

ROYAL BROMPTON & HAREFIELD NHS TRUST

Minutes of a Meeting of the Trust Board held on 20 December 2006 in the Concert Hall, Harefield Hospital

- Present: Lord Newton of Braintree: Chairman
Mr C Perrin: Deputy Chairman
Mr R Bell: Chief Executive
Professor T Evans: Medical Director
Mrs J Hill: Non-Executive Director
Mr M Lambert: Director of Finance and Performance
Professor A Newman Taylor: Non-Executive Director
Mr P Mitchell: Director of Operations
Dr. C Shuldham: Director of Nursing and Governance
- By invitation: Mrs M Cabrelli: Director of Estates and Facilities
Professor M Cowie: Director of Research and Academic Affairs
Mr R Craig: Director of Planning and Strategy
Mr N Hunt: Director of Service Development
Ms J Thomas: Director of Communications
Mr T Vickers: Director of Human Resources
Ms J Walton: Director of Fundraising
- In Attendance: Mr J Chapman: Head of Administration
Mrs L Davies: Head of Performance
Mr J Fassill: Equality and Diversity Development Manager
Mrs E Schutte: Executive Assistant

Apologies for absence were received from Mrs Christina Croft, Non-Executive Director and from Ms Josephine Ocloo, Chair Royal Brompton and Harefield Patient and Public Involvement Forum.

The Chairman welcomed members of the Trust staff, representatives from the Royal Bank of Canada and members of the public to the meeting.

REF

2006/147 MINUTES OF TRUST BOARD MEETING ON 22 NOVEMBER 2006
The minutes of the meeting of the Trust Board held on 22 November 2006 were confirmed.

2006/148 REPORT FROM THE CHIEF EXECUTIVE

Mr Robert Bell, Chief Executive, said the Board would give careful thought in the meeting to two particular matters on the agenda of business to be transacted, the outcome of the application to become a Specialist Biomedical Research Centre and the application for Foundation Trust status, the first of which would have some impact on the second.

The application to become a Specialist Biomedical Research Centre had been unsuccessful and the Trust had therefore to take account of the consequences. The Board should consider it as an opportunity to be ready to embrace change, to consider what the Trust provided now and what it should provide in the future. As a Foundation Trust Royal Brompton and Harefield Hospitals would have to stand on its merits and it was clear the current organisation, its services, partnerships and relationships with stakeholders would have to change over the forthcoming six months. The Board would in due course be presented with a number of propositions for change.

2006/149 SPECIALIST BIOMEDICAL RESEARCH CENTRE APPLICATION

The Board received a report from Professor Martin Cowie, Director of Research and Academic Affairs. Professor Cowie said the Trust had learned with great disappointment that the application to the Department of Health to become a Specialist Biomedical Research Centre (SBRC) had been unsuccessful. Informal feedback had indicated that the Department had felt that the Trust had not shown it was capitalising on new scientific methodologies, that research and development was not always directly disease-related, and that the Trust should engage more, academically, with its main research partners. It was clear from the outcome that the Trust had to engage better with the external environment and structure of research and development.

Mr Bell said it followed from what Professor Cowie had reported that the Board would have to address the strategic framework of research and development in the Trust. Only 60% of Trust income came from mainstream NHS sources. Of the remainder, 20% came from private healthcare practice and the rest including current research and development funding related to provision of specific services. This was not congruent with research and development which was highly dependent to-date on NHS funding and an imbalanced strategy existed between healthcare funding and research funding. Research income should therefore be more diversified.

Professor Tim Evans, Medical Director, indicated that there was now a clear need to review clinical and research strategies. Meetings had taken place with clinical directors and consultants to explain the consequences of the decision, including the loss of income from April 2007 and to ensure support for reassessment of clinical priorities and a change of approach to research income. Professor Evans said clinicians were disappointed with the Department of Health decision but he believed the Board could be assured they would respond to the challenges.

Mr Charles Perrin, Deputy Chairman, said the decision had significant consequences (including reputational, and perhaps on recruitment and retention of key research staff) for the Trust's overall strategy and it was important to be certain of the future direction before Monitor commenced the review of the Trust's application to become a Foundation Trust.

Mr Mark Lambert, Director of Finance, commented that Monitor should be able to conclude that the Trust recognised the outcome of the application as an opportunity and that realignment of clinical and research activity with commensurate funding sources would follow. Research and development annual income in the Trust from all sources was around £50 million. The current £28.6 million subvention would reduce to £14 million in 2007/8 and to £4 million in 2008/9. Had the SBRC application been successful the Trust would probably only have been allocated £4 million annually from 2007/8 and it would, therefore, in any event have had to face a very significant challenge to finance research and development from other sources.

Mr Perrin asked the Board to take note that charitable funds might be available to support transitional funding of research and development. The Corporate Trustee would require assurance that the Trust had a sound and viable strategy but if the Trust concluded that there was a need to seek support from the Charity it should be encouraged to do so.

Professor Anthony Newman Taylor, Non-Executive Director and Head of the National Heart and Lung Institute (NHLI) also expressed his disappointment at the decision but reiterated the need for the Board to consider this as presenting an opportunity for the future. He suggested that the model of clinician-academic, which had been a basis for the Trust's reputation as an innovative specialist organisation, was not now considered a viable model for the future.

This was not least because of the increased commitment required by both clinical consultants and academic researchers to achieve the necessary international standing in clinical and research work. He emphasised his belief that the future success of the Trust and of NHLI depended on a strong partnership between them, from which both parties would gain. The Trust and University would need to work closely together to consider the implications of this and to strengthen their joint working. Professor Newman Taylor said the Board should also note that of £450 million currently allocated for NHS research and development the Department of Health had so far only allocated £100 million to fund the SBRC's, together with some other smaller amounts. How the remainder would be allocated was not yet known, but the Board could be assured that the NHLI was committed to working with the Trust to ensure it maximised income from nationally available sources.

The Chairman concluded that the Board was disappointed with the outcome of the application but would be encouraged that it was recognised as an opportunity to respond positively to it. The Board would offer every encouragement to the Executive Directors and clinical leaders to agree a strategic direction that realigned clinical and research priorities, identified new sources of funding and created a new relationship with the NHLI and Imperial College of Medicine.

2006/150 FOUNDATION TRUST APPLICATION

Mr Robert Craig, Director of Planning and Strategy, presented a progress report on the application to become a Foundation Trust. The Secretary of State had announced on 15 December 2006 that the Trust application had been passed to Monitor, the Independent Regulator of NHS Foundation Trusts, for assessment. Monitor would then decide whether the Trust should be authorised as a NHS Foundation Trust in 2007/8 and from which date between April and July 2007. Mr Bell said 1 April 2007 would be the preferred operational date for the Foundation Trust. Mr Craig also reported that the Finance Committee had considered tenders for provision of a working capital facility for the Foundation Trust and that the Royal Bank of Canada was the preferred bidder.

Concerns had been raised about the consequence of the unsuccessful application to become a SBRC and future funding of research and development on the viability of the integrated business plan for the Foundation Trust. Mr Craig assured the Board that the integrated business plan recognised changes in NHS research and development funding as a significant risk but while the Trust would

not receive an allocation as a SBRC £350 million remained to be allocated in the NHS for research and development and the Trust would develop an appropriate strategy to support a bid for a substantial allocation. Monitor would however be looking for assurances that the Trust could respond to the financial changes and that the integrated business plan remained robust as a result of them.

The Chairman asked the Board to note the report. The Board endorsed all efforts that would be made to ensure a favourable outcome from the Monitor review and any appropriate modifications to the integrated business plan.

2006/151 REVIEW OF HAREFIELD HOSPITAL AND SERVICES

Mr Patrick Mitchell, Director of Operations, presented a progress report on the reviews of Harefield Hospital and services which was noted. The Trust Oversight Board had met earlier in December and had reviewed the appraisal of options for the future of Harefield Hospital. It had asked for further work to be undertaken on the strategic context of change, the cost analysis for each option and clarification of the assumptions on which two options were based. It was anticipated the final report would be given to the Board at the next meeting.

The Board noted Mr Mitchell's report.

2006/152 APPOINTMENT OF CONSULTANT CARDIOLOGIST WITH PARTICULAR INTEREST IN ECHOCARDIOGRAPHY

The Board confirmed the decision of an Advisory Appointment Committee to recommend the appointment of Dr. Shelley Rahman-Haley as a Consultant Cardiologist with a particular interest in echocardiography.

2006/153 APPOINTMENT OF CONSULTANTS IN CARDIOTHORACIC AND TRANSPLANT SURGERY

The Board confirmed the decision of an Advisory Appointment Committee to recommend the appointment of Mr Carl Wong and Mr Toufan Bahrami as Consultant Cardiothoracic and Transplant Surgeons.

2006/154 APPOINTMENT OF CONSULTANT IN ANAESTHESIA AND INTENSIVE CARE MEDICINE

The Board confirmed the decision of an Advisory Appointment Committee to recommend the appointment of Dr. Simon Finney as a Consultant in Anaesthesia and Intensive Care Medicine.

2006/155 PERFORMANCE REPORT FOR NOVEMBER 2006

Mr Mark Lambert, Director of Finance and Performance, presented a report for the eight months that ended on 30 November 2006. The Trust had reported an accumulated surplus of income over expenditure of £4.75 million against a planned surplus of £3.99 million, a favourable variance of £758,000. This represented a considerable favourable movement from the 31 October position with the Trust making a surplus of £306,000 against the planned loss of around £500,000. The Trust had therefore recovered £812,000 against plan. Cash remained comfortably ahead of plan and significant progress had been made to address the Trust's aged debt position. There was however some concern that a shortfall of £1.8 million existed against the 3% financial stability plan savings target of £5.9 million. The year to-date financial position however reflected £1.5 million of the shortfall. Mr Mitchell said clinical directors and general managers were aware of the shortfall and had either to deliver the current plan or find other sources of savings to achieve it. Capital expenditure was below plan but the Trust expected the plan to be delivered by the end of the financial year. Overall the Trust's financial position was stable but there had to be continued vigilance to ensure the Trust's target surplus of £4.5 million is achieved.

Mr Perrin asked what would happen to the surplus if it is achieved. Mr Bell said the Trust had a requirement to deliver a surplus for the benefit of NHS London to offset planned deficits of other NHS organisations. It was understood that NHS London would allocate the surplus back to the Trust in 2007/8.

Mr Lambert drew the Board's attention to key performance indicators for 2006/7 and asked the Board to note those for private patient activity, waiting times for cancer treatment, serious untoward incidents and those for cancellation of operations and follow-up outpatient attendances which were cause for concern. The Board was referred to action that addressed them.

The Board noted the report.

2006/156 DISABILITY AND EQUALITY SCHEME

The Board received the approved Trust Disability and Equality Scheme and action plan which will be incorporated into a single equality scheme integrated with Trust business over the next three years. Progress would be reported to the Board at six monthly intervals commencing in June 2007. Mr Yohannes Fassil, Equalities and Diversity Development Manager, gave the Board an overview of the current position, and explained the tasks ahead.

The Board endorsed the Scheme and action plan and agreed that it should be published and then reviewed annually.

The Chairman drew attention to a letter from Ms Josephine Ocloo, Chair of Royal Brompton and Harefield Patient and Public Involvement Forum, about the Scheme, which had been included in Appendix 4. The letter raised issues about consultation on the Scheme and referred to car parking problems experienced by people with disabilities when they visited Royal Brompton Hospital. Mr Fassil said Ms Ocloo's comments on consultation had been addressed. Mr Mitchell said the issue of car parking around Royal Brompton Hospital was part of a wider problem involving other NHS organisations and an approach to the local authority was being pursued.

2006/157 CONTRACT FOR LINEN SERVICES FROM APRIL 2007

A report was received on the outcome of a formal procurement process under mini-competition in accordance with the NHS Purchasing and Supply Framework Agreement for provision of linen services for three years from 1 April 2007. The Board agreed to award a contract to Sunlight plc.

2006/158 TRANSFER OF ASSETS FROM THE TRUST TO THE ROYAL BROMPTON AND HAREFIELD CHARITABLE FUND

The Board received a report from Dr. Rosemary Radley-Smith, Honorary Archivist to the Trust, which recommended, for purposes of decisions relating to insurance, that paintings in the Boardroom of Royal Brompton Hospital given in accordance with the Read Bequest should be reinvested in the name of the Trust Charity. Mr Charles Perrin, Chairman of the Charitable Funds Management Committee, said the Committee had considered the recommendation and had referred it to the External Auditors for opinion. The Auditors had expressed no view. Mr Perrin recommended the Board to accept the recommendation subject to nothing contrary to it emerging from an examination of the original Will. This was agreed.

2006/159 REGISTER OF INTERESTS OF BOARD MEMBERS

The Board received a revised register of interests of Board Members which included new declarations from the Chairman, Mr Charles Perrin and Mr Robert Bell.

2006/160 COMMENTS FROM MEMBERS OF THE PUBLIC

Mrs Pauline Crawley, Chairman of Harefield Tenants and Residents Association, asked if the Trust undertook checks with the Criminal Records Bureau (CRB) on the suitability of members of staff who worked with children and elderly people. Dr. Caroline Shuldham, Director of Nursing and Governance, said the Trust referred all staff who came into regular contact with children for checks with the CRB. It also participated in a service provided by Royal Borough of Kensington and Chelsea on checks for staff at Royal Brompton Hospital whose work involved care of vulnerable adults. Currently no similar service was provided by Hillingdon Borough Council but the Trust applied the same principles relating to employment of staff at Harefield Hospital whose work involved care of vulnerable adults.

Mrs Crawley also drew attention to smoke emission from the incinerator at Harefield Hospital. Mrs Maria Cabrelli, Director of Estates and Facilities, agreed to speak to Mrs Crawley about the problem.

Mr Kenneth Appell, a member of the Patient and Public Involvement Forum, enquired of the current position of the debt owed to the Trust by the Kuwaiti Embassy. Mr Mitchell said a meeting with the Embassy would take place shortly. Mr Appell drew attention to a report in the Press that the Kuwaiti Government had said it would no longer honour debts of individuals. Mr Lambert indicated that the the debtor was the Kuwait Embassy and not individual Kuwaitis.

Mr Appell also said the Patient and Public Involvement Forum had contacted Royal Borough of Kensington and Chelsea about problems people with disabilities encountered over car parking at Royal Brompton Hospital and said the Trust should make the Council aware of its responsibilities. The Chairman indicated that Mr Mitchell had said the Trust was seeking support from other NHS organisations in the locality with a view to a coordinated approach to the local authority.

Mr David Potter, Vice-Chairman of Heart of Harefield and Chairman of Re-beat, a Patient's Charity, said both organisations would congratulate the Trust on the positive progress that was being made

over the application to become a Foundation Trust and over action that was being taken as a result of the unsuccessful bid to become a SBRC.

The Chairman thanked Mr Potter for his generous and supportive comments.

A member of the public who had been a patient at Harefield Hospital for seventeen years following a successful heart transplant operation drew the Board's attention to difficulties he was experiencing as a consequence of the closure of the Dental Department over Christmas and the New Year. He said no one to whom he spoke at the Hospital appeared to be aware and that advice should be available for patients if they required dental treatment during the period of closure. Mr Mitchell said details of seasonal closures of services should be available from the Hospital Reception and from the Hospital Switchboard and in the case of dental services an alternative service was available at Hillingdon Hospital. The member of the public said he also understood that the Hospital Dental Department might be closed. Mr Mitchell said the future of the dental facilities in Harefield Hospital were under discussion.

The Chairman said the Board would regret that the gentleman had to raise his concerns at the meeting and he hoped he was reassured with what Mr Mitchell had said in his reply.

2006/161 NEXT MEETING

The next meeting of the Trust Board would take place on Wednesday 24 January 2007 in the Boardroom at Royal Brompton Hospital commencing at 2.00pm.

2006/162 EXCLUSION OF PRESS AND PUBLIC

The Chairman proposed the following resolution which was adopted; "That members of the public be excluded from the remainder of the meeting, having regard to the confidential nature of business to be transacted, publicity on which would be prejudicial to the public interests."

(Section 1(2) Public Bodies (Admission to Meetings) Act 1960)

The Chairman indicated that the Board would consider the decision of a Panel that had heard an appeal by members of the consultant medical staff over implementation of the consultant contract.