

**BOARD OF DIRECTORS**

**Meeting date: 24 January 2007**

**Agenda Item: 4**

**Paper: 07/01**

**Title: Minutes of the Meeting held on 20 December 2006**

**Summary** This document records the items discussed at the last Board of Directors meeting.

**Action:** The Board is asked approve the Minutes as an accurate record of the matters arising.

**Prepared by: Sallie Rumbold, Acting Director of Operations**  
**Presented by: Michael Cassidy, Chairman**

**Meeting of the Board of Directors  
Wednesday 20 December 2006**

**Present**

|                 |   |  |
|-----------------|---|--|
| Michael Cassidy | - | Chairman                                     |
| Nancy Hallett   | - | Chief Executive                              |
| Tracey Fletcher | - | Director of Planning and Service Development |
| Pauline Brown   | - | Director of Corporate Development            |
| John Coakley    | - | Medical Director                             |
| Andrew Panniker | - | Director of HR & Environment                 |
| Guy Young       | - | Director of Nursing & Quality                |
| Caroline Clarke | - | Director of Finance & Information            |
| Ian Luder       | - | Non Executive Director                       |
| Eric Sorensen   | - | Non Executive Director                       |
| Jessica Crowe   | - | Non Executive Director                       |
| Stephen Hay     | - | Non Executive Director                       |
| Kate Costeloe   | - | Non Executive Director                       |
| Sallie Rumbold  | - | Minute taker                                 |

**1.0 Chairman's Welcome and Introduction**

Michael Cassidy, Chairman, opened the meeting and welcomed everyone to the meeting.

**2.0 Apologies for Absence**

None.

**3.0 Declaration of interests regarding items on the agenda**

None.

**4.0 Minutes of the previous meeting held on 29 November 2006 and matters arising**

The minutes of the previous meeting were agreed as a true record.

## **5.0 Chairman's Report**

Michael Cassidy, Chairman, gave an update on the NED appointment and reported that Michael Keith had agreed to be considered for the post by the Nominations Committee. It was noted that the Trust had secured at least one nomination each for the three governor vacancies that were up for election.

## **6.0 Chief Executive's Report**

Nancy Hallett, Chief Executive, gave an update on the recent EDF power failure in Hackney that left the hospital dependent on a generator for power for 10 hours. It was reported that the generator back up plan worked well and that the generator would run for 18-28 hours on the fuel available. Following this time additional fuel would have needed to be purchased but provided this was available the generator would continue to function indefinitely. Ms Hallett reported that the hospital continued to run as normal during this time, including elective surgery. There was some learning from the incident which would be reflected in an amended business continuity plan.

Andrew Panniker, Director of Environment, reported that one of the gaps in generator support had been Clifden House where the EPR and IT email servers were located. The fertility unit had identified an issue with emergency plugs not all being connected to the generator. This would now be rectified. Radiology and pathology departments also suffered difficulties due to lack of emergency power and a small back up generator would be moved nearer to these areas to provide cover for future incidents.

Ms Hallett reported that the EPR code upgrade had been completed successfully over the weekend of the 9 and 10 December.

Ms Hallett reported that health planning for the Olympics was beginning to develop. The Chief Medical Officer contract would be held by the Trust and John Coakley and Laurence Gant, A&E Consultant, were involved in the overall planning process. A new concept of 'hospital in the park' was also described.

## **7.0 Presentation from the Health Care Commission – Lesley Rogers**

Guy Young, Director of Nursing and Quality introduced Lesley Rogers, Chief Inspector for NE London for the Health Care Commission (HCC).

Ms Rogers gave a presentation explaining the role of the HCC as regulator and the principles of the Annual Health Check, including the targeted inspections, core standards assessments and improvement reviews. Ms Rogers also explained that in January 2007 the criteria for the developmental standards will be released. These standards will not feed into the ratings, but they will be

published as a 'shadow assessment' and the Trust will need to decide where it was on the developmental ladder. In addition, another 5 service reviews would take place for 2006/07 but again would not feed into the overall ratings. Trusts were also being encouraged to be involved in the pilot reviews.

Ms Rogers informed the Board that Homerton had presented clear, coherent and targeted evidence linked to the standards which had been evidenced during the random inspection. The HCC had agreed that the standards had been fully met.

Michael Cassidy, Chairman thanked Ms Rogers for her helpful and informative presentation.

## **8.0 Corporate Governance & Hospital Secretary's Report**

### **8.1 Monitor Consultation – Amendments to the Compliance Framework**

Caroline Clarke, Director Finance & Information, presented a paper summarising the key points from the latest Monitor consultation on the proposed amendments to the Compliance Framework.

Ms Clarke explained the ratings and how the liquidity rating had always been difficult for the Trust and that the new rules will make this even harder by limiting the working capital available. However, this was still within the range that the Trust currently required. There were some changes to the rules on investments over £10m which would now need approval from Monitor.

A formal response was due by February and Ms Clarke agreed to return a draft response to the Board in January.

### **8.2 Monitor Q2 Summary**

Pauline Brown, Director of Corporate Development, presented the Q2 summary which was noted by the Board.

### **8.3 Monitor Code of Governance: Action Plan**

Pauline Brown, Director of Corporate Development, presented the action plan with regard to the areas where the Trust was not yet compliant.

Ian Luder, Non Executive Director, wished to note that point 8.3.1 should be more positively reflected as the Trust maintained the link with the university through a Board member.

Jessica Crowe, Non Executive Director, offered to be involved as a member of the Board with point 9.1.1 (patient involvement).

## **8.4 Use of the Trust Seal**

The Board ratified the use of the Trust Seal.

## **9.0 Business Planning & Performance Management**

### **9.1 Month 8, Finance & Performance Report**

Caroline Clarke presented the balanced scorecard and reported that the Month 8 run rate had been more positive. The debtors' position was also improving. Ms Clarke reported that the Trust would aim not to use the overdraft facility at all during December. However, this situation did mask a stretching of creditor days.

Ms Clarke also reported that £1.9m had been received from the DoH to fund PACS. This was more than the original £1.3m that had been expected and would improve the financial position of the Trust as it would now fund full implementation.

Ian Luder queried the A&E figures on page 8. Ms Clarke agreed to clarify this on the scorecard as Monitor required a 4 week rolling average and whereas the Healthcare Commission looked at quarterly cumulative figures.

Jessica Crowe enquired about the sickness figures on page 15 which showed an upward trend. Andrew Panniker, Director of HR & Environment, explained that this was due to increased reporting, particularly of medical staff, and also the level of organizational change occurring recently that was causing anxiety amongst staff.

### **9.2 Financial Recovery Plan Update – including approach to 07/08**

This item was reported under reserved business.

### **9.3 2007/08 Planning**

Caroline Clarke presented a paper illustrating how the Trust was developing its Business Plan for 2007/08. The paper was presented in four sections each describing an aspect of the process.

The Trust's Business Planning process sought to achieve the setting of contracts by 28 February in line with London Planning Guidance. The Trust would have to ensure that sufficient capacity was available to meet those contracts and that budgets were set to support that capacity. The Trust's Annual Business Plan would reflect the workload in terms of quality, access and finance with a three year plan reflecting the Trust's medium term priorities.

Further, regular Business Planning updates would be returned by Ms Clarke to the Board in January, February and March 07.

### **9.3a DoH 2007/08 Operating Framework**

Caroline Clarke presented a paper illustrating the key points within the 2007/08 Operating Framework. The Board noted the paper.

### **9.3b City & Hackney Commissioning Intentions**

Ms Clarke presented a summary of City & Hackney PCT's Commissioning Intentions which amounted to a potential £1.2m funding reduction via the Practice Based Commissioner work streams, which had yet to be agreed formally. Planning around the capacity required to meet the 18 week access target was underway with joint discussions between the PCT and the Trust occurring regularly.

Ian Luder emphasized the fixed costs for A&E even if A&E attendances decreased. It was agreed that the PCT were aware of this issue.

Michael Cassidy suggested that it would be helpful to have some key points at the next Board meeting regarding areas in scope for growth and key services for development.

### **9.3c Development of Trust Business Plan**

Ms Clarke presented a paper outlining the three parallel processes that NHS organisations followed in order to set the annual plan and how these processes related together. These processes were:

- the external contracting process;
- the internal business planning process; and
- the internal budgeting process.

### **9.3d Draft Corporate Objectives**

Nancy Hallett, Chief Executive, presented the draft Corporate Objectives for 2007/08. The four main areas of direction were agreed. The Board agreed that a reference to workforce issues would not be included in the objectives as it was stated to be implicit.

#### **9.4 At Risk Performance Target – Cancer Waits**

Ms Hallett presented a paper describing the current risks and issues with the 62 day cancer waiting time target. The Board received the report and also received a detailed explanation of the changes being implemented to mitigate this risk.

#### **10.0 Clinical Governance**

##### **10.1 SUI Report**

Guy Young presented the SUI Report. Mr Young gave an update on the Cardiology SUI and the Radiology SUI. Similarities with a previous radiology SUI were being investigated.

##### **10.2 Changes to the Clinical Governance Committee**

Mr Young described the proposed changes to the Clinical Governance Committee and these were approved by the Board.

#### **11.0 Human Resources Governance**

##### **11.1 Ratification of Consultant Appointments**

There were no consultant appointments to ratify

##### **11.2 Significant HR Issues**

This item was reported under reserved business.

#### **12.0 Policy, Strategy and Innovation**

##### **12.1 Update on London Strategic Review**

Ms Hallett gave up update on the London Strategic Review. The London Strategic Health Authority was currently reviewing several different areas and options across London. None had yet reached the consultation phase. The Outer North East London review related to potential changes at King Georges, Ilford or Whipps Cross. It was reported that financial modelling was underway and that a formal consultation on one option was awaited.

### **13.0 Papers for Information Only**

The Board noted the following papers:

- DoH Consultation – the Future Regulation of Health and Adult Social Care in England
- DoH Consultation – a Code of Practice for the Promotion of NHS Services

### **14.0 Subcommittees of the Board of Directors**

The Board noted the provisional meeting dates. These were to be confirmed by the chairs of the subcommittees.

### **15.0 Any Other Business**

The Board noted the forthcoming Monitor meeting on the 10 January 2007. Michael Cassidy confirmed that he would be attending. Eric Sorensen, Non Executive Director, would also attend with members of the executive team.

### **Dates of forthcoming meetings**

Wednesday 28 February  
Wednesday 28 March  
Wednesday 25 April

| <b>AGREED ACTIONS FOR NEXT MEETING</b>   | <b>BY WHOM</b> |
|--|----------------|
| Draft response to Monitor consultation on amendments to the Compliance Framework | CC             |
| Business Planning Update   | CC             |
| Areas with scope for growth and key services for development                     | TF             |