Doncaster and Bassetlaw Teaching Hospitals
NHS Foundation Trust

Annual Members Meeting

To be held on Wednesday 20 September 2017 at 4pm

at The Fred and Ann Green Rehabilitation Centre, Montagu Hospital, Adwick Road, Doncaster S64 OAZ

AGENDA

INFORMAL SESSION

1.	Displays regarding health topics and the Trust's activities and achievements over the past year, and an opportunity to meet the Directors and Governors of the Trust.	4:00 pm

FORMAL SESSION

2.	**Welcome and apologies** Suzy Brain England OBE, Chair of the Board	5:00 pm
3.	**To receive:** Minutes of the Annual Members' Meeting held on 21 September 2016	5:05 pm
4.	**To note:** Annual Report and Accounts 2016/17 Suzy Brain England OBE, Chair of the Board *Copies available via the Trust website. Hard copies available on request.*	5:10 pm
5.	**Presentation: Chief Executive's Review of 2016/17** Richard Parker, Chief Executive	5:15 pm
6.	**Presentation: Finance Director's Report** Jon Sargeant, Director of Finance	6:00 pm
7.	**Question & answer session on matters relating to the business of the meeting**	6:30 pm
8.	**Closing remarks** Suzy Brain England OBE, Chair of the Board	6:45 pm
9.	**Date and time of next meeting:** To be confirmed	

DONCASTER AND BASSETLAW HOSPITALS NHS FOUNDATION TRUST

Minutes of the of the Annual Members' Meeting
held on Wednesday 21 September 2016
In the Ivanhoe Centre, Conisbrough, Doncaster, DN12 3JX

Present:		
	Chris Scholey	Chairman
	Michael Addenbrooke	Public Governor
	Dr Utpal Barua	Public Governor
	Philip Beavers	Public Governor
	Shelly Brailsford	Public Governor
	Hazel Brand	Public Governor
	David Cuckson	Patient Governor
	Dev Das	Public Governor
	Dr Vivek Desai	Staff Governor
	Eddie Dobbs	Public Governor
	Anthony Fitzgerald	Partner Governor
	Lynn Goy	Staff Governor
	Nicola Hogarth	Public Governor
	Cllr Pat Knight	Partner Governor
	Ainsley Macdonnell	Partner Governor
	Bev Marshall	Public Govenor
	Brenda Maslen	Public Governor
	Susan Overend	Public Governor
	John Plant	Public Governor
	Lorraine Robinson	Staff Governor
	Dr Rupert Suckling	Partner Governor
	Roy Underwood	Staff Governor
	George Webb	Public Governor
	Maureen Young	Public Governor

In attendance:

Trust Members / Public

Joanne Blockley	Suzanne Bolam	Sheila Barnes
Jayne Bulbeck	Becky Cassidy	Dereck Foster
Heather Jackson	Chris Clark	Cindy Storer
Sam McAllorum	Jill Edwards	Lawson Pater
Franklyn Wallace	Mr Sprakes	Simon Marsh
Helen Houghton	David Liggins	Val Mullins
Sandie Hodson	M Gallafent	
Ruth Woodcock	R Hewkin	

Directors & officers

Alan Armstrong	Non-executive Director
Suzy Brain England	Chair Designate
Jeremy Cook	Interim Director of Finance

David Crowe	Non-executive Director
Emma Shaheen	Head of Communications
Dawn Jarvis	Director of People and Organisational Development
Anthony Jones	Deputy Director of People & Organisational Development
Matthew Kane	Trust Board Secretary
Alison Luscombe	Foundation Trust Office Coordinator
Martin McAreavey	Non-executive Director
John Parker	Non-executive Director
Richard Parker	Director of Nursing, Midwifery & Quality
Mike Pinkerton	Chief Executive
David Purdue	Chief Operating Officer
Sewa Singh	Medical Director
Kate Sullivan	Corporate Secretariat Manager

Press: Kevin Larkin, BBC

Apologies

AMM/16/1 Apologies for absence were received from Karen Barnard, Philippe Serna, Anwar Choudhry, Peter Husselbee, Patricia Ricketts, Denise Strydom, Shahida Khalele, Ruth Allarton, Lisa Bromley, Oliver Bandmann, Cllr Susan Shaw, Clive Tattley and Andy Swift.

Welcome

AMM/16/2 Chris Scholey welcomed everyone to the 2016 Annual Members Meeting and briefly summarised the Trust's performance during 2015/16.

AMM/16/3 Overall 2015/16 had been a difficult year for the Trust with two major events; a CQC inspection of the Trust in April 2015 and secondly in October 2015 the Trust discovered that there had been a misreporting of the financial position to such an extent that, despite remedial action, a loss for the year of £36.4m had been incurred. This misreporting had gone undetected by not only the Trust's internal checks and controls but also by internal and external Audit and regular reporting to Monitor. An external investigation showed that the money had been spent on patient care. The Chair commented that he was encouraged and heartened by the response of Trust staff to the financial pressures and the Trust was on track to significantly improve the financial position through a savings and efficiency programme while maintaining quality improvements.

Minutes of the 2014 Annual Members Meeting

AMM/16/4 The minutes of the Annual Members' Meeting held on 29 September 2015 were APPROVED as a correct record of the meeting.

Matters arising

AMM/16/5 None

Annual Report and Accounts 2014/15

AMM/16/6 Chris Scholey formally presented the Annual Report and Accounts to the Governors and Members present.

AMM/16/7 The Annual Report and Accounts 2015/16 were RECEIVED and NOTED.

Chief Executive's review of the Trust's performance 2015/16

AMM/16/8 Mike Pinkerton, Chief Executive, delivered a presentation on the Trust's performance and achievements in 2015/16 as well as challenges and opportunities for the future.

AMM/16/9 The presentation was presented around the four key pillars of the Trust's strategic direction:

- To provide the safest, most effective care possible
- To control and reduce the cost of healthcare
- To develop responsibly, delivering the right services with the right staff
- To focus on innovation for improvement

AMM/16/10 The presentation provided an overview of the following:

- NHS Context
- Finance Misreporting / Actions & Response
- CQC Review & Progress
- Quality Outcomes
- Seven Day Services
- Provide the Safest Care
- The Trusts Improvement Journey
- Develop Responsibility
- Innovate & Improve
- Moving Forward
- Key partners

AMM/16/11 NHS Context – Demand was rising in terms of age, complexity and lifestyle. There were significant staff shortages in many areas and as a result the pressure of agency staff costs was increasing. Key targets and quality measures were not being met nationally including the 4hr Emergency Department wait target and Referral to Treatment targets.

AMM/16/12 Finance Misreporting – In October 2015 the initial misstatement was revealed and the Trust immediately reported this to Monitor and Board. A range of Grip and Control activities commenced alongside external investigation by KPMG. An interim Director of Finance was appointed in

November 2015 and the accurate financial position was reported in February 2016. The 2015/16 financial position moved from a planned surplus of +£2.2m to a deficit of -£36.4m. The KPMG investigation report was published in March 2016 with a host of recommendations and Action Plan. In February 2016 Monitor reached its conclusions in terms of Licence Breach Voluntary Undertakings which was the least level of intervention possible under the circumstances.

AMM/16/13 Actions & Response – The Trust had appointed a Turnaround Director and set up a Project Management Office to deliver savings. Grip and Control saw a reduction of expenditure of more than £2m from November 2015 to March 2016 with savings realised through a range of activities including a Mutually Agreed Resignations Scheme (MARs), surplus asset disposal, reducing usage and cost of agency staff and improved controls. The Trust had developed a credible, risk adjusted and deliverable Cost Improvement Plan (CIP) for 16/17 and beyond, with 12 work streams underway and the Trust was currently forecasting a significant improvement on the overall financial plan of circa £8m (-£16m forecast vs -£24.7m plan).

AMM/16/14 CQC Review – The CQC undertook a large scale review of the Trust in 2015. Overall the Trust was rated by the CQC as 'Requiring Improvement' with 74% of standards assessed as 'good' and no 'inadequate' services; the Trust was rated 'Good' for 'Well led' and for 'Caring'. At that point the Trust was 19th best out of 115 Trusts that had been rated. Actions from the review were largely delivered; a key area where work was ongoing was in terms of fire compartmentalisation.

AMM/16/15 Safe & effective care –. There had been a number of improvements in quality and access:

- Reduced Clostridium Difficile by 27% (44 to 32) (2 cases MRSA)
- Reduced repeat falls by 28% (224 to 176)
- Reduced readmissions by 7.3%
- Reduced pressure ulcers by 50% (103 to 52)
- Achieved 22/24 quarterly cancer targets
- Achieved referral to treatment times across the year
- 13th best Trust nationally for the four hour access - 94.51%, improved from 92.9%. Bassetlaw 6th best in the country
- Consolidated seven day services

AMM/16/16 Provide the Safest Care

- Refreshed the Quality Assurance Tool to include 15 CQC quality indicators
- Delivered year two of Sign up to Safety – as part of a national commitment to reduce avoidable harm by 50% over three years

ending in 2018

- Moved to 42nd best reporter out of 136 trusts in National Reporting and Learning Service in year to September 2015
- 10th best in the Country with regards to Ombudsman complaints
- Comparative reductions in NHS Litigation Costs - £1.5m
- Reduced Mortality from 108.68 to 95.62

AMM/16/17 Develop responsibly – Working with the CCG there had been a transformation of the provision of urgent care in Doncaster with the implementation of a Front Door Assessment Signposting Service. The Trust had remained focused on developing staff with more than 460 participants on the internal management skills programme. There had been an improvement in staff appraisal rates to 88% (from 65% in 2014/15) and the Trust was 10th best in the country for F2 Educational supervision in the GMC training survey with a number of regional top places. The Trust had become an Acute Services Vanguard Trust. The Trust had been rated the best acute provider achieving 97% in the Hallam University student satisfaction survey and the Trust had hosted the first national educational multidisciplinary visit.

AMM/16/18 Further developments included:

- Being re-selected to provide the AAA Screening Programme
- Being one of 10 trusts selected to help 'Build the Best' in palliative care
- Agreeing a Health and Wellbeing Strategy
- Achieving good results in all patient surveys
- Staff sickness at 4.16% (Regional average 5%)
- Staff engagement rose to a score of 3.77 (previous 3.72)
- First in Yorkshire and Humber in the Q2 Staff Friends and Family Test
- Completed the new Diabetes Centre
- Completed the Acute Medical Unit Phase II - level 4

AMM/16/19 Innovate & Improve – The Trust had implemented the new Patient Administration System (CaMIS) and had piloted a new check-in system for patients in Outpatients. The Trust's Data Quality score was 99.2% vs National Average 96.2%. The UK's first hernia repair surgery using a pioneering new technique had been performed and there had been improved surgical procedures for patients requiring treatment for prostates using a Green Light XPS laser. MALDI-TOF microbiology analyser system had been introduced, allowing quick identification of effective antibiotics.

AMM/16/20 There had been a further increase in NIHR R&D trial activity;

- 3,941 patients involved in research

- 49 additional studies
- 1068 patients recruited to NIHR studies
- First global and international patients

The Trust's services and staff were shortlisted for 13 awards, regionally and nationally, including 'Research impact' for the HSJ Awards and 'Clinical Nursing Research' for the Nursing Times Awards.

AMM/16/21 Looking Forward – The Trust would be delivering an ambitious Cost Reduction plan for 16/17 and was defining the Five Year Financial Plan and supporting strategies. The governance review and system changes would be completed over the coming year and the Trust continued to work to create sustainable services as part of Working Together Vanguard including Hyper Acute Stroke and Children's Surgery.

AMM/16/22 The Trust was very much involved in developing and delivering the South Yorkshire and Bassetlaw Sustainability and Transformation Plan and was also engaged with the Doncaster and Bassetlaw 'place' plans. Work to maintain and develop appropriate estates and IT infrastructure was ongoing. The Trust was developing its educational research and during the next few months the formal recognition of Teaching Hospital status for the Trust was expected.

AMM/16/23 Mike Pinkerton thanked directors, governors, partner organisations, staff and volunteers for their support and contribution throughout the year. He also thanked members of the public for attending and for choosing Doncaster & Bassetlaw Hospitals to provide their care.

The Chief Executive's review of the Trust's performance in 2015/16 was NOTED.

Financial Director's Report

AMM/16/24 Jeremy Cook delivered a presentation on the financial performance of the Trust drawing attention to the following:

AMM/16/25 The year had been dominated by the financial misreporting which was disclosed in October 2015. This impacted on both the 2014/15 accounts and 2015/16 accounts and an external investigation was carried out by KPMG and reported in February 2016. At that stage the 2014/15 accounts were restated from a surplus of £1.6m to a deficit of £14.8m and the 2015/16 accounts showed a deficit of £36.4m compared to a planned surplus of £2.2m with total deficit over the two year period having moved by £52.8m. The issues were so complex it was not picked up by internal audit, external audit or Monitor. The delivery of cost savings reported to the Board in 2014/15 and 2015/16 were also misreported with £1.9m of savings delivered against the £14m plan.

AMM/16/26 The KPMG investigation showed there was no evidence of fraud or personal gain. All monies have been spent on patient care and services. The misreporting masked a number of service pressures being experienced nationally including medical agency usage, safe nurse staffing levels, midwives, 24/7 and winter pressures, that were not dealt with by cost savings initiatives which had also been misreported. This resulted in suppliers of goods and services to the Trust not being paid on time. This has been addressed by drawing loans of £46.4m from the Department of Health to 31 March 2016. In order to preserve cash the capital programme had to be restricted to £12.8m compared with the plan of £21.4m. Forecast outturn 2016/17 was £16m deficit vs 2015/16 actual £36.4m deficit.

AMM/16/27 Financial Review of the Year – Income for the year 2015/16 was £357.6m with expenditure of £394m.

AMM/16/28 Expenditure - The Trust spent £394.0m on:

- Staffing of £250.8m – an increase of £11.6m, including £4.9m medical agency & £0.5m nursing agency
- Drugs of £39.9m – an increase of £5.6m
- Clinical and general supplies of £34.0m – an increase of £1.5m
- Services from NHS and non NHS bodies of £19.7m – a reduction of £0.4m
- Insurance premium of £15.0m – an increase of £5.1m
- Premises and facilities running costs of £14.8m – an increase of £0.2m
- Depreciation of £9.3m – no change on the previous year
- Finance costs of £5.5m – a reduction of £0.5m
- Other costs of £5.0m – an increase of £1.7m

AMM/16/29 Safeguarding the future - A number of actions had been put in place to improve governance. These included the appointment of new internal and external auditors, the setting up of a Board committee which met monthly to review financial governance and the implementation of the recommendations from the KPMG investigation which were essentially complete. Financial reporting had been improved with Board approval for a significantly enhanced finance function which would be 'fit for purpose' and Board approval to upgrade the Trust's financial systems. A more robust budget setting process had been implemented for 2016/17 and the Trust was reviewing and enhancing core financial processes and controls.

AMM/16/30 Financial Recovery - The Trust had to develop a Five Year Plan to show how it would get back to financial balance. Financial turnaround methodology had been put in place with a robust governance framework including the establishment of a Programme Management Office. A good

start had been made in 2016/17 with a forecast deficit for the year of £16m which was £8.7m better than plan and £20.4m better than last year's deficit of £36.4m.

The Financial Review was NOTED.

Question and answer session

AMM/16/31 In response to a question about whether there was any evidence that the piloted check-in system for patients in Outpatients had delivered any improvements for patients, the Chief Executive advised that the pilot was ongoing and that the advantages of the pilot would be reviewed at the end of the pilot. It was reported that the system had been very successful in primary care and in other Trust's.

AMM/16/32 In response to a question about why there had been such a large increase in insurance premiums the Interim Director of Finance reported the increase experienced by the Trust reflected a significant year on year national increase in clinical litigation claims.

AMM/16/33 A member of the public asked why the Trusts managers hadn't seen fit to investigate the financial position prior to the discovery of financial misreporting given the national financial position, in comparison to which the Trust appeared to be performing so well. He commented that managers should have questioned the position sooner, given the national context. John Parker, Chair of the Audit & Non-clinical Risk Committee (ANCR) at the time of the discovery of the financial misreporting advised that the ANCR had challenged this on several occasions, prior to the financial misreporting coming to light, and had taken the matter up directly with the Director of Finance at the time who had provided the Committee with assurance that the financial reports were accurate. The ANCR continued to raise concern and commissioned an audit of the financial accounts, prior to the commencement of which the Director of Finance at the time advised the Chief Executive and Chair that the financial accounts had been misreported.

AMM/16/34 A member of the public raised concern that, in the context of the financial misreporting, if the public were to assume that the improvements in quality and achievement of performance targets between 2014 and 2016 were as a result of overspends that had not been reported, was there now a risk that, in the current context of cost saving and efficiency, quality and performance would deteriorate, and if not, why could the Trust not have achieved the same improvements without the overspends that had been incurred. This was discussed in detail.

AMM/16/35 The Chief Executive provided an overview of the business case process for the approval of expenditure; this had been the process through

which some of the overspending had been incurred prior to the Trust's true financial position being understood. He commented that some of the investments made through this process were for cases that would have long term benefits to patients and these benefits would continue to be realised. Going forward, in terms of efficiencies and cost saving plans (CIPs), he have assurance that as had always been the case, all CIPs went through a quality impact assessment process, as part of this they were all signed off by the Medical Director and Director of Nursing Midwifery & Quality.

AMM/16/36 The AMM reports were looking retrospectively as the previous year's position and it was noted that at the Board of Governors meeting, which was to follow immediately after the AMM, the most up to date finance, quality and performance reports would be presented and those present were invited to remain for this meeting as it would provide further assurance in terms of how quality was being maintained in the current financial circumstances. The meeting would also provide an opportunity to hear of some of the innovative ways in which the Trust was taking forward quality focussed efficiency and CIP programmes.

AMM/16/37 In response to a query about the total level of cumulative debt, in loans, that the Trust had incurred as a result of the financial misreporting and in the context of the current financial position, the Interim Director of Finance provided an overview of cash loans; these stood at cumulative level of £61.8m. The future repayment of loans would be subject to discussions with NHS Improvement at the point at which the Trust returned to financial sustainability which could involve several options. The Trust was not unique in this regard with many trusts nationally in similar and worse positions.

AMM/16/38 A member of the public raised further concerns about the impact of the Trust's financial position, and level of debt, on patient outcomes. He stated that no data on patient outcomes had been provided for assurance at the meeting and this was discussed; it was noted that the purpose of the AMM was to provide retrospective reporting on the previous financial year to April 2016. Since that time there were now six months of quality reports available publicly on the Trust's website, the most recent of which would be presented at the Board of Governors meeting which followed on immediately after the AMM.

Closing remarks

AMM/16/39 Chris Scholey thanked members for attending and invited them to stay on for the Board of Governors meeting.

AMM/16/40 Chris Scholey thanked the executive team and all trust staff for their work to improve quality and performance. He was extremely proud of all staff for their hard work and contribution during what had been a

difficult year. He also thanked all Governors and Non-Executive Directors for their contribution and continuing support and he particularly thanked the Trust's partners, the CCGs and partner health organisations, for the support and emphasised the importance of the support they gave the Trust.

[The Annual Members Meeting closed at 6pm]

Date and Time of Next Meeting

AMM/16/41 Date: 20 September 2017
Time: 4pm
Venue: Montagu Hospital