

BOARD OF DIRECTORS

Meeting date: 29 November 2006

Agenda Item: 4

Paper: 06/121

Title: Minutes of the Meeting held on 25 October 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
Presented by: Andy Windross, Chairman

**Meeting of the Board of Directors
Wednesday 25 October 2006**

Present

| | | |
|-----------------|---|--|
| Andy Windross | - | Chairman |
| Nancy Hallett | - | Chief Executive |
| Tracey Fletcher | - | Director of Planning and Service Development |
| Pauline Brown | - | Director of Corporate Development |
| John Coakley | - | Medical Director (left at 11.00am) |
| 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 |
| | - | |
| Kate Costeloe | - | Non Executive Director (left at 10.30am) |
| Jessica Crowe | - | Non Executive Director |
| | - | |
| Sallie Rumbold | - | Minute taker |

1.0 Chairman's Welcome and Introduction

Andy Windross, Chairman, opened the meeting and welcomed everyone to the new Board Room and Trust Offices in the Education Centre.

2.0 Apologies for Absence

Apologies were received from Stephen Hay, Non Executive Director, Pauline Brown Director of Corporate Development and Guy Young, Director of Nursing & Quality.

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 30 August 2006 and matters arising

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

5.0 Chairman's Report

Andy Windross, Chairman reported that the Hospital Seal had been used for a lease on Shop 2 (newsagent) which commenced from 19 September 2006.

6.0 Chief Executive's Report

Nancy Hallett, Chief Executive asked Dr John Coakley, Medical Director, to report on a difficult patient case. Dr Coakley reported that an Iranian gentleman, who was also a prisoner, on hunger strike had been transferred from a forensic unit onto the Trust's medical ward. His consultant did not believe it was ethical to feed him although he had been transferred to the Homerton for that purpose. There would be a High Court hearing today to resolve this issue and make a legal ruling. The patient was currently being specialed by two mental health nurses.

Nancy Hallett reported on an article in the Guardian newspaper article that described long lengths of stay in the Trust. It was explained that the data had been misrepresented and how that the Homerton's length of stay was affected by the rehabilitation beds in the Regional Neuro Rehabilitation Unit and the Mary Seacole Continuing Care Unit. Jessica Crowe, Non executive Director, asked if any correction locally was required. It was noted that a press statement had been prepared but that there had been no enquiries as yet. Caroline Clarke, Director of Finance, agreed to present a review of the data following analysis by her team.

It was reported to the Board that Trust had failed to report a breach of a performance target to Monitor in Quarter 1 (this was discussed under item 7.2).

7.0 Corporate Governance & Hospital Secretary's Report

7.1 Chair Appointment

Nancy Hallett reported that Michael Cassidy had been appointed as the new chairman and would be joining the Trust on 1 December 2006. A programme of induction was currently being prepared.

7.2 Monitor Q2 Governance Declaration

Caroline Clarke presented the new format of the Monitor governance declaration form. It was reported to the Board the there had been breaches of the 62 day cancer waiting time target that had not been declared on the Q1 Monitor return.

Caroline Clarke emphasised that the Trust had reported the breaches through normal reporting channels (Open Exeter) at the correct time but this information had been missed from the Monitor submission.

The Board acknowledged that Monitor would view this failure to report as a governance risk.

The Board were informed of the process that is followed for all cancer breaches which involved a detailed investigation and improvements to clinical pathways and shared learning as appropriate. The decision making process for transferring patients to Barts and The London for treatment was explained by Tracey Fletcher.

Nancy Hallett agreed to brief the new Chairman on this issue and Caroline Clarke agreed to contact Monitor by telephone to inform them before the Q2 declaration was sent.

7.3 Monitor Publications

Nancy Hallett presented a paper on the three important Monitor publications:

- The Code of Governance;
- NHS Foundation Trusts: Clinical Quality and Service Performance; and
- Monitor Compliance Framework.

The Board noted the key changes and acknowledged that all Board members had received these documents.

8.0 Business Planning & Performance Management

8.1 Month 6, Finance & Performance Report

Caroline Clarke confirmed that Outpatient procedures would now be paid for under the tariff and therefore the deficit position had been revised to £1.5 million.

It was reported that the Trust has achieved 98.08% against the A&E 4 hour wait target in Quarter 2.

The breaches of the Cancer target had been discussed earlier during the meeting.

The target of completing 98% of all coding within 10 days of the month end had been achieved.

The Board noted that the end of year position worst case scenario had been revised to a £1.2 million deficit following discussion at the Finance Committee held in the previous week.

Andy Windross asked Caroline Clarke to explain the income assumptions. Caroline Clarke explained how income projections were currently made and how they would become more sophisticated in the future.

Professor Kate Costeloe, Non Executive Director requested clarification regarding education levies. Caroline Clarke agreed that the finance team needed to do more work on understanding the cost of research taking place within the Trust.

Jessica Crowe, Non Executive Director, asked about the current usage of Cox Ward. It was reported that the Surgical Unit was now based there.

Caroline Clarke noted that the monthly run rate showed that the Trust would not return to a surplus until the end of the year.

8.2 Financial Recovery Plan

Tracey Fletcher, Director Planning & Service Development presented an update on the Financial Recovery Programme. It was noted that Outpatient procedure income had now been included and that there was a projected deficit of £614k against the original target of £6.1m.

A case and consultation paper was being prepared with regard to the closure of a further small ward following the Length of Stay Project recommendation that further bed day savings were possible. By the end of the week the merger of Defoe and Cass Wards would be in the public domain. Affected staff were being consulted this week.

Andy Windross queried the £500k value of Outpatient procedures as opposed to the original estimate of £750k. Tracey Fletcher explained that £500k was now the most accurate estimation.

Jessica Crowe asked for further clarification on further savings in paragraph 9. Tracey Fletcher explained that the approach used expenditure type areas as opposed to using directorate only areas. The table in paragraph 9 summarised this.

Andy Windross asked about KPMG involvement in the review of the forecast position. Caroline Clarke explained that an interim report was due next Tuesday which would be seen by the Executive team before going to Monitor.

8.3 Monitor Monthly Review

Eric, Sorensen, Non Executive Director, reported on the monthly Monitor meeting held earlier this week. With a further Monitor meeting at the end of November the KPMG report timing and content was crucial.

Monitor was concerned with the Trust's liquidity position. Caroline Clarke had sent information on the cash position to Monitor which showed a positive balance throughout the month and predicted an overdraft of less than £4m. It was noted that October financial position would be extremely important in evidencing the Trust's ability to hit its planned targets.

8.4 Healthcare Commission Ratings 2005/06

Dr John Coakley, Medical Director, presented the Health Care Commission ratings for 2005/06. The new system replaces the previous star ratings and used a different range of measures. The Trust had achieved a *Good* rating for quality of services and *Fair* rating for use of resources.

Areas that prevented the Trust from achieving an *Excellent* rating were:

- Infant mortality
- Data completion for smoking cessation & breast feeding
- Patient survey results
- Obesity
- Emergency bed days

There were questions raised why the data for thrombolysis was marked as unavailable when it appeared to be available and the reasons for the Trust underachieving against the outpatient and inpatient targets.

John Coakley clarified the paediatric emergency target (the rating for emergency care for children was *Weak*.) The target appeared to apply to paediatric admission units.

It was agreed that the Trust needed to prepare a response, as number as there were a number of anomalies, and formulate an action plan. John Coakley suggested that these points become the main focus of the Clinical Governance Committee's work.

Nancy Hallett noted that she would be leading on this work and working with Pauline Brown regarding the completed Health Care Commission information.

8.5 Cerner & Connecting for Health Position Update

This item was recorded under reserved business.

8.6 Research & Development Funding Review

Professor Costeloe presented an update on Research and Development and explained the difficulty in disaggregating funding from directorate budgets as it was hard to see outputs and measures. It was proving difficult to accurately cost research activity.

Professor Costeloe asked the Board to consider the best way forward.

It was noted that new research may be supported by grants but current ongoing commitments were an issue and would be a cost pressure within directorates. It was suggested that income from research went into a separate Research and Development budget to ensure its use was effective rather than into overall Trust budgets.

Caroline Clarke responded that the work to better understand the research and development streams would come out of the consultant job planning and Clinical Nurse Specialist review.

Professor Costeloe added that further clarification and transparency of where the research and development levy was spent was required.

Ian Luder, Non Executive Director, suggested that in principle a resource allocation might be made, through Clinical Board to Board of Directors, to decide how much is supported and how much the directorates would be expected to absorb.

Professor Costeloe, Caroline Clarke and Pauline Brown would work to bring a set of proposals back the Board in January 2007.

It was confirmed that the policy should remain that if an external grant was allocated that the grant could be used by the person applying.

Eric Sorenson, Non Executive Director, clarified that the reductions in research and development levies would take effect in the next financial year and that arrangements for securing further research and development funding would change.

8.7 Presentation on Balanced Scorecard

Caroline Clarke tabled and circulated a performance report for September. The aim was for this to become a balanced scorecard. Future versions would contain additional non finance/income targets. More benchmarks and key performance indicators would follow.

The balanced scorecard now included contributions to overheads by directorate and these figures were reported to be reasonably robust.

It was emphasised that this was only stage one of the development and that more work and clarification would be needed. In the future it was hoped that this would be available on directorate desktops that could be drilled down to the patient level. However, this would take longer to achieve, as additional software was required and the Trust was currently assessing its options.

Caroline Clarke suggested a short presentation on the Foundation Trust Finance regime at the November Board away day.

9.0 Clinical Governance

9.1 SUI Report

Dr Coakley summarised the three SUIs on the report including a more detailed explanation on the new cardiology SUI. A SUI investigation had commenced and a mechanism had been initiated to risk assess and recall patients. 600 Echocardiograms between April and September 2006 were being recalled for a repeat. The SHA and DoH had been informed and an alert letter had been sent to every Trust in England. The agency that supplied the staff member in question had been written to. The Council for Healthcare Regulatory Excellence had also been written to for advice.

The findings of the SUI report would be brought to the Board at a later date for full review.

10.0 Policy, Strategy and Innovation

10.1 Update on London Strategic Review

Nancy Hallett presented an update on the Outer North East London Strategic Review. There were now five options being considered but that consultation would only proceed on one or two options.

The Trust had been asked to comment on potential capacity available at the Homerton to accommodate change to service provision elsewhere.

London was aiming to consult on one option for the Outer North East London Strategic Review by Christmas and would start with a public consultation. This review links with the national revision of Accident and Emergency and maternity units.

It was noted that the implications for maternity were huge.

The Board agreed the need for the Homerton to be proactive in these decisions.

10.2 'Taking Care24/7' Bid

Dr Coakley presented the Working Time Directive 2009 project proposal. The proposal was to continue Modernising Medical Careers and Working Time Directive 2009 compliance and achieve them by August 2007. The Acute Care Team needed to achieve this target was also summarised.

Out of 100 bids only five were successful including the Homerton.

10.3 Relaunch of the Trust Website

Nancy Hallett reported that the Trust internet site had been upgraded.

11.0 Human Resources Governance

11.1 Ratification of Consultant Appointments

There were no new appointments to ratify.

11.2 Disciplinary action and dismissal (reserved business)

There were no disciplinary actions or dismissals to review.

12.0 Papers for Information Only

Subcommittees of the Board of Directors

No papers were received for information.

13.0 Any Other Business

Nancy Hallett reported on the planned changes to the management structure, including a move to three clinical directorates. Sallie Rumbold would take up the post of Acting Director of Operations but without Executive responsibility for 6 months to 31 March 2007, to support the release of Tracey Fletcher full time into the Financial Recovery Plan. The Board agreed in principle, noting that the changes to the structure would be cost neutral.

14.0 Dates of forthcoming meetings

Wednesday 29 November – Away Day

Wednesday 20 December

Wednesday 24 January

| AGREED ACTIONS FOR NEXT MEETING | BY WHOM |
|--|----------------|
| Presentation of length of stay data following analysis | CC |