

COUNCIL OF GOVERNORS

**Council of Governors' meeting to be held at 09.30 on 16 April 2019 in the Conference Room,
Academic Centre, Milton Keynes University Hospital, Milton Keynes**

Time	Item		Report	Lead
09.30	1	Chair's Welcome and Announcements		Chairman
	1.1	Apologies To receive apologies for absence.-	Verbal	Chairman
	1.2	Declarations of Interest Governors are requested to declare any interests they have in items on the agenda.	Verbal	Chairman
	1.3	Minutes and Matters Arising		Chairman
	(a)	Minutes of the Council of Governors meeting held on 20 February 2019	Approve (Pages 3-10)	Chairman
	(b)	(b) Action Log	(Pages 11-12)	Trust Secretary
	2	(a) Chairman's Report (b) Chief Executive's Report	Verbal	Chairman Chief Executive
PRESENTATION AND INFORMATION ITEMS				
9.45	3.1	Annual Plan update	Presentation	Director of Finance
	3.2	Update on patient catering	Presentation	Head of Catering/GM, Core Clinical
	3.3	Parking: options for the future	Verbal	Deputy Chief Executive
	3.4	Complaints and feedback • Q3 complaints and PALS report	Receive (Pgs 13-18)	Deputy Chief Nurse
ASSURANCE REPORTS FROM COMMITTEES				
10.20	4.1	Management Board upward report	Receive (Pgs 19-20)	Chief Executive
	4.2	(Summary Report) Finance and Investment Committee 14 January and 4 February 2019	Receive (Pgs 21-22)	Chairman of the Committee
	4.3	(Summary Report) Workforce and Development Assurance Committee 4 February 2019	(Pgs 23-26)	Chairman of the Committee

	4.4	(Summary Report) Charitable Funds Committee 4 February 2019	(Pgs 27-28)	Chairman of the Committee
	4.5	Feedback from Council of Governor observation of Board Committee meetings	Verbal	Clive Darnell and Alan Hancock
GOVERNORS UPDATE				
10:40	5.1	Healthwatch Milton Keynes Update	Report (Pgs 29-32)	Maxine Taffetani
	5.2	Lead Governor's update	Verbal	Alan Hastings
PERFORMANCE				
11:00	6.1	Integrated Performance Report Month 10	Report (Pgs 33-46)	Chief Executive
	6.2	Finance Report Month 10	Report (Pgs 47-56)	Director of Finance
GOVERNANCE				
11:15	7.1	Annual Report and Accounts 2018/19 timetable	Receive (Pgs 57-58)	Trust Secretary
	7.2	Motions and Questions from Council of Governors	Receive	Chairman
	7.3	Any other Business		Chairman
	7.4	Date and time of next meeting 16 July 2019; 17:00 – 19:00	Note	Chairman
	7.5	Resolution to Exclude the Press and Public		
		The Chair to request the Council of Governors' to pass the following resolution to exclude the press and public and move into private session to consider private business. <i>“that representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted.”</i>		

If you would like to attend this meeting or require further information, please contact: Adewale Kadiri, Trust Secretary Tel: 01908 996234. Email: Adewale.kadiri@mkuh.nhs.uk

**MILTON KEYNES UNIVERSITY HOSPITAL NHS FOUNDATION TRUST
COUNCIL OF GOVERNORS' MEETING**

DRAFT minutes of a meeting of the Council of Governors' of the Milton Keynes University Hospital NHS Foundation Trust, held in public at 15.00 on Wednesday 16 February 2019, in Room 6 of the Postgraduate Education Centre at Milton Keynes University Hospital, Milton Keynes

Present:

Simon Lloyd - Chairman

Public Constituency Members:

Amanda Anderson (AS)

Alan Hancock (AHA)

Brian Lintern (BL)

Robert Johnson-Taylor (RJ)

Alan Hastings (AH)

Peter Skingley (PS)

Clare Hill (CH)

Akin Soetan (AS)

Appointed Members:

Maxine Taffetani (MT) - Healthwatch Milton Keynes

Staff Constituency Members:

Michaela Tait (MT)

Executive Directors

Joe Harrison (JH) - Chief Executive

Lisa Knight (LK) - Director of Patient Care and Chief Nurse (item 2b)

Mike Keech (MK) - Director of Finance

Non-Executive Directors

Helen Smart (HS)

Parmjit Dhanda (PD)

Also in Attendance

Adewale Kadiri (AK) - Company Secretary

1.	WELCOME & ANNOUNCEMENTS
	The Chairman extended a warm welcome to everyone present at the meeting.
1.1	APOLOGIES
	Apologies for absence were received from :

	Clive Darnell, Andrew Buckley, Kim Weston, William Butler, Douglas Campbell, Tony Nolan, Heidi Travis, Andrew Blakeman, John Ekpa, Clare Walton, Paul Griffiths
1.2	DECLARATIONS OF INTEREST
	There were no new declarations of interest received and no interests received in relation to any other open items on the agenda.
1.3	MINUTES
(a)	Minutes from the Council of Governors meeting held on the 22nd of November 2018 The draft minutes of the meeting held on 22 November 2018 were accepted as an accurate record.
(b)	MATTERS ARISING / ACTION LOG
	Action Log It was noted that the 2 items on the action log had been dealt with.
2	CHAIRMAN AND CHIEF EXECUTIVE REPORTS
(a)	Chairman's Report
	<p>The Chair informed the meeting that Sir David Behan, Chair of Health Education England had visited the Trust, and been shown round by the Chief Executive. In the course of his visit, he had seen simulation suite in the Academic Centre and met the University of Buckingham's vice chancellor, Sir Anthony Seldon. There is much interest within HEE in what the Trust and the Medical School are doing.</p> <p>The Chair announced that the Director of Patient Care and Chief Nurse will be leaving the Trust to take up the Chief Nurse role at London North West NHS Trust. He paid tribute to the wonderful job that she had done in her time here, and that the Trust is sad to lose her, but acknowledged that this new role is a great opportunity for her. She leaves at the end of April, and Nicky Burns-Muir, the Deputy Chief Nurse, will take on the role in an acting capacity while a formal recruitment exercise is conducted.</p> <p>Unfortunately, Kim Weston was unable to be present today for what would have been her last meeting as a governor. She retires at the end of March having worked at the hospital since it opened.</p> <p>With regard to the CQC inspection process, the Chair explained that a date had not yet been received for the service inspection or the Well led review, but these are expected on 6 March. It is possible that they may ask to interview the lead governor as part of Well led. In any event, the inspection team will be offered the opportunity to meet with as many governors as are present on 13 March for the informal meeting. Alan Hastings stated that colleagues on the Lead Governors' network had held pre-meetings with their governors in advance of CQC meetings. He suggested that this should be done here as well. In response to a question about the sorts of issues that may be raised by the CQC, the Chair explained that different teams focus on different things, with some giving an indication in advance of what they wish to ask, while others do not. The team will be attending to observe the 1 March Board. As to how the inspection team is constituted, the point was made that some are dedicated inspectors, while others are executive reviewers drawn from other trusts. The Chief Nurse and Medical Directors at this Trust are themselves Well led reviewers.</p> <p>The Trust's refreshed values have been visually captured in a number of posters and designs around the hospital. There is an expectation that staff will exhibit behaviours that</p>

	<p>are consistent with these values. The governors indicated that they would like to be given access to a document that contains all of this information.</p> <p>The Chair made reference to two recently published national reports that could be of relevance to the Trust. The first was by Tom Kark QC following his review of the fit and proper person test as it applies to director appointments in the NHS. This review had been commissioned in response to situations in which senior managers who had been deemed not to have performed well enough in one role would leave and then turn up shortly afterwards at another organisation. A number of recommendations had been put forward, including the creation and maintenance of a central database of directors, agreement of core competencies, mandatory referencing for executive and non-executive directors, and that directors should be disbarred from taking on other roles where they were found to have committed serious misconduct.</p> <p>The second report was of the Topol review on the future of technology in healthcare, led by Dr Eric Topol, a leading US expert in the field. The report focused on the importance that digital medicine will play in the future, stating that in 20 years' time, 90% of all NHS jobs will require digital skills. Recommendations were made on how to prepare and train the workforce to care for patients against this backdrop, and there is acknowledgement of the need for cultural change, leadership, a focus on safety and appropriate governance. Principles to be followed include enhancing patient involvement and appropriate planning to enable more time to be spent on patients.</p> <p>Alan Hastings asked about the outcome of the inquest into the death of the patient who fell from the multi-storey car park. In response, the Chief Executive stated that the Trust was not formally criticised over the incident – there had been some concern that even though the Trust had complied with all relevant legislative requirements, it might nevertheless be blamed for not having done enough to prevent the tragic outcome. The Trust has continued to make improvements to avoid a repeat, including putting more fencing in place around multi-storey car park, and working with CNWL to make the estate as safe as possible. The Coroner has written about his concerns for patients with mental health problems in acute facilities – this is not specific to MKUH, and no blame has been attached to the Trust. From the Board's perspective, an NED with specific knowledge and background in mental health has been appointed, and the Board as a whole has had mental health training. A clinical psychologist has also been appointed. There is an overall recognition that mental health has a role in physical health.</p> <p><u>Resolved:</u> That the Chairman's report be received and noted.</p>
(b)	CQC update
	<p>The Chief Nurse attended to provide an update on the progress of and preparations for the CQC inspection process. She informed governors that since the last Council meeting, the Trust had received a letter of intent from the CQC. She explained that receipt of this letter sets off a series of events leading to an announced inspection. The Trust had already received and completed its Provider Information Return (PIR) requiring the provision of a large amount of documentation. The CQC have confirmed that this is now complete.</p> <p>On 6 March there will be a governance meeting at the CQC at which they will sign off the date of the inspection and Well Led review. The Trust should be notified of the date of the Well led review, and possibly the inspection, on the following day. The Chief Nurse explained that in terms of notice, CQC can give the Trust two weeks, one day or one hour. In general, two weeks tend to be for larger organisations. This will be the first time that the trust will have a Well Led review. They will introduce most of the executives and a number</p>

	<p>of NEDs, including the Chairs of the Quality and Clinical Risk and Audit Committees.</p> <p>Before the service inspection and Well led review, the Use of Resources review will be held on 12 March. This will be led by NHS Improvement and will focus on how the Trust manages its finances.</p> <p>The CQC is currently running focus groups - tomorrow they will be meeting with doctors and senior sisters, and this will be followed by union representatives and patients groups. They will observe meetings of the Serious Incident Review Group & the Risk and Compliance Board. The Chief Nurse confirmed that the Trust is well prepared for the inspections. She also confirmed that so far, CQC have not asked to see any governors, but indicated that it was a good idea for the governors to proactively offer to meet with them. The Chief Nurse indicated that there is a high probability that the inspection manager will attend the 1 March Board meeting. They will engage with Healthwatch separately.</p> <p><u>Resolved:</u> That the CQC update be noted.</p>
3.	<p>Integrated Care System</p>
	<p>The Chief Executive provided this update, and made reference to the issue of whether the MK system would be better placed within the Buckinghamshire, Oxfordshire and Berkshire West (BOB) ICS, rather than in BLMK. NHS England had written in January that MK, BLMK and BOB should each form a view on what should happen. MK started a process on 8 January involving all key players including the police. It was agreed that BLMK would also run a similar process. However, on 30 January, the Chair of BLMK wrote to NHS England recommending that the MK system remains within BLMK, on the basis that there was no chance of all partners reaching a consensus view. This move came as a surprise as no process had been held within BLMK. In particular, there is dissatisfaction within the MK Place that the agreed process was ended prematurely. This has raised questions about the role and function of the Chair, and the governance processes within BLMK. The Chief Executive stressed that regardless of the arrangements that are eventually agreed on, the Trust and the wider system within MK must continue to do the right thing for patients and users of services.</p> <p>In response to a question from Brian Lintern about the potential financial implications of this decision, the Chief Executive explained that Luton & Dunstable FT is in financial surplus, while MKUH is not. He suggested that the decision could lead to a devolution in funding, allowing MK to decide which BLMK initiatives it wishes to engage with. Alan Hancock indicated that Luton Council appears to have withdrawn from the partnership, but the Chief Executive explained that financial contributions to the ICS are currently only made by health, and as such Luton Council's decision would not have a financial impact. He observed that across the country the number of independent Chairs of ICS's had increased.</p> <p><u>Resolved:</u> That the Integrated Care System update be noted.</p>
3.1	<p>Update on Estate Development</p>
	<p>The Chief Executive provided this update. He confirmed that the Cancer Centre development remains on time and on budget, stating that it is now possible to appreciate its scale.</p> <p>The Trust has submitted its capital plan for next couple of years. It has applied for funding to redevelop the NNU (this is currently highest rated risk on the BAF), the Pathway Unit</p>

	<p>(work to start next year), and a Diagnostics Centre (at the back of the A&E department). A new surgical unit is also on the plan.</p> <p>It is anticipated that development of the Pathway Unit will commence in March 2020. As to the interface between this unit and the Urgent Care Centre, the Chief Executive explained that in March, the Trust will be trialling the introduction of GPs within A&E. There will also be a role for SNPs. The Pathway Unit is likely to treat patients who are sicker than those attending the UCC, but less sick than those being seen by a physician. The space plan is currently being worked on, and work will shortly begin opposite the restaurant.</p> <p>Brian Lintern raised the issue of signposting for patients. It was acknowledged that there is a need for a full range of signposting at the main entrance. The Chair made reference to the video flyover on the Trust website.</p> <p><u>Resolved:</u> That the Update on Estate Development be noted.</p>
4.1	<p>(Summary Report from) Finance and Investment Committee 5 November 2018</p>
	<p>The Council noted the summary report of the Finance and Investment Committee held on 5 November 2018. Alan Hastings noted that as a result of problems in other organisations, the Trust has lost out on some PSF funding. The Chief Executive explained that this has been mitigated as much as possible.</p> <p>In response to a question about outsourcing, the Chief Executive explained that this relates to a discrete list of clinical services, in relation to which the Trust engages an external partner to provide the procedures in question.</p> <p>It was explained that patient level costing (PLICS) means that costs can be attributed to individual patients. This can help inform how best to optimise pathways.</p> <p>Brian Lintern observed that patient letters do not always arrive on time. The Director of Finance indicated that there had been a slight increase in the DNA rate, and steps are being taken to improve the administrative processes. The Trust is increasingly looking to technology to enable patients to manage their own appointments. 63% of outpatients are currently using MyCare which means that letters can be emailed to them. There is a question about the level of support that needs to be put in place in respect of the remaining 37%. It was noted that the system is not yet rolled out in paediatrics.</p> <p><u>Resolved</u> That the Summary Report from Finance and Investment Committee be noted</p>
4.2	<p>(Summary Report from) Audit Committee 13 December 2018</p>
	<p>The Council noted the summary report of the Audit Committee meeting held on 13 December 2018. In response to a question about the losses attributed to pharmacy and stock write offs, the point was made that some of these were unavoidable, as the drugs are used rarely, but need to be available. It was acknowledged, however, that in some cases, the system could be better administered. Internal audit would be able to ascertain how MKUH compares to other hospitals on this measure.</p> <p>In response to a question about RTT errors, it was noted at times staff record the wrong referral dates.</p> <p><u>Resolved:</u> That the Summary Report from the Audit Committee be received.</p>

4.2	(Summary Report from) the Workforce and Development Assurance Committee 5 November 2018
	<p>The Council noted the summary report of the Workforce and Development Assurance Committee meeting held on 5 November 2018. The question was raised as to why the Equality and Diversity Annual Report only highlighted the situation regarding people from an Asian background, as against other BAME groups. An update will be received at the next meeting.</p> <p style="text-align: right;">Action: Director of Workforce</p> <p><u>Resolved:</u> That the Summary Report from the Workforce and Development Assurance Committee be received.</p>
4.3	Summary Report from the Charitable Funds Committee meeting held on 5 November 2018
	<p>Parmjit Dhanda introduced the summary report of the Charitable Funds Committee meeting held on 5 November 2018. He made mention of the journey that the charity is on to becoming independent of the hospital. He also commended the progress of the Cancer Centre appeal, highlighting the amount of campaigning going on locally by various groups, as well as the numerous grant applications being made. He is optimistic that the £2.5m target will be achieved, although it might be after the construction of the Centre had been completed.</p> <p>The Committee had received a helpful presentation from legal advisers about the sorts of things that charitable funds could be spent on, in response to which the Committee's terms of reference have been amended. Alan Hastings expressed the concern that the focus on the Cancer Centre appeal could be detrimental to the charity's general funding, and Parmjit Dhanda confirmed that work is ongoing on a long term strategy for the charity, which will look at its sustainability over the medium to long term.</p> <p><u>Resolved:</u> That the Summary Report from the Charitable Funds Committee be received</p>
5.1	Healthwatch Milton Keynes Update
	<p>The written update from Healthwatch Milton Keynes was received and considered. Maxine Taffetani indicated that 21 pieces of feedback about the hospital had been received during the last quarter. It was good to see that some of this was positive, and she highlighted in this regard the positive way in which issues had been picked up by Michaela Tait and the PALS team.</p> <p>Healthwatch is working with the CCG around concerns about confidentiality for transgender patients and in relation to rough sleepers who are struggling to access healthcare. Funding has also been received from the STP to put on a production of 'Phyllis', a play highlighting the difficulties faced by families trying to navigate the complex system for older people's care.</p> <p><u>Resolved:</u> That the Healthwatch Milton Keynes Update be noted</p>
5.2	Engagement Group Update
	No update for this meeting.

6.	Integrated Performance Report
	<p>The Integrated Performance Report for Month was received and considered.</p> <p>It was noted that the hospital remains very busy. Flu cases are taking up a lot of capacity, but most patients are under 65. 4 people are in critical care. That notwithstanding, it was confirmed that the flu vaccine has been very successful this year.</p> <p><u>Resolved:</u> That the Integrated Performance Report Month be received</p>
6.1	Finance Report Month 9
	<p>The Director of Finance presented the Finance Report for month 9, confirming that the Trust is delivering against its control total.</p> <p><u>Resolved:</u> That the Finance Report Month be received.</p>
7.1	Motions and Questions from Council of Governors
	<p>There was none.</p>
7.2	<p>Any other Business</p> <p>None</p>
7.3	<p>Date and Time of next meeting</p> <p>The date of the next meeting of the Council of Governors is 16 April 2019</p>
7.4	<p>RESOLUTION TO EXCLUDE THE PRESS AND PUBLIC</p> <p><u>Resolved:</u> That representative of the press and other members of the public are excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted.</p>

Council of Governors

Updated 11/04/19

Action Log

Action Item	Mtg date	Agenda item		Action	Owner	Due date	Status	Comments/Update
003	20 Feb 2019	4.2	Summary report from the Workforce & Development Assurance Committee 5 Nov 2018	An update as to why the Equality & Diversity Annual Report only refers to people from an Asian background is to be received at the next meeting	Danielle Petch	16 April 2019	Open	The Equality & Diversity Annual Report covers equality and diversity issues that are relevant to all Trust staff. This particular issue was highlighted in the summary report as it had been raised as an issue of note at the meeting.

Meeting title	Council of Governors	Date: 16 April 2019
Report title:	Trust wide report – Q3 Complaints and PALS	Agenda item: 3.4
Lead director Report author Sponsor(s)	Lisa Knight Julie Goodman	Director of Patient Care and Chief Nurse Trust Lead for Complaints and PALS Patient Experience and Engagement Manager
FoI status:	Public document	

Report summary	This report provides a quarterly overview of complaints and feedback received through PALS across the Trust and detail the learning from the feedback received.			
Purpose <i>(tick one box only)</i>	Information <input type="checkbox"/>	Approval <input type="checkbox"/>	To note <input checked="" type="checkbox"/>	Decision <input type="checkbox"/>
Recommendation	The Group is asked to note the contents of the report			

Strategic objectives links	Improving Patient Experience with a link to: <ul style="list-style-type: none"> • Improving Patient Safety • Improving Clinical Effectiveness • Delivering Kay Targets
Board Assurance Framework links	Lack of learning from complaints and feedback is a key risk identified on the BAF
CQC outcome/regulation links	This report relates to CQC: Regulation 16 – Acting on complaints Regulation 20 – Duty of candour Regulation 17 – Good Governance
Identified risks and risk management actions	Lack of learning from complaints and feedback is a key risk identified on the BAF
Resource implications	None
Legal implications including equality and diversity assessment	None
Report history	Quarterly reports
Next steps	Quarterly reporting detailing analysis and trends and relevant learning from complaints and patient experience feedback
Appendices	Paper follows

Executive summary

This report summarises the Trust position in relation to all complaints received in Q3 2018/19.

Complaints

In total there were 331 complaints, 83 (25%) formal complaints and 248 (75%) PALS (informal) complaints in Q3 broken down by severity as follows:

Formal Complaints

Severe Harm Complaints (RED) - 0
 Moderate Harm Complaints (AMBER) - 83

PALS Complaints

Low Harm Complaints (YELLOW) - 241
 No Harm Complaints (GREEN) - 7

The Trust's key performance indicator (KPI) in respect of responding to complaints on time is set at 90%. In Q3 the performance achieved was 87% which shows an improvement in performance from Q2 18/19 (83%).

Q3 Divisional Performance

Division	Number of complaints	Number of complaints responded to on time
Core Clinical	21	19 (90%)
Medicine	131	116 (89%)
Surgery	142	118 (83%)
Women and Children's	39	36 (92%)

In Q3 PALS dealt with 40 (48%) of the Amber complaints. These Amber complaints contained issues that required a timely response and involved several complex issues resulting in them being categorised as moderate harm. #

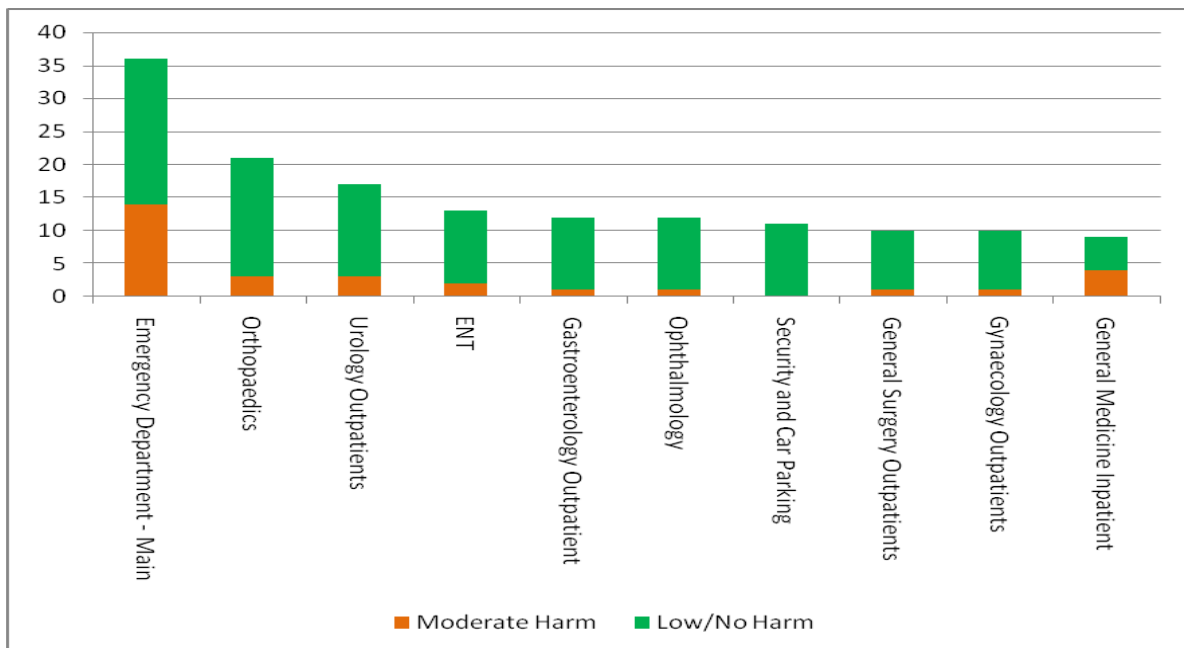
Q3 had 206 PALS face to face meetings with service users and this is a decrease from Q1/2 as shown on the table below. This was due to the holiday period and the PALS office being closed on the Bank Holidays.

Quarter 18/19	Number of face to face contacts	Number of hours spent with face to face contacts (only measured since Q1 18/19)
Q1	224	52 hours
Q2	298	56 Hours
Q3	206	42 hours

Complaint Numbers

In Q3 there were 83 amber complaints (moderate and severe harm) and 248 PALS complaints (low and no harm). The number of complaints received decreased month on month with a significant decrease in both moderate and low/harm complaints in December 2018.

Chart 1 Q3 10 areas that received the most complaints by severity.

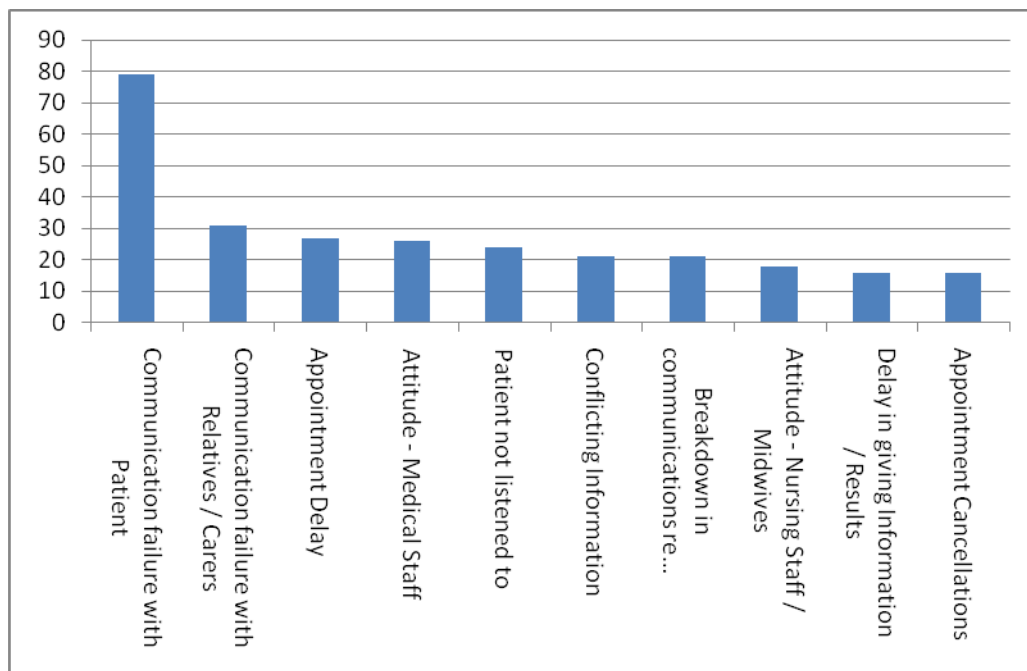


The top 4 areas receiving complaints has remained the same in Q2 and Q3.

The aim is to reach a local and timely resolution which prevents issues from becoming formal complaints. During Q3 only 4 complaints out of 248 received by PALS were escalated to become a formal complaint requiring a formal investigation, which is 1.6%.

Complaint Themes

Chart 2 Top 10 themes.



All staff named in a complaint are requested to reflect on the feedback received and provide a written reflection, which is shared with their manager, and should include their learning from the complaint and how this will influence their future practice.

As evidenced in the graph above the most common issues raised (8/10) are in relation to communication and staff attitude.

The Trust are currently working on a project with NHS Elect to provide ‘customer care’ training. This training will be available to all front line staff and provide a comprehensive overview of what ‘good customer service’ looks like and will explore methods of ensuring each contact with a patient/carer/family member counts.

Analysis of the formal complaints identifies that complaints can be historical and indeed can be from many months after the event.

Table1 demonstrates the historical nature of complaints for Q3:

DIVISION	Q3 Total number of Complaints that specified an incident date	Number of complaints which related to Q3	Number of complaints which related to 17/18 or Q1 and Q2 18/19	Complaint related to 16/17 and earlier
Core Clinical	1	0	1	0
Medicine	17	9	7	1
Emergency Department	13	6	5	2
Surgery	19	8	11	0
Women and Children's	10	2	8	0
Total	60	25	32	3

Learning from complaints feedback

The information below details more specific actions that divisions have undertaken following feedback from complaints.

Womens and Children's

- Learning and review - for the infant feeding midwife to review practise to make ensure recommended methods for assisting with breast feeding are being used.
- Ongoing learning for midwives. The midwives involved in a complaint can sit in on a birth afterthoughts appointment to hear the impact of the mothers experience.
- Shared learning for clinician: Being mindful of taking necessary action to minimise a women's discomfort during examinations and procedures.
- Learning for Midwives: Improved communication with women during emergency situations to ensure she understands the plan.
- Learning for Midwives : Use of cordless monitors to facilitate women who wish to use the birthing pool whilst requiring continuous monitoring of baby's heartbeat.
- The Agency Nursing Induction Pack has been updated and all senior staff across the Paediatrics team have been informed of this new requirement.

- A Paediatric Medication Task and Finish Group has recently been set up which as part of its remit will review any drug error, prescribing issue, omission or lateness in the administration of medication.
- Practice Development nurse to meet with all regular agency nurses to ensure that they are fully sighted on our medication policy, have undertaken an update and been assessed against our standards for medication administration.

Emergency Department

- Complaint to be shared regarding oversight of reviewing all x-rays at board rounds and at handovers to provide an opportunity of shared learning and to reflect on current practise.

Medicine

- Review on how care is organised on Ward 19, i.e. Bay Nursing and patients and families understanding of this model
- Nursing staff on Ward 19 to support and guide patients to make appropriate dietary choices being aware of any special dietary requirements.
- Use feedback as an opportunity to remind staff to use an estimated weight and to use a patient's arm circumference as an indication of their weight in order to assess their nutritional needs.

Surgery

- Enhance service by staff when dealing with blind and hard of hearing patients to promote effective communication by sharing learning from the complainant's information.

Referrals to Parliamentary and Health Service Ombudsman (PHSO)

In Q3 there was no requests for a complaint files from the PHSO for review.

In Q3, 1 file was returned from the PHSO with a decision to partly uphold the complaint. This complaint was originally dealt with in 2014 and was sent to the PHSO for their investigation in January 2018.

The issues covered in the partly upheld complaint are as follows:-

- 1- Failings in the decision to try and inhibit labour and thereby delay the delivery of Twin 2 after Twin 1 had been delivered. It is acknowledged that there is no guidance regarding what should have happened, but the risks in the actions taken by the Trust outweighed the benefits. On the balance of probabilities, the PHSO found that it was more likely than not that Twin 2 was delivered in a poorer condition than might otherwise have been the case. This increased the risk of the Twin 2 suffering complications and therefore reduced the chance of a successful outcome.
- 2- Failings in the way the Trust handled the complaint

The recommendations made to the Trust were:

- Within 4 weeks of the report the Trust should write to the complainants acknowledging the failings, as above, and apologise for the impact of those failings. This was undertaken in January 2019.
- Within 12 weeks of the PHSO report, the Trust should produce an action plan explaining how it will ensure similar failings to those identified in the failings as detailed in number 1 above do not occur in the future. This action plan needs to be shared with the complainants, the PHSO the CQC and NHS Improvement. This is due in February 2019.
- Within 4 weeks the Trust should pay the complainants £5000 as a good will gesture for the failings identified. This was undertaken in January 2019.

Partly upheld case in Q2 relates to a medical patient nutrition and ward handover information and has moved forward with the required actions. The complainant was also not kept up to date throughout the complaints process. Trust apologised in December 2018

Complaints summary

In Q3 the team have continued work to improve efficiency and accountability for complaints and have undertaken the following initiatives and activity:

- Training for all staff re complaints and complaint handling continues. From August 2018 all new staff receive the leaflet 'Top Tips for Dealing with Complaints' when they attend their induction.
- From 1st September 2018 staff new to the Trust, who are a Band 7 and above, receive a personal email following their Trust induction inviting them to meet with the Trust Lead for Complaints and PALS to receive training and advice regarding the complaints process.
- In Q3 14 members of senior staff received training, an increase from Q2 when 3 staff attended. and several are booked for Q4.
- The Complaints Office Manager is a member of the Learning Disability Steering Group and has developed a leaflet in collaboration with the local 'talkback' group to ensure they understand how to get support or make a complaint.
- The Complaints team has developed their own intranet page which incorporates details of the team and the complaints policy and leaflets.

PALS team summary

- PALS provide a text service for their callers and in Q3 15 texts requesting contact
- PALS have engaged with local GPs to raise awareness of the service PALS provide and has been positively received with some GP surgeries requesting posters to advertise the service PALS for their patients.
- Following a PALS contact new chairs have been purchased for the Renal Unit
- The 'whiteboard' in the PALS office details any work that is happening in the Trust for quick reference when the officers are dealing with enquiries.
- Each quarter the PALS team 'award' those staff that have gone 'over and above the call of duty' in working with PALS to improve the experience for our patients. The winners each receive a certificate and some chocolate.

Meeting title	Council of Governors	Date: 16 April 2019
Report title:	Report of the Management Board meeting held on 6 February 2019	Agenda item: 4.1
Report author	Name: Joe Harrison	Title: Chief Executive
Fol status:	Public document	

Report summary	
Purpose <i>(tick one box only)</i>	Information <input checked="" type="checkbox"/> Approval <input type="checkbox"/> To note <input type="checkbox"/> Decision <input type="checkbox"/>
Recommendation	The Board is asked to note the update from the Chief Executive summarising the outcome of discussions at the February Management Board meeting.

Strategic objectives links	All
Board Assurance Framework links	None
CQC regulations	None
Identified risks and risk management actions	None
Resource implications	None
Legal implications including equality and diversity assessment	None

Report history	
Next steps	
Appendices	None

Chief Executive's Report - key points arising from the Management Board meeting on 6 February 2019

1. Chief Executive update

There have been a number of changes at divisional general manager level that both strengthen and develop the structure and people. Steve Collins and Rachel McCarthy are swapping their Medicine and Core Clinical roles. Jennifer Kearney, who has significant previous general management experience has taken up her role as General Manager for Surgery. In addition Lynn Neat has taken up a new role of Deputy General Manager for Patient Services, strengthening existing management structures in this area.

2. Q3 Complaints and PALS Report

The PALS team continues to work well in helping to resolve many issues before they become formal complaints. Further work has been requested to ensure that there is further learning from concerns raised and that this is appropriately shared across the Trust. In addition it has been requested by the divisional directors that action plans for improvements are pulled together and completed locally. The Patient Experience Board will take the corporate governance oversight of this area of work and report back to Management Board as appropriate.

3. Incident Reporting quality improvement programme

It is pleasing to recognise that there has been an improvement recently in the volume of incidents being reported, recognising that a high incident reporting rate often suggests a more effective safety culture. Despite this the Trust continues to be identified as a "low incident reporter". Therefore, as part of the increased focus of the Trust on quality improvement a project has now been commenced with the aim of identifying change ideas that would promote further increased incident reporting. Five primary drivers for change – investigation, incident reporting, culture, learning and intelligence data – have been identified, and the importance of staff engagement with the project to ensure that any improvements become part of the Trust's safety culture will be essential. This will be tracked and reported back to Management Board in the coming months.

4. Board Assurance Framework

Following a detailed assessment of both divisional and corporate risks, an additional risk has been added to the BAF with regard to the disruption to workforce or supplies that could be caused following the UK's exit from the European Union.

MEETINGS OF THE FINANCE AND INVESTMENT COMMITTEE HELD ON 14 January and 4 February
2019

REPORT TO THE COUNCIL OF GOVERNORS

Matters approved by the Committee:

No matters were approved at either the January or February meetings

Matters referred to the Board for final approval:

No matters were referred to the Board for final approval.

Matters considered at the meetings:

1. Annual Plan update:

At the January meeting, the Director of Finance provided an update on the Trust's key areas of focus in the lead up to the presentation of the 2019/20 annual plan:

- I. At month 8, the Trust was just £1.2m short of its CIP target, and although activity levels in the hospital have been high, costs have been kept under control.
- II. The Trust is reported as an outlier on the model hospital for its medical staffing costs; however there are specific factors which contribute to this benchmarking performance.
- III. For 2019/20 the national tariff changes will mean a circa 5% uplift in tariff related income for the Trust; however this includes reallocation of funds in to national tariff, and the inflationary pressures faced by the Trust are expected to be high.
- IV. The Trust's RTT performance is currently at around 90%.

At the February meeting, the Committee received the draft annual plan, the highlights of which included:

- I. The Trust is taking a more prudent approach to growth, taking account of concern about affordability for the CCG. However, the Trust is keen to ensure that the planned for levels of growth are realistic and that the assumed benefits from commissioner-led demand management schemes are credible. The Trust expects to submit a plan that would allow it to meet the 2019/20 control total set by NHSI.
- II. Expansion of the neonatal unit is a capital priority for the Trust. Funding for the Trust's Pathway Unit has been confirmed and works are expected to commence in 2019/20.

2. Board Assurance Framework:

- I. 7-2 (capital and revenue funding) – at the February meeting it was agreed that the rating of this risk be reduced from 16 (4x4) to 12 (4x3) based on advice from NHS Improvement that interim loans due for repayment in 2018/19 will be extended.
- II. 7-3 (Transformation Programme) - at the January meeting, it was agreed that the rating for this risk should be reduced from 15 (5x3) to 12 (4x3) based on the number and value of confirmed cost saving schemes. Despite growing confidence that the remaining gap to

fully meeting the target would be bridged, it was agreed in February that the rating should remain at 12.

- III. 7-4 (disagreement with main commissioner) – rating to remain the same as this is a live risk in light of ongoing conversations with the CCG
- IV. 7-5 (PSF) it was agreed in January that the rating would be reduced from 15 (5x3) to 12 (4x3) as the Trust met its Q3 A&E target and secured £0.9m worth of PSF. Risk remains around Q4 performance and the ICS position, although there is now mitigation in place for the latter.

3. Finance Report

- I. At month 9, the Trust was £525k better than plan at the control total excluding provider sustainability funding level. Confidence in meeting the control total at year end is increasing, in spite of fluctuating income predictions.

4. Agency update

- I. Agency and locum usage has remained steady over the period and the Trust expects to come in below its agency ceiling for 2018/19 for the second year in succession.

5. Timeline for strategic capital projects

- I. There has been slight slippage in the timeline for the construction of the Cancer Centre, but the completion date remains unaffected.

Workforce and Development Committee Summary Report

1. Introduction

The Workforce and Development Committee met on 4 February 2019. A summary of key issues discussed is provided below.

2. Workforce

Staff Story

A Programme Manager on the Transformation Team attended to provide her story. She had initially joined the Trust about 5 years ago as a rota co-ordinator on one of the divisions, a role that was at that time very new to the Trust. The colleague indicated that she had worked across a number of teams in her time here. Overall she had not found any difficulty in integrating into new teams and she considers that the culture across the Trust is generally open and collaborative. She had noticed in her time working on transformation, however, that although staff are ready for change, they do find it difficult to prioritise the work that this entails.

The colleague was particularly positive about the steps that the organisation had taken to improve staff health and wellbeing and she does not feel that the Trust receives enough credit for this. She also confirmed that she had always been supported by managers in terms of accessing learning and development opportunities to aid her progression.

The Committee thanked the colleague for attending to share her experiences.

Workforce Information Quarterly Report

Highlights from the report include:

- The Trust remains below the spending ceiling for agency staffing.
- The 12 month sickness absence rate is below 4%. This reduction was largely attributed to the implementation of the new Sickness Absence Policy. Although the staff survey indicates that some staff may feel under pressure to come to work when they are unwell, but it is believed that this is self-generated due to their commitment to their teams. The message is to be emphasised that people should stay at home if they are not well.
- The leaver turnover rate has continued to decrease, from 12.7% to 11.7% over the last year, and this is better than the Trust's STP peers. Steps are being taken to make it easier for departing staff to complete exit questionnaires in order that the Trust may obtain as much information as possible as to why and in what circumstances staff leave the organisation.
- The Trust is aware of the specialities and areas in which it finds it hard to recruit clinical and non-clinical staff, and is working with local educational partners to focus on filling these gaps. For Medicine, these hard to recruit specialties include gastroenterology, urology and trauma and orthopaedics, while for nursing they are in theatres and on the frailty wards. For all hard to recruit specialities the Trust does have access to agency staff to ensure that patient safety is not compromised.

Quarter 3 HR Systems and Compliance Report

The Trust's success in appointing 24 doctors during the quarter was highlighted, as was the level of activity that had taken place to achieve this. One of the key aims of the HR Systems and Compliance Teams going forward is to seek to reduce the time taken from advert to interview. It was noted that the scale and pace of recruitment from a recent campaign that took place in the city centre was such that some of those expressing interest on the day left the event with a conditional offer of employment.

Staff Health and Wellbeing Report

This staff health and wellbeing report included the following information:

- Uptake by frontline staff of the flu jab has surpassed the 75% target.
- The capacity of the staff physiotherapy service has been increased.
- Over 1000 members of staff used the Peer to Peer support service (P2P) over the last year.
- All staff received a voucher for a free beverage with their January payslip as a thank you for everyone's efforts in 2018.

We Care update

Meetings have been held with staff in the areas that showed the most room for improvement in the 2017 staff survey. One of the common issues raised was the time and effort that it sometimes takes to get the necessary tools and equipment required for everyday efficient and comfortable working. The business case process works well for items costing over £5k. The process for less expensive items, although straightforward, will be reiterated to the teams, to ensure managers are empowered to spend money appropriately. In the departments worked with, there was also a perception of delay in getting new staff into the organisation, although it was noted that this is often to do with the requirement to serve out notice period rather than the pace of the recruitment process.

A succession planning exercise has been commenced, with a view to identifying which deputies may be ready now or could soon be ready to take the next steps in their careers.

A good response had been received to the proposal to set up of a disability network within the Trust.

3. Education

Education Update

- A team from the General Medical Council will be visiting to assess the progress of the Medical School, and they will return in March and May to assess other aspects of the programme. The first cohort of medical students are scheduled to graduate in May.
- All staff have received letters explaining the link that has now been established between the completion of statutory and mandatory training and pay progression. Extra sessions have been put on for all courses in anticipation of the extra demand.
- There are 39 people on apprenticeships in the Trust. New apprenticeships in maternity and physiotherapy have been approved and the next stage is for providers to agree to deliver them.

Workforce Risk Register

It was agreed that the narratives around each of the risks in relation to the ability to recruit and retain clinical workforce will be reviewed to ensure they represent the actions being undertaken to enable the Trust to source sufficient workforce so that it can continue to meet the current and future needs of the population of Milton Keynes.

Feedback from Event in the Tent 2018

The Head of Communications attended to provide an update on steps that were being taken to address issues and suggestions raised at last year's event. These included:

- The introduction of the new strategy, vision and values – The MKWay – and the new branding is being embedded across the organisation. Work is being done to ensure that these values are meaningful to staff on a day to day basis.
- The new Trust website has been launched, and the new intranet (called Work Space) has is also now live. In the future, staff will be able to generate their own sites via Work Space.
- A photographer has been commissioned to take images that will become accessible via Google streetview to assist wayfinding.
- Greatix has proved to be a useful way of sharing best practice and learning and MKUH is now the best trust within the Thames Valley region with regard to its use. It is hoped that the Greatix regional conference in May could be linked to Event in the Tent.

The Council of Governors is asked to note the summary report.

Charitable Funds Committee Summary Report

1. Introduction

The Charitable Funds Committee met on 4 February 2019.

2. Key matters

The following items were presented to the Committee:

Update on the Cancer Centre appeal

- The Big Give at the end of November 2018 raised £24,500 against a target of £21,500.
- In place of the Celebrity Just Dance event which has now been postponed until the Spring of 2020, a Gala Ball is to be held on 13 September.
- Various local schools are fundraising for the appeal.
- The charity has once again been awarded gold partner status by the MK Marathon, and 16 relay runners are already signed up.
- Social media reach has increased significantly, and there is ongoing media engagement through one of the local radio stations.
- Members of staff are also getting behind the appeal and the Voluntary Services Team are helping to raise its profile.
- It was agreed that the appeal would be extended for three months to the end of 2019.

Charitable Funds Finance updates

- The need for the charity's long term strategy to focus on balancing capital appeals and other funding was stressed.

Proposal to incorporate the Charity

- It was agreed that the process of incorporation, with the support of external legal advisers, is to commence.
- This work is to be carried out alongside the preparation of the Charity's long term strategy, and the Committee will agree the aims of the new charity.

Updated Terms of Reference of the Charitable Funds Committee

- The Committee agreed to further changes to its Terms of Reference to clarify that the Committee will consider any applications for funding made to it, thereby providing more flexibility

3. Risks highlighted during the meeting for consideration on BAF/SRR

None new.

Report for the Council of Governors of Milton Keynes University Hospital FT

Date of Meeting: April 2019

Healthwatch Milton Keynes Activity

We have held a number of events since the last Council of Governors meeting and have been pleased with the attendance as well as the raised awareness of the role of Healthwatch Milton Keynes.

We have postponed planned follow up Enter & View activity at the hospital due to the CQC visit and we have agreed to revisit towards the end of April. We will be particularly interested to see the actions taken in the Patient Discharge Unit and in Ward 18.

Our Activity

We are currently running a series of focus groups as part of the NHS Long Term Plan engagement that Healthwatch has been engaged to carry out. We have completed a focus group about general care in the NHS as well as the Cancer Services specific group. We will be running a Mental Health Services Group shortly. There have been some interesting findings, which will be fed in to the Integrated Care System, to use as insight into local response plans against the Long Term Plan.

We will be supporting the hospital during Experience of Care week. As part of this week, we will at the main entrance with a stall asking patients to complete our Long Term Plan survey.

Last month 70 people from the Milton Keynes community and local NHS/Social Care services joined us on 14th March to watch Women and Theatre's production: Phyllis

Developed from research with patients, family members and health & social care professionals, Women & Theatre's production, Phyllis, presents the story of one family navigating the complex system of older people's care as they try to work out the best way to look after their aging mother.

As the population lives longer the care of our older adults becomes a pressing issue for us all. Health, social services and the wider community all share responsibility for stepping up to the challenge of providing sustainable, dignified care in the last part of our citizens' lives. Phyllis explores these issues and asks the vital question "How can we make the system work better for everyone?"

The play was a great success. It highlighted so poignantly, the significant struggles of people and their families to navigate complex health systems, know who to talk to and how to get the help they need. The characters were expertly brought to life by the fantastic actors.

Following the play, the audience had the opportunity to share their thoughts and views about what could help make the system work better for everyone in Milton Keynes. It was great to see Milton Keynes Hospital's Patient Engagement Lead, Michaela Tait there, and a number of front line hospital staff.

Here are some of the key points shared with us:

- There should never be a post code lottery when it comes to health and care - different health systems in the country must do more to share good and best practice - and implement it
- One point of contact is vital in complex health and care situations, where multiple professionals and services are involved. The group discussed that this happens in some areas, such as Cancer and Children's care but should be the standard for all conditions and people
- Advanced Care Planning is essential and as well as being embedded into health and care services, individuals and their families should be encouraged to have positive early discussions and prepare, including frank conversations about power of attorney
- Professionals working in the system should be listened to, and empowered to share their experiences and affect positive change for their patients
- Being in hospital in such situations can be very daunting for the patient and their families, journeys should be made as easy as possible for people
- As a system, we should be able to recognise and act on the opportunities to prevent falls and the rapid health decline this can trigger in people
- Other areas have organised community 'freshers fairs' for older people - Milton Keynes should explore an event like this
- The play highlighted how anxious families can become when receiving 'eviction' letters from hospital. Milton Keynes Hospital's Patient Experience Lead was at the event and made a pledge to review the hospital's letters to patients about moving out of hospital into other settings.
- The particular care burden on women in the community was raised. We must do more to raise the status of the caring role
- We must do more to integrate commissioning and reduce complex health and care journeys for our citizens, and their families

Finally, it was stressed how valuable to the story would be to staff working in hospital and care settings. Healthwatch Milton Keynes would love to see Phyllis shown again in

Milton Keynes and think valuable events like MKUH's Event in the Tent would be a perfect opportunity.

Patient Feedback

We have had two pieces of feedback regarding hospital services between February and March:

One piece of feedback was regarding the breast clinic, and the time it took to be seen during the appointment - around 45 minutes - with no explanation from staff when asked. We signposted the patient to PALS.

The other piece of feedback was a compliment regarding staff being very friendly and thorough.

Meeting title	Council of Governors	Date: 16 April 2019
Report title:	Performance Report indicators for 2018/19 (Month 10)	Agenda item: 6.1
Lead director Report author Sponsor(s)	Name: John Blakesley Name: Hitesh Patel	Title: Deputy Chief Executive Title: Associate Director of Performance and Information
Fol status:	Disclosable	

Report summary	Lists the proposed key performance metrics for the Trust for the financial year 2018/19			
Purpose <i>(tick one box only)</i>	Information <input checked="" type="checkbox"/>	Approval <input type="checkbox"/>	To note <input type="checkbox"/>	Decision <input type="checkbox"/>
Recommendation				

Strategic objectives links	All Trust objectives
Board Assurance Framework links	None
CQC outcome/ regulation links	
Resource implications	None
Legal implications including equality and diversity assessment	None

Report history	None
Next steps	None
Appendices	None

Trust Performance Summary: M10 (January 2019)

1.0 Summary


The Trust more in January 2019 demonstrated the expected stress from the winter period. With increased overnight bed occupancy, lower early discharges, increased readmissions and more ambulance handover delays in A&E. On the positive side the number of DToCs were very low however the number of super stranded patients remains obstinately high. The report shows a target for this indicator of 91 that was set at the beginning of the year; NHSI have set the trust a stretched target of a 25% reduction to 69.

On the elective side the RTT performance continues to improve with no 52-week waiters being reported. There appears to be an increase in the outpatient DNA rates that is currently under investigation. The Follow to new ratio is also showing an upward drift.

2.0 Sustainability and Transformation Fund (STF)

Performance Improvement Trajectories

January 2019 performance against the Service Development and Improvement Plans (SDIP):

ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change
4.1	ED 4 hour target (includes UCS)		92.5%	87.9%	91.8%	87.0%	✘	▼
4.2	RTT Incomplete Pathways <18 weeks		90.1%	90.0%		89.2%	✘	▲
4.9	62 day standard (Quarterly) 		82.4%	82.4%		85.1%	✔	▲

ED performance deteriorated in January 2019, dropping to 87.0%. This was the first time it has been below 90% since July 2018 and was the lowest monthly performance reported since January 2017. Historically, January is often a challenging period, with this month being especially demanding due to an increase in patient demand, as well as ongoing winter pressures. Performance was below the national standard of 95% and also below the 87.9% NHS Improvement trajectory. It was however better than the NHS England national A&E performance in January 2019, which was 84.4%.

The referral to treatment (RTT) national NHS operating standard of 92% for incomplete pathways was not achieved in January 2019. However, the aggregate performance in the Trust continued to recover and for the fifth consecutive month improved by at least 0.3%. Trust performance also compared favourably to the NHS England combined performance in December 2018 of 86.6%.

Trust delivered against the Cancer 62 day target during Q3, achieving an impressive performance of 85.1%, which was ahead of the NHS Improvement trajectory (82.4%). The most recent combined national statistical reports confirmed that the 62 day standard during Q2 was not achieved, with a performance below that achieved by the Trust (78.6%). The Trust also reported that both the two week wait to see a specialist and 31 day diagnosis to treatment standards were delivered for Q3.

3.0 Urgent and Emergency Care

Performance across urgent and emergency care services continued to operate under pressure in January 2019, as represented across the following range of KPIs:

ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change
2.4	Cancelled Ops - On Day		1.0%	1.0%	0.8%	1.3%	✘	▼
3.2	Ward Discharges by Midday		30%	30%	18.6%	18.6%	✘	▲
3.4	30 day readmissions		6.4%	6.4%	8.3%	9.2%	✘	▼
4.1	ED 4 hour target (includes UCS)		92.5%	87.9%	91.8%	87.0%	✘	▼

Cancelled Operations on the Day

The number of elective operations cancelled on the day for non-clinical reasons increased to 33. This represented 1.3% of all planned operations during the month, which was above the 1% threshold. Of those cancelled, more than half (17) were due to insufficient bed availability. Consultant availability was the next most frequent reason for last minute cancellations, accounting for six of the total.

Readmissions

The 30 day emergency readmission rate increased to 9.2% in January 2019, which was the highest reported rate this year to date. At a divisional level, the rate for Medicine increased to 14.2%. The readmission rates for Surgery and Women & Children remained steady, with both less than 5%.

Delayed Transfers of Care (DTOC)

The number of DTOC patients was reduced to 15 on the last Thursday of the month, which was a reduction of six on December 2018 and the lowest reported since July 2018. The cumulative number of days delayed throughout the month however demonstrated a minor increase when compared with the previous month, highlighting the ongoing challenges related to managing DTOC patients.

Ambulance Handovers

The percentage of ambulance handovers that took longer than 30 minutes increased for the second consecutive month to 10.4% and remained higher than the Upper Control Limit (9.2%). The number of handovers reported to have taken longer than 60 minutes reached 49 January 2019, which was the highest since December 2017. This highlights the challenges in-month relating to patient flow.

4.0 Elective Pathways

ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change
3.1	Overnight bed occupancy rate		93%	93%	93.3%	96.1%	✘	▼
3.5	Follow Up Ratio		1.50	1.50	1.58	1.66	✘	▲
4.2	RTT Incomplete Pathways <18 weeks		90.1%	90.0%		89.2%	✘	▲
4.6	Diagnostic Waits <6 weeks		99%	99%		96.8%	✘	▼
5.6	Outpatient DNA Rate		5%	5%	7.5%	7.9%	✘	▲

Overnight Bed Occupancy

The Trust bed occupancy remained above the 93% internal threshold at 96.1% in January 2019. The NHS England bed statistics for Q2 2018/19 reported an average overnight occupancy rate of 87.3%. Overnight bed occupancy at such high levels can increase the risk of infections and affect the timely admission of emergency and urgent care patients as well as those booked for surgery.

Follow up Ratio

Planning outpatient capacity to cope with new referrals can be adversely impacted by a higher than anticipated demand for follow up appointments. The Trust follow up ratio has been greater than the desired ratio (1.5 follow up attendances for every new attendance) for seven consecutive months.

RTT Incomplete Pathways

RTT performance continued below both the 92% national standard and the NHS Improvement target of 90% at the end of January 2019. The overall waiting list size however continued to reduce and the

number of patients waiting more than 18 weeks also decreased. The number of patients waiting 52 weeks or more was successfully reduced to zero, which was well ahead of the Trust trajectory.

Diagnostic Waits <6 weeks

The Trust had another challenging month in terms of diagnostic waiting times, with performance continuing below the 99% standard at 96.8%. The volume of breaches increased significantly from 109 in the previous month to 173 at the end January 2019. Figures released by NHS England stated that nationally, 3.3% of patients had waited six weeks or more from referral to test at the end of December 2018. This was the reportedly worst performance since February 2008 and goes some way to highlighting the challenges faced across the NHS to manage demand for diagnostics.

Outpatient DNA Rate

The Trust reported a DNA rate of 7.9% in January 2019, which was an improvement compared to the previous month, during which it peaked at more than 8%. DNAs represent capacity that cannot be otherwise utilised, so all services should continue their efforts to address the number of DNAs.

5.0 Patient Safety

Infection Control

Three cases of Clostridium Difficile were reported in January 2019, two in Medical wards (Wards 1 and 3) and one in Paediatrics (Ward 5). Two cases of E-Coli BC were reported, both were in Medical wards (Wards 8 and 18), but there were no reported cases of MRSA or MSSA in the Trust.

NICE breaches

The number of NICE breaches was reduced in January 2019 down to 67 (from 96 in December 2018).

Overdue Datix Incidents

The number of overdue Datix incidents reduced significantly, down from 201 in December to 129 in January 2019.

ENDS

OBJECTIVE 1 - PATIENT SAFETY											
ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change	YTD Position	Rolling 12 months data	
1.1	Mortality - (HSMR)	Green	100	100		94.7	✓	▲	✓		
1.2	Mortality - (SHMI) - Quarterly	Green	1	1	0.95	0.97	✓	▲	✓		
1.3	Never Events	Amber	0	0	3	0	✗	▲	✗		
1.4	Clostridium Difficile	Green	20	<17	15	3	✗	▲	✓		
1.5	MRSA bacteraemia (avoidable)	Green	0	0	1	0	✓	▲	✗		
1.6	Pressure Ulcers Grade 2, 3 or 4 (per 1,000 bed days)	Green	0.6	0.6	0.61	0.78	✗	▲	✗		
1.7	Falls with harm (per 1,000 bed days)	Amber	0.15	0.15	0.12	0.08	✓	▲	✓		
1.8	WHO Surgical Safety Checklist	Green	100%	100%	100%	100%	✓	▲	✓		
1.9	Midwife : Birth Ratio	Red	28	28	28	25	✓	▲	✓		
1.10	Incident Rate (per 1,000 bed days)	Amber	40	40	37.18	49.57	✓	▲	✗		
1.11	Duty of Candour Breaches (Quarterly)	Amber	0	0	0	0	✓	▲	✓		
1.12	E-Coli	Green			21	2		▲			
1.13	MSSA	Green			14	0		▲			
1.14	VTE Assessment	Amber	Tbc	95%	95%	86.0%	93.8%	✗	▲	✗	

OBJECTIVE 2 - PATIENT EXPERIENCE										
ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change	YTD Position	Rolling 12 months data
2.1	FFT Recommend Rate (Patients)	Green	94%	94%				Not Available		
2.2	RED Complaints Received	Amber	8	7	0	0	✓	▲	✓	
2.3	Complaints response in agreed time	Green	90%	90%	83.0%	78.1%	✗	▲	✗	
2.4	Cancelled Ops - On Day	Green	1.0%	1.0%	0.8%	1.3%	✗	▲	✓	
2.5	Over 75s Ward Moves at Night	Green	2,554	2128	1,989	249	✗	▲	✓	
2.6	Mixed Sex Breaches	Amber	0	0	0	0	✓	▲	✓	

OBJECTIVE 3 - CLINICAL EFFECTIVENESS										
ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change	YTD Position	Rolling 12 months data
3.1	Overnight bed occupancy rate	Green	93%	93%	93.3%	96.1%	✗	▲	✗	
3.2	Ward Discharges by Midday	Green	30%	30%	18.6%	18.6%	✗	▲	✗	
3.3	Weekend Discharges	Green	70%	70%	68.5%	62.9%	✗	▲	✗	
3.4	30 day readmissions	Green	6.4%	6.4%	8.3%	9.2%	✗	▲	✗	
3.5	Follow Up Ratio	Green	1.50	1.50	1.58	1.66	✗	▲	✗	
3.6.1	Number of Stranded Patients (LOS>=7 Days)	Green	227	227		231	✗	▲		
3.6.2	Number of Super Stranded Patients (LOS>=21 Days)	Green	91	91		90	✓	▲		
3.7	Delayed Transfers of Care	Amber	25	25		15	✓	▲		
3.8	Discharges from PDU (%)	Green	16%	16%	10.8%	11.7%	✗	▲	✗	
3.9	Ambulance Handovers >30 mins (%)	Red	5%	5%	7.4%	10.4%	✗	▲	✗	

OBJECTIVE 4 - KEY TARGETS										
ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change	YTD Position	Rolling 12 months data
4.1	ED 4 hour target (includes UCS)	Amber	92.5%	87.9%	91.8%	87.0%	✗	▲	✓	
4.2	RTT Incomplete Pathways <18 weeks	Amber	90.1%	90.0%		89.2%	✗	▲		
4.3	RTT Patients Waiting Over 18 Weeks	Amber	1,287	1,304		1,488	✗	▲		
4.4	RTT Total Open Pathways	Amber	12,999	13,040		13,738	✗	▲		
4.5	RTT Patients waiting over 52 weeks	Green		10		0	✓	▲		
4.6	Diagnostic Waits <6 weeks	Amber	99%	99%		96.8%	✗	▲		
4.7	All 2 week wait all cancers (Quarterly)	Amber	93%	93%		96.9%	✓	▲		
4.8	31 days Diagnosis to Treatment (Quarterly)	Amber	96%	96%		99.1%	✓	▲		
4.9	62 day standard (Quarterly)	Amber	82.4%	82.4%		85.1%	✓	▲		

OBJECTIVE 5 - SUSTAINABILITY										
ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change	YTD Position	Rolling 12 months data
5.1	GP Referrals Received	Green	60,189	49,753	96,636	9,812	✓	▲	✓	
5.2	A&E Attendances	Green	91,290	76,534	73,693	7,408	✗	▲	✗	
5.3	Elective Spells (PBR)	Amber	25,528	21,372	21,769	2,586	✓	▲	✓	
5.4	Non-Elective Spells (PBR)	Amber	35,287	29,583	28,916	3,343	✓	▲	✗	
5.5	OP Attendances / Procs (Total)	Green	367,859	307,861	319,788	33,909	✓	▲	✓	
5.6	Outpatient DNA Rate	Amber	5%	5%	7.5%	7.9%	✗	▲	✗	
5.7	Number of babies delivered	Green			3031	268		▲		
5.8	Number of antenatal bookings	Green			3433	381		▲		

OBJECTIVE 7 - FINANCIAL PERFORMANCE										
ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change	YTD Position	Rolling 12 months data
7.1	Income £'000	Green	240,602	198,988	204,200	23,034	✓	▲	✓	
7.2	Pay £'000	Green	(161,048)	(134,682)	(137,443)	(14,020)	✗	▲	✗	
7.3	Non-pay £'000	Green	(71,891)	(61,214)	(65,226)	(6,864)	✗	▲	✗	
7.4	Non-operating costs £'000	Green	(12,893)	(10,744)	(10,386)	(1,163)	✗	▲	✓	
7.5	I&E Total £'000	Green	(5,230)	(7,652)	(8,855)	987	✓	▲	✗	
7.6	Cash Balance £'000	Green	2,500	2,564		4,973	✓	▲		
7.7	Savings Delivered £'000	Green	10,130	7,491	7,351	760	✗	▲	✗	
7.8	Capital Expenditure £'000	Green	29,673	22,858	7,365	1,402	✓	▲	✓	

OBJECTIVE 8 - WORKFORCE PERFORMANCE										
ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change	YTD Position	Rolling 12 months data
8.1	Staff Vacancies % of establishment	Amber	12%	12%		8.3%	✓	▲		
8.2	Agency Expenditure %	Amber	8%	8%	5.7%	5.2%	✓	▲	✓	
8.3	Staff sickness - % of days lost	Amber	4%	4%		3.9%	✓	▲		
8.4	Appraisals	Amber	90%	90%		88.0%	✗	▲		
8.5	Statutory Mandatory training	Amber	90%	90%		90.0%	✓	▲		
8.6	Substantive Staff Turnover	Amber	12%	12%		11.5%	✓	▲		
8.7	FFT Response Rate Staff (Quarterly)	Green	15%	15%	14.0%	14.0%	✗	▲	✗	

OBJECTIVES - OTHER										
ID	Indicator	DQ Assurance	Target 18-19	Month/YTD Target	Actual YTD	Actual Month	Month Perf.	Month Change	YTD Position	Rolling 12 months data
O.1	Total Number of NICE Breaches	Amber	8	8		67	✗	▲		
O.2	Rebooked cancelled OPs - 28 day rule	Green	95%	95%	71.6%	43.8%	✗	▲	✗	
O.4	Overdue Datix Incidents >1 month	Amber	0	0		129	✗	▲		
O.5	Serious Incidents	Amber	45	<38	52	5	✗	▲	✗	
O.8	Completed Job Plans (Consultants)	Amber	90%	90%		86%	✗	▲		

Key: Monthly/Quarterly Change

▲	Improvement in monthly / quarterly performance
■	Monthly performance remains constant
▼	Deterioration in monthly / quarterly performance
📅	NHS Improvement target (as represented in the ID columns)
✍️	Reported one month/quarter in arrears

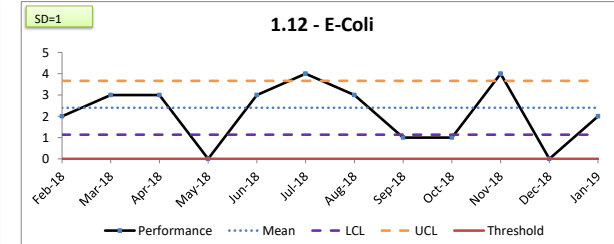
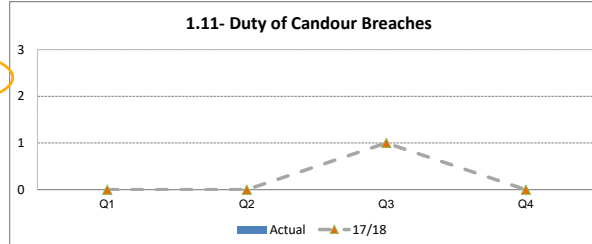
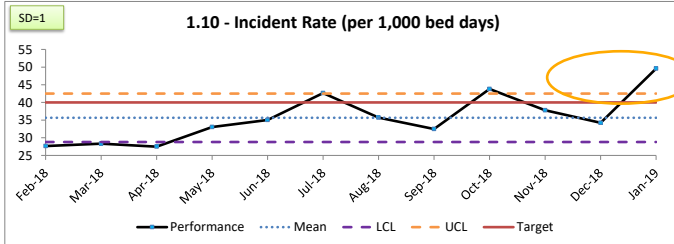
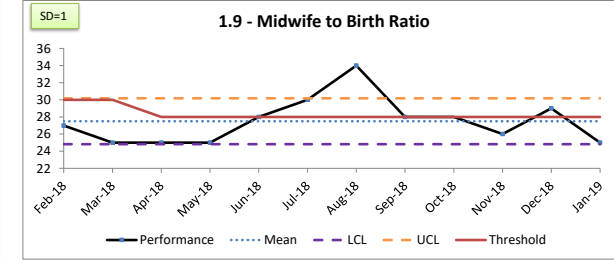
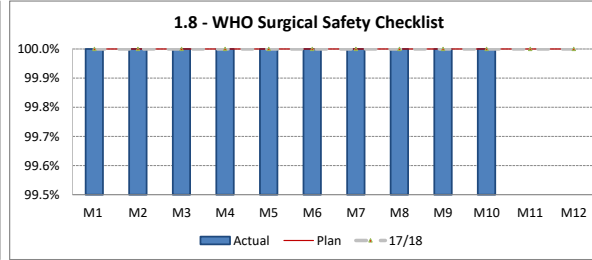
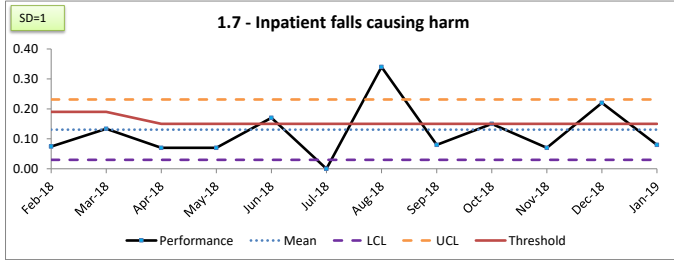
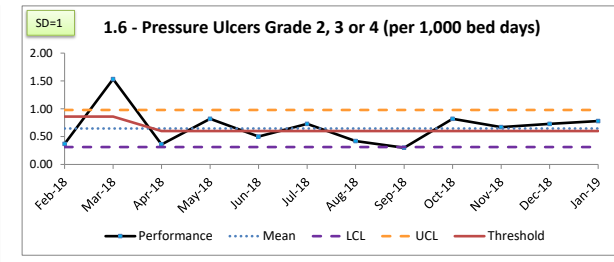
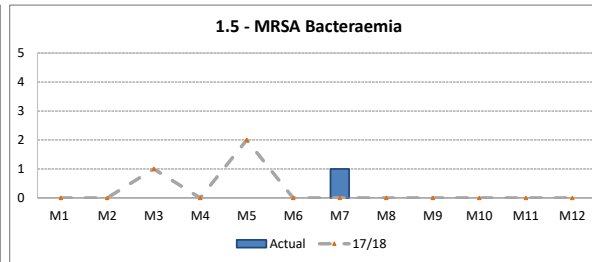
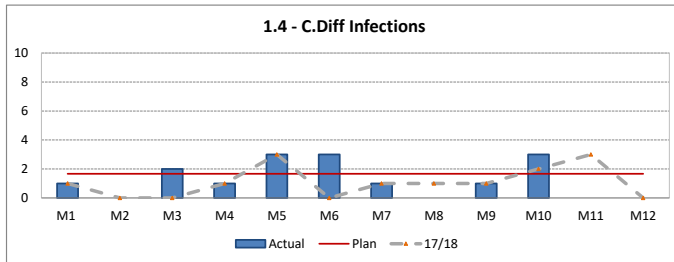
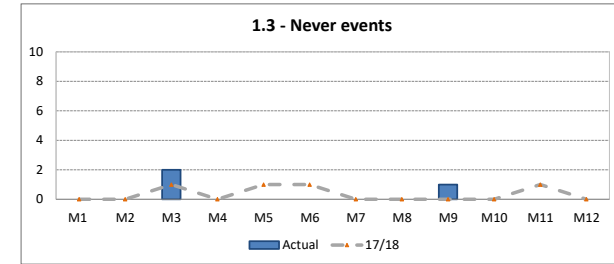
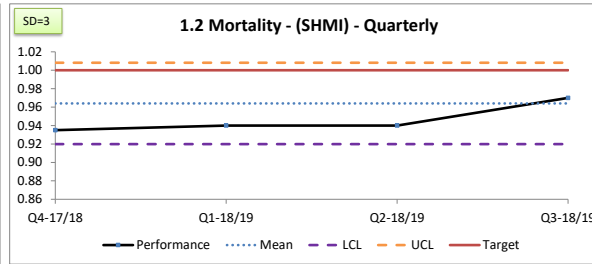
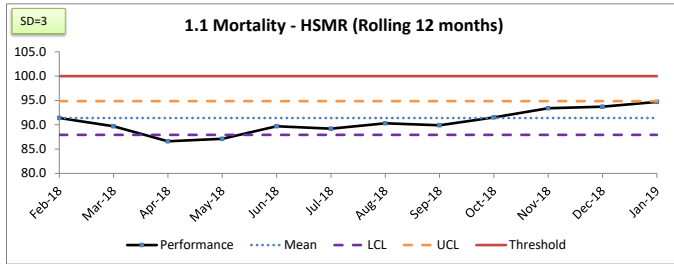
YTD Position

✓	Achieving YTD Target
■	Within Agreed Tolerance*
✗	Not achieving YTD Target
✗	Annual Target breached

Data Quality Assurance Definitions

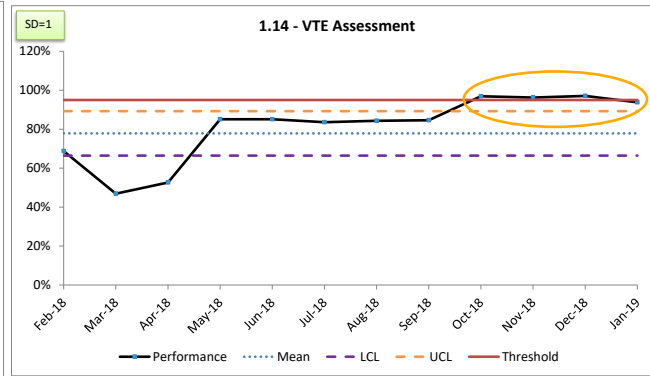
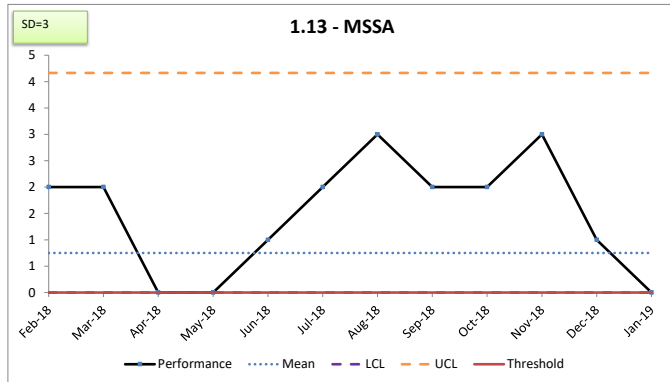
Rating	Data Quality Assurance
Green	Satisfactory and independently audited (indicator represents an accurate reflection of performance)
Amber	Acceptable levels of assurance but minor areas for improvement identified and potentially independently audited * /No Independent Assurance
Red	Unsatisfactory and potentially significant areas of improvement with/without independent audit

* Independently Audited – refers to an independent audit undertaken by either the Internal Auditor, External Auditors or the Data Quality Audit team.



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- ⋯ Average on a rolling 12 months/quarterly
- - - Lower Control Limit (LCL)
- - - Upper Control Limit
- Targets/Thresholds/NHSI Trajectories

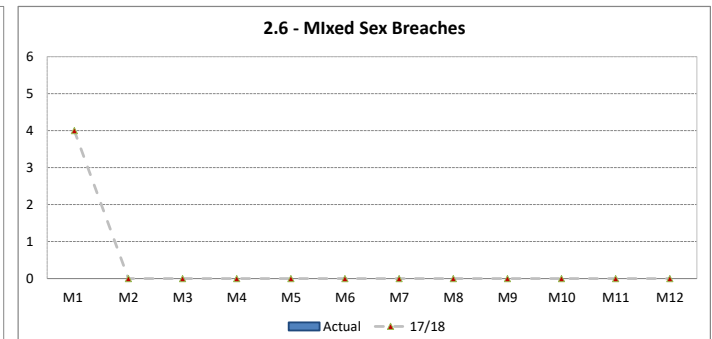
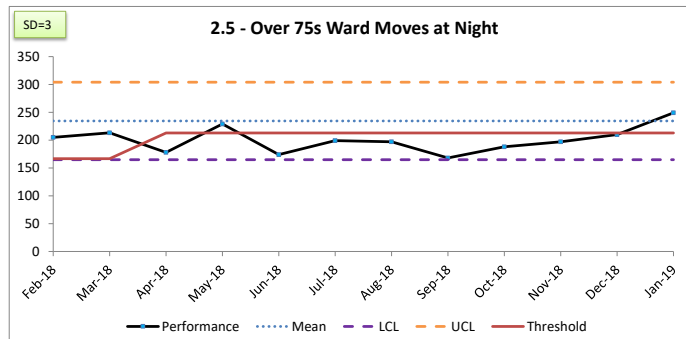
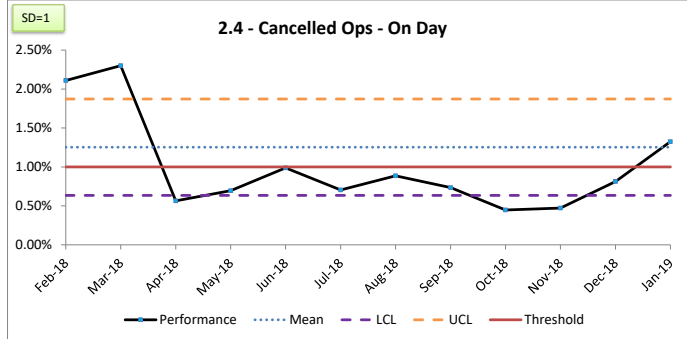
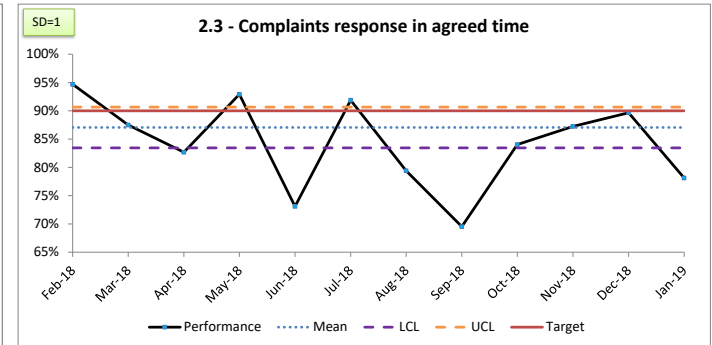
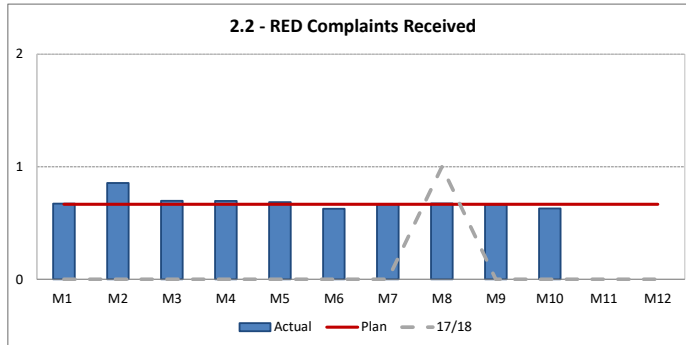
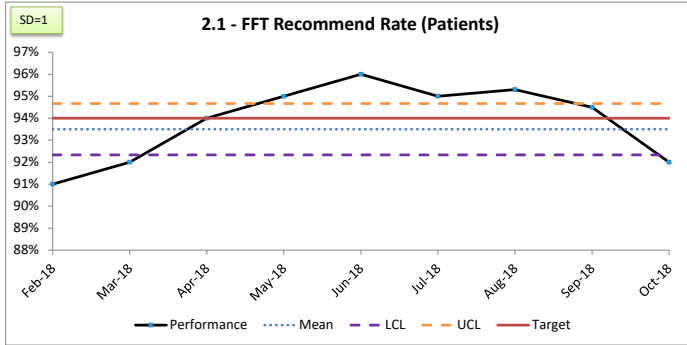


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- - - UCL Upper Control Limit
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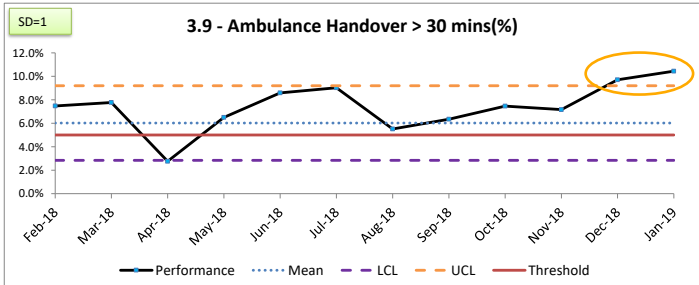
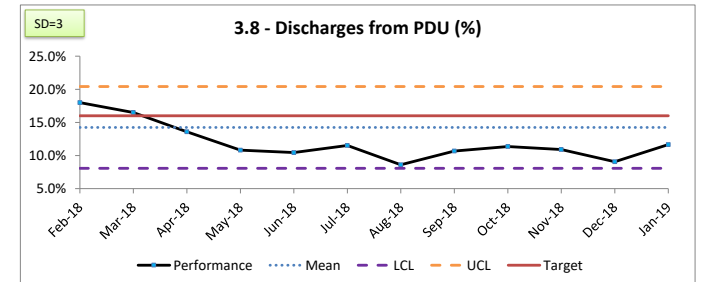
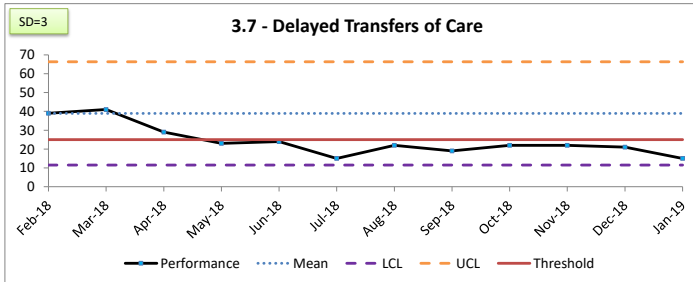
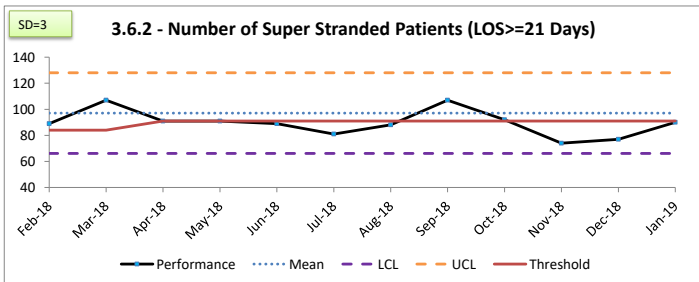
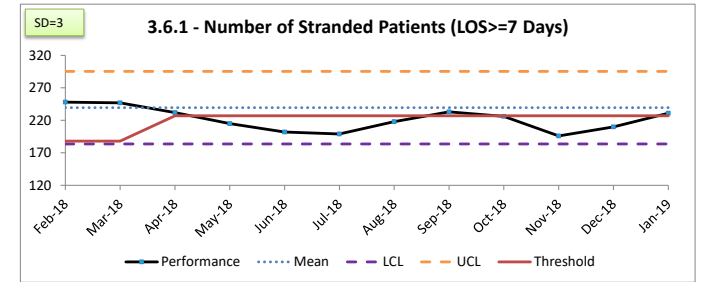
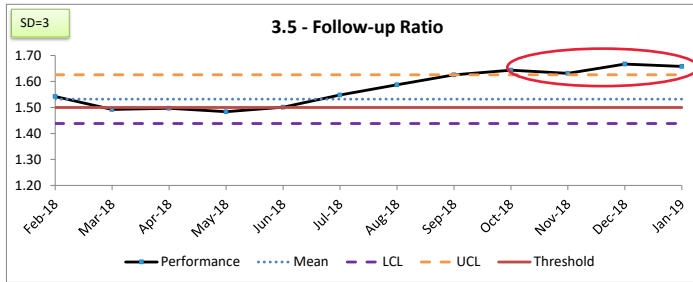
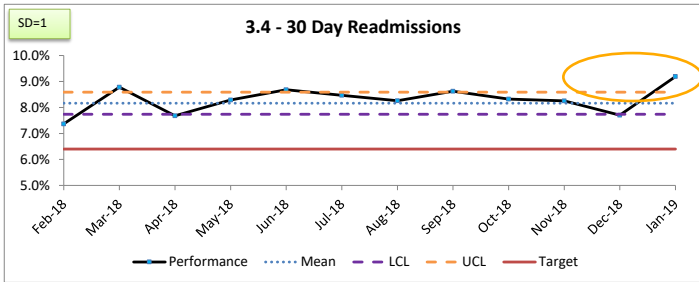
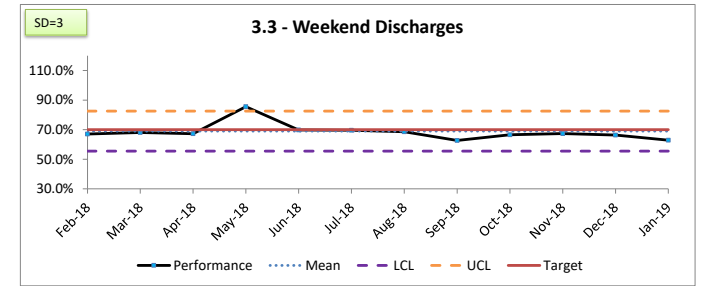
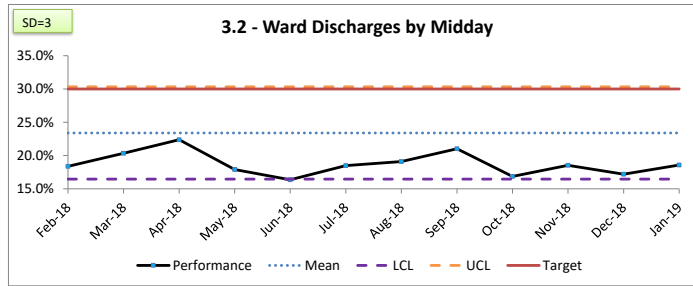
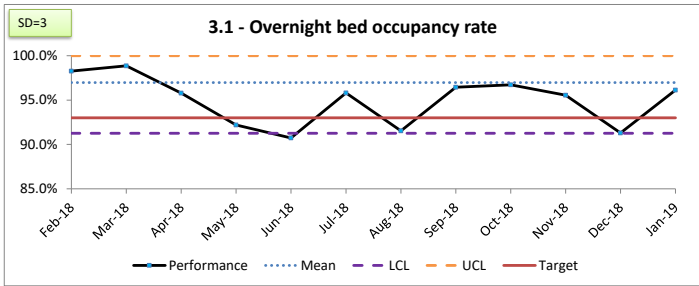
Board Performance Report - 2018/19

OBJECTIVE 2 - PATIENT EXPERIENCE



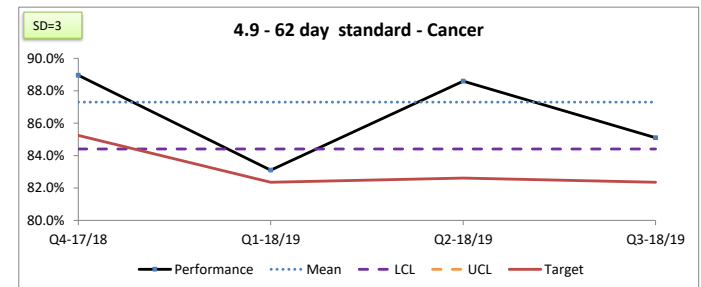
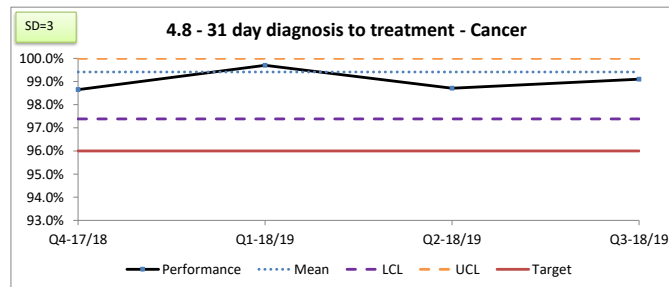
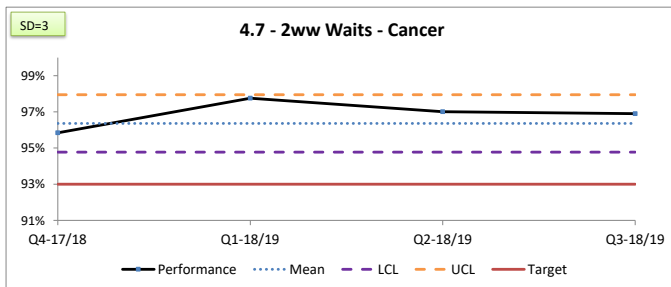
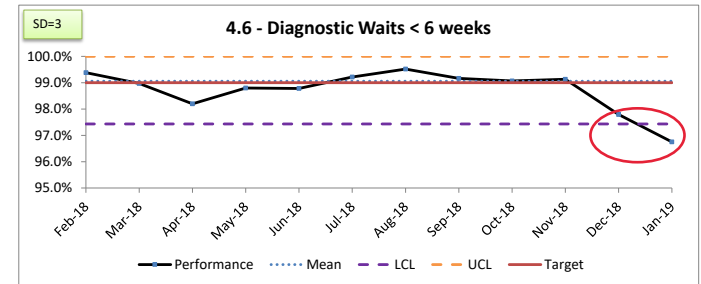
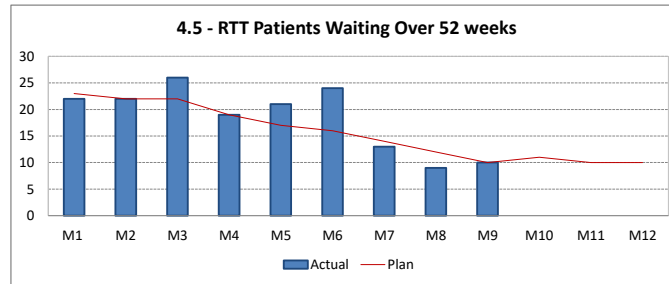
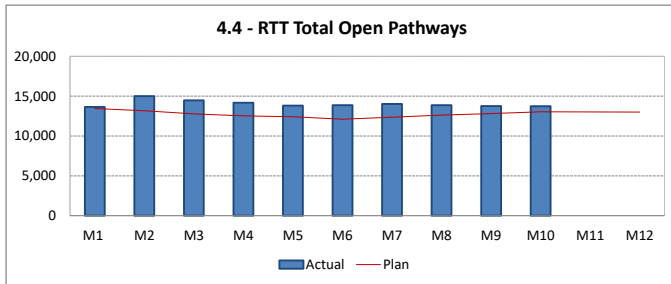
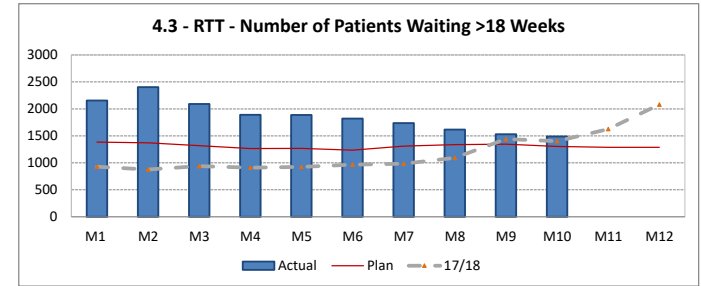
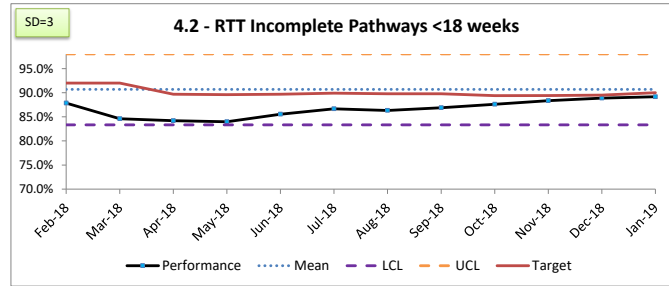
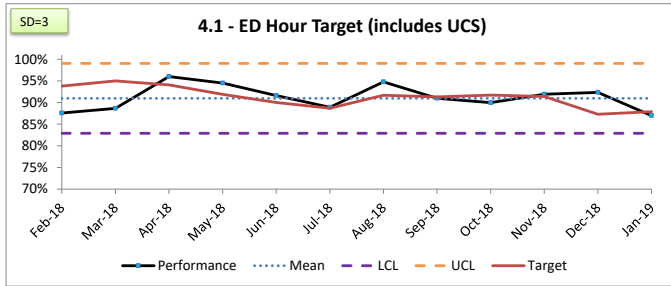
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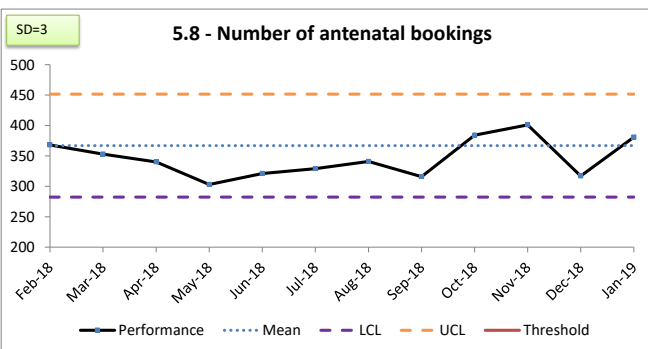
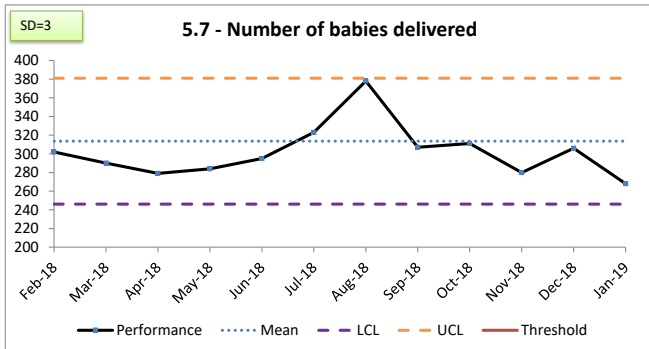
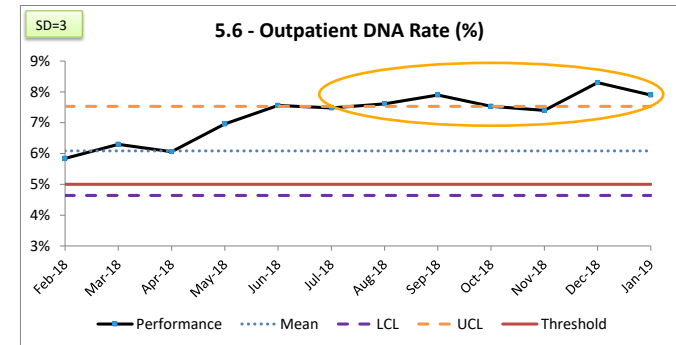
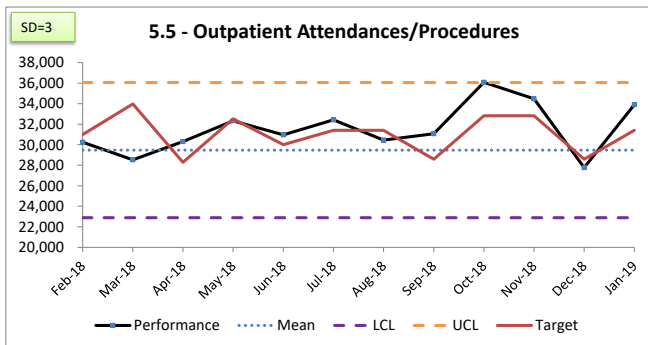
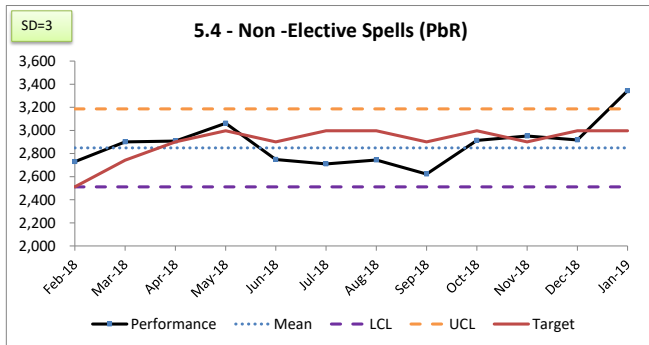
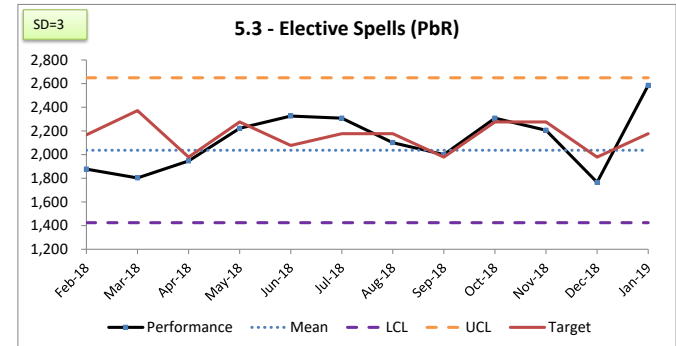
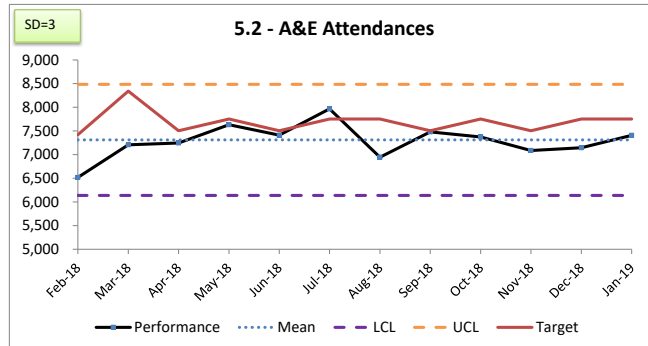
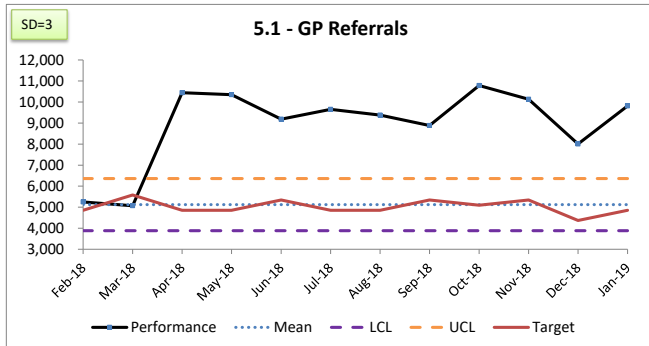
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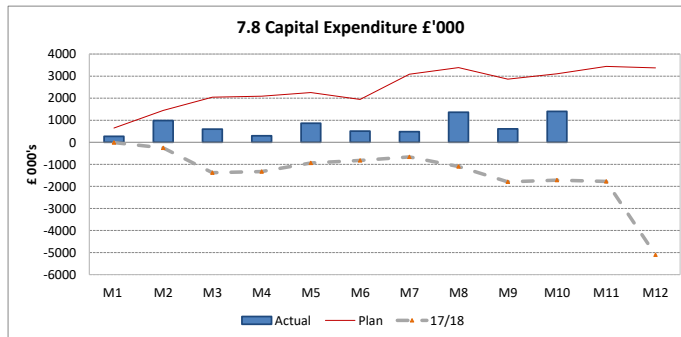
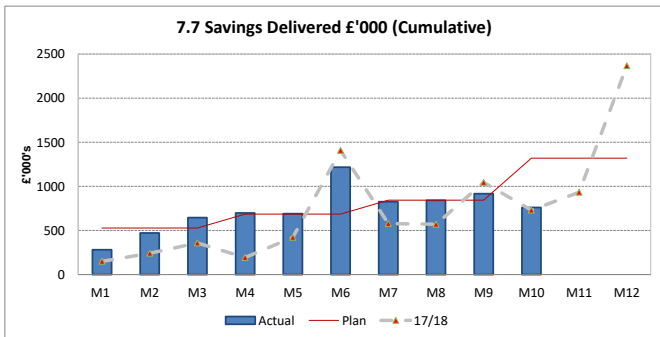
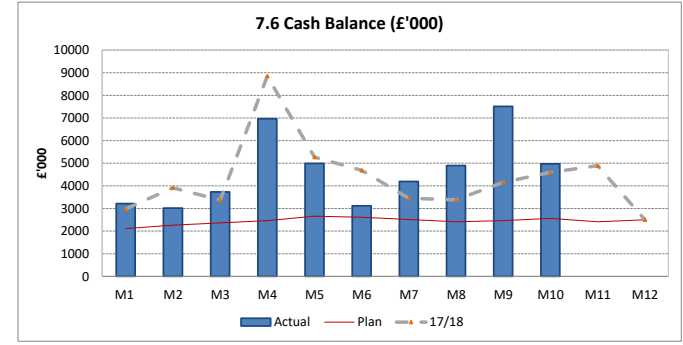
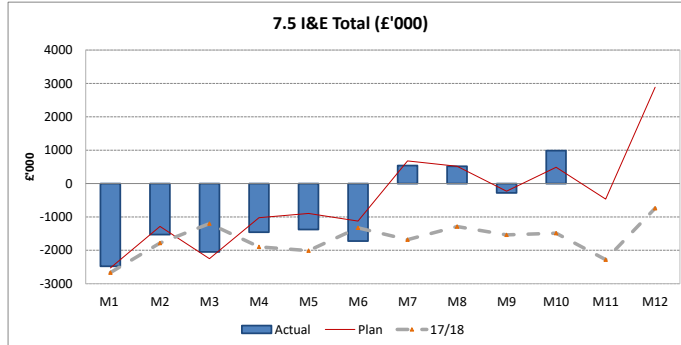
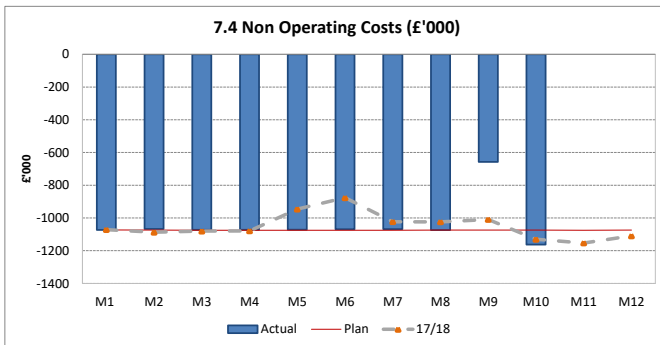
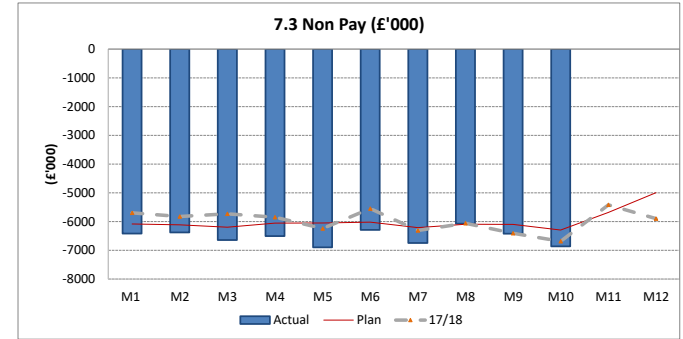
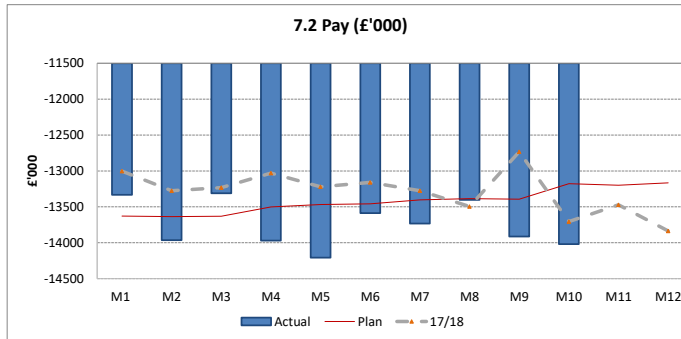
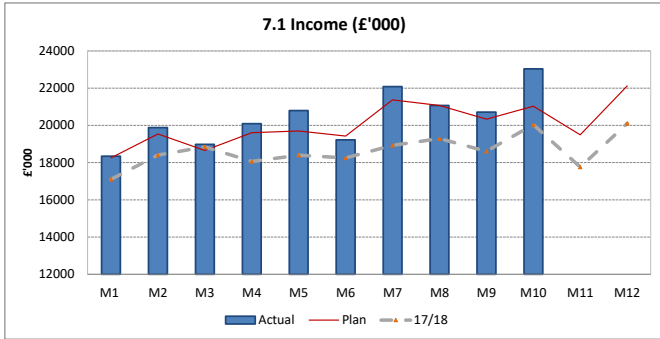
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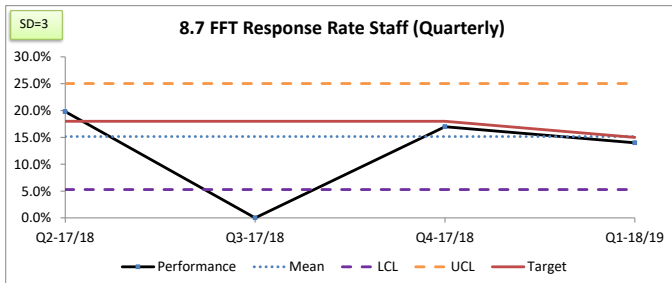
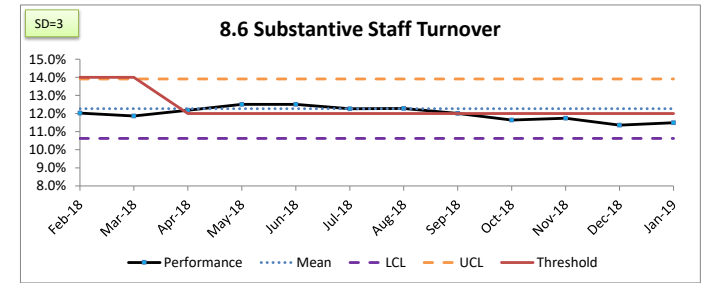
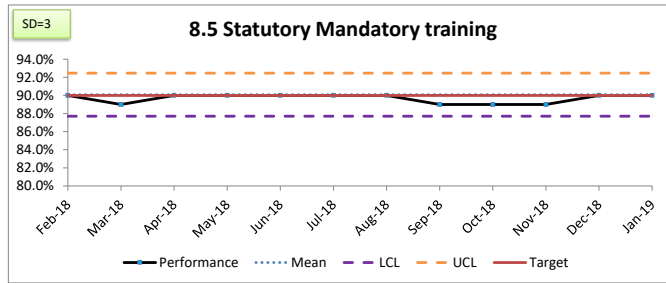
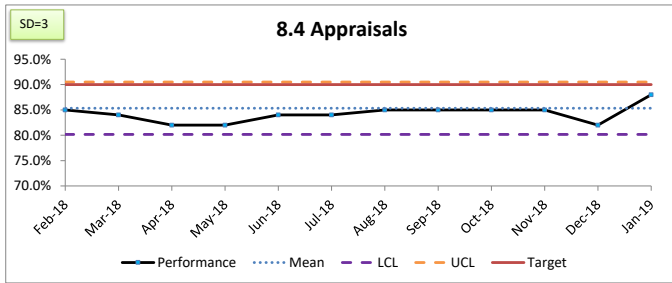
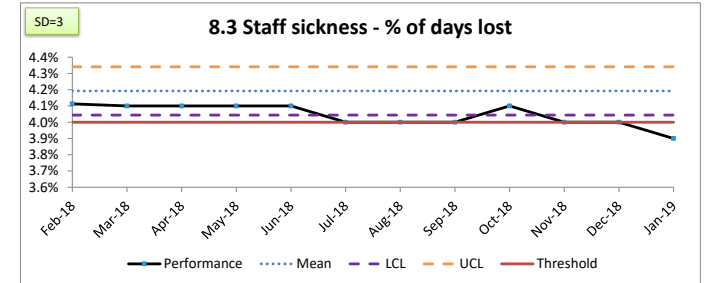
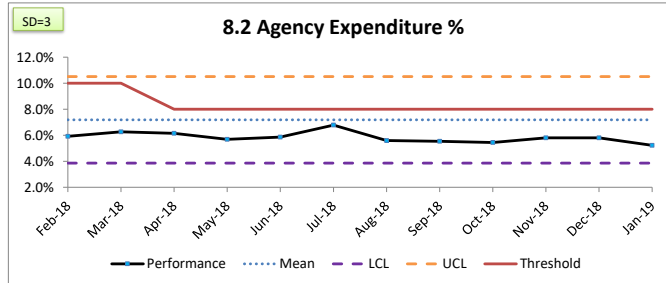
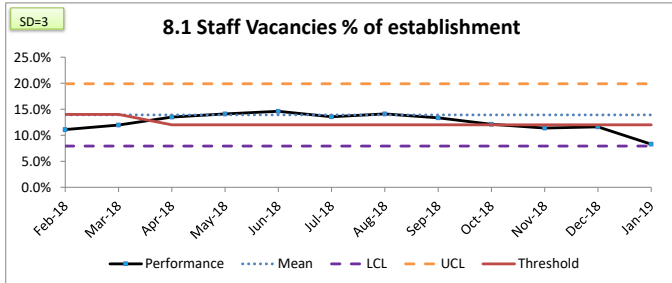
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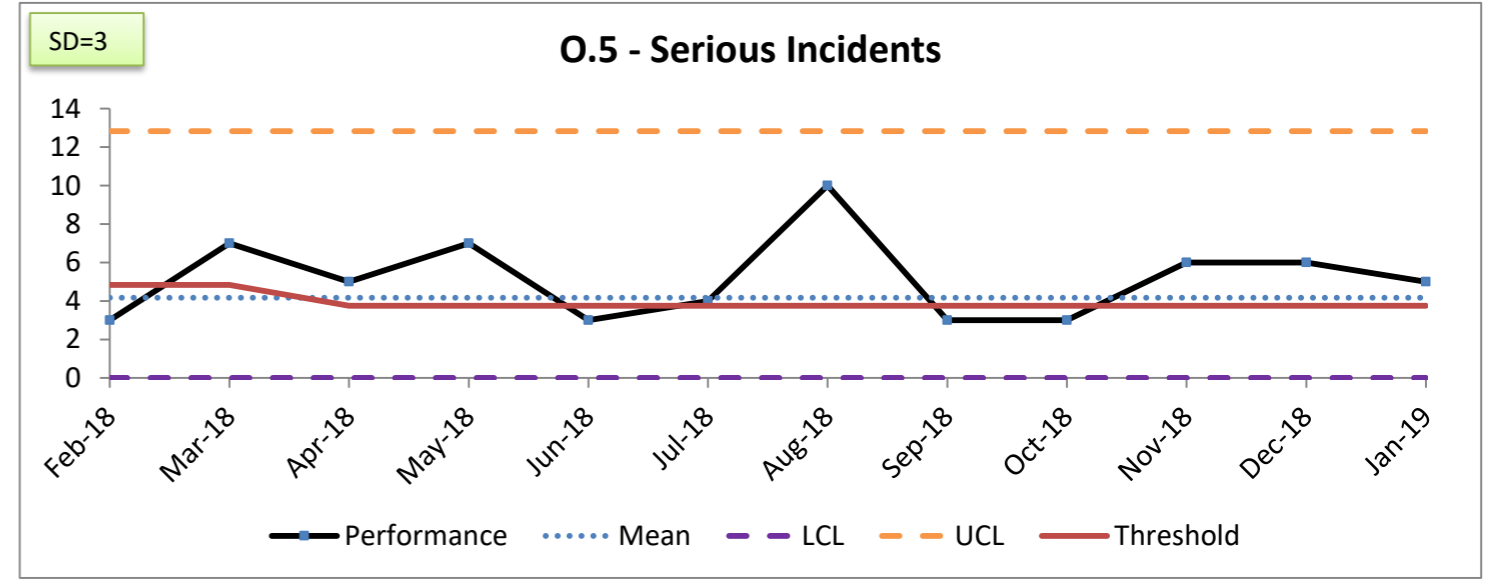
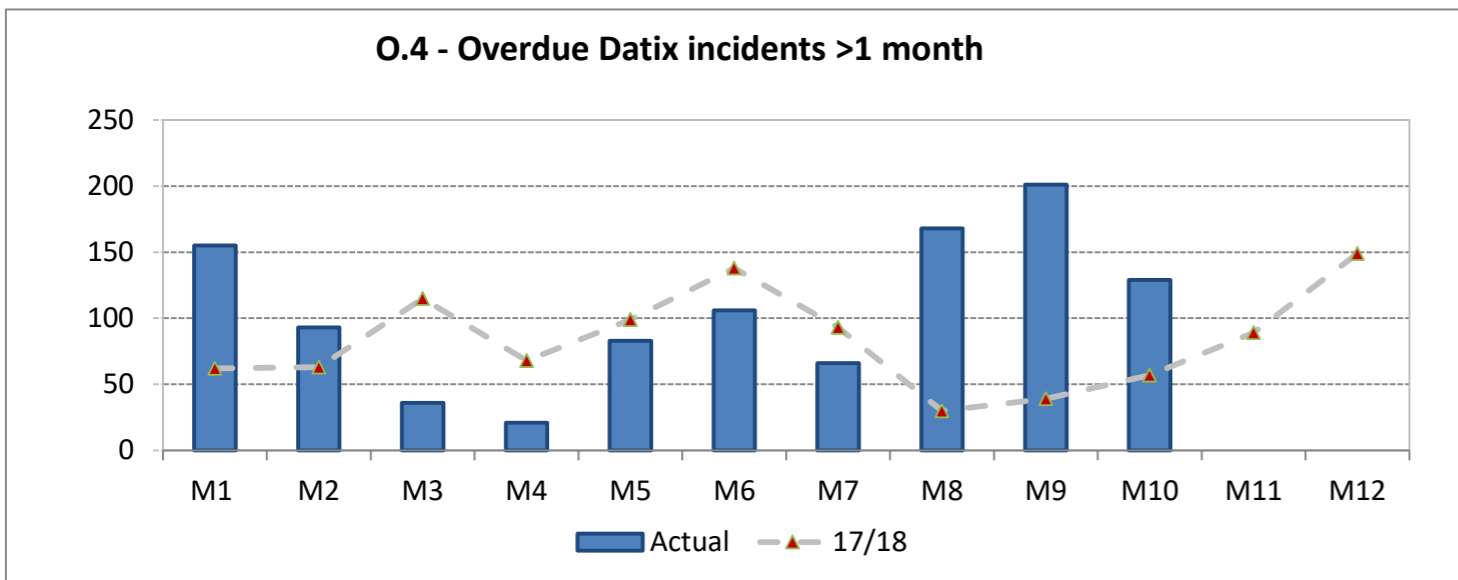
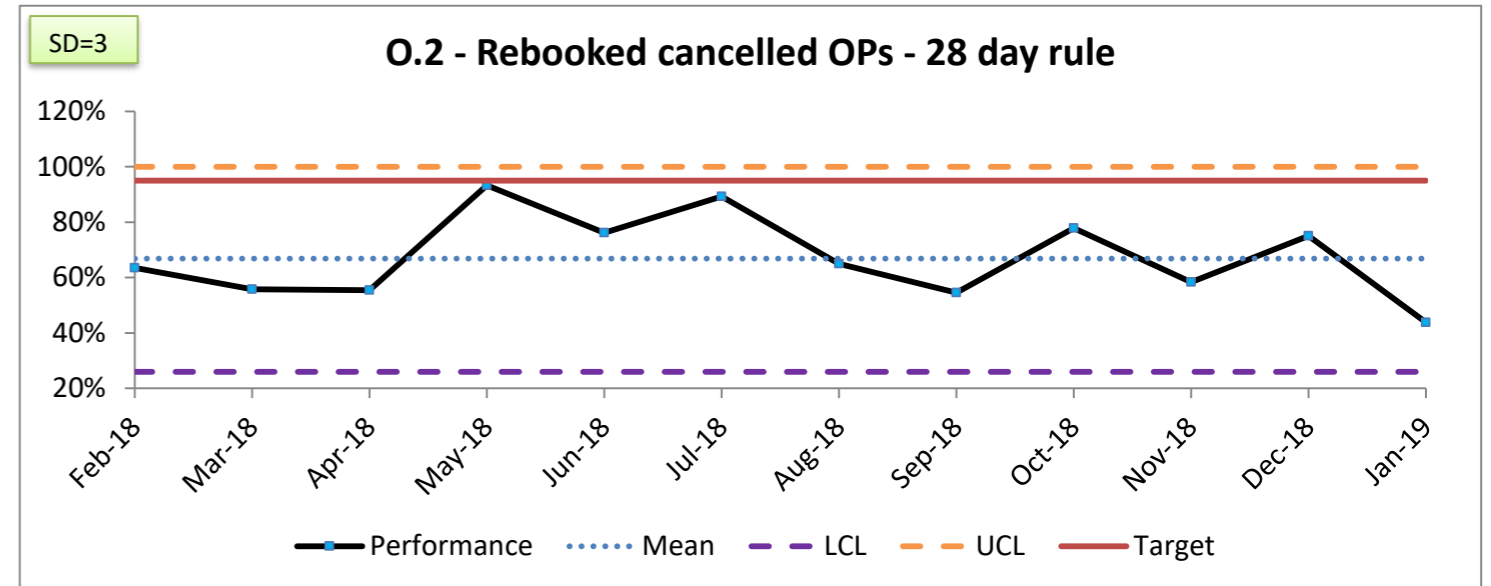
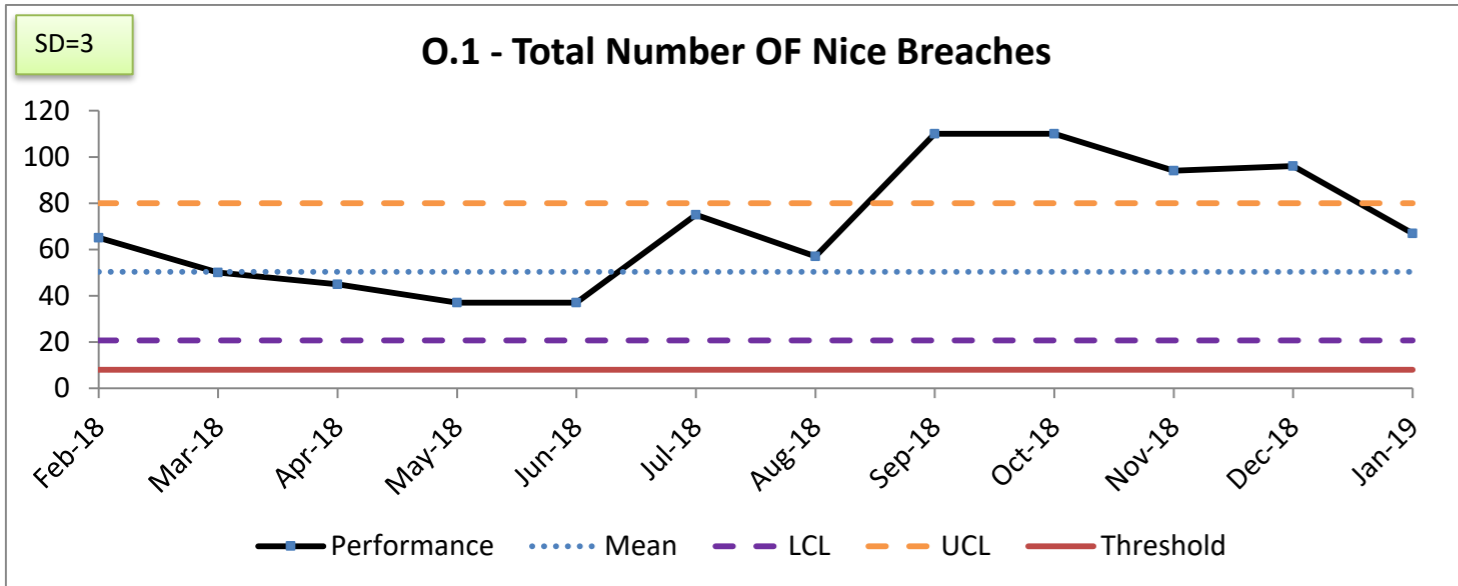
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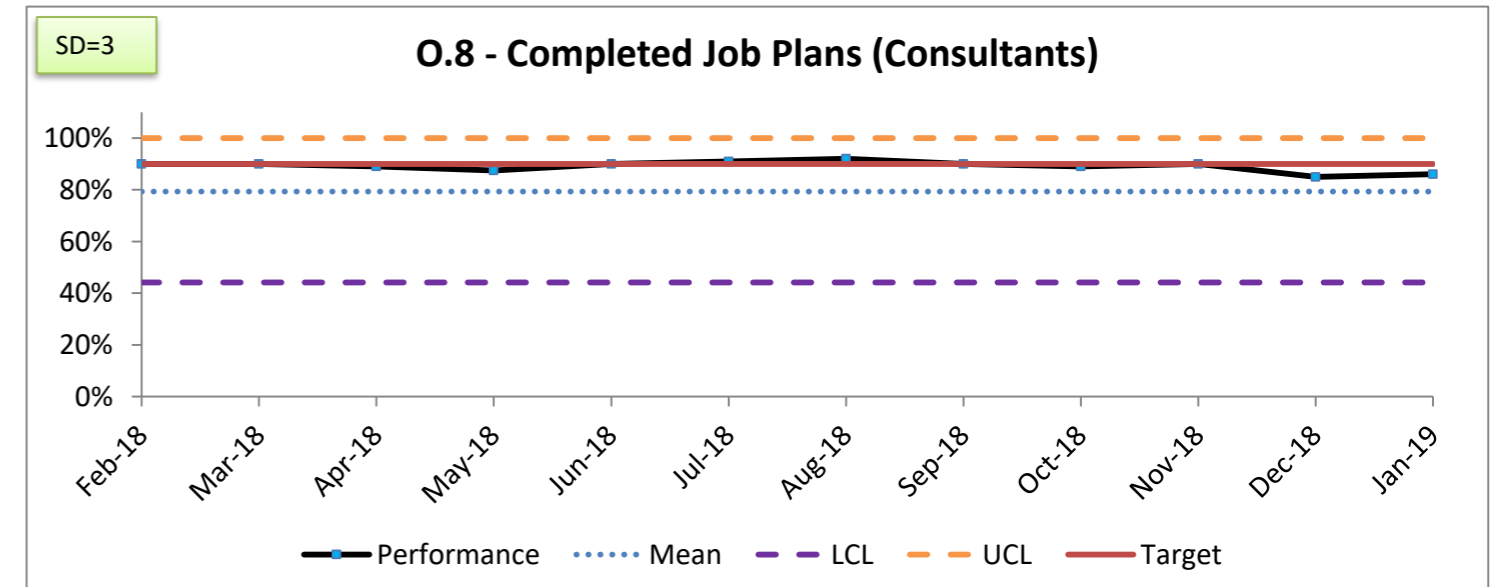
- Performance activity on a rolling 12 months/quarterly
- Average on a rolling 12 months/quarterly
- Lower Control Limit (LCL)
- Upper Control Limit
- Targets/Thresholds/NHSI Trajectories



If the LCL is negative (less than zero) it is set to zero.

If the UCL is greater than 100% it is set to 100%.

- Performance activity on a rolling 12 months/quarterly
- Average on a rolling 12 months/quarterly
- Lower Control Limit (LCL)
- Upper Control Limit
- Targets/Thresholds/NHSI Trajectories



Meeting title	Council of Governors	Date: 16 April 2019
Report title:	Finance Paper Month 10 2018-19	Agenda item: 6.2
Lead director Report authors	Mike Keech Daphne Thomas Chris Panes	Director of Finance Deputy Director of Finance Head of Management Accounts
FoI status:	Private document	

Report summary	An update on the financial position of the Trust at Month 10 (January 2019)			
Purpose <i>(tick one box only)</i>	Information <input type="checkbox"/>	Approval <input type="checkbox"/>	To note <input checked="" type="checkbox"/>	Decision <input type="checkbox"/>
Recommendation	Council of Governors to note the contents of the paper.			

Strategic objectives links	5. Developing a Sustainable Future 7. Become Well-Governed and Financially Viable 8. Improve Workforce Effectiveness
Board Assurance Framework links	
CQC outcome/ regulation links	Outcome 26: Financial position
Identified risks and risk management actions	
Resource implications	See paper for details
Legal implications including equality and diversity assessment	This paper has been assessed to ensure it meets the general equality duty as laid down by the Equality Act 2010

Report history	None
Next steps	None
Appendices	1 to 3

FINANCE REPORT FOR THE MONTH TO 31st JANUARY 2019

PUBLIC COUNCIL OF GOVERNORS' MEETING

PURPOSE

1. The purpose of the paper is to:
 - Present an update on the Trust's latest financial position covering income and expenditure; cash, capital and liquidity; NHSI financial risk rating; and cost savings; and
 - Provide assurance to the Trust Board that actions are in place to address any areas where the Trust's financial performance is adversely behind plan at this stage of the financial year.

EXECUTIVE SUMMARY

2. *Income and expenditure* –The Trust's surplus for January 2019 was £1m which is £0.5m favourable to budget in the month and £1.15m negative year to date although £0.1m better than the Trust's control total (excluding PSF) on a year to date basis.
3. *Cash and capital position* – the cash balance as at the end of January 2019 was £5.0m, which was £2.4m above plan due to the timing of capital expenditure and receipts. The Trust has spent £7.4m on capital up to Month 10 of which £1.5m relates to eCARE, Cancer Centre £2.5m, Multi-Storey Car Park £0.3m, North site infrastructure £0.3m, UEC and GDE £0.2m and £2.5m on patient safety and clinically urgent capital expenditure.
4. *NHSI rating – the Use of Resources rating (UOR) score is '3', which is in line with Plan, with '4' being the lowest scoring.*
5. *Cost savings* – overall savings of £0.8m were delivered in month against an identified plan of £0.8m and the target of £0.8m bringing the total year to date savings achieved to £8m. Overall for the year £9.7m of schemes have been identified, of which £9.2m have been validated and approved against the £10.1m target.

INCOME AND EXPENDITURE

6. The headline financial position can be summarised as follows:

All Figures in £'000	Month			YTD			Full Year		
	Plan	Actual	Var	Plan	Actual	Var	Plan	Forecast	Var
Clinical Revenue	17,038	17,592	554	168,301	171,809	3,507	200,842	207,338	6,496
Other Revenue	1,590	2,156	567	15,940	19,722	3,782	19,107	23,119	4,012
Total Income	18,627	19,748	1,120	184,241	191,531	7,290	219,949	230,457	10,508
Pay	(13,188)	(14,020)	(831)	(134,789)	(137,847)	(3,058)	(161,178)	(165,759)	(4,581)
Non Pay	(6,283)	(6,864)	(581)	(61,108)	(65,551)	(4,443)	(71,762)	(78,284)	(6,522)
Total Operational Expend	(19,472)	(20,884)	(1,412)	(195,897)	(203,398)	(7,502)	(232,941)	(244,043)	(11,102)
EBITDA	(844)	(1,136)	(292)	(11,656)	(11,867)	(212)	(12,991)	(13,586)	(594)
Financing & Non-Op. Costs	(1,016)	(1,105)	(89)	(10,157)	(9,801)	356	(12,191)	(11,597)	594
Control Total Deficit (excl. PSF)	(1,860)	(2,241)	(381)	(21,813)	(21,669)	144	(25,182)	(25,183)	(0)
Adjustments excl. from control total:									
PSF- Performance	359	359	0	2,361	2,361	0	3,079	3,079	0
PSF- Financial	717	717	0	4,713	4,713	0	6,147	6,147	0
PSF- ICS Financial	121	0	(121)	795	0	(795)	1,037	0	(1,037)
PSF- Incentive	210	210	0	1,380	1,380	0	1,800	1,800	0
Control Total Deficit (incl. PSF)	(453)	(955)	(502)	(12,564)	(13,215)	(651)	(13,118)	(14,156)	(1,038)
Donated income	1,000	2,000	1,000	5,500	5,000	(500)	8,592	5,000	(3,592)
Donated asset depreciation	(58)	(58)	(0)	(580)	(584)	(4)	(697)	(701)	(4)
Reported deficit/surplus	489	987	498	(7,644)	(8,799)	(1,155)	(5,223)	(9,857)	(4,634)

7. The table above includes a refresh of the Trust's forecast outturn for the year. The revised forecast follows a review at divisional level of the underlying income and costs, with adjustments for known cost pressures or additional income expected or planned for the final quarter. The revised forecast shows the Trust meeting its stretch target of a £900k improvement on its original control total, with increases in income only partly offset by additional pay and non-pay costs.
8. The **deficit excluding Provider Sustainability Funding (PSF)** in month 10 is £2,241k which is £381k adverse to plan in month. Year to date, the deficit excluding PSF is £21,669k which is £144k better than plan year to date and therefore the Trust is on track to deliver its financial control total for the year. The Trust has met the A&E performance requirements for Q3 and plans to meet Q4 requirements to secure the full PSF funding associated with this element. The STP continues to be behind plan at M10 and as a result the Trust has reported a negative variance of £121k (£795k YTD) in respect of the STP element of PSF, however this has been mitigated by the recognition of £596k of transformation fund income YTD.
9. The Trust reported a surplus in month 10 of £987k which is £498k favourable to the budget surplus of £489k; however the in-month variance included an additional £1,000k donation receipt over plan. The adverse variance of £1,155k YTD is driven by lost PSF linked to the

STP's performance of £795k and an adverse £500k timing difference on donated income offset by a positive variance of £596k transformation funding which was unbudgeted.

10. **Income (excluding PSF and donations)** is £1,120k favourable to plan in January and £7,289k favourable YTD and can be further analysed in Appendix 1.
11. **Operational costs** in January are adverse to plan by £1,412k and £7,502k YTD.
12. **Pay costs** are £831k adverse to budget in Month 10. The variance is a result of high substantive and bank expenditure in month partly due to the higher than budgeted pay award which is largely offset by central funding as noted above (total of £187k in the month) as well as lower than budgeted agency costs.
13. **Non pay costs** were £581k adverse to plan in month and £4,443k YTD. The in-month variances relate to drugs, outsourcing and clinical supplies costs required to deliver the higher than planned activity levels.
14. **Non-operational costs** are slightly higher than plan in month due to an adjustment to interest payable however there is a favourable variance of £352k YTD against interest and depreciation. The lower PDC and depreciation against budget take account of the lower and later capital spend compared to budget.

COST SAVINGS

15. In Month 10, £760k was delivered against an identified plan of £833k and a target of £1,315k.
16. Overall for the year £9.7m of schemes have been identified, of which £9.2m have been validated and approved against the £10.1m target.

CASH AND CAPITAL

17. The cash balance at the end of January 2019 was £5.0m, which was £2.4m above plan due to the timing of capital spend and the draw-down of capital funding. The Trust drew down £1m in month from the Council to support the Cancer Centre.
18. The details of the Trust's current loans are shown below. The Trust required a draw down in in January of £0.6m for revenue and £0.5m for capital.
19. The **statement of financial position** is set out in Appendix 3. The main movements and variance to plan can be summarised as follows:
 - Non-Current Assets are below plan by £15.8m; this is mainly driven by the timing of capital projects.
 - Current assets are above plan by £8.2m, this is due to cash £2.4m, receivables £5.7m and inventories £0.1m above plan.
 - Current liabilities are above plan by £1.5m. This is being driven by Trade and Other Creditors £0.4m and borrowings £1.2m above plan, offset by provisions £0.1m below plan. The borrowings are above plan due to the movement in principal repaid from

non-current borrowings and the change in accounting standard (IFRS9) whereby accrued interest is included in the current borrowings value.

- Non-Current Liabilities are below plan by £7.3m. This is being driven by the timing of revenue loan funding from NHSI being different to planned.

20. The Trust has spent £7.4m on capital up to month 10 of which £1.6m relates to ECare, Cancer Centre £2.5m, Multi-Storey Car Park £0.3m, North site infrastructure £0.3m, UEC and GDE £0.2m and £2.5m on patient safety and clinically urgent capital expenditure.

RISK REGISTER

21. The following items represent the finance risks on the Board Assurance Framework and a brief update of their current position:

a) Continued Department of Health and Social Care (DHSC) cash funding is insufficient to meet the planned requirements of the organisation.

Funding to cover the planned financial deficit in 2018/19 is subject to approval by DHSC on a monthly basis and remains a risk in the new financial year. The Trust also requires additional capital funding in order to progress essential schemes.

b) The Trust is unable to achieve the required levels of financial efficiency within the Transformation Programme.

The Trust has a challenging target of £10.1m to deliver for the 2018-19 financial year. The full target in 2017-18 was not met and the Trust position was secured by non-recurrent items. The Trust is working to close the gap to the full target value.

c) The Trust is unable to keep to affordable levels of agency (and locum) staffing.

The Trust has an annual agency ceiling of £11.4m in 2018-19 which is in line with the level included in the financial plan. The Trust has managed to maintain its trajectory of agency expenditure over the winter period however there is still significant pressure on the Trust to maintain this level.

d) The Trust is unable to access £10.3m of Provider Sustainability Funding.

In order to receive the full amount of Provider Sustainability Funding (PSF, previously sustainability and transformation funding) in 2018-19, the Trust needs to achieve its financial control total (linked to 70% of funding), and meet performance standards in respect of urgent and emergency care (linked to 30% of funding). The targets are measured on a quarterly basis. The Trust failed to meet the performance standard requirements for quarter Q4 in 2017/18. A part of a first wave integrated care system £1.1m of the Trust's PSF is contingent on the STP as whole meeting its system control total – this represents a significant risk to the Trust given the current STP financial position.

e) Main commissioner is unable to pay for the volume of activity undertaken by the Trust.

If the Trust over performs against the contract this places financial pressure on the Trust's commissioners who are more likely to challenge other areas in the contract such as the application of penalties. For 2018/19 a significant level of contract challenges has been raised by commissioners in particular with the new (more stringent) process for authorisation of Procedures of Limited Clinical Value (PoLCV) and this represents a risk to recoverability of income.

RECOMMENDATIONS

22. The Council of Governors is asked to note the financial position of the Trust as at 31th January 2019 and the proposed actions and risks therein.

Milton Keynes Hospital NHS Foundation Trust
Statement of Comprehensive Income
For the period ending 31st January 2019

	January 2019			10 months to Jan 2018			Full year Plan £'000
	Plan £'000	Actual £'000	Variance £'000	Plan £'000	Actual £'000	Variance £'000	
INCOME							
Outpatients	3,612	4,085	474	35,261	36,486	1,225	42,079
Elective admissions	2,356	2,221	(135)	23,707	23,897	190	28,189
Emergency admissions	5,487	5,232	(255)	54,028	53,902	(125)	64,335
Emergency adm's marginal rate (MRET)	(279)	(354)	(75)	(2,756)	(3,483)	(727)	(3,287)
Readmissions Penalty	(221)	(183)	38	(2,177)	(2,250)	(73)	(2,594)
A&E	1,130	1,057	(72)	11,151	10,367	(785)	13,302
Maternity	1,944	1,765	(180)	19,152	17,089	(2,063)	22,856
Critical Care & Neonatal	525	567	42	5,182	5,181	(1)	6,181
Excess bed days	0	0	0	0	0	0	0
Imaging	425	457	32	4,018	4,268	250	4,752
Direct access Pathology	390	405	15	3,825	3,860	35	4,569
Non Tariff Drugs (high cost/individual drugs)	1,407	1,500	93	13,913	15,268	1,355	16,607
Other	263	840	577	2,998	7,224	4,227	3,854
Clinical Income	17,038	17,592	554	168,301	171,809	3,507	200,842
Non-Patient Income	3,997	5,442	1,446	30,689	33,176	2,487	39,763
TOTAL INCOME	21,034	23,034	1,999	198,990	204,985	5,994	240,605
EXPENDITURE							
Total Pay	(13,188)	(14,020)	(831)	(134,789)	(137,847)	(3,058)	(161,178)
Non Pay	(4,876)	(5,364)	(488)	(47,195)	(50,283)	(3,088)	(55,155)
Non Tariff Drugs (high cost/individual drugs)	(1,407)	(1,500)	(93)	(13,913)	(15,268)	(1,355)	(16,607)
Non Pay	(6,283)	(6,864)	(581)	(61,108)	(65,551)	(4,443)	(71,762)
TOTAL EXPENDITURE	(19,472)	(20,884)	(1,412)	(195,897)	(203,398)	(7,502)	(232,941)
EBITDA*	1,563	2,150	587	3,093	1,586	(1,507)	7,665
Depreciation and non-operating costs	(942)	(1,016)	(73)	(9,421)	(9,054)	367	(11,309)
OPERATING SURPLUS/(DEFICIT) BEFORE DIVIDENDS	620	1,134	514	(6,328)	(7,469)	(1,140)	(3,643)
Public Dividends Payable	(132)	(147)	(15)	(1,316)	(1,331)	(15)	(1,579)
OPERATING DEFICIT AFTER DIVIDENDS	489	987	498	(7,644)	(8,800)	(1,155)	(5,223)
Adjustments to reach control total							
Donated Income	(1,000)	(2,000)	(1,000)	(5,500)	(5,000)	500	(8,592)
Donated Assets Depreciation	58	58	0	580	584	4	697
Control Total Rounding	0	0	0	0	0	0	0
PSF	(1,407)	(1,286)	121	(9,249)	(8,454)	795	(10,263)
CONTROL TOTAL DEFECIT	(1,860)	(2,241)	(381)	(21,813)	(21,670)	144	(23,381)

* EBITDA = Earnings before Interest, Taxation, Depreciation and Amortisation

Milton Keynes Hospital NHS Foundation Trust
Statement of Cash Flow
As at 31st January 2019

	Mth 10 £000	Mth 9 £000	In Month Movement £000
Cash flows from operating activities			
Operating (deficit) from continuing operations	(5,826)	(7,227)	1,401
Operating surplus/(deficit) of discontinued operations			
Operating (deficit)	(5,826)	(7,227)	1,401
Non-cash income and expense:			
Depreciation and amortisation	7,413	6,663	750
(Increase)/Decrease in Trade and Other Receivables	(3,187)	(322)	(2,865)
(Increase)/Decrease in Inventories	(7)	(8)	1
Increase/(Decrease) in Trade and Other Payables	911	1,761	(850)
Increase/(Decrease) in Other Liabilities	(67)	161	(228)
Increase/(Decrease) in Provisions	(46)	(34)	(12)
NHS Charitable Funds - net adjustments for working capital movements, non-cash transactions and non-operating cash flows	(5,009)	(3,009)	(2,000)
Other movements in operating cash flows	(1)	(2)	1
NET CASH GENERATED FROM OPERATIONS	(5,819)	(2,017)	(3,802)
Cash flows from investing activities			
Interest received	42	37	5
Purchase of intangible assets	(1,345)	(1,249)	(96)
Purchase of Property, Plant and Equipment, Intangibles	(6,943)	(5,443)	(1,500)
Net cash generated (used in) investing activities	(8,246)	(6,655)	(1,591)
Cash flows from financing activities			
Public dividend capital received	625	625	0
Loans received from Department of Health	13,825	12,760	1,065
Loans repaid to Department of Health	(636)	(636)	0
Capital element of finance lease rental payments	(126)	(111)	(15)
Interest paid	(1,121)	(953)	(168)
Interest element of finance lease	(256)	(230)	(26)
PDC Dividend paid	(789)	(789)	0
Receipt of cash donations to purchase capital assets	5,009	3,009	2,000
Cash flows from (used in) other financing activities	0	0	0
Net cash generated from/(used in) financing activities	16,531	13,675	2,856
Increase/(decrease) in cash and cash equivalents	2,466	5,003	(2,537)
Opening Cash and Cash equivalents	2,507	2,507	0
Closing Cash and Cash equivalents	4,973	7,510	(2,537)

Milton Keynes Hospital NHS Foundation Trust
Statement of Financial Position as at 31st January 2019

	Audited Mar-18	Jan-19 YTD Plan	Jan-19 YTD Actual	In Mth Mvmt	YTD Mvmt	% Variance
Assets Non-Current						
Tangible Assets	171.9	184.2	171.0	(13.2)	(0.9)	(0.5%)
Intangible Assets	10.0	13.0	10.5	(2.5)	0.5	5.0%
Other Assets	0.4	0.4	0.3	(0.1)	(0.1)	(25.9%)
Total Non Current Assets	182.3	197.6	181.8	(15.8)	(0.5)	(0.3%)
Assets Current						
Inventory	3.3	3.2	3.3	0.1	(0.0)	(1.2%)
NHS Receivables	19.1	16.3	17.6	1.3	(1.5)	(7.9%)
Other Receivables	4.1	4.4	8.8	4.4	4.7	114.6%
Cash	2.5	2.6	5.0	2.4	2.5	99.4%
Total Current Assets	29.0	26.5	34.7	8.2	5.7	19.5%
Liabilities Current						
Interest-bearing borrowings	(32.3)	(31.5)	(32.7)	(1.2)	(0.4)	1.2%
Deferred Income	(1.6)	(1.6)	(1.6)	0.0	0.0	0.0%
Provisions	(1.4)	(1.4)	(1.3)	0.1	0.1	-3.8%
Trade & other Creditors (incl NHS)	(28.4)	(27.8)	(28.2)	(0.4)	0.2	(0.8%)
Total Current Liabilities	(63.7)	(62.3)	(63.8)	(1.5)	(0.1)	0.2%
Net current assets	(34.7)	(35.8)	(29.2)	6.6	5.5	(15.9%)
Liabilities Non-Current						
Long-term Interest bearing borrowings	(83.6)	(104.1)	(96.8)	7.3	(13.2)	15.8%
Provisions for liabilities and charges	(1.1)	(1.1)	(1.1)	(0.0)	(0.0)	3.8%
Total non-current liabilities	(84.7)	(105.2)	(97.9)	7.3	(13.2)	15.6%
Total Assets Employed	62.9	56.5	54.7	(2.0)	(8.2)	(13.1%)
Taxpayers Equity						
Public Dividend Capital (PDC)	99.2	100.4	99.8	(0.6)	0.6	0.6%
Revaluation Reserve	78.7	78.7	78.7	0.0	0.0	0.0%
I&E Reserve	(115.0)	(122.6)	(123.7)	(1.1)	(8.7)	7.6%
Total Taxpayers Equity	62.9	56.5	54.7	(1.7)	(8.1)	(12.9%)

Meeting title	Council of Governors	Date: 16 April 2019
Report title:	Annual Report and Accounts 2018/19 Timetable	Agenda item: 7.1
Lead director	Name: Kate Jarman	Title: Director of Corporate Affairs
Report author Sponsor(s)	Name: Adewale Kadiri	Title: Company Secretary Title:
Fol status:	Disclosable	

Report summary	To provide the proposed timetable for the Annual Report and Accounts 2018/19			
Purpose	Information <input type="checkbox"/>	Approval <input type="checkbox"/>	To note <input checked="" type="checkbox"/>	Decision <input type="checkbox"/>
Recommendation				

Strategic objectives links	Objective 7. Become Well Governed and Financially Viable
Board Assurance Framework links	
CQC regulations	
Identified risks and risk management actions	
Resource implications	
Legal implications including equality and diversity assessment	

Report history	None
Next steps	
Appendices	

Purpose of the Report

To provide a summary of the proposed timetable for the preparation, publishing and laying before Parliament of the Annual Report and Accounts of Milton Keynes University Hospital NHS Foundation Trust for 2018/19.

Report to Council of Governors the Quality Priorities	21 January 2019
The Draft Quality Report to MK Council, MK CCG and Healthwatch for comment	24 April
Draft Annual Report, Accounts and Quality Report to be considered by Audit Committee	21 May
Annual Report and Accounts considered and signed off by the Trust Board	24 May
5 copies of the Annual Report and Accounts submitted to the Parliamentary Clerk's Office to be formally laid before Parliament	21 June (to arrive at the Parliamentary Clerk's office on 25 June)
Copies of the laid reports submitted to NHS Improvement	19 July
The Annual Report and Accounts formally reported to the Council of Governors	16 July