear protocols, which should have obviated the errors, had not been followed. HO'K planned to attend the Surgical Division's Governance meeting with a briefing to reinforce the seriousness of the incidents. An external review may be required.

**Staffing Trends and Hot Spots**

The Committee, while aware that daily information about ward staffing was shared at site reviews, questioned how the Board could be assured that staffing levels on every ward/clinical facility were within the accepted margin of safety on a daily basis. HG and HO'K agreed that the new heat maps soon to be presented to the Board would help to keep them informed. The possibility of verifying the placement of extra staffing in wards with temporary extra beds was also discussed. HO'K agreed to give thought to exception reporting.

**Medical Engagement**

A medical engagement event was planned for 2 July and it was intended that these would continue.

**Corporate Risk Register – Quality Risks**

HG apprised the Committee of the emerging quality risks, which included:

- Compliance with mandatory training
- Sustainability of the Kent Pathology Partnership
- Staffing difficulties within the Speech and Language Therapy Service, Pharmacy, Paediatric Audiology and A&C retention

- Legal Duty of Candour/fines
- Out of hours cover for Interventional Radiology
- General surgical rota to cover general medical cover at K&C

**Key National Performance Standards**

Full utilisation of the Da Vinci Robot was required and it was agreed that the volume assumptions given in the original business case would be reviewed to inform any decisions about timing and extension of use.

**Quality Assurance Board Feedback**

The minutes of the May QAB meeting were reviewed. The shortage of Supervisors was noted but these were being trained.

**Clinical Advisory Board Feedback**

The minutes of the May CAB meeting were reviewed. The two cases of TB were being handled in conjunction with NHS England.

**SUMMARY OF ACTION:**

To note the Committee members' actions as identified above

Chris Corrigan  
Chair - Quality Committee  
June 2015

## EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

**REPORT TO: COUNCIL OF GOVERNORS**

**DATE: 9 JULY 2015**

**REPORT FROM: CHARITABLE FUNDS COMMITTEE**

**Chairman's Summary of Meeting**

**1. Annual Report and Accounts**

- 1.1 The report was discussed and key points regarding income and expenditure were highlighted.
- 1.2 The presentation of the Audit report by KPMG to IAGC in May was noted together with the ISO260 which confirmed an unqualified (clean) Audit Opinion. There was one unadjusted audit difference identified which did not have a material effect on the overall reported financial position.
- 1.3 No areas of concern were identified and the Committee approved the Accounts and Report for presentation to the Board of Directors.

**2. Finance and Expenditure Report**

- 2.1 The Committee reviewed the cash flow plans for 2015-16 and noted that these were incorporated in the Trust Monitor Return in compliance with the consolidated reporting.
- 2.2 Updates on the progress of legacies was provided to the Committee.
- 2.3 Support was approved for an application towards a refurbishment project at K&C ECC for £93k from General Purpose Funds and the Committee noted the pledge of £38k from the Kent and Canterbury League of Friends to further support the proposals.
- 2.4 Review of grants to the Trust were considered to be in line with the Charity objectives and approved.

**3. Investment Properties**

- 3.1 Information on investment properties were debated and the Committee agreed to recommend the sale of the 3 commercially let properties in preference to longer term investment due to the low returns and higher administration input against other investments.
- 3.2 The Committee agreed to review investment opportunities and support of grant programme upon receipt of income from sales.
- 3.3 The appointment of Trustees for the Devereux Trust was agreed to replace the outgoing officers.

**4 Fundraising Update**

- 4.1 Progress with the Dementia Appeal was discussed with projects for each site identified which would assist with marketing and target support.
- 4.2 The formation and membership of the Appeal Sub Committee was noted and Nick Wells had agreed to Chair the Sub Committee.
- 4.3 Updates were given around events and specific fundraising activities.

**5. Saville Report**

The Committee reviewed and discussed the issues raised by the report and noted the risks.

**6. Review of the Reserves Policy**

The Committee reviewed the Reserves Policy and agreed that this met the needs of the charity without amendment and agreed to recommend to the Trust Board of Directors to adopt the policy for a further year.

Prepared by Lynn Higgins  
For and on behalf of  
**Valerie Owen**  
Charitable Funds Committee Chair

**BOARD OF DIRECTORS ACTION TAKEN:**

- I. Approval of the Charity Annual Accounts and Report
- II. Approval of the Signed the Letter of Representation to KPMG for the Charity
- III. Ratified the recommendation to sell the 3 properties currently being commercially let.
- IV. Ratified the Committees' recommendation with regard to adopting the Reserves Policy without any amendment for 2014/15
- V. Noted the Report



## EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

**REPORT TO:** COUNCIL OF GOVERNORS MEETING

**DATE:** 9 JULY 2015

**REPORT FROM:** CHAIR STRATEGIC WORKFORCE COMMITTEE  
HELD ON 22 JUNE 2015 – FIRST MEETING OF THIS COMMITTEE

**PURPOSE:** Information

**SUMMARY OF KEY AGENDA ITEMS AND BUSINESS:**

**The Strategic Workforce Committee discussed the following agenda items:**

**Terms of Reference and Work Programme**

The Terms of Reference have been revised and are presented to the Board of Directors for endorsement. The following amendments have been made:

- Inclusion of medical staffing;
- Paragraph 3.8 modified to include strategically significant and workforce related CIPs;
- The Head of Equality and Diversity to be a substantive member of the Committee;
- Recognition that the Committee will consider areas formally delegated to it from the Board; and
- To consider the importance of ensuring good communication between this group and the Council of Governors Patient and Staff Experience Committee, where appropriate.

The Committee considered the work programme and concluded it reflected the terms of reference. The following areas would also be added:

- Leadership development;
- Clinical productivity and competency;
- Succession planning.

The work plan will be reviewed regularly to capture any areas formally delegated to it from the Board.

**Workforce Committee Information Report**

The Committee reviewed the current workforce data which supported the governance of the Trust and concluded this was appropriate. The Committee would be looking at where workforce information is reported and make recommendations to the Board of Directors where stream lining opportunities arise.

**New Format Workforce Report**

The Committee reviewed the first draft workforce report which will be presented routinely to the Board of Directors. As a consequence of this report the Board will have greater visibility of the workforce strategic issues and would provide the opportunity to support staff in line with the cultural change programme. It was anticipated the first workforce report would be presented to the August Board of Directors. This was in line with a recommendation in the Deloitte Board Governance Review.

**Recruitment and Retention Strategy**

The Committee received a comprehensive strategy for the Trust which sets out the strategic direction in which the Trust will work towards recruiting and retaining the best skilled and dedicated workforce. The Committee agreed the priority for the Trust is retention, linked to the cultural change programme. Going forward, the Committee will be looking at how the strategy will be executed and measuring success. A number of suggestions were made for determining how best to focus on initiatives that would make the most difference in terms of organisational outcomes.

At its next Committee meeting, it was agreed recruitment and retention would be looked at in more detail, particularly 'hot spots'.

### **Emergency Department Workforce Plan**

The Committee received a report from the Urgent Care and Long Term Conditions Division outlining the challenges and progress made to address workforce issues in the emergency departments. The paper outlined a plan to continue to recruit emergency consultants to eight per site (QEQM/WHH) with a target of ten which was supported by the Committee.

The paper also outlined a plan for middle grade rotas, but agreed this item was an operational issue and therefore needed to be discussed urgently by the Executive Team in more detail in terms of affordability and implementation.

### **Cultural Change Update**

The Committee received a comprehensive paper updating on progress to date. Going forward the Committee asked for greater focus on measuring outcomes.

### **Statutory & Role Specific Essential Training Compliance**

The Committee received a paper outlining the status of statutory training compliance and action plan agreed by the Trust's Management Board. The Committee concluded the report provided a degree of assurance in terms of recognition and awareness of challenges and actions being taken.

### **Workforce Race Equality Standard**

The Workforce Race Equality Standard (WRES) will for the first time be included in the 2015/16 Standard NHS Contract. The regulators, the Care Quality Commission (CQC), National Trust Development Agency (NTDA) and Monitor, will use the standard to help assess whether NHS organisations are well-led. The Committee received a report and action which would be recommended to the Board of Directors for approved publication. A summary of EKHUFT position against the standards is set out below:

- The difference between the percentage of BME staff in Bands 8-9 and VSM (including executive Board members and senior medical staff) and the overall workforce is 10.79%
- Relative likelihood of White staff being appointed from shortlisting compared to that of BME staff 1.59 times greater
- Relative likelihood of White staff accessing non-mandatory training and CPD as compared to BME staff is 1.16 times greater
- Percentage believing that trust provides equal opportunities for career progression or promotion White:51% BME: 43%
- The proportion of those who experienced discrimination at work from Manager/team leader or other colleagues. White: 10% BME: 20%

### **Employment Tribunal Activity Report**

The Committee received a report detailing tribunal activity for 2014 with a comparison to 2013. The Committee also noted there had been no new claims for 2015 to date.

The Committee also received the Trust's Tribunal Guide which explained the process to witnesses involved in the process. The Committee identified additional support mechanisms which the Trust would be exploring: mock tribunals; 'buddy' system; and opportunities for witnesses to observe other high profile tribunals.

### **SUMMARY OF ACTION TAKEN BY THE BOARD:**

- Approved the revised Terms of Reference.
- Endorsement of the Committee recommendation of the publication of the Workforce Race Equality Standard.

Richard Earland  
Chair Remuneration Committee and Nominations Committee  
June 2015