

**MINUTES OF THE BOARD OF DIRECTORS MEETING
HELD ON WEDNESDAY 4th January 2006**

Present:	Andy Windross	Chairman
	Nancy Hallett	Chief Executive
	Pauline Brown	Director of Corporate Development
	John Coakley	Medical Director
	Tracey Fletcher	Director of Planning & Service Development
	Andrew Panniker	Director of HR and Environment
	Guy Young	Director of Nursing & Quality
	Kate Costeloe	Non Executive Director
	Ian Luder	Non Executive Director
	Eric Sorensen	Non Executive Director
	Jessica Crowe	Non Executive Director
	Peter Walsh	Deputy Director of Finance

Minutes: Asha Kaur Minutes Secretary

Start time: 8.37am

1.0 CHAIRMAN'S WELCOME AND INTRODUCTION

Chairman, Mr. Windross wished members a happy New Year, and also sent his best wishes to Mr. Irving Mellor Non Executive Director.

2.0 APOLOGIES FOR ABSENCE

Received from Miss Caroline Clarke, Director of Finance & Information, and Mr. Irving Mellor Non Executive Director.

Ms. Hallett, Chief Executive advised the Board members that Mrs. Pauline Brown, Director of Corporate Development and Mr. Andrew Panniker, Director of HR and Environment were attending to urgent business and would therefore join the meeting shortly.

3.0 DECLARATIONS OF INTERESTS REGARDING ITEMS ON THE AGENDA

None noted.

4.0 MINUTES OF THE PREVIOUS MEETING HELD ON 7TH DECEMBER 2005 AND MATTERS ARISING NOT COVERED ELSEWHERE ON THE AGENDA

The minutes of the meeting held on 7th December 2005 were agreed and signed as a true record of the meeting, save that the Board's agreement to the Automated

Dispensing in Pharmacy business plan, ought to have been noted at 10.3. No other matters arising.

5.0 CHAIRMAN'S REPORT

5.1 Vision for the Front Entrance of Homerton Hospital

Mr. Windross advised the Board that he had signed the Visions document and this would be introduced and discussed in greater detail by Andrew Panniker, Director of HR & Environment under agenda item 6.1.

6.0 CHIEF EXECUTIVE'S REPORT

Ms. Hallett advised the Board members that the Hospital operated very well over the holiday period, despite a few exceptionally busy periods. Ms. Hallett advised that the Secretary of State for the Department of Health Rt Hon Patricia Hewitt visited the Trust on Christmas Eve to express her good wishes for the Christmas season. Ms. Hallett also informed the Board of the names of those, with connections to the Hospital, who had received New Years Honours.

(8.45am – Mr. Panniker joined the meeting)

6.1 Mr. Panniker advised the Board of the plans for the redevelopment of the front entrance of the Hospital and highlighted the following:

- funding for these projects was included in the Capital Investment Plan and agreed by the Board at the start of the current financial year
- the Metropolitan Police had agreed to contribute £225,000 towards the project,
- the construction firm TP Bennett had been instructed to commission this project on behalf of, and in collaboration with the Hospital.

Mr. Ian Luder, Non Executive Director notified the Board that although TP Bennett were clients of his firm of employment, he had previously been unaware of this – therefore noted as a declaration.

Ms Jessica Crowe, Non Executive Director, also declared an interest with regards to one of the contractors for the front entrance ground works.

The document was discussed and the following questions and observations were raised:-

- With a view to longer term viability, is there the possibility of a two storey Police Building?
- What impact will this project have on the rent chargeable to the current service providers?
- Since the build of the Police Office on Hospital grounds could not be regarded as a core Hospital service, the provision of the costs associated with this build required firm justification
- the Hospital ought not to move forward with these plans until a clear Travel Plan for patients and staff had been received by the Board.
- How would a reduction in staff parking impact on local residents?

- What provisions had been made in the event of their commitment to the project?

Mr Panniker responded as follows

- a commercial rent would continue to be charged with no impact on the current rent levels, which would be fixed for a period of seven years
- monthly meetings are being held with the Metropolitan Police and community groups to address the needs and requirements of the Hospital and surrounding areas
- the building will be adaptable for the use of the Hospital at such time that it was no longer used as a Police Office
- Consultants had been appointed to establish the formal travel plans for the Trust and it was expected that these would be completed by April 2006.
- a formal lease would be entered into with the Metropolitan Police; they would be responsible for the business rates and running costs of the Office and a formal operational contract would be in place

Finally, Mr Panniker reiterated the benefits of the proposals and the long term value of having such a facility on site.

Ms. Hallett added that staff surveys regularly highlighted the fear of aggression and violence. The provision of increased Police presence in and around the Hospital would have a significant impact on this particular staff concern.

Mr. Windross concluded by advising the Board that all proposals for the redevelopment of the front entrance of the Hospital had been planned on an individual basis. The present position meant that work could commence on this project within two months.

7.0 CORPORATE GOVERNANCE AND HOSPITAL SECRETARY'S REPORT

(This item was discussed after item 10.1).

Mrs. Pauline Brown, Hospital Secretary, reported on the following:

7.1 Change to format of Board Agenda

Changes to the format of the agenda where noted by the Board.

7.2 Department of Health/Monitor Consultations*

Monitor Consultation: the NHS Foundation Code of Governance

Mrs Brown advised the Board that the Consultation of the NHS Foundation Trust Code of Governance document was issued on 7th December 2005 and a response was expected by 28th February 2006.

Mrs. Brown asked the Board to consider the applicability of some of the requirements and actions that may need to be taken to achieve compliance. Mrs. Brown advised that additional resources may be required to implement the code.

Mrs Brown invited the Boards comments as to the points of non-compliance.

- **A.3.2** at least half of the Board excluding the Chairman is to be comprised of Non-Executive Directors
- **A.3.3** The code proposes a senior Independent (Non Executive) Director; Mrs Brown commented that Mr. Luder currently fulfilled this requirement.
- **B.1.4** The Board of Governors should review the annual report and accounts, the annual plan and other in-year submissions, clinical and operational reports of the NHS Foundation Trust.
- **B.1.8** Based on previous legal advice, the Board has no insurance cover for legal action against Governors.
- **C.2.1** The proposed re-appointment of the CEO and Executive Directors at least every three years
- **D.2.1** The appraisal of the Chairman to be undertaken by the Senior Independent Director

The following comments were noted by the Board in respect of the points of non-compliance:

Mr. Luder suggested that the requirement for an Executive Director's post to be reviewed once every three years be resisted, as an impracticable point.

Mrs. Brown commented that the Trust has a very good nomination process for the appointment of Non Executive Directors and the process for appointing directors could be strengthened.

Mrs. Brown will present a more detailed paper to the Board in February 2006 summarising the Boards response to the Consultation.

7.2.2 Department of Health Consultation on the Future of SHA's in London

This was discussed and Ms. Hallett agreed to draft a response which will be brought back to the Board for agreement in February.

8.0 BUSINESS PLANNING & PERFORMANCE MANAGEMENT

8.1 Finance, Activity and Performance update

Mr. Peter Walsh, Deputy Director of Finance, advised the Board that the Trust's current predicted year end financial deficit stood at £310,000. It was still the aim to eliminate this in total through increased control of expenditure but primarily through increased income. The level of improvement of the quality of the data suggested that this may be possible.

Costs reductions had been considered and reviewed across the Trust with particular attention being paid to:

- The amalgamation of theatre lists where possible
- Monitoring of absence rates

- Restrictions on costs associated non mandatory training

Mr. Panniker added that as regards sickness absence, the direct costs associated with this did not fall into the recovery plan. However, the pressure remained to minimise agency and bank usage. Mr Panniker reported that there had been a reduction in such costs from September.

Mr Walsh advised that the Trust's borrowing requirements had reduced and the debtors' position had also seen an improvement by around £700,000.

Ms. Hallett concluded that the focus of the next three months was to reduce expenditure where possible, with an aim to break even by year end.

8.2 Monitor Quarter Two Report

Miss Fletcher advised the Board that the Trust had received two further performance notices against breaches of Contract. These were regarding the emergency care target and the Trusts ability to produced pre-EPR quality level Data. These notices were received in December 2005. Both these notices were being considered carefully. The emergency care notice was certainly felt to be invalid as the Trust had not breached the target as it is monitored. Legal advice is being sought on the interpretation of the data quality breach. As such these notices were the subject of a request for repeal. A response to this was awaited from the PCT.

Dr. John Coakley expressed his extreme concern at the severity of the incorrect notices, and requested that these be challenged immediately.

Mr. Luder proposed the withdrawal of the weekly reporting requirements as well as the possibility of giving the PCT a seven day written notice following submission of the Trust's formal quarter report, to repeal the breach notices.

The Board were in agreement that this matter required urgent and immediate attention, as these two notices would constitute the Trust's third and fourth notices should they stand as they are.

Mr. Windross requested a further update to the Board on this issue in due course.

N Hallett and T Fletcher to draft a response to the PCT

8.3 EPR progress and data quality update

Miss Fletcher presented the paper on EPR Performance and progress to the Board members, and the plans for the forthcoming twelve months were discussed.

Miss Fletcher stated that currently only 20% of the activity data for the 3rd quarter was coded. The backlogs of data input and coding were continuing to be addressed by the operational teams, the clinicians and the coding department. Employment of agency staff was a consideration to accelerate the clearing of the backlog.

Mr. Eric Sorensen, Non Executive Director stated that the coding process itself required further in-depth consideration, with discussion as to alternative possibilities to address the on-going problems associated with data entry. Un-coded data does not attract any payment by the PCT.

Dr. Coakley, Medical Director commented that he, Miss Clarke and Miss Fletcher had met to discuss these issues. Miss Fletcher stated that she would produce a paper for the next Board meeting highlighting the proposals to address these on-going issues.

October's activity levels were reported as slightly under the contracted levels, but November's levels were showing an improvement.

Ongoing coding issues were continuing to be addressed.

8.4 Cerner Contract and Connecting for Health Update

(Mr. Luder left the meeting at 11am)

Miss Fletcher presented the paper summarising the current contractual position with Cerner and Connecting for Health. She stated that the Trust was currently awaiting a response from Cerner with regards to the contract negotiations and this would include a revised plan for the installation of the Medicines Management module of the EPR system.

It was reported that a discussion had taken place before the Christmas break with Mr. Kevin Jarrold, London CIO of Connecting for Health. The discussion was related to the implementation of PACS and the relationship with the London Cluster. It was confirmed by the Board that the direction described in the PACS business case that had already been presented was to continue to be supported. The Trusts current stance in waiting for an integrated system still stands.

8.5 Capital Programme

The PUCG project had seen a series of problems; however assurances had been received that the project will be completed by March 2006. The costs associated with this project, which included a risk analysis, were submitted as part of the Capital Investments programme.

The Business case for the Perinatal Centre will be submitted in March 2006.

9.0 CLINICAL GOVERNANCE

9.1 SUI Update*

SUI reports were noted.

10. POLICY, STRATEGY AND INNOVATION

10.1 Service Development Strategy for Homerton University Hospital: Response to November 2005 Away Day, and presentation of draft corporate objectives for 2006/2007 (Presentation by T Fletcher)

Ms. Hallett advised the Board that the paper to be presented under this item was following up the discussion held at the Away Day on 2nd November 2005. The focus was on the strategic direction of the Trust.

Miss. Tracey Fletcher, Director of Planning & Service Development gave a presentation to the Board (presentation slides attached to these papers), and specifically brought the following points to the attention of the Board members:

- The need to improve our knowledge around potential changes in demand and services
- The need to maximise productivity as regards the supply of services, and the improvement of the 'patient experience'
- The need to maintain financial stability in order to allow for opportunities
- To strive to be the Hospital of choice for patient's

The above factors, among other subjects were discussed in some detail during the first half of the Clinical Board Away Day. Miss Fletcher added that her presentation, produced with the Chief Executive, was a discussion paper which would be developed into a strategic paper for presentation to the Board in April 2006. Ms. Hallett confirmed the three overarching corporate objectives for 2006/2007:

1. To provide financial stability
2. To achieve key access targets
3. To achieve HCC standards which will give us a high quality safe environment that will foster patient choice

Ms. Hallett advised the Board that the objectives had been accepted by Clinical Board members at the Away Day.

Ms Hallett added that there was however, a further need for debate around payment by results, day surgery, choice and the implications around the two week hospital.

Mr. Luder indicated his satisfaction and approval of the draft objectives as presented. He added that the Trusts current statement advising that the Trust was 'the Hospital for Hackney' ought to be revised to more accurately reflect its position as a Hospital striving to improve the patient experience as the 'Hospital of choice for Inner London'. Professor Costello and Ms Crowe also expressed their agreement as regards re-consideration of the Hospital mission statement.

Ms, Crowe commented that the customer services side of delivery required further examination. Professor Costello re-iterated the need to promote the Hospital's specialist services.

Mr. Windross requested that the strategic paper be brought back before the Board in spring 2006.

10.2 Olympic and Paralympics Update

Ms. Hallett requested that this item be discussed at a later date, as the meeting allocation time was now over-run. Agreed by the Board.

10.3 City and Hackney PCT Position

10.3.1 ISIP

Ms Hallett advised the core drafting of the ISIP proposals had been undertaken by the PCT.

It was noted that the Mental Health Trust and also the Homerton University Hospital had not signed the ISIP Version 1.8. The primary reason for this was that the transfer of a significant volume of work from the hospital to primary or community providers had not been matched by a clear plan as to how the hospital would continue to be supported. No risk assessment or value for money exercise had been undertaken or was being suggested to support the proposals.

The PCT required any outstanding issues of concern on the content of the ISIP to be submitted to them by close of business on 31/12/2005. To this effect Ms. Hallett had written and spoken with Ms. Laura Sharpe, Chief Executive of City and Hackney Teaching PCT expressing the Trust's concern at the proposals contained within the draft ISIP document.

Recent indications had been received that the nature of the ISIP may be subject to change. Ms. Hallett advised that she had written a letter to Ms. Sharpe requesting her confirmation of the same.

An ISIP steering group meeting has been scheduled for 11/01/2006 to which Miss Fletcher may attend, however her attendance had not been confirmed, nor indeed had the agenda items been advised.

Ms. Hallett re-confirmed the Trusts support of the consultation; however the process by which the proposals are being submitted, continues to be an issue for the Trust.

10.3.2 Commissioning for a Patient Led NHS and strategic issues

Ms Hallett stated that the Trust continued to review the financial viability of this project, and presently awaited further development.

11. ANY OTHER BUSINESS

Mrs. Brown reminded Board members that the next Board meeting will be an extended meeting to accommodate a seminar on the Trust's statutory and specific duties in respect of the Race Equality Scheme (RES). The seminar will follow the next Board Meeting in February 2006, and is expected to finish at 12 midday.

Meeting ended: 11.40am

12. DATES OF NEXT MEETINGS

- Wednesday 1st February 2006
- Wednesday 1st March 2006