

**Meeting of the Board of Directors
Wednesday 29th October 2008**

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| Present: | Michael Cassidy | Chairman |
| | Nancy Hallett | Chief Executive |
| | Tracey Fletcher | Chief Operating Officer |
| | Pauline Brown | Director of Nursing & Corporate Development |
| | Dr John Coakley | Medical Director |
| | Anna Anderson | Director of Finance |
| | Andrew Panniker | Director of HR & Environment |
| | Sallie Rumbold | Deputy Director of Operations |
| | Stephen Hay | Non-Executive Director |
| | Ian Luder | Non-Executive Director |
| | Eric Sorensen | Non-Executive Director |
| | Imelda Redmond | Non-Executive Director |

Minutes: David Bridger Head of Governance

1.0 Chairman's Welcome and Introduction

Michael Cassidy, Chairman, opened the meeting

2.0 Apologies for absence

Professor Michael Keith, Non-Executive Director

Professor Chris Griffith, Non-Executive Director

3.0 Declaration of interests regarding items on the agenda

There were no declarations of interest.

4.0 Minutes of the previous meeting held on 24.09.08 and matters arising

There was one amendment to the minutes of the previous meeting; on page 2 the monitor financial rating should have read 5 and not 4. The rest of the minutes were agreed as accurate and there were no matters arising.

5.0 Chairman's Report

Michael Cassidy, Chairman thanked Ian Luder and Tracey Fletcher for all the hard work and contributions to the Trust as this was their last meeting.

6.0 Chief Executive's Report

Nancy Hallett, Chief Executive also extended her thanks to Ian Luder and Tracey Fletcher.

Ms Hallett reported that the Trust was currently caring for a patient on ITU with an Anthrax infection. The case had been reported in the media. She assured the Board that there was no risk to staff from this infection and that the Health Protection Agency and

the Communicable Disease Centre in Atlanta have been involved and are working with the Trust.

Ms Hallett also reported that the Trust had been rated excellent for both service quality and use of resources in the Healthcare Commission Annual Health Check. She also stated that there is still room for improvement.

The Trust has also been subject to a number of high level visits including the Chief Medical Officer Sir Liam Donaldson who was guest speaker at the recent Clinical Audit day. The Secretary of State for Health, Alan Johnson had also visited the Trust to look at the patient experience tracker initiative.

Ms Hallett informed the Board that the Trust had been unable to shortlist for the Chief Operating Officer post and this was now being pursued by recruitment consultants. In the interim Sallie Rumbold is continuing to act up into the post.

7.0 Corporate Governance

7.1 NED recruitment

Pauline Brown, Director of Nursing & Corporate Development presented the outcome of the Council of Governors (CoG) Nominations Committee of 25th September. At the CoG meeting on 16th October the governors appointed Mr David Stewart as a new Non-executive Director and re-appointed Eric Sorensen.

It was noted that with the departure of Ian Luder the board will need to appoint a new deputy chairman and designate the senior independent NED (SID).

Action: Board to agree appointment of new deputy chairman and SID at the next board meeting in November.

7.2 Monitor quarter 2 governance declaration.

Pauline Brown presented the Quarter 2 governance declaration. The report noted the interim arrangements for the Executive Director team. All targets had been met for the quarter but there is potential pressure for meeting the annual MRSA target, to this end Healthcare Associated Infection (HCAI) data was provided with the report. The board noted and agreed the declaration.

7.3 Waivers

Andrew Panniker, Director of HR & Environment reported that there has been significant delay in the planning process of the refurbishment works for the Surgical Centre and a layout was only agreed on the 29 September 2008. The works are required to be completed by Christmas 2008. As a result of this delay he requested that the Director of Finance with board approval agree to waive the tendering procedures. The board agreed.

7.4 Board Composition Review

Nancy Hallett presented a paper reviewing the composition of the Trust Executive team. The proposal was that following the disestablishment of two posts (Director of Nursing & Quality and Director of Corporate Development) two new posts be created, a Director of Nursing & Governance and a Director of Workforce and Organisational Development. The rationale for this decision was presented and the board agreed to support the proposal following due process and a period of consultation with those affected by the change.

8.0 Business Planning & Performance Management

8.1 Finance and activity report month 6 position

Anna Anderson, Director of Finance provided the board with a new format report which was developed to include financial and service performance as well as trends in activity. She reported that the financial position at Month 6 continues to be strong with a surplus to date of £3.2m (£1.4m ahead of plan). There had been significant variances above plan in surgery. The service line reports demonstrated a similar position to last year. Work is continuing to produce service line reports for 2008/09. The current monitor performance rating is 5. In line with monitor recommendations details of the location of investments were presented for information. Service performance continues to be strong though there have been pressures in meeting the A&E four wait recently and achieving the MRSA target will be challenging.

Anna Anderson requested feedback on the format and content of the report. The following feedback was received.

- It would be helpful to include year end targets with the indicators to clearly present the Trusts position.
Action: Future reports to include year end targets.
- It was noted that the performance indicator for MRSA should be amber to accurately reflect the Trust position.
- A query was raised regarding the evident increase in non-elective length of stay.
Action Anna Anderson agreed to look into possible reasons for this increase.

Ian Luder, Non-Executive Director raised two queries:

- He noted that the Trust currently has an £11m overdraft facility which will have very significant arrangements fees associated with it. He questioned whether it had been considered to reduce the level of this facility given the Trusts current economic position. Anna Anderson replied that this had been raised with Monitor and was currently out for consultation and this would be reviewed in April.
- He also noted that the Trust had significant funds invested with Irish banks and that in order to reduce the Trusts risk of exposure to losses in the current economic climate it may be prudent to split these investments. It was agreed that this should be looked into.
Action: Anna Anderson to review the Trusts investment portfolio

8.2 Resource outlook 2009/10 2010/11

Anna Anderson presented a paper summarising the factors affecting the availability of resources over the next two years as well as some of the internal cost issues to be addressed. This included a timetable for the 2009/10 planning round. She indicated that there were a number of uncertainties which the board needs to be aware of. These were related to the following:

External factors:

- PCT reorganisation
- Resources for PCT's
- Tariff changes and links to quality of care
- Population forecasts, activity levels and forecasts of disease prevalence

- Market forces factors
- Research funding
- Healthcare for London
- Medical and professional education and training (MPET)
- NICE

Internal factors

- Changes in costs
- Non recurring CIPs in 2008/09

A number of actions were proposed in summary the key ones are:

- Prepare for HRG4 to ensure all income due is collected
- Understand activity trends and what can be done to influence them
- Prioritise areas where marketing services would have the greatest impact
- As a minimum identify the optimistic scenario CIPs by the end of December so that plans are able to be implemented by the start of April 2009
- Review whether further savings are required in January and assess whether negotiation of transitional relief is needed if the financial impact of resource changes is significantly greater
- Agree a process and timetable for business planning and budget setting so that all plans can be signed off by the board in March and linked to directorate plans
- Starting preparation for the factors that could impact on income in 2010/11

The board thanked Ms Anderson for her report and supported the approach outlined.

8.3 Perinatal developments

Andrew Panniker, Director of HR & Environment reported that the perinatal development is going to plan however there had been an issue regarding the discovery of buried cellars that were not on the original plans. This had led to problems due to mice being disturbed and coming into the main hospital, this was being addressed.

Mr Panniker tabled a paper regarding an Olympic legacy project. General Electric (GE), one of the worldwide partners of the Olympic Games, will be committing a legacy project to the Homerton. Initial meetings between the Trust and GE have taken place and they are very interested in the new Fetal & Maternal Medicine Unit.

Discussions are in their early stages and the board will be kept informed of progress with this development.

8.4 Pharmacy Robot

Tracey Fletcher presented the business case to demonstrate the need to develop the dispensing service of the Pharmacy dept to meet the growing demands and acknowledged best practice through the introduction of a pharmacy robot. The potential benefits of the business case were described and included:

- reduction in human error/dispensing errors
- release of staff time for patient centred service

- improved management of stock
- reduction in storage space requirements
- integration with EPR to support e-prescribing
- compliance with accepted best practice

Ian Luder questioned whether there was potential for income generation from pharmacy by acting as a dispensary. It was felt that there was potential for this and that this needed to be looked into in the future.

Eric Sorensen, Non-Executive Director commented that there have been complaints in the Trust from patients waiting for drugs leading to delays in discharge. It was considered that this business case would help address this issue.

The board approved the business case for investment in the automated dispensing system.

9.0 Clinical Governance

9.1 SUI Report***

This item was discussed under reserved business.

9.2 Director of Infection Prevention and Control (DIPC) quarterly report

Pauline Brown presented the Q2 DIPC report providing a summary of infection control issues. Issues highlighted included:

- The incidence of HCAI surveillance organisms remains low.
- The Trust has not yet been visited by the Healthcare Commission cleaner hospitals team.
- Processes for MRSA screening for all elective admissions are being setup.
- The Trust is about re-assess itself against the DH pandemic flu planning preparedness.

9.3 HCAI Action plan

Pauline Brown presented the HCAI action plan. Highlighted areas included:

- Lack of MRSA admission screening
- Issues around the intravenous line care
- Urinary catheter management
- Antibiotic prescribing

The board noted the contents of the report.

9.4 Emergency Department Survey

Dr John Coakley, Medical Director presented the results of the emergency dept survey. He explained that there had been a wide range of views expressed by the public these included references to lack of car parking space and also irreconcilably different views about the standards of hygiene and patient care. Some patients were seen immediately by polite and helpful staff, while others waited for over 24 hours.

The board noted the contents of the report.

9.5 Maternity Clinical Negligence Schemes for Trusts (CNST) feedback

Pauline Brown informed the board that the maternity services at the Homerton had recently been assessed against the pilot CNST (2009) standards and had been successful in achieving level 2. The Trust was below the required level for one standard owing to problems with the protocol for the management of shoulder dystocia. This issue has now been addressed.

10.0 Human Resources Governance

10.1 Appraisal update

Andrew Panniker provided the board with an update regarding staff appraisals. Currently approximately 70% of staff have had appraisals.

10.2 Consultant appointments

The appointment of the following consultants was ratified by the Board:

- Ms Charlotte Kingman, Consultant in Obstetrics & Gynaecology
- Dr Lucia Pozo-Garcia, Consultant Dermatologist

11.0 Strategy and Policy

11.1 Healthcare for London – verbal update

Nancy Hallett, Chief Executive gave a verbal update.

11.2 Healthcare for London Trauma Project – designation process

Dr John Coakley provided an outline of the process by which Trauma centres will be designated in London. He informed the board that it is proposed to have 3 – 5 major trauma units across London with 5 networks identified across London, the Homerton being part of East London and Essex. The Board considered the contents of the paper, and also the letter originating from the proposed North East London Major Trauma Centre seeking the support of the surrounding units. The Board gave its agreement for a letter of support to be sent to Barts and the London NHS Trust. The Board agreed in principle while noting the caveats around the financial (there is as yet no indication of the tariff for trauma) and clinical governance arrangements.

11.3 Healthcare for London Stroke Project – designation process

Dr John Coakley provided an outline of the processes by which Stroke centres will be designated across London. Three service models were originally proposed and Trusts are required to bid for designation status indicating how they will meet the service requirements. The Homerton proposes to bid for Stroke Unit and TIA assessment provider status.

Action: It was agreed that given the changing situation that a further update regarding the stroke project will be required by the board next month.

12.0 Committee Reports

Audit Committee

Stephen Hay, Non- executive Director provided feedback from the last Audit Committee. He notified the board of the high standard of audit reports received from KPMG the Trust internal auditors. Items raised at the committee included:

- Lack of audit trail from Board minutes with particular reference to coding, training records and annual plan development.
- Training and appraisal are to kept under review.

Finance Committee

Eric Sorensen provided verbal feedback from the finance committee. Items raised were:

- Budget setting
- Uncertainty regarding pricing with HRG4

Charitable Funds committee

Anna Anderson provided verbal feedback from the charitable funds committee reporting on fundraising and income from various sources. There has been progress regarding accounting and audit of the origin of funds.

13.0 Papers for information only

The minutes of the Joint Board of Directors & Council of Governors were noted.

14.0 Any Other Business

None

Action log

| | Action | Lead | Date received |
|---|---|-----------------|---------------|
| 1 | Board to agree appointment of new deputy chairman at the next board meeting | Michael Cassidy | 29/10/08 |
| 2 | Future financial & performance report to include year end targets. | Anna Anderson | 29/10/08 |
| 3 | Review of possible reasons for increase in elective LOS. | Anna Anderson | 29/10/08 |
| 4 | Review the Trusts investment portfolio | Anna Anderson | 29/10/08 |
| 5 | Update regarding progress with Stroke designation | Dr John Coakley | 29/10/08 |