

## Agenda Item 4

### BOARD MEETING OF 4 JUNE 2008

### MINUTES OF BOARD MEETINGS HELD ON 27 MARCH AND 17 APRIL 2008

**Submitted by:** Katherine Kirk, Chairman  
**Status:** For Decision

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#### EXECUTIVE SUMMARY

**i. Overview**

Attached are the minutes of the Board meetings held on 27 March and 17 April 2008.

**ii. Required Actions**

Members are invited to approve the minutes of the Board meeting held on 27 March and 17 April 2008.

# **SOUTH EAST ESSEX PRIMARY CARE TRUST BOARD MEETING**

Thursday 27 March 2008 at 12.30 pm  
Seminar Room, The Health Centre, Little Havens, Daws Heath Road,  
Thundersley, Essex SS7 2LH

## **Present:**

<b>Mrs Katherine Kirk</b>	<b>Chairman</b>
<b>Dr Andrea Atherton</b>	<b>Director of Public Health</b>
<b>Mrs Debbie Fielding</b>	<b>Director of Strategy &amp; Partnerships</b>
<b>Mrs Beryl</b>	<b>Non-Executive Director</b>
<b>Mr David Griffiths</b>	<b>Director of Finance &amp; Information</b>
<b>Dr Sunil Gupta</b>	<b>PEC Chair</b>
<b>Dr Dawn Hillier</b>	<b>Non-Executive Director</b>
<b>Mrs Gillian Hind</b>	<b>Non-Executive Director</b>
<b>Mr Tony Le Masurier</b>	<b>Non-Executive Director</b>
<b>Mr Andrew Pike</b>	<b>Chief Executive</b>
<b>Mr Rob Peters</b>	<b>Board Advisor</b>
<b>Mr Russ Platt</b>	<b>Director of Commissioning &amp; Contracting</b>

## **In attendance:**

<b>Mrs Viv Barnes</b>	<b>Associate Director, Corporate Governance</b>
<b>Mr Tim Huggett</b>	<b>Corporate Services Manager</b>
<b>Mr Matt Ranguie</b>	<b>Deputy Chief Nurse</b>
<b>Ms Michelle Angell</b>	<b>Head of Performance Management</b>
<b>Mr Ian Stidston</b>	<b>Deputy Director of Commissioning</b>
<b>Mr Eddie Camp</b>	<b>Vice Chairman, PPI Forum</b>
<b>Mr Harry Chandler</b>	<b>Chairman, PPI Forum</b>
<b>Ms Nanette Wright</b>	<b>Essex County Council</b>

### **10/1/07      Opening and Welcome**

Mrs Katherine Kirk, Chairman, opened the meeting and welcomed members of the public, Patient and Public Involvement Forum Members and Local Authority members to the meeting. The Chairman advised that it was her sad duty to report that Mr John Bermon, Non-Executive Director, had recently passed away. The Board's condolences had been expressed to his family and as a mark of respect to the memory of Mr Bermon, the meeting held a moment of reflection.

### **10/2/07      Apologies for Absence**

There were no apologies for absence.

### **10/3/07      Public Participation**

Dr Hillier (Non-Executive Director) advised on positive comments she had

received from Yusuf Goolamali, Non-Executive Director, Southend University Hospital Foundation NHS Trust, regarding improved health services to ethnic minorities and partnership working.

Mrs Furr (Non-Executive Director) reported that she had recently attended a LInKS stakeholder meeting in Chelmsford. It was noted that the announcement on the name of the host organisation was awaited. Mrs Furr had also attended the final meeting of the Patients Forum.

The Chairman reported that she had also attended the last meeting of the Patients Forum prior to its abolition on 1<sup>st</sup> April 2008. On behalf of the Board, she thanked the Forum for their positive, very useful and challenging contribution to health services in south east Essex and felt sure that their contributions would live on and continue to influence the PCT. Members of the Forum were welcome, if they wished, to join the PCT in future public participation work.

Mr Harry Chandler, Chairman, PPI Forum, advised that a meeting had recently been held with LInKS bidders when presentations and interviews had taken place. The outcome of the process was not yet known which has to be agreed by Essex County Council and Southend Borough Council. Of note, was the interest being taken in this matter by the House of Lords, regarding the abolition of Patient Forums.

**10/4/07 Minutes of the Meeting Held on 31<sup>st</sup> January 2008**

The Board received the Minutes of the meeting held on 31<sup>st</sup> January 2008. It was noted that apologies for absence had been given by Dawn Hillier (Non-Executive Director).

**Resolved: That the Minutes of the meeting held on 31<sup>st</sup> January 2008 be approved and signed by the Chairman as a correct record, subject to the inclusion of apologies for absence from Dawn Hillier.**

**10/5/07 Matters Arising**

**i) Leigh Primary Care Centre (Minute No. 9/5/07 iv)**

The Board noted that the Pall Mall practice would be moving to the centre on the 4 April 2008, being operational on Monday 7<sup>th</sup> April 2008. The Provider Arm services would be operational on the top floor of the centre approximately two weeks later.

**ii) Academic Health Centre Pilot Bid (Minute No. 9/16/07)**

The Board were advised that the bid had not been successful. However, positive comments regarding the quality of the bid had been received and a meeting would be held in April 2008 with partner agencies to discuss developing the pilot further. The Chairman asked that the Board's thanks be conveyed to all staff involved.

10/6/07

**PPI Forum Report on Primary Mental Health Care**

The Board received a presentation from Mr Harry Chandler, Chairman PPI Forum, concerning the provision of primary mental health care. The presentation highlighted the main areas of the report that had been produced by the Forum following concerns received from residents about gaps in services, particularly in respect of primary mental health services. Mr Chandler advised that work had started at the beginning of 2007 and members involved had experienced some difficulties in gaining an understanding of NHS mental health services policy in south Essex, the costs of the service and the outcomes achieved. However, the conclusions set out in the report were accordingly based on members' discussions with the public, the PCT and organisations in the voluntary sector that provided care for people with mental illness.

The Board noted the recommendations, which in summary were:

- The work on mental health services to continue, following abolition of the Forum,
- Ask the public and patients what they need and create the services to match their need,
- Services to be accessible to people who have been diagnosed and to those with depression/anxiety,
- Know what is being spent and the effectiveness of the spend,
- Re-examine the entire mental health service and strategy, including the importance of social care,
- Establish a clear evidence base on which to make decisions
- Evolution, not revolution,
- Local everything is key.

Mr Eddie Camp (Vice-Chairman, PPI Forum) and Mrs Sheryl Higgins, (PPI Forum Member) also spoke, respectively, regarding the 'Alerts to the Forum' and the 'Hallmarks sought' as set out in the presentation. Also discussed were the value of mediation in mental health services and the profile of the PALS services in mental health services which were considered not to be satisfactory.

The Chairman thanked Mr Chandler, Mr Camp and Mrs Higgins for the presentation and the report and commented that the report had raised very important issues that the PCT were determined to address.

Mr Andrew Pike, (Chief Executive) encouraged colleagues to keep in close contact with the PCT to take forward these matters. Also, Board Members were welcome and encouraged to visit the secondary mental health facility at the former Rochford Hospital site. Mr Pike invited Mrs Debbie Fielding, (Director of Strategy & Partnerships) to respond to the issues raised.

Mrs Fielding thanked the Patients Forum for the report and welcomed the opportunity to take forward some of the important matters raised.

Mrs Fielding said it was recognised across the county that a strategic review of mental health services was required and that she would be talking with Mr Chandler and his team to help inform that strategy. Clearly, there were a lot of issues to be addressed with a focus on primary mental health services. As an immediate response to some of the issues raised in the report, a major new initiative about improving access to psychotropic services over the next three years would be coming on stream shortly and the PCT had already determined to commence the initiative early by kick-starting investment in four new therapists' posts in the Southend area which would be accessible through GP's. Mr Chandler welcomed the news as a positive step forward.

The Board went on to discuss the report and recognised the need for persons with mental health issues to be able to access good advice and support in respect of benefit claims and other financial matters.

**Resolved: That the Board receive and note the report by the South East Essex Patient Involvement Forum into Primary Mental Health Services and undertake to consider and address the issues raised within the report.**

#### **10/7/07 Annual Public Health Report**

The Board received the 2007 Annual Report of the Director of Public Health.

Dr Andrea Atherton (Director of Public Health), presented the report which provided a detailed review of the current health and well being of the local population. The report had been informed by the Joint Strategic Needs Assessments for Castle Point, Rochford and Southend. Recommendations based on the key findings of the JSNAs had been fed into the Local Area Agreement process and also used to inform the PCT's commissioning intentions to ensure that specific service developments will be put in place to improve the health and well being of the population of South East Essex.

Dr Atherton went on to highlight the key areas arising from the report.

These included:

- Chapter 1 of the report highlighted the key demographic changes of the population of South East Essex. The level of growth in the numbers of older people in coming years would have major implications for public services and their capacity to meet levels of demand for services.
- Chapter 2 of the report provided focus on the wider determinants of health and identified the importance for the PCT to continue to work with partner agencies to help with the delivery of a broad range of initiatives to tackle the wider determinants of health and improve life chances
- Further work needed to be carried out to understand whether the differences in health related outcomes (detailed in Chapter 3) between local authority areas, electoral wards and Medium Super Output Areas

were statistically significant, as this would indicate the existence of health inequalities.

- Higher mortality rates from cancers, particularly in women, in South East Essex needed further investigation to understand the reason for these higher rates, and to identify courses of action to reduce them.
- Chapter 4 examined lifestyle choices and their impact on the health of the local population. The PCT and its partner organisations should continue to support people in making healthy lifestyle choices, by working together to develop strategies to offer this support and improve it.
- Continued efforts were required to protect the health of the population and Chapter 5 spotlights the measures taken and services offered to deal with this. Continued efforts were also required to improve the uptake of childhood immunisations.

The Board discussed issues arising from the report including whether there needed to be a section on lifestyle choices. Mrs Katherine Kirk highlighted the importance of using the major messages in the report to inform the PCT's commissioning. Mr Andrew Pike asked that Directors cascade the details of the report throughout their respective directorates suggested that Local Area Agreement targets should be focused upon the areas of greatest need identified within the report.

***Action: Report to be used to inform commissioning process and to be cascaded throughout Directorates: Directors.***

The Chairman congratulated Dr Atherton and her team for an excellent and informative report.

**Resolved: That the Board notes and approves the 2007 Annual Report of the Director of Public Health for South East Essex.**

**10/8/07**

### **Local Area Agreements with Essex and Southend**

*The Chairman, Katherine Kirk, declared an interest as Chair of Southend Together.*

The Board received a report outlining the PCT's contribution to the two Local Area Agreements (LAA) for Essex and Southend and the associated Action Plan, which will form part of the PCT's Operational Plan.

Mrs. Debbie Fielding explained that the LAAs set out the priorities for a local area agreed between central government and a local area (the local authority and Local Strategic Partnership) and other key partners at the local level. LAAs simplified some central funding, helped join up public services more effectively and allowed greater flexibility for local solutions to local circumstances. The agreement, set out in Appendix 1 to the report, represented a real opportunity to improve health in the PCT area.

The Board noted that the Local Position had been made more complex as the PCT was required to contribute to two LAAs and that the PCT had

worked closely with both Essex and Southend Councils to agree a set of indicators, which not only linked as appropriate to NHS priorities and the NHS Vital Signs indicators, but which also provided a consistent approach, from the PCTs perspective, for the population of South East Essex. It was also noted that indicators 154 and 163 had since been removed from the Vital Sign indicators.

The Board heard from representatives from Essex County Council and Southend Borough Council regarding the importance of the agreement from their respective local authority position. The Southend LAA targets were presented by Ade Butteriss and Jenny Naish. It was noted that Essex County Council would be presenting their targets at the June 2008 Board meeting.

Mr Andrew Pike said that detailed plans were being developed to underpin these targets, which were due to be signed off as health targets by the Strategic Health Authority at the end on May 2008.

Following discussion, the Board:

**Resolved:**

- i) That the indicators chosen be agreed,**
- ii) That the PCTs contribution to the LAAs for Essex and Southend be agreed,**
- iii) That a final report on LAA Action Plans is brought to the May 2008 Board meeting,**
- iv) That the Board delegate final approval of the Southend LAA 2008 to a specially convened group to include the PCT Chairman and Chief Executive.**

**10/9/07**

**Financial Performance to 29 February 2008**

The Board received a report from Mr David Griffiths (Director of Finance & Information) setting out details of the financial performance of the PCT to the 29<sup>th</sup> February 2008. He advised that there now remained only a couple of minor financial risks detailed within the paper; the majority of others had been included within the PCT's position, given their likelihood of coming to fruition. The remaining risks were highlighted within the report.

It was noted that that the PCT was on target to achieve breakeven position and Control Total by year-end.

Mr Tony Le Masurier (NED) thanked Mr Griffiths for the inclusion of the variance report, which he found useful. In answer to a question concerning the high level of variance of PCT whole time equivalent staff over the year, Mr Griffiths advised that part of the reason for the variances related to the filling of vacancies following the review of the PCT management structure but mainly reflected the usual turn-over of provider-arm staff via the staff bank and agency arrangements. In answer to a question regarding the over-performance by Southend Hospital against the agreed contract, Mr Griffiths confirmed that the PCT had to pay for the work carried out and that this was

largely due to a spurt in Accident & Emergency activity over the summer months.

In answer to a question, Mr Griffiths confirmed that contingency reserves were still being held to ensure breakeven position in the event of any further risks materialising after the year-end. If no technical adjustments were needed, to the final accounts, however, this could impact upon achievement of the Control Total.

**Resolved: The Board noted the finance report.**

## **10/10/07 Performance Report**

The Board received a report from Michelle Angell, (Head of Performance Management) providing an update on the current performance against the Standards for Better Health, existing and new national targets, productivity metric, local performance indicators and LAA targets.

It was noted that the format of the performance report had been amended to reflect the discussions held at the previous Board meeting and that a further review was scheduled to ensure the Board received the information required.

The Board's attention was drawn to areas that had deteriorated during January to March 2008; access to GPs had moved from 100% to 99.5% and in respect of ambulance services – 95% of Category A calls within 19 minutes - performance had deteriorated in Essex from 96% to 89.92%, falling below the >95% target. Locally the PCT exceeded this target but was rated on East of England performance.

In respect of areas that had improved during January to March 2008, it was noted that:

- Ambulance – 95% of category B calls within 19 minutes had improved from 92% to 95.90%, meeting the target of >95%.
- Older People's Mental Health: Assessment of Needs – this target was met during February 2008.
- Breastfeeding initiation rates were currently within last year's threshold for achievement.
- Smoking Cessation – 4-week quitters. Although currently rated as underachieved, there had been considerable improvement in relation to 4-week quitters rising from 55% to 85%. The current trend provided assurance that the PCT would achieve the target of 2075 4-week quitters.
- 18 weeks performance for admitted and non-admitted had seen considerable improvement during this period and performance against non-admitted is now exceeding expectations of 90% against 88% trajectory.

Mr Andrew Pike said the PCT would take action to ensure that remedial measures were put in place with practices that failed to meet access targets.

***Action: Remedial measures put in place to ensure GP access targets are met – RP***

The Board also discussed the methodology used to survey access to GPs and it was agreed that work would be carried out to improve the methodology and sophistication of surveying.

***Action: Consider ways of improving methodology for surveying practices – IS***

The Board heard from Mr Simon Edwardson (General Manager, East of England Ambulance Service – South) regarding the ambulance response targets. He advised that following the very large reorganisation of ambulance services in the east of England, the service were seeking to work closely with PCT colleagues on improving response times. The Chairman thanked Mr Edwardson for his positive comments.

It was noted that there had been a small but disappointing increase in MRSA rates and that the deep cleaning programme was currently underway across acute and community sites. It was agreed, following further discussion, that comparative data on hospital-acquired infection rates in comparative hospitals would be included in future reports.

***Action: Data on hospital-acquired infection rates in comparative hospitals to be included in future reports – MA***

**Resolved: The Board noted the Performance report.**

**10/11/07 Operational and Financial Plans 2008-09**

The Board received a report detailing the Operational and Financial Plans for 2008-09. Mr David Griffiths (Director of Finance and Information) advised that under the NHS Operating Framework published by the Department of Health, the PCT was required to prepare Operational and Financial Plans for 2008-09. These documents replaced Local Delivery Plans. In addition the PCT was required to submit key performance indicators (known as “Vital Signs Trajectories”) for the period 2008/09 – 2010/11.

The Strategic Health Authority signed off the PCT’s Operational and Financial Plans on 12<sup>th</sup> March, subject to a number of issues referred to in the report. Following on from this process, a series of high-level Corporate Objectives had been prepared.

It was noted that the Operational Plan (Annex A) had been designed to demonstrate the action that the PCT will be taking to implement its:

- Strategic Vision and Commissioning Intentions,
- the Department of Health’s Operating Framework for the NHS; and

- the SHA's 11 Pledges for action to improve the health of the population in the East of England arising from the Improving Lives/Savings Lives consultation process.

In respect of the Financial Plan 2008/09 (Annex B), it was noted that it set out how the PCT intended to use its notified growth allocation, plus planned efficiency savings, to meet generic cost pressures (pay awards, inflation etc) and new service developments.

The Board also considered the Draft Corporate Objectives 2008/09 (Annex C), which outlined the actions the PCT was required to prioritise during the period 1 April 2008 to 31 March 2009 and had been developed around the PCT's Operational Plan. Mr Griffiths summarised the details set out in each document and the next steps required for implementation.

The Chairman thanked Mr Griffiths and the staff involved in producing the detailed documents and plans.

Following discussion the Board agreed:

**Resolved:**

- i) **To approve the PCT's Operational Plan for 2008/09;**
- ii) **To approve the PCT's Financial Plan for 2008/09; and**
- iii) **To approve in principle the high level PCT Corporate Objectives for 2008/09, noting that a detailed Business Plan will be brought to the June 2008 meeting.**

**10/12/07 2008/09 Enhanced Services Plan**

*Declarations of interest regarding this item were received from Dr Sunil Gupta and Debbie Fielding.*

The Board received a report seeking agreement on how enhanced services resources should be allocated in 2008/9 and the mechanisms put in place to review those services and make further changes during 2008/9.

Mr Ian Stidston (Deputy Director of Commissioning & Contracting) informed the Board that during 2007/8, the PCT harmonised a number of enhanced services inherited from the two former PCTs, the details of which were set out in the report. It was noted that the PCT was currently developing a primary care strategy that set out the future direction of primary care, which it was anticipated, the Board would sign off in July 2008.

It was also noted that there would need to be some changes to the services commissioned through enhanced services as a result of national guidance and local developments that had previously been agreed. The following additions/amendments were noted:

- The 2007/8 Choice/CAB DES would cease
- The 2007/8 Access DES would cease

- A new Extended Access DES would be established for 2008/9
- A new LES for Primary Prevention CHD would be established for 2008/9
- A new Choose and Book LES would be established for 2008/9
- The 2008/9 minor surgery DES required revision
- The 2008/9 PBC DES required revision

Mr Stidston advised that there would need to be established a sub group of the commissioning group to review enhanced services following the approval of the primary care strategy. This group would review spend against budget for schemes and make recommendations on any changes to the plan.

Mr Andrew Pike advised of the importance of the development of commissioning plans for implementation of these recommendations and the importance of linking Local Enhanced Services to the Joint Strategic Needs Assessments and using them as a tool to address health inequalities at a local level.

Following discussion the Board agreed:

**Resolved:**

- i. **To agree the PCT's 2008/9 enhanced services plan**
- ii. **To note the establishment of a sub group reporting to the Commissioning Group to monitor enhanced services uptake and make recommendations on how enhanced services should be commissioned in the period October 2008 – March 2009 following the approval of the primary care strategy**

**10/13/07 Revenue and Capital Budgets and Medium Term Financial Strategy**

The Board received a report seeking approval of the 2008/09 Revenue and Capital Budgets and Medium Term Financial Strategy.

Mr David Griffiths advised that it was a requirement of Standing Orders and Standing Financial Instructions that the Board approved a Revenue Budget and Capital Plan prior to the start of the financial year. Included within the Associated Papers was a Report and appendices setting out proposed Revenue Budgets for the Board to adopt.

These budgets reflected the PCT's spending priorities as set out in the 2008/09 Operational and Financial Plans. They were consistent with the Department of Health's Operating Framework for the NHS for 2008/09 and the East of England Strategic Health Authority strategy "Improving Lives, Saving Lives".

Mr Griffiths referred the Board to the key issues as set out in the report. Annex 3 to the report set out a Medium Term Financial Strategy for the PCT that had been prepared at the same time as the PCT's Operational and Financial Plans for 2008/09 and therefore reflected the current PCT draft Strategic Vision and Commissioning Intentions.

It was noted that when work originally commenced on the Strategy, it was anticipated that three-year allocations would be notified in late 2007. However, the Department of Health were currently reviewing the formula used to allocate resources to PCTs and had only issued 2008/09 allocations. Allocations for the subsequent two years would be published in the summer/autumn of 2008 and once these had been published the Strategy would be updated accordingly and re-presented to the Board. This timetable would also allow time to reflect more detailed implementation guidance regarding “Improving Lives, Saving Lives” – the East of England Strategic Health Authority’s strategic vision for the next three years expected over the coming months.

The Strategy assumed a relatively lower level of growth than received in recent years, with an increasing proportion of this growth being spent on initiatives to improve the health of the local population and reduce health inequalities.

In response to a question from Mrs Beryl Furr, Non-Executive Director, whether the budget for continence services had decreased, Mr Griffiths advised that the level of budget had been set by the Provider Arm of the PCT and noted that there had been some re-design of this service in order to achieve a better skill mix. Mrs Gillian Hind offered to raise this at the next Provider Management Board meeting.

**Resolved:**

- i) To approve the PCT’s opening Revenue Budgets for 2008/2009,**
- ii) To approve the PCT’s Capital Plan for 2008/2009,**
- iii) To approve the PCT Medium Term Financial Strategy, noting that this will be refreshed in the Autumn of 2008 when PCT allocations for 2009/10-2010/11 are published.**

**10/14/07**

**Healthcare Commission Standards Declaration**

The Board received a report from Michelle Angell setting out the PCT’s current progress for the 2007/08 Annual Health Check and seeking approval of the PCTs Declaration of Compliance.

The Board were advised that the Healthcare Commission had introduced a system for the Assessment and Performance Management of all NHS organisations called the Annual Health Check. Under this framework for assessment all NHS trusts were required to make a detailed declaration against a set of ‘Core Standards’ covering the following areas:

- Safety
- Clinical and cost effectiveness
- Governance
- Patient focus
- Accessible and responsive care
- Care environment and amenities
- Public health (including developmental standards D13a / b)

A comprehensive evidence base supplied by Trusts to the Healthcare Commission supported this self-declaration. In addition to the Core Standards, NHS organisations were measured on

- Performance against existing national targets
- Progress towards new national targets
- Service reviews (detailed reviews of specific areas of services including diabetes, race equality, substance misuse, adult acute inpatient mental health and maternity services)
- Use of resources

The assessment covered a 12-month period up to March 31 2008 and the declaration would be submitted by midday on 30<sup>th</sup> April 2008.

The Board noted the current progress of the PCT in reaching compliance as set out in Appendix 1 to the report.

Mr. Andrew Pike advised the Board that he was confident in the PCT status on compliance and that it was able to defend its position of 'fully met'. Mrs Katherine Kirk noted that Non-Executive Directors had been actively involved in the assurance process for each of the standards and enquired whether there were any remaining concerns about the PCT's declaration. No concerns were raised therefore the Chairman asked for a vote on the recommendations as set out in the report. Unanimously, it was:

**Resolved:**

- i) That the Board notes the report on the PCT's current progress for 2007/08 Annual Health Check;**
- ii) That the Board approves the PCT's Declaration of compliance.**

**10/15/07**      **Race Equality Scheme**

The Board received the Race Equality Scheme for consideration and approval. Mrs Viv Barnes (Associate Director of Corporate Governance) presented the scheme advising that the Board had received a draft at the last meeting and that the document had since been updated following consultation. The Chairman conveyed the Board's thanks to Mr Stephen Robinson for development of the scheme.

**Resolved: That the Board approves the Race Equality Scheme.**

**10/16/07**      **PCT Sub-Committees**

The Board received a report inviting it to approve Terms of Reference and annual work plans for the following sub-committees:

- Integrated Governance sub-committee
- Finance and Commissioning Performance sub-committee
- Public Health, Health Inequalities and Partnerships sub-committee

- Patient Experience and Public Involvement sub-committee

The Chairman advised that following discussion, it had been agreed that the Terms of Reference for the Public Health, Health Inequalities and Partnerships sub-committee required more consideration and were withdrawn. In answer to a question regarding linking the Terms of Reference for the Integrated Governance Committee to those of the Provider Arm Governance Committee, the Chairman advised that this would receive further consideration after the first meeting on the new sub-committee in May 2008.

Mr Andrew Pike advised the Board that Appendix 5 to the report (Patient Experience and Public Involvement Committee) reflected the work plan of the PPIF and it was important to utilise the skills of the Patients Forum.

***Action: Involve current Patient Forum members in the development of patient and public involvement – VB & JA***

**Resolved:**

- i. **That the Board approves the Terms of Reference and annual work plans of the Integrated Governance, Finance and Commissioning Performance and Patient Experience and Public Involvement sub-committees**
- ii. **That the Terms of Reference and work plan of the Public Health, Health Inequalities and Partnerships sub-committee be reviewed and re-submitted at the next meeting.**

**10/17/07 Combined Assurance Framework and Corporate Risk Register**

The Board was asked to note the Combined Assurance Framework and Corporate Risk Register and consider whether any further assurance was required that all key risks to the achievement of the PCT's objectives were being adequately controlled.

Following discussion the Board:

**Resolved: To note the Combined Assurance Framework and Corporate Risk Register.**

**10/18/07 Information Governance Assurance Review 2007/08**

The Board received a report setting out the PCTs response to a request to Chief Executives of all NHS Organisations, asking them to look at their Information Governance Standards relating to Information Security on Person Identifiable Information and to provide assurance that the PCT had systems, policies/procedures in place, so that the incidents similar to the data loss incident experienced by HM & Customs in 2007 would not be repeated within the NHS.

Mr David Griffiths explained that Person Identifiable Information (PII) was defined to be any of the following:- Name; address; postcode; Date of Birth;

NHS number; National Insurance number; sensitive and clinical information, financial information. This report provided assurance to the Board that the necessary actions arising had been implemented within the PCT.

**Resolved:**

- i) The Board notes the action taken to comply with the requirement for the PCT to undertake an Information Governance Assurance Review;**
- ii) The Board authorises the Chairman to take Chairman's action to approve a number of key Information Governance policies once they have been reviewed by the members of the Information Governance Working Group and Integrated Governance Committee.**

**10/19/07**      **Risk Indicator Report**

The Board received a report asking it to note the Key risk indicators for the PCT during Quarter 3 – 1<sup>st</sup> October to 31<sup>st</sup> December 2007.

Mrs Viv Barnes advised that the report brought together monitoring information on compliments, formal complaints, written enquiries, PALS Service activity, serious untoward incidents, adverse incidents, and claims/litigation from the third quarter of the 2007/08-year. In answer to a question, Mrs Barnes advised that the annualised information regarding PALS issues would be available in the Annual Complaints report due in June 2008.

**Resolved: That the report be noted.**

**10/20/07**      **PCT Policies**

The Board received a report seeking approval of the following policies:

- Whistleblowing Policy
- Registration Policy
- Maternity, Paternity, Adoption And Parental Leave Policy
- Flexible Working Policy
- Business Continuity Policy
- Commercial Sponsorship Policy
- Acceptance of Gifts Policy
- Waste Management Policy
- Safeguarding Policy

**Resolved: That the Board approves the Policies.**

**10/21/07**      **Exercise of Emergency Powers**

The Board received a report seeking ratification of the use of emergency powers relating to two matters:

- The approval of grants to Dental Practitioners

- The decision to inform a patient of the outcome of their appeal against a decision of the Special Cases Review Panel.

**Resolved: The Board noted and endorsed the use of emergency powers in respect of the above-mentioned matters.**

**10/22/07**      **Register of Sealing**

The Board received a report on the use of the PCT Seal entered in the Register of Sealing.

**Resolved: The Board noted the Register of Sealing.**

**10/23/07**      **Sub- committee Minutes**

The Committee received the following Sub-Committee minutes:

- Audit Committee – 17<sup>th</sup> January 2008
- Governance Committee – 24<sup>th</sup> January 2008.

**Resolved: That the Board notes the Minutes.**

**10/24/07**      **Close of Meeting**

The Chairman moved the motion that under section 1(2) of the Public (Admissions to Meetings) Act 1960 the public be excluded from the meeting for the items of business set out in Part II of the agenda.

# **SOUTH EAST ESSEX PRIMARY CARE TRUST BOARD MEETING**

**Thursday 17 April 2008 at 3.30 pm**

**The Bridge, Harcourt House, Harcourt Avenue, Southend on Sea, Essex SS2 6HE**

## **Agenda: Part 1**

<b>Present:</b>	Mrs Katherine Kirk	Chairman
	Dr Andrea Atherton	Director of Public Health
	Mrs Debbie Fielding	Director of Strategy & Partnerships
	Mrs Beryl Furr	Non-Executive Director
	Mr David Griffiths	Director of Finance & Information
	Dr Sunil Gupta	PEC Chair
	Mrs Gillian Hind	Non-Executive Director
	Mr Tony Le Masurier	Non-Executive Director
	Mr Andrew Pike	Chief Executive
	Mr Russ Platt	Director of Commissioning & Contracting
	Mr Rob Peters	Board Adviser
	Mrs Sheila Adams-O'Shea	Chief Operating Officer

## **In attendance:**

Mrs Viv Barnes	Associate Director, Corporate Governance
Mr Tim Huggett	Corporate Services Manager
Mr Stephen Robinson	Project Director

### **1/1/08 Opening and Welcome**

Mrs. Katherine Kirk, Chairman, opened the meeting and welcomed members of the public to the special meeting of the Board.

### **1/2/08 Apologies for Absence**

There were no apologies for absence

### **1/3/08 Arms Length Trading Organisation: Governance Arrangements**

The Board received a report prepared by David Griffiths (Director of Finance & Information) inviting it to consider and approve a suite of governance documents to enable Provider Services to operate as an Arms Length Trading Organisation (ALTO).

The Chairman advised, for the benefit of the members of the public present, that the establishment of an ALTO would not in any way impact upon delivery of services and was not a service change.

Andrew Pike (Chief Executive) added that this arrangement was critical to enable the PCT to concentrate on its commissioning functions and was part of a journey to find the Provider arm a future home, which potentially might not be part of the PCT. He emphasised the importance of the governance arrangements enabling the Provider arm to be self-managing as far as possible without undermining the corporate responsibilities of the PCT. He explained that the Audit Committee had considered all the papers and David Griffiths would be outlining the details of each paper and advising on the changes agreed.

David Griffiths referred the Board to the original papers issued and to the subsequent papers setting out the amendments following consideration by the Audit Committee on 11<sup>th</sup> April 2008 and also following legal advice from the PCT's solicitors.

### Statement of Accountability for Provider Services

David Griffiths advised that this document, which was based upon the Accountable Officer memorandum between the Secretary of State and Chief Executive Officer, defined the accountability arrangements between the Chief Executive and the Chief Operating Officer whilst the Provider Services arm operated as an ALTO. Mr Griffiths emphasised that the PCT still remained a single legal entity. He advised that a Service Level Agreement between the commissioning PCT and the Provider Services had now been signed and that separate Service Level Agreements would be drawn up for shared corporate services. He drew attention to the change recommended by the Audit Committee, which clarified how service re-charges would be calculated.

In response to a question from the Chairman, Sheila Adams-O'Shea (Chief Operating Officer) advised that the Chief Operating Officer would be held accountable if the ALTO failed to deliver an effective service to other commissioners, however ultimately, the corporate risk remained with the PCT as a whole. She reassured Board members, however, that checks and balances were in place in the Scheme of Delegation to limit such risks. For example, the ALMB would need to seek prior approval from the PCT Board before bidding for any external contracts in excess of £500,000. Following further discussion, it was agreed that the Statement of Accountability for Provider Services document be approved subject to the addition of 'safe and effective services' in paragraph 3.1.

**Resolved: the Board approved the Statement of Accountability for Provider Services subject to the amendments outlined above.**

### Arms Length Management Board (ALMB) – Terms of Reference

David Griffiths explained that the ALMB would operate as a sub-committee of the PCT Board and had defined responsibilities delegated to it as set out in the Corporate Governance Manual, including responsibility for performance, service

development and delivery, the staff and financial management of the provider services.

Mr Griffiths outlined the changes that had been recommended by the Audit Committee. He explained that a number of changes had also been suggested by the PCT's solicitors. The majority of these had been incorporated into the Terms of Reference, however it was not proposed to adopt the following recommended changes:

- Appointment of an Independent Chair to the ALMB – Mr Griffiths explained that whilst this might be considered best practice, it was not essential;
- Delegation of authority to the ALMB to agree with the Board which staff should be allocated to the ALTO – Mr Griffiths advised that this addition was unnecessary given the existing delegated authorities to the Chief Executive, Directors and Managers for the appointment of staff;
- Confirmation of the notice period for dissolving the ALMB – Mr Griffiths explained that the establishment and disestablishment of committees was already defined as decision reserved to the Board and that was considered to be sufficient.

The Chairman tabled a proposed amendment to the Terms of Reference regarding the lay members of the ALMB. She explained that an independent appointment process would need to be followed for remunerated lay member appointments and suggested that appointments should be for one year only in the first instance. The chairman also suggested that the lay members should not have voting rights as they could not be corporately liable for their decisions. However upon it being pointed out that liability remained with the PCT Board for all of the sub-committees to which it had delegated decision making powers, The chairman agreed to withdraw her objection to the lay members of the ALMB having voting rights.

After further discussion of the issues relating to lay membership of the ALMB, it was agreed that:

- The appointment of lay members to the ALMB should be approved by an Appointments Panel comprising three Non-Executive Directors, one of whom would be the ALMB Chair;
- Lay Members of the ALMB would be accountable to the ALMB Chair, who in turn would be accountable to the Board Chairman;
- Lay Members of the ALMB should have voting rights on the Arms Length Management Board only;
- Lay Members of the ALMB should be appointed on a rolling annual contract with the maximum length of tenure staggered between three and four years to ensure that appointments did not all become vacant at the same time.

It was noted that the Terms of Reference stated that the ALMB would meet monthly and therefore the earlier reference to the ALMB meeting at regular intervals as determined by the ALMB was redundant. It was also agreed to add a point of clarification that any proposals in relation to the future organisational

model for the management of provider services would need to be determined in conjunction with the commissioning PCT.

A discussion took place whether the ALMB meetings should be held in public, as a result of which it was agreed that it was not necessary for the ALMB - as a sub committee of the Board - to meet in public however it should work towards an open management style as soon as possible. It was further agreed that the minutes of the ALMB would be received by the PCT Board, with any confidential items considered in the private part of the meeting.

In view of the number of changes discussed, Mrs Kirk proposed that the Terms of Reference should be agreed in principle and the final wording of any revisions agreed under the exercise of emergency powers.

**Resolved: the Board approved in principle the Terms of the Reference of the ALMB and agreed that the amendments outlined above should be approved under the exercise of emergency powers.**

#### Financial Governance Framework

Mr Griffiths advised that this document set out the arrangements to provide assurance to the Board and External Audit that appropriate financial governance arrangements and controls had been put in place.

The Board noted and agreed the revisions put forward by the Audit Committee. Mrs Kirk emphasised the importance of any decisions regarding the allocation of Charitable funds being made in an open and transparent manner.

**Resolved: the Board approved the Financial Governance Framework.**

#### Corporate Governance Manual

Mr Griffiths advised that the Corporate Governance manual had been generally updated and revised to reflect the delegated powers of the ALTO and changes approved by the Audit Committee in respect of Specialist Commissioning. He noted that further changes might be required to reflect the amendments agreed to the other ALTO governance documents.

The Board was advised that External Audit had been present when the Corporate Governance manual was considered by the Audit Committee and had not voiced any objections to the proposed changes.

The Chairman expressed concern that the revisions to the levels of delegated authority would result in the Board being less aware of the commissioning activities of the PCT. Mr Pike advised that he was happy for minutes of the Joint Executive Group meetings and for regular commissioning updates to be provided to the Board.

**Action: Minutes of the Joint Executive Group meetings and regular commissioning updates to be provided to the Board – AP / RP**

**Resolved: The Board approved the revised Corporate Governance manual.**

**1/4/08 Next Steps – Arms Length Trading Organisation**

Andrew Pike outlined the next steps in the establishment of the ALTO and said that Shelia Adams-O’Shea, David Griffiths and other Executive Directors would be agreeing the split of corporate resources between the ALTO and the commissioning PCT. Once completed, the Board would be advised accordingly. Advice would be needed from Human Resources on how to proceed and David Hill (Associate Director of Human Resources) would be advising on this aspect.

The Board also noted that the Service Level Agreement (SLA) for provider services was now operational. In response to a query from the Chairman about the content of the SLA, Mr Pike suggested that a briefing session at a seminar meeting would be the best way to update the Board.

***Action: Briefing on Provider Services SLA to be developed for future seminar meeting – AP / DF***

Mr Pike went on to provide a longer term view of the future development of the ALTO. He advised that time was needed for the ALMB and the Management Team to develop and to allow the ALTO to become a successful organisation. There was an opportunity over the summer and autumn to undertake a review jointly with South West Essex PCT regarding organisational form and models for the future. Also, the PCT would wish to work with South West Essex PCT on technical issues such as. Iorganisational governance and start developing a specification for a review of community services in South Essex. This would provide an opportunity to be clear about the kind of arrangements that would work best locally and what would be meaningful community services localities. It was intended to bring a paper to the Board in the autumn for consideration. Some dedicated management resource and external specialist advice would be needed to take forward this work. It was therefore proposed to bring a paper on the community services review to the next Board meeting. Mr Pike concluded by noting that these developments would be unsettling for staff in the ALTO and that the PCT needed to work hard to support staff and keep morale high.

**Resolved: The Board:**

- i) Noted the position regarding development of the ALTO; and**
- ii) Agreed to receive a paper at the next meeting setting out Terms of Reference for a Steering Group to oversee the community services review.**