

**MINUTES OF THE BOARD OF DIRECTORS MEETING
HELD ON WEDNESDAY 1st February 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
Caroline Clarke Director of Finance

Minutes: Asha Kaur Minutes Secretary

Start time: 8.30am

1.0 CHAIRMAN'S WELCOME AND INTRODUCTION

Andy Windross, Chairman, welcomed the Board members.

2.0 APOLOGIES FOR ABSENCE

Received from Mr. Irving Mellor, Non Executive Director.

3.0 DECLARATIONS OF INTERESTS REGARDING ITEMS ON THE AGENDA

None noted.

**4.0 MINUTES OF THE PREVIOUS MEETING HELD ON 4th JANUARY 2006 AND
MATTERS ARISING NOT COVERED ELSEWHERE ON THE AGENDA**

The minutes of the meeting held on 4th January 2006 were agreed and signed as a true record of the meeting, save that it was noted that item 10 was discussed out of order from that listed in the accompanying Agenda.

Eric Sorensen, Non Executive Director requested clarification as to Items 8.2 and 8.3 of the previous minutes, regarding the proposal to limit the Trusts internal emergency care reporting arrangements. Ian Luder, Non Executive Director, explained that the information provided to the PCT in connection with the Trust's emergency care targets performance was given on a voluntary basis, and therefore the provision of this information was not of a mandatory nature.

5.0 CHAIRMAN'S REPORT

There were no Chairman's actions to report.

6.0 CHIEF EXECUTIVE'S REPORT

6.1 Report of LCFS investigation and subsequent actions

This item was discussed under Reserved Business.

7.0 CORPORATE GOVERNANCE AND HOSPITAL SECRETARY'S REPORT

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

7.1 Monitor Consultation: the NHS Foundation Trust Code of Governance draft response

Mrs. Brown presented her paper to the Board, summarising the Board's response to the consultation. The Board was asked to note the areas of non-compliance and to agree the response.

Mr. Luder enquired about the financial implications of the points listed as areas of non-compliance. He suggested that a chart be drawn up in order to track progress more easily to illustrate those areas currently being addressed and those requiring further action and investment. Pauline Brown agreed to lead on this.

The consultation response was agreed by the Board.

7.2 Draft response on Department of Health consultation on the future of the SHA's in London

Nancy Hallett, Chief Executive presented the draft response to the Department of Health's consultation on the future of SHA's in London. This was prepared, subsequent to discussions at the January Board meeting. Board members asked that the following amendment be made prior to submitting:

- inequities in access to health and health outcomes be included as significant issues for the pan London SHA to address,
- any attempt to establish an intermediate tier be *strongly* resisted,
- adding *cost* as a reason additional to those stated.

8. BUSINESS PLANNING & PERFORMANCE MANAGEMENT

8.1 Finance Report

Caroline Clarke, Finance Director presented her report. The risk to achieving the year end break even position continues. She highlighted the uncertainty associated with the following areas:

- Final quantification of Agenda for Change costs
- Achieving cost reduction targets of at least £500K
- Retraction of funding from some PCT's for elective patients waiting less than national requirement
- Meeting full information reporting requirements
- Recouping income on activity

Ms Clarke expressed confidence to the Board that we would meet the information reporting requirements and that there had been significant improvement to clinical coding rates. She confirmed that directorate performance management arrangement continued, with the emphasis being on cost containment.

Mr. Windross asked for more detail on how PCTs were seeking to reduce activity by refusing to fund patients in advance of national waiting time targets. Miss Clarke noted that a number of PCTs had taken this approach, although it was not clear how the trust would operationally manage this issue, or what PCTs had told their patients.

Mr Luder suggested that the onus be put firmly back with PCTs and that the approach ran counter to the whole patient Choice initiative.

It was agreed that Ms Clarke would write to the SHA to establish whether they had a position on this and would subsequently clarify with the PCT's concerned the approach to be taken with regard to managing the patients affected.

The 2006/07 tariff uplift, which had been released the previous day, had been much harsher than expected and would in its own right create real challenge for the Trust, and certainly add to the risk associated with contract variances. Nancy Hallett and Caroline Clarke were to attend a meeting of the Foundation Trust Network that afternoon to receive further information from the Department of Health and discuss a Foundation Trust Network response.

Miss Clarke reported that the Board would be provided with a full report on the current financial position, contract levels and key differences from the previous year's tariff at the next meeting.

Mr. Luder suggested that the Trust formally express its dissatisfaction about the tariff publication date, suggesting that a letter be sent to the NHS Chief Executive advising of the instability caused to Trusts in receiving notice of the set tariffs at such a late stage in the financial year. Mr. Luder proposed that a suggestion be made to announce the tariff no later than November or December to coincide with the pre-budget report.

The Board agreed and Miss Clarke was asked to draft a letter, which would be signed by Mr. Windross.

8.2 Performance and Data Quality Report

Miss Tracey Fletcher, Director of Planning & Service Development advised the Board members that for three weeks in the month of December 2005, the Trust had not achieved the 98% or greater standard. This was primarily due to the large numbers of patients attending the Hospital, the timing of these attendances and the numbers of critical cases.

Miss Fletcher went on to advise that as at the end of December 2005 the Trust had reported one patient waiting over six months for an inpatient procedure (orthopaedics). This has been formally reported as a breach.

Miss Fletcher advised the Board that the PCT had now withdrawn its performance notice against the Trust in respect of a breach of contract relating to the A&E 4 hour access target. The notice had been held to be invalid as the Trust had in fact not breached the required target in Q3.

9.0 CLINICAL GOVERNANCE

9.1 SUI Update*

SUI report was noted.

10. POLICY, STRATEGY AND INNOVATION

10.1 Update of City and Hackney PCT's strategic position

Ms Hallett advised the Board that the Trust continued to be in discussion with the PCT about the ISIP. Ms Hallett reported that the nature and purpose of the ISIP had changed. The emphasis was no longer a whole locality strategic plan but a benefits realisation programme, to focus on the following 5 areas:

- Mental Health
- Children & Maternity Care
- Sexual Health
- Long term conditions
- Emergency Care

Ms Hallett reported that Practice Based Commissioning continues to move ahead, with eight consortia established, each with a devolved budget and governance arrangements.

Discussions were now advancing with the PCT as regard to next year's contract. If contract activity levels are reduced, which would be in line with the PCT's strategic intentions, but at variance to actual activity trends, the Trust will need to consider carefully how it handles the associated risk.

11. ANY OTHER BUSINESS

Ms Hallett reminded the Board that on 21st June the Trust would be celebrating the opening of the new Lecture Theatre.

12. RATIFICATION OF CONSULTANT APPOINTMENTS

The Board ratified the appointment of Mr Anil Gudi, Consultant Obstetrician and Gynaecologist.

Meeting ended: 09:25am

13. DATES OF NEXT MEETINGS

- Wednesday 1st March 2006
- Wednesday 5th April 2006
- Wednesday 26th April 2006