



A lifetime of specialist care

**Minutes of the Board of Directors meeting held on 21st February 2018 in the Board Room,
Royal Brompton Hospital, commencing at 2.00 pm**

Present:	Baroness (Sally) Morgan, Chair	SM
	Mr Robert Bell, Chief Executive	BB
	Mr Richard Paterson, Associate Chief Executive - Finance	RP
	Dr Richard Grocott-Mason, Medical Director/Senior Responsible Officer	RGM
	Mr Nicholas Hunt, Director of Service Development	NH
	Ms Joy Godden, Director of Nursing and Clinical Governance	JG
	Dr Andrew Vallance-Owen, Non-Executive Director	AVO
	Mrs Lesley-Anne Alexander, Non-Executive Director	LAA
	Pr Kim Fox, Professor of Clinical Cardiology	KF
	Mr Richard Jones, Non-Executive Director	RJ
	Mr Mark Batten, Non-Executive Director	SF
By Invitation:	Mr Richard Connett, Director of Performance & Trust Secretary	RCo
	Ms Jan McGuinness, Interim Chief Operating Officer	JMcG
	Mr David Shrimpton, Private Patients Managing Director	DS
	Ms Joanna Smith, Chief Information Officer	JS
	Ms Jo Thomas, Director of Communications and Public Affairs	JT
	Ms Lis Allen, Human Resources Director	LA
	Mr Piers McCleery, Director of Planning and Strategy	PMcC
In Attendance:	Mr Ross Ellis, Divisional General Manager - Lung Division	RE
	Mr Anthony Lumley, Corporate Governance Manager (minutes)	AL
	Ms Hannah Murdoch, Communications Manager	HM
	Ms Gill Raikes, Chief Executive, Royal Brompton & Harefield Hospitals Charity	GR
	Ms Derval Russell, Divisional General Manager – Harefield Hospital	DR
Governors in Attendance:	Mr Anthony Archer	AA
	Mr Steven Caddick	SC
	Mr Robert Parker	RP
	Mr George Doughty	GD
	Ms Caroline Karlsen	CK
Apologies:	Mr Robert Craig, Chief Operating Officer	RCr
	Mr Luc Bardin, Non-Executive Director	LB
	Ms Kate Owen, Non-Executive Director	KO
	Mr Simon Friend, Non-Executive Director	SF
2018/01	<u>WELCOME</u> The Chair welcomed all to the meeting. She informed the meeting that the item Strategic Risks listed in the Action Tracker would be discussed in a Part II Board Meeting following the public Board Meeting on Wednesday 28 th March 2018.	
2018/02	<u>DECLARATIONS OF INTEREST IN MATTERS COMING BEFORE THIS MEETING</u> None.	

2018/03 MINUTES OF THE PREVIOUS MEETING HELD ON 29 NOVEMBER 2018

The minutes were approved.

2018/04 REPORT FROM THE CHIEF EXECUTIVE

BB gave a verbal update in which the following was raised:

KHP RB&HFT

BB reported that since the meeting of the NHS England (NHSE) Board held on 30th November 2017, there had been several face to face meetings between NHSE and the Trust. NHSE was supportive and engaged in discussion of the plans. The timetable as set out in the NHS England Board papers was:

- June 2018, Strategic Outline Case
- November 2019, Outline Business Case
- August 2021, Full Business Case
- April 2022 Full co-location achieved for all inpatient paediatric specialist services

However, BB said that major capital investment would be required for co-location and that it was imperative that services for children and adults were not separated. NHSE had acknowledged that the timeline would need to be reconsidered. The key consideration was to demonstrate progress.

BB assured the Board that there was no threat of closing down, the message was 'business as usual'. AVO asked how staff were feeling. BB replied that staff now had greater confidence and a sense of relief, although some were challenged by the scale of the proposition.

RJ asked about plans for the interim period. BB said that the Trust was working to create a jointly commissioned service with Guy's and St Thomas' NHS Foundation Trust (GST) with services provided at both hospitals.

Planning and Redevelopment

BB reported that planning consents had been granted for three plots:

- i) Chelsea Farmers Market (CFM)
- ii) the listed buildings at 117-123 Sydney Street
- iii) the hospital campus; for all phases of work.

The Trust's plan to sell CFM was complicated by the safeguarding of the site by Crossrail 2 for potential enabling works, but there was a readiness on the part of the Trust to use the property to raise the necessary funds to undertake the hospital improvements.

The Trust was awaiting the outcome of an amended application to vary the planning consent to allow a second floor above ground for the Imaging Centre. BB said that he expected this to be resolved and that transitional capital arrangements would allow the Trust to proceed before the sale of CFM, so that construction could begin in 2018.

BB also reported a change in the leadership of the National Heart & Lung Institute (NHLI) which

was part of Imperial College London (ICL). Professor Sian Harding had been appointed Interim Head of NHLI. BB said that he had met with Professor Harding recently and they had discussed the relationship between the Trust and NHLI. BB reported that the Trust had been a founding entity of NHLI and the importance of the academic relationship between the Trust and NHLI was acknowledged by both parties.

2018/05

CLINICAL QUALITY REPORT FOR MONTH 10: JANUARY 2018

RCo presented the report. He noted that it covered information from M9 and M10, the previous meeting of the Trust Board having been held in November 2017.

RCo said that he wanted to focus on the work being done to improve data quality in respect of the referral to Treatment Time (RTT) target. He reminded Board members of the data quality self- assessment undertaken during 2017 as part of a national NHS Improvement programme and that the then Chief Operating Officer, Robert Craig, had asked the Elective Care Intensive Support Team (IST) of NHS Improvement to get involved in the work needed to progress the recommendations contained in the report issued by the IST following the self-assessment.

The IST has spent five days with the Trust during January / February and work is underway to:

- Improve the quality of Information provided by the Performance and Information Team to operational managers to manage elective care pathways
- Improve the quality of data entered to Lorenzo
- Provide training for the Performance and Information Team
- Provide advice on a training programme for operational staff who input data to the Lorenzo Patient Administration System (PAS).

RCo noted that one patient on an RTT pathway who had waited more than 52 weeks had been included in the M9 return of data to the central Unify system. The Board reviewed the details of this breach of the national quality requirement.

RCo reported on the cancer access targets. The 62 day cancer target had been achieved 100% in both M9 and M10 once breach allocations had been taken into account. In M9, the 31 day cancer target for subsequent treatment had not been met because 2 out of 22 patients had waited more than 31 days.

Two patients had waited more than 28 days for treatment following cancellation of their surgery. This had been due to a shortage of PICU beds.

The Care Quality Commission (CQC) Insight report had been updated on 27th December 2017 and that while it continued to rate the Trust overall as about the same, there was a statement saying surgery was declining. This had been triggered by a Never Event that had occurred in July 2017. The Never Event had previously been reported to the Board (September 2017) and reviewed by the Risk and Safety Committee (RSC).

Information on Learning From Deaths for the period up to the end of Quarter 3 was included in the report as required by NHS Improvement.

The report was welcomed by the Board and in response to a question from RJ the Board noted there was evidence that the programme of work associated with implementing the RTT Data Quality review recommendations was being embraced by Trust staff. JMcG said there was a dedicated task and finish group and that she had confidence the action plan could be delivered by the end of the calendar year.

In response to a further question from RJ the Board noted that the spike in cancelled operations in the catheter laboratories in Harefield Hospital (HH) in January 2018 was due to a record number of heart attacks (over the last 18 months) which had led to elective patients being cancelled and pressure on ICU. Relative to other acute Trusts over the winter months, RB&HFT had cancelled fewer elective cases.

JG said, in response to a question and comment from LAA, that the two Serious Incidents (one in M9 and one in M8 respectively) included in the report were the same as those previously reported to the Risk and Safety Committee. It was agreed that the content of these reports would include more information about outcomes where this was possible.

The Board agreed that the trend graph in the report on cancelled operations which had a line on it that illustrated the trend having been 'smoothed using the exponential technique' was still useful and would continue to aid an understanding of the trend.

The Board approved the report prior to publication on the Trust web site.

2018/06

FINANCIAL PERFORMANCE REPORT FOR MONTH 10: JANUARY 2018

RP presented the M10 report which summarised the financial performance of the Trust to 31st January 2018. The Board noted the key headlines:

- Monthly income and expenditure: performance had been close to plan, which was laudable given that the Cost Improvement Plan (CIP) was back end loaded.
- Deficit year-to-date (YTD): on the bottom line this was £4.8m better than plan, but the underlying deficit was still around £24m. Income was generally strong and pay control was good; non-pay was behind plan but there had been offsetting benefits.
- EBITDA (Earnings Before Interest Taxes Depreciation and Amortisation): of the last 4 months, 3 had been positive. As this was a proxy for cashflow from operations this was promising as it showed that operations had generated some money during that period. However, Capex (Capital Expenditure) requirements, loan servicing and PDC dividends meant the cash position was still challenging
- Year end: the Board noted that, subject to audit, the Trust expected to beat its plan by a considerable margin benefitting from revaluation of CFM with a resulting uplift in value which would go to the bottom line of the income and expenditure account. There is to be another incentive scheme this year, named the Provider Sustainability Fund (PSF). For every £1 that the Trust reported above its control total NHS Improvement (NHSI) will award £1 which would be received as cash. Last year this had been paid in July. RP cautioned that there was a risk of some negative publicity because of the extent to which the Trust might benefit from this arrangement.
- Cash: cash reserves are dwindling. A drawdown from the Revolving Credit Facility of £10m was about to be made to take the Trust through the next four months until the Sustainability and Transformation Fund (now known as the Provider Sustainability Fund) money for Q4 was received.

- Trade debtors: the Board noted a significant large value debt from a foreign customer of £6.0m.

In response to questions from Board members RP said that it was likely that Cost Improvement Programme (CIPs) initiatives would achieve about £10m out of £15m that had been planned. However, savings had been and were being made in other areas.

AVO asked about the value being derived from working with BCG (The Boston Consulting Group). RP said that he reserved judgement, there had been good ideas and challenges and there would be discussion of this topic at the next meeting of the Finance Committee.

Action: It was agreed that an update on the Darwin Programme would be presented to the Trust Board at its next meeting – JMcG and Tim Callaghan.

MB, Chair of the Finance Committee, said that when the operating plan for next year was considered CIPs would be looked at again.

The Board approved the report prior to publication on the Trust web site.

2018/07

REDUCING AGENCY EXPENDITURE

JMcG and LA jointly presented the report. The Board noted that the Trust expected to remain under the agency cap for 2017/18 (£9m) set by NHS Improvement (NHSI) and that the cap would be lower for 2018/19 (£7.7m) which the Trust aimed to comply with. The Darwin Programme had been looking at the bed base and increasing the use of day case procedures to reduce length of stay; and the plan was to centrally manage the agency staff budget. Workforce planning was dependent on great data in order to predict peaks in demand in order to reduce the use of last minute agency staff. Work was being done to clean data and also to speed up recruitment to substantive posts in order to reduce use of bank and agency staff. MB cautioned that with the introduction of the General Data Protection Regulation (GDPR) in May 2018 there were likely to be new considerations with regards to the handling of data. Staff would have a right to know what information was being held on them for use in the recruitment process and this would have to be provided to staff on request.

The Board commended the Trust teams for this achievement and the downward trend in the use of temporary staff given the inherent difficulty for a specialist Trust to source the right staff. They noted there was no real difference between Harefield Hospital and the Royal Brompton Hospital and generally there had been real progress in recruiting full time nurses while, in the background, work around retention in clinical areas, embedding Trust values and cultures, and the government's relaxation of the test for overseas applicants in January 2018 were all helping in the drive to reduce agency expenditure.

The Board noted the report.

2018/08

OPERATIONAL PLANNING 2018/19

RP said this report was primarily for information and in it were set out an outline and the key dates for NHSI's 2018/19 planning requirements, the final submission date being 30th April 2018. In his 2017 autumn statement the Chancellor of the Exchequer had announced additional money for the NHS this current financial year of £650m of which the Trust would receive £3.5m. This would be channelled via the Provider sustainability Fund (PSF). This replaces the former Sustainability and Transformation Fund (STF). A break even result at year end would mean that £11.5m of PSF would be awarded rather than the planned £8m.

RP said he had met earlier this week with NHSI and informed them that next year's plan would reflect the achievement of the Trust's control total, which was to break even. The Board noted that Q3 2017/18 results from NHSI for the sector were imminent and these were expected to be disappointing. They also noted that the government's stated intention to lift the public sector pay cap was as yet unfunded and there remained a concern that providers would be expected to meet this by identifying savings elsewhere.

The Board noted the report.

2018/09

AUDIT COMMITTEE (AC)

(i) REPORT FROM MEETING HELD ON 6th FEBRUARY 2018

RP gave a verbal report on behalf of the Chair of the committee (SF) who was unable to attend this Board meeting. He reported that the Committee had considered the standard reports received from the Internal Auditor and Counter Fraud as well as the sector development report from the External Auditor. The committee had noted that for the Quality Report an audit of the 18 week referral and 62 Cancer targets had been mandated. A centre piece presentation on GDPR had been given. The committee had asked for a gap analysis to the end of May 2018 and KPMG, the Trust's internal auditors would carry this out. Within the acute provider sector it was not expected that any organisation would be found wholly compliant when the GDPR first comes in to effect.

2018/10

RISK & SAFETY COMMITTEE (RSC):

(i) REPORT FROM MEETING HELD ON 6th FEBRUARY 2018

LAA provided Board members with a verbal update of the work of the RSC (the Chair AVO having given his apologies for the last meeting). The committee had been given a presentation on a Quality Improvement initiative (which had won a Trust award) on the use of the PET CT scanner at its Wimpole Street site and this had been well received. The committee had also discussed the Trust Risk Register. Whilst members had recognised that the Risk Register had to be reviewed formally, they had agreed that the RSC was not the right place for some of the risks.

LAA said that the overall report would continue to be tracked by the Risk and Safety Committee while specific top trust risks would be reviewed in other committees, such as the finance risks being reviewed in the Finance Committee.

AVO said that the Board would look at strategic risks when it met in March 2018.

Finally on receiving the Annual Complaints Report the committee had agreed that it had needed more 'colour' to bring issues to life.

The Board noted the statutory responsibility of the Board to monitor complaints. It was agreed that JMcG would look into how comments from the Friends and Family Test could be incorporated into the Complaints Report.

Action: Include comments from responses to the questions in the Friends and Family Test within the Complaints Report – JMcG.

(ii) (UNCONFIRMED) MINUTES FROM THE MEETING HELD ON 6th FEBRUARY 2018

The minutes were noted.

- 2018/11 FINANCE COMMITTEE: (UNCONFIRMED) MINUTES FROM THE MEETING HELD ON 6th FEBRUARY 2018
The minutes were noted.
- 2018/12 REGISTER OF DIRECTORS' INTEREST
RCo reported that AVO had informed him of a change to make regarding his interests.

Subject to this change, the Board confirmed the accuracy of contents of the report.
- 2018/13 RECOMMENDATIONS OF ADVISORY APPOINTMENTS COMMITTEE
The Board were presented with two ratification forms for the appointment of consultant medical staff. The first related to the appointment of a Consultant in Paediatric Intensive Care and had been chaired by LAA who presented the recommendation for appointment. The second was presented by RGM and was for a Consultant in Critical Care Medicine.

The Trust Board ratified the appointments of:
- Dr Abhishek Narayanan as a Consultant in Paediatric Intensive Care; and
- Dr James Doyle as a Consultant in Critical Care Medicine.
- 2018/14 FINANCE COMMITTEE TERMS OF REFERENCE
These were approved.
- 2018/15 AOB
LAA said she had noted in the recently published Annual Review 2017 that the list of Non-executive Directors was not entirely accurate. It was agreed that the list would be reviewed.
- 2018/16 QUESTIONS FROM MEMBERS OF THE PUBLIC
Anthony Archer (AA) asked about the Darwin Programme and the anticipated surplus. It was agreed that information on the Darwin Programme would be provided to Governors along with the 2018/19 Operating Plan.

George Doughty (GD) asked two questions:
i) Should the Trust be setting a point in the future when it had to take action over the significant PP debtor discussed in the Finance Report? SM assured GD that this was being carefully tracked at the Finance Committee and this issue was affecting other specialist Trusts too.
ii) How was Wimpole Street performing in terms of income streams, participation and usage? DS replied that a mixture of PP and NHS work was being carried out and that the number of consultations is running at 800 per month, which is on track.

NEXT MEETING Wednesday 28th March 2018 at 14.00 hrs Boardroom, Royal Brompton Hospital