Enclosure A

BD125/18 – BD(CS)142/18

Chesterfield Royal Hospital NHS Foundation Trust

BOARD OF DIRECTORS

Minutes of the Meeting of the Trust's Board of Directors held in public on Wednesday 25 July 2018 at 11.00am in the Education Centre, Chesterfield Royal Hospital

PRESENT:
Dr H Phillips, Chair
Mrs L Andrews, Director of Nursing and Patient Care
Mr T Campbell, Chief Operating Officer
Mrs L Challis, Non-Executive Director, Senior Independent Director
Dr G Collins, Medical Director
Mr M Killick, Non-Executive Director, Audit and Risk Committee Chair
Mrs Z Lintin, Director of Workforce and Organisational Development
Mr S Morritt, Chief Executive
Mr L Outhwaite, Director of Finance and Contracting
Mr D Urpeth, Non-Executive Director, Quality Assurance Committee Chair
Ms B Webster, Non-Executive Director, Charitable Funds Committee Chair
Dr J Wight, Non-Executive Director, People Committee Chair

IN ATTENDANCE:
Simon Towers, Communications Adviser (External Communication Specialist)
Sarah Turner-Saint, Head of Communications
Mr D Royles, Executive Director of Human Resources & OD, Leeds Teaching Hospitals (Item BD131/2018)
Dr J Cort, Lead, Listening into Action (Item BD132/2018)

OBSERVERS:
Ms J Woodcock, Care Quality Commission Inspector
Ms C Peczek, Care Quality Commission Inspector
Mrs S Wain, Senior Matron, Medicine and Emergency Care
Ms S Smith, Head of Therapy Services
Ms C Brierley, Specialist Registrar, Orthodontics
Ms M Simmons, Senior Matron, Practice and Professional Development
Mrs D Weremczuk, Public Governor
Mr D Millington, Public Governor
Mrs M Rotchell, Public Governor
Mrs J Reece, Public Governor
Mr B Parsons, Public Governor
Mr M Gibbons, Public Governor

For item BD129/18: Around 70 members of staff, trade-union representatives and members of the public observed the discussion

APOLOGIES:
Mrs A McKinna, Non-Executive Director, Finance and Performance Committee Chair
Dr D Pickworth, Non-Executive Director, Corporate Citizenship Committee, Chair

ACTION

BD125/18 **Chair's welcome and note of apologies**

The Chair welcomed board members and apologies for absence were recorded.

BD126/18 **Declaration of Interests (verbal)**

There were no declarations of interest.

The Board: '*Noted the declaration of interests pursuant to Section 6 of Standing Orders'.*

BD127/18 **Minutes of the board meeting held in public on June 27 2018 (Enclosure A)**

The minutes of the meeting held on June 27 2018 were received and approved as an accurate record.

The Board: *'Received and approved the minutes of the meeting held in public on June 27 2018'.*

BD128/18 **Action log and matters arising (Enclosure B)**

The action log, matters arising and updates were presented.

The Board: *'Noted the action log and matters arising as at June 27 2018'.*

BD129/18 **Wholly-Owned Subsidiary Business Case (Enclosure C)**

The Chair opened this session of the Board agenda by welcoming the staff, trade-union representatives and members of the public in attendance, appreciating why they were there; and thanking them for their views and opinions in advance of today's difficult decision.

Mrs Dunks, Ms Elliott and Mr Collins from the Trust's Staff Partnership Committee were invited to present a petition, which the Chair accepted, acknowledging that it had over 6000 signatures, 664 of them from Trust staff.

Mr Outhwaite was asked to introduce the paper. Attendees heard that creating a subsidiary completely owned by the Trust would potentially impact just over 700 staff, could help to address the Trust's £7.9m financial 'gap' and could provide a more innovative way of working given the Trust is already in the upper quartile for effective performance. It was noted that across Derbyshire, commissioners and providers had a combined deficit of £90m – and all organisations were looking at ways to secure services for their local citizens.

Mr Outhwaite set out what a wholly-owned subsidiary could mean to the staff that would be protected by the transfer - and those who would join on a new terms and conditions offer. He said the Board would be making a measured decision to determine if a subsidiary would enable service sustainability and continuity; along with preservation of jobs.

To set some wider context, Mr Morritt explained to attendees that the Trust wanted to remain in control of its own destiny and wished to retain and sustain services for staff and local people. He named other NHS foundation trusts where subsidiaries were also in exploration or under operation – including Barnsley, Harrogate, Calderdale and Bradford.

The Board passionately wanted to focus on a model that would offer high-quality and high standards, which could be done from services within a company 100% owned by the Trust. Mr Morritt stated that whilst outsourcing had been undertaken elsewhere in the NHS, the Board absolutely did not want to consider this an option. He also commented that the hospital had a strong bond to its local communities that the Board did not want to break and that not only could the subsidiary potentially keep services in the NHS family; more importantly, it could keep them in the Chesterfield Royal family.

The Chair opened the floor up to Board colleagues. The following points summarise the lengthy discussion:

Accountability
Although Board members noted the subsidiary would be able to use the NHS branding, alongside its commercial identity, clarification was sought on the status of the company and if it could be sold in the future.
Mr Outhwaite explained that a subsidiary would not equate to privatisation. The Trust would own 100% of the company and would be liable for it through the Articles of Association. The Accounting Officer responsibilities for the subsidiary remained with the Chief Executive (and ultimately led back to the Secretary of State for Health & Social Care) and if it 'failed' at some future point, the company's interests and assets - and any deficits - could only revert back to Chesterfield Royal Hospital NHS Foundation Trust. It could therefore not be sold-on.

Governance
Board members heard that the subsidiary would have an independent, more commercial approach, although with oversight from the Trust.
Mr Outhwaite and Mr Morritt would be responsible for overseeing the subsidiary in relation to manging the contract the Trust has with it. To ensure a robust governance structure, the Board of Directors would appoint a Non-Executive to Chair the wholly-owned subsidiary's board. This would maintain separation between the subsidiary and the parent company. In addition, a Non-Executive Director of the Trust would undertake an assurance role on behalf of the Board, in respect of checking that the subsidiary discharges its duties effectively.

Options appraisal
Outside of a wholly-owned subsidiary there were limited options going-forward that could offer service and job protection. To reduce expenditure, alternative options included a reduction in staffing or services; or outsourcing to the private sector. As stated during the introduction, the Trust was already operating within an upper quartile financial base - and therefore it needed to source more innovative solutions to deliver a tangible financial benefit. The majority of Board felt that on balance, they would rather retain more staff within a wholly-owned subsidiary than look to outsource services or reduce numbers (potentially 136 full-time equivalent staff).

Outsourcing was not favoured because it would mean the Trust losing control of some services and it would risk losing the supportive connection that exists between clinical and non-clinical staff. It was noted that a 'do nothing' option had been ruled out - on the grounds it would seriously impact clinical services and finances.

Not achieving the cost improvement programme for example, would mean a loss of financial control for the Trust - and as an organisation in deficit, it would lack the ability to determine its own investment and capital development programme. A wholly-owned subsidiary could enable more value from investment funding and would allow the Trust to retain an ability to decide how to develop the site, its facilities and its services.

Organisational Impact
Board agreed that high-quality patient care and standards of services were its top priority. It was recognised that if a subsidiary were to be agreed, there would be an enormous impact on staff across the organisation, not just those directly affected. There would undoubtedly be concerns about how the decision could affect day-to-day operational issues and on-going projects and developments; and likely anxiety around collaborative practice. If a 'yes' decision was made Board would need to ensure that services continued to work as a collective, and that they were regarded as under the umbrella of the same organisation.

Staff engagement
Board were reminded that it had set out a clear ambition for staff engagement and developing organisational culture. The potential impact on that ambition was acknowledged and accepted. Alongside the points raised about the effect on the organisation (above) members also recognised the likely consequences a 'yes' decision could have, given the strength of feeling demonstrated by trade unions and staff groups.

Scope of subsidiary
There were some deliberations around the scope of services within the proposed subsidiary, in particular relating to IT and finance, which were both outside of the operated healthcare facility definition. Mr Outhwaite outlined the opportunity to develop these services on a more commercial footing, with a stronger customer-focussed approach that would drive service improvement and delivery. Members appreciated the ability to create a different service model and change the mind-set of provision - and were reassured to know that within a wholly-owned subsidiary, these services could still work in collaborative partnerships with other organisations.

Terms and conditions
In response to discussions about protections applied under TUPE arrangements, Board members agreed that whether in a wholly-owned subsidiary or not, all staff could still be affected by national changes determined by a future change of Government or policy. TUPE protection for instance would not apply to a new policy set nationally by the NHS Pensions Agency.

Board members discussed the pension offer for new staff joining the wholly-owned subsidiary and the choice element of employment going-forward. In response to a particular concern, Mr Outhwaite confirmed the basis of the current NHS pension offer and the proposals for a new scheme within the subsidiary's terms and conditions. New starters would not have a final salary pension scheme and the company's contribution would be less than that offered by the NHS, reducing from a maximum 14% to 8%.

Future positioning
Board members noted that there was potential, within the scope of a wholly-owned subsidiary, to position the Trust as an 'early mover' – and to take advantage of any transformation opportunities arising out of the Joined Up Care Derbyshire agenda and how it is addressing financial challenges across the system.

Board decision

During the discussions the following points were made by Board members in regard to the proposal:

- Reluctantly supported, due to a fear that jobs and services would suffer and the alternatives are a worse offer. A different employment offer could protect not damage jobs.
- The organisation has a family feel. There is no reason it should lose that feeling and this proposal still provides the opportunity for us to work in that way. Outsourcing alternatives would impact across the Trust and potentially slow down progress. This is the right proposal to take forward if it is done properly.
- The Trust has been clear about its ambitions for staff engagement and culture and needs to be cognisant of the detrimental impact this could have. The strength of staff feeling needs to be taken into account. Although, whilst there are these reservations, on balance this proposal is a better option than potential alternatives.
- The proposal is the best option to protect jobs and clinical services for patients in the most challenging NHS environment we've ever been part of. Weighing up all the options and potential alternatives it is the one to support.
- A single entity with leadership clearly focussed on high quality service provision and able to influence support services and their future could be a better place for staff to be a part of; and more supportive than the workplace model they are currently within.
- Around 70% of the Trust's expenditure accounts for salaries. Anything that can be done - that safeguards the people in those jobs - is worth consideration.
- The Board must take its decision with respect for the staff affected, to bear in mind how they feel. The Board need to be concerned about the petition and the impact on staff engagement. If the subsidiary is created the Board need clear oversight and the subsidiary must reflect the organisation's standards and values to remain 'as one'.

Within the debate, Non-Executive Director Dr Wight stated the reasons why he did not feel he could support the proposal. Although he appreciated and understood the intention behind it, he still had serious reservations about creating a subsidiary based on these three personal points:

- *It would degrade the employment offer of lower-paid staff* – whilst understanding the TUPE element for transferring staff, Dr Wight felt that new staff (despite assurances about market-tested pay scales) would be disadvantaged by the new pension arrangements and that to benefit they would have to drop their take home salary by around 2.5%;

- *The majority of staff strongly oppose the idea* – although he did not necessarily agree with the reasons why staff did not support it (for instance he did not see it as privatisation) the fact that they strongly oppose it weighs heavily; and finally

- *A strong opposition to the governance arrangements* – on the basis that this Board cannot bind its successors and going-forward the governance arrangements potentially give any future Board or oversight group the ability to change the format of the subsidiary company, which could affect its staff.

The Chair thanked members of the Board for their contributions to the open discussion and range of points raised.

In summarising the Board's decision, it was noted that all but one of the Board members supported the proposal – although all those in support had made their decision with points of reluctance and concern.

The Chair stated that the Board would want to see the wholly-owned subsidiary created within a well-thought out and properly executed process. There was clearly a resolve that this should not be seen as privatisation, but as a mechanism to avoid other options, including outsourcing and redundancies. There was also a resolute wish to continue to regard colleagues in the subsidiary as part of the Chesterfield Royal Hospital family. It was not a decision that the Board had taken lightly and it had been made with some difficulty. Board members would want to see the next stage of the proposal progress in a fitting style, manner and tone; and with an appropriate reflection on the importance of getting it right, to support staff through their transfer.

In addressing observers, the Chair, on behalf of the Board, acknowledged and appreciated that people would be disappointed in today's outcome. It was hoped however that observers felt the debate had been full and rigorous – noting that the Trust had been the only one so far to take its decision in its meeting held in public. The Board felt that in doing so, it was a sign of courtesy to stakeholders and the right way to acknowledge and respect their views.

The Board: *'Approved the business case, recommending the Trust creates a wholly-owned subsidiary and in doing so, approved the start of appropriate TUPE transfer arrangements with staff; noting that the Project Team will work on legal and technical matters requiring Hospital Leadership Team and Board of Director approval, before a subsidiary company could go-live.'*

BD130/18 **Report from the Chief Executive (Enclosure D)**

Mr Morritt presented his report adding a verbal update to the section on sustainability and transformation. It was noted that, in September 2018, the South Yorkshire & Bassetlaw shadow Accountable Care System (ACS) would provide an update on the Hospital Services Review and its outline strategic case.

Board members raised concerns about the review of Learning Disabilities Short Break Services, which Derbyshire Clinical Commissioning Groups (CCGs) were undertaking. In particular, members felt that the loss of this service could put acute providers under increased pressure. It was noted at this stage the intention was to 'formally engage' with stakeholders and that any significant service change would be subject to consultation. Mr Outhwaite confirmed this was one of a number of proposals on a de-commissioning list; and that with a schedule of £31m, the impact on contractual obligations would need to be understood by all parties.

Although correct in this report, in response to a request from Dr Wight, it was agreed to ensure that any further site access updates to staff did not include any reference to 'Board agreement' – when proposals had been discussed only at Hospital Leadership Team, not at a Board meeting.

The Board: *'Received and noted the Chief Executive's Report - along with any verbal updates.'*

BD131/18 **Staff Engagement – The Leeds Teaching Hospital's Approach (Presentation)**

The Chair welcomed Mr Royles, Executive Director of Human Resources and OD from Leeds Teaching Hospitals and invited him to present this session.

Mr Royles outlined the approach to 'The Leeds Way' – setting out the background to the organisation's poor NHS Staff Survey results in 2012 and the five years of staff engagement since. He drew attention to the Trust's determination to stick to an approach that had helped to enable a significant turnaround. In 2012 the Trust had 18 staff survey measures in the bottom 20%; this dropped to eight in 2013 - and was now at one. Conversely, by 2017, the Leeds Trust had 13 measures in the top 20%, a dramatic improvement on the one measure achieved in 2012.

In summarising 'The Leeds Way', Mr Royles informed Board members that it was not a blueprint that would work everywhere, but there were some key methodologies that could be adapted to suit, including executive director engagement, crowdsourcing through social media and having a clear improvement methodology. What mattered most though was determining the approach for the organisation and sticking to it over a longer time-frame.

In response to a direct question, Mr Royles acknowledged that the Leeds Trust's exploration of a wholly-owned subsidiary (which had now been paused) would, in his opinion, likely have an impact on this year's survey and its results.

He concluded his presentation with the top three issues that he felt had made the most difference at Leeds to date:

- Greater stability in the executive board and management team, supporting 'The Leeds Way' and its purpose;

- Visibility of leaders, including the executive board - supporting on-going engagement, as well as engagement in the staff survey period itself; and

- Improved leadership development – setting out expected behaviours and addressing the conduct of leaders that do not demonstrate the organisation's values and principles.

BD132/18 **Staff Story – Staff Engagement**

Dr Cort was invited to present to Board and reminded those present that the engagement improvement method adopted by Chesterfield Royal Hospital NHS Foundation Trust is Listening into Action, which had just entered its second year. In terms of an approach, many of the LiA principles read across to Mr Royle's description of 'The Leeds Way' although the Royal is at a much earlier stage in its culture change journey.

Board members were appraised of the 2018 Pulse Check results for both staff and the senior leadership - and noted the positive improvement shift in all areas since 2017. Whilst there was still much to do, these early indications illustrated percentage shifts of between six and ten percent. The difference between the top results (cultural issues) and the bottom results (practical issues) were noted as a real opportunity to drive change. Board agreed that a significant push to resolve day-to-day frustrations of a practical nature would naturally support cultural change and perceptions, especially through leaders taking personal responsibility for inspiring others to take-forward and champion change themselves.

The Board agreed that the Trust must factor Listening into Action into the development of the wholly-owned subsidiary - to ensure there is no gap between services regardless of where they officially sit within the organisation; and to illustrate that a real commitment to engagement has been made by the Trust that still includes these vital staff members.

BD133/18 **Listening into Action Pulse Check Results (Enclosure E)**

The Board noted the content of the report outlining the 2018 Listening into Action Pulse Check Results.

The Chair thanked both Mr Royles and Dr Cort for their time at Board to provide the basis for a stimulating discussion - and for offering more ideas around staff engagement that the Trust could learn from.

The Board: *'Noted the content of the paper, which had been supported by a presentation and discussion at the meeting (BD132/18).'*

BD134/18 **Patient Experience Report (Enclosure F)**

The paper was introduced by Mrs Andrews - and members were reminded that the content was a reflection of the Board's wish to seek additional information, through national benchmarking data, that would potentially enable it to set measures for further improvement to patient experience.

Board members noted that only eight Trusts in the country had national in-patient survey results that overall were in the 'much better' category; and just four were in 'better than expected'. All but one (Newcastle-Upon-Tyne Hospitals) are specialist hospitals, so the patient experience team had contacted this individual Trust to find out more about their improvement path. Sherwood Forest Hospitals had also been contacted - as they scored highly in the question areas considered most important to patients.

As a result of this research Board members appreciated the lack of insight this benchmarking data provided in terms of setting a definitive improvement trajectory. As a result, they supported the recommendation Mrs Andrew's made in the paper – to continue to use the Friends and Family Test as the key indicator of patient experience. This to maintain the Trust's position in the upper quartile of scores nationally (those achieving over 97.5%) and to move to a top 10% score of over 98.3% by April 2019.

In response to a query, Mrs Andrew's confirmed that the Trust did examine the link between financial and quality performance across Trusts; and although correlations exist, it was also acknowledged that Trusts in deficit positions were not necessarily there because of poor clinical or administrative management.

In conclusion Board members agreed that the measures outlined in the paper remain ambitious and had 'stretch'; that they set out a trajectory to exceed current position and that there was no 'feeling of complacency'. The Chair thanked Mrs Andrew's for providing the Board with a detailed and thought-provoking paper for discussion.

The Board: *'Noted the patient experience report and actions being taken - assured that the Trust has mechanisms in place to seek views of patients and carers, acting on that feedback to improve and to support a positive patient experience.'*

BD135/18 **Learning from Deaths Dashboard – Quarter 1, 2018-19 (Enclosure G)**

Dr Collins outlined the main points of this quarter one report, highlighting a system that was now well-embedded in the Trust and able to draw out important opportunities for patient care and service improvements.

Board members were pleased to see that the aim was to screen 90% of deaths that occurred within this timeframe and that none of these had been closed (to date) with the conclusion of an 'avoidable death' judgement. The increase in the number of structured judgement reviews (almost double to previous quarters) was also positively welcomed, as was greater involvement of carers and relatives in the learning from deaths process.

Board members noted the development of a Trust-wide standardised admission proforma, which would provide a better structure from which to identify patient risk. They also felt staff education would play a key role in helping staff to appreciate the importance of using this documentation to realise best practice benefits. This was part of the first step towards amalgamating medical, nursing and allied health professional notes (adult in-patients) to support improved communication across healthcare professional groups – as well better communication between staff, patients and carers.

Mrs Andrews reminded Board that record keeping was an on-going challenge. First and foremost keeping patient care plans updated was a priority, alongside evaluating what is important to include in the notes themselves. The work to create NEWS2, which would launch in September, was another important documentation development that would strengthen this position and help to set out exactly what is expected from staff in respect of making notes a valuable tool.

The Chair thanked Dr Collins for the update and commented that the paper reflected the great strides made to use this national guidance as a positive instrument to initiate change and improvement.

The Board: *'Received and noted the report, which evidenced progress being made in relation to learning from deaths, any themes and specific actions being taken to address them.'*

BD136/18 **Board Assurance Framework and Assurance Reports (Enclosures H-H3)**

Board members were content with the Board Assurance Framework having undertaken a 'deep dive' (at its private session) into strategic risk 5.3 – which concerned the current financial situation across Joined Up Care Derbyshire; and the approach being taken to manage financial risk.

The Chair invited assurance presentations as follows:

Audit and Risk Committee (ARC) – July 10 2018
Mr Killick outlined the seven items on the report, highlighting one where there was a partial assurance in respect of the high-level risk report. It was noted that a new Risk System Manager had been appointed and that they would be reviewing the report to ensure it was current and up-to-date. Mr Killick reported that the committee would be looking to focus its attentions on risk; as audit processes within the Trust were working well. Board members concurred that this would be an appropriate action to take at this point in time, to enable a strengthened approach to risk management at all levels.

People Committee (PC) – July 18 2018
Dr Wight introduced the report, noting actions underway to address the two partially-assured BAF risks around the Trust's workforce plan and staff engagement, which included progress on developing a Workforce Strategy.

Quality Assurance Committee – July 23 2018
The content of the annual medicines optimisation report was highlighted by Mr Urpeth as offering excellent assurance. He also brought the Board's attention to partially-assured risks relating to duty of candour and IPR quality data. In relation to the CQUIN referring to SEPSIS, it was acknowledged that tremendous work had been undertaken to turn around the one-hour antibiotic provision measure. As a result, the committee were assured that progress had been made and that the target had been met for the last two-months.

Mr Urpeth also offered, in his role as HM Coroner, to support training within the environment of the Coroner's Court – as part of enabling clinical staff to appreciate the importance of record keeping as an integral part of the patient's care pathway.

At this point Mrs Andrew's also drew the Board's attention to a never event that the committee had been assured of, in relation to immediate actions taken as a result of its occurrence. She gave a verbal account of the incident, involving a patient that had undergone induced labour. A tampon had been retained following an episiotomy, despite a swab count being carried out. The mother had gone on to develop an infection, although she was now at full health and there had been no adverse health outcomes, either to her or to her baby. A full RCA would be undertaken and there were mitigations in place until the review had been completed.

The Board: *'Received and noted the content of the Board Assurance Framework and the assurance reports pertaining to Audit and Risk Committee, People Committee and Quality Assurance Committee – including the verbal update provided on the never event and the range of actions underway to address it.'*

BD137/18 **Integrated Performance Report (Enclosure I)**

Board received the Integrated Performance Report for June 2018 with the following issues highlighted:

Finance – noting the quarter one on-plan position there were three main risks at this stage in the financial year: the financial position and interface with commissioners in Derbyshire; CIP delivery and the work required to create the wholly-owned subsidiary to realise efficiency savings; and theatre utilisation across the system and the appetite for not de-commissioning planned theatre activity, but for utilising capacity in a different way to achieve a Derbyshire-wide solution.

Performance against cancer standards – the significant increase in two-week urgent cancer referrals was noted, with Board appreciating the recovery position, notwithstanding the future likely impact on 31 and 62 day targets. Workforce capacity, patient choice in respect of interim clinical arrangements; and the management of patients at the tertiary cancer centre had all proved challenging in trying to meet these key cancer standards. It was noted that NHS Improvement were supporting the region with improvement plans. And in response to Board offering its assistance, the Chief Operating Officer felt that raising the issue at Chair/Chief Executive conversations would be a supportive action, to ensure the Trust's concerns were recorded.

Four-hour wait – demand for care during July had proved as high as in previous summers, with an increase in attendances, high-patient acuity and resource availability proving challenging. Despite this, the Trust's team in ED supported by the wider organisation and its approach to patient flow, was once again in the top five performers in the country. Board members congratulated staff for their approach, headed by the leadership of the Chief Operating Officer. The change in ED performance had been thanks to a willingness to adapt – and was by design, not by 'accident'.

Appraisal – Board members noted the appraisal season position and the 48% achievement so far, in what was the half way mark for this year's season (April to September). The exceptional achievements to date in Medicine and Emergency Care were highlighted; and Board noted that appraisal was proving challenging for the team in Facilities, where workload had been increased with staff engagement relating to the wholly-owned subsidiary exploration.

RTT – Board members enquired if there was any proposal to review the different expectations that were in place for the referral to treatment target, with regards to the two measures in place; one set locally and one set by NHSI/NHSE. Mr Morritt stated that he was not aware of any active national conversation that proposed a more flexible approach to the 18-week standard.

The Board: *'Noted the Integrated Performance Report and its contents, including key performance against cancer standards and the current financial position.'*

BD138/18 **CQC Inspection Report – Royal Primary Care (Blue Dykes)**

Mrs Andrews introduced this item, reminding Board that it had previously discussed the report, positive areas highlighted by the inspection team, areas that required further work and the overall assessment outcome, which was 'Requires Improvement' - although a rating of 'GOOD' had been awarded to the domains of effective, caring and responsive.

This previous debate had taken place at the Board's last private meeting, due solely to the timing of the Care Quality Commission's publication date, which meant it was still under embargo at the end of June. The purpose of the report today was to ensure the findings of the inspection were placed in the public domain - and to highlight requirements for improvement and their timescales.

The Board: *'Noted the report and the content of the improvement plan; along with the CQC's intention to re-visit within six to 12 months to assess progress against the improvement plan.'*

BD139/18 **Any Other Business**

No further business items were raised.

BD140/18 **Items for Information (Enclosures K1-K7)**

The Board: *'Noted the following for information:'*

Chair and Non-Executive Director engagements
Board Annual Cycle of Business
High-Level Risk Report
Audit and Risk Committee – July 10 2018
Charitable Funds Committee – June 13 2018
Corporate Citizenship Committee – June 26 2018
Patient and Public Involvement Committee – June 18 2018

BD141/18 **Date and Time of Next Meeting**

The Board: *'Noted the next meeting would take place on Wednesday, September 29 2018 at 11.00am in the Board Room'.*

BD142/18 **Review of the Meeting**

In reviewing the meeting, the Chair invited comment from observers, asking for their thoughts on the proceedings and any improvements that could have been made. Representatives from the Care Quality Commission and Public Governors felt that the conversation been open and honest – and in particular the wholly-owned subsidiary discussion had been thorough and provided clarification on the business case proposals. The CQC observers were also complimentary about the offer Mr Urpeth had made to staff in respect of attending Coroner's Court, which was regarded as best practice in helping staff to appreciate the value and importance of good quality record keeping.

Board members concluded that it had been a challenging meeting. A difficult decision had been taken through a discussion that demonstrated the Trust's values and with the Board as a 'united group'.

Members felt however, that the Board should have been clearer on one specific point – in that it had given the Director of Finance a mandate to explore the idea of a wholly-owned subsidiary and to bring back a proposal for the Board to consider. It should be clear that the agreement to go-ahead with the proposal was the Board's shared decision and responsibility.

The Chair agreed to clarify this point at the meeting of the Council of Governors on July 26 (see post meeting note below).

Aside from the main issue under discussion today, Board noted the value that external visitors brought to Board meetings. All members agreed that the Board should seek to invite more guests to stimulate thoughts and ideas that would support Trust strategy and ambition.

The Chair declared the meeting closed.

Post meeting note: *'At the Council of Governors meeting on July 26 2018 the Chair re-iterated that the Board's agreement to progress the wholly-owned subsidiary was a shared decision, following the initial mandate given to the Director of Finance to explore the idea and bring a proposal back to Board.*