

ROYAL BROMPTON & HAREFIELD NHS TRUST

Minutes of a Meeting of the Trust Board held on 22 September 2004 in the Boardroom, Royal Brompton Hospital

- Present: Lord Newton of Braintree (Chairman)
Mrs I Boyer: Non-Executive Director
Professor T Evans: Acting Medical Director
Professor M Green: Non-Executive Director
Mrs M Leadbeater: Director of Finance
Mrs S McCarthy: Non-Executive Director
Mr P Mitchell: Director of Operations
Professor A Newman Taylor: Acting Chief Executive
Mr C Perrin: Deputy Chairman
Dr. C Shuldham: Director of Nursing and Quality
- In attendance: Mrs M Cabrelli: Director of Estates
Mrs C Champion: Director of Strategic Management
Mr R Craig: Director of Governance and Quality
Mr N Hodson: Project Director
Mr N Hunt: Director of Partnership and Service
Development
Dr. R Radley-Smith: Associate Medical Director HH
Ms J Thomas: Director of Communications
Mr T Vickers: Director of Human Resources
Mrs J Walton: Director of Fundraising
- Observer: Ms J Ocloo: Chairperson Royal Brompton and Harefield
Patient and Public Involvement Forum
- In Attendance: Mr J Chapman: Head of Administration
Mrs L Davies: Head of Performance

The Chairman welcomed members of the public and Trust staff to the meeting and said that the Board would meet in a closed session at the end of business transacted in the open meeting. He also reported that a sound amplification system had been installed in the Concert Hall at Harefield Hospital but there was not yet one in Royal Brompton Hospital Boardroom. The Chairman asked Board Members to speak clearly so that the public could hear the proceedings.

The Chairman also welcomed Ms Josephine Ocloo who had taken over from Miss Marguerite Greatorex as Chairman of Royal Brompton and Harefield Patient and Public Involvement Forum. Ms Greatorex had recently been in hospital and the Chairman asked Ms Ocloo to give her the Board's best wishes for a full and speedy recovery.

2004/100 MINUTES OF THE MEETING ON 21 JULY 2004

The Chairman said Trust Senior Managers and Mrs Jean Brett, Chair Heart of Harefield, had contributed substantially to compilation of the minutes of the Trust Board Meeting on 21 July 2004. He had also reviewed the minutes and finalised them for adoption by the Board. A number of questions had however been raised about the minutes especially over the account of what he had said at the end of 2004/85 on comments from members of the public. The Chairman said that he saw no point in a discussion on this and suggested that a form of words should be agreed between the Trust and Mrs Brett and the minutes presented again for adoption at the Board meeting on 27 October.

2004/101 REPORT FROM CHIEF EXECUTIVE

The Board received a report from Professor Anthony Newman Taylor, Acting Chief Executive, which referred to seven matters. In particular Professor Newman Taylor reported on the Trust's current financial position which had deteriorated. A report from Mrs Claire Champion in response to a request at the previous meeting for information about proposed bed reductions for Royal Brompton and Harefield NHS Trust in the Paddington Health Campus was attached to the report.

The Chairman expressed the Board's gratitude to Professor Newman Taylor for taking over again the role of Acting Chief Executive and his executive leadership following the departure of Dr. Gareth Goodier.

2004/102 FOUNDATION TRUST STATUS

Professor Newman Taylor presented a report on Foundation Trust status for Royal Brompton & Harefield NHS Trust. As a consequence of the award of 3 star performance rating in 2003/4 the Department of Health had invited the Trust to apply for foundation trust status.

The Executive Directors had considered the invitation and had received advice from others including the Royal Marsden Hospital NHS Trust (a first wave foundation trust). A number of issues indicated that an application this year was inappropriate. The Trust faced a difficult financial situation which was putting an assurance of long term financial stability at risk. No appointed Chief Executive was likely to be in place until 2005/6. Preparing for foundation trust status would be a full time commitment for the Executive Team requiring others to act up for them throughout their regular duties. With an Acting Chief Executive and an Acting Medical Director in post this would severely test Trust management. As a result the Executive Team had decided it was inappropriate to apply for foundation trust

status this year. The Board should however express an interest and ask for an opportunity to apply at a later date.

Mr Charles Perrin, Deputy Chairman, supported the recommendation but asked if the Executive Directors knew the decision of St. Mary's NHS Trust on an invitation to apply for foundation trust status as the Board might wish to keep in step with them. The Executive Directors were not aware at present that St. Mary's Trust had decided to apply.

The Board fully supported the recommendation not to apply for foundation trust status at this stage. The Department of Health would be informed of the reasons. The Chairman recommended that if St. Mary's NHS Trust decided to apply the Executive Directors should review the position. This was agreed.

2004/103 CAR PARKING AT HAREFIELD HOSPITAL

The Board received a report from Mrs Maria Cabrelli, Director of Estates. Mrs Cabrelli said the report updated the Board following discussion at the meeting on 29 June 2004 and addressed issues raised subsequently by interested parties including the Joint Staff Committee, Harefield Medical Committee, Rebeat and the Voluntary Services Manager. Mrs Cabrelli had also asked London Borough of Hillingdon Planning and Transport Department to increase parking controls outside the entrances to Harefield Hospital for reasons of safety and sensitivity to parking overspill on neighbouring roads. Disabled visitors would not be charged for parking in the Hospital and the Trust was increasing the number of spaces in the car park for disabled drivers.

Mrs Cabrelli also reported that the Trust Finance Committee had considered proposed parking charges which would be related to income groups. The Committee had insisted that implementation of managed car parking and charges must be cost neutral to the Trust. Mrs Mary Leadbeater, Director of Finance, confirmed that the business case for the scheme fully supported the Board's decision in June and negotiations had taken place with National Car Parks, the successful tenderer. The Finance Committee had discussed a range of options for implementation and was satisfied that the scheme would achieve a break-even position financially.

Mrs Pauline Crawley, Chairman of Harefield Residents Association, expressed disappointment that the Trust had not consulted her organisation about introducing car parking charges. They were greatly concerned because it would result in staff parking outside the Hospital especially in the streets closest to it, nor did they want a proliferation of yellow lines. The Residents Association was totally opposed to the introduction of charges on the Harefield site.

The Chairman commented that it was not the Trust's intention or wish to disrupt activity or life in the village. However, London

Borough of Hillingdon had imposed an obligation on the Trust to implement car parking controls when it gave planning consent to the development of the Anzac Centre and the Heart Science Centre. The Chairman added that most hospitals imposed car parking charges. If the Trust did not impose them other methods of financing the scheme, such as service reductions, would have to be implemented.

Mr David Potter, Vice Chairman of Heart of Harefield, asked for an assurance that volunteers would not have to pay car parking charges. The Chairman gave him an assurance.

Mr Don Chapman, Vice Chairman of Harefield Hospital League of Friends, asked exactly what was meant by volunteers and whether their helpers who, through their work contributed a large sum to the Hospital's funds, would be charged. The Chairman confirmed that they would be treated as volunteers.

Mr Don Chapman also reiterated Mrs Crawley's opinion that Hospital staff would park in the nearest adjoining streets which would also be nearer than the car parks. The Chairman said Mr Chapman should refer this concern to the Local Authority. The Trust could not afford to meet the financial consequences of the car parking scheme without charging.

Mrs Jean Brett said that a petition had been raised by Harefield staff objecting to car parking charges, a copy of which had been handed to her. She believed Mr Patrick Mitchell had been contacted about these concerns. In a short time nearly 300 had signed. While appreciating there had been some movements since concerns was first raised, consultation could have prevented problems. The Trust should consider the views of its staff.

2004/104 PADDINGTON HEALTH CAMPUS DEVELOPMENT

Mr Nigel Hodson, Paddington Health Campus (PHC) Development Project Director, presented a report which referred to five matters. North West London SHA published the report of the independent review of the PHC Project on 7 September 2004. The SHA also published a Press Release. The report of the independent review and the Press Release were enclosed with Mr Hodson's report.

The PHC option shortlist in the new Outline Business Case (OBC) envisaged the use of land adjacent to the St. Mary's Hospital site north of the Grand Union Canal which is owned by Paddington Development Corporation Limited (PDCL) of which Chelsfield is a 50% shareholder. The Trust had signed a collaboration agreement to negotiate the use of their land. A master plan with options for jointly developing land within the PDCL combined estates was submitted to Westminster City Council Planning Department on 8 September and the response from its officers was awaited. There had been significant interest in the Development from construction

and PFI press and journalists continued to be briefed regularly. Coverage had focused on criticisms in the independent review report.

Mr Hodson also drew attention to the report from Mrs Champion which was also attached to his report.

The Board noted Mr Hodson's report.

2004/105 OUTLINE BUSINESS CASE – KEY ELEMENTS

Mr Hodson's report also referred to a paper on the key elements of the new Outline Business Case (OBC) for the Paddington Health Campus (PHC) which the Board received. Production of a new OBC followed the report of the independent review which recommended that the SHA should lead a process identifying options for investment in the NHS in West London for heart and lung, paediatrics, tertiary care services and St. Mary's infrastructure. The SHA had chaired an OBC steering group which had reviewed strategic objectives formulated in 2000 and having held them still to be relevant agreed a long list of development options that could fulfil them. Four of the options were shortlisted for detailed evaluation in the new OBC. The Union Site was the chosen option for the PHC Development and has the shortest construction timetable, delivers good clinical adjacencies and, as a cleared site, was suitable for redevelopment. It enables a minimum decant programme and causes minimum disruption to St. Mary's Hospital. The option was however dependent on the availability of the Union Site. For this reason the NHS had entered into a collaboration agreement with the site owner.

Forecasting clinical activity up to 2010 had taken place and capacity assumptions had been determined to ensure planning reflects best practice and maximises use of space and facilities. Mr Hodson indicated that three of the development options increased the use of space. New consumerism standards impact on all three options. Duplication of support services had an impact on the two options outside the PHC.

The PHC Union Site Development emerged from a non-financial evaluation as the preferred option and financial evaluation was taking place. Clinical services for the option had been identified and a model of care for the PHC was attached to the paper.

Mr Hodson reiterated that the Project Team had submitted a master plan for the proposed scheme to Westminster City Council which had been developed in discussion with planning officers. Their response was expected by 30 September. Mr Hodson stressed the submission did not have the status of a planning application.

The construction programme for the PHC Union Site option envisaged PFI competition completed by mid 2007 and completion of construction to enable St. Mary's and Harefield Hospitals to move to

new PHC premises by 2011. A second construction phase would then take place with Royal Brompton Hospital and the NHLI relocating to the PHC in 2014.

Professor Malcolm Green commented that the detail given by Mr Hodson on the new OBC represented very substantial progress. However, while the preferred solution presented opportunities to achieve the Board's objectives for strategic redevelopment of its services, substantial challenges would have to be overcome.

Ms Josephine Ocloo, Chairman of the Royal Brompton and Harefield Patient and Public Involvement Forum, asked if the OBC would take account of any data on the adverse impact on certain patient groups and on differing inequalities in health. Mrs Champion agreed that the patient profiles of Royal Brompton and Harefield Hospitals were different but it was impossible to say whether or not one is more disadvantaged than the other in socio-economic or health terms. There was a wide disparity of socio-economic groups among patients at both Hospitals. Mr Nick Hunt, Director of Partnerships and Service Development, said Primary Care Trusts had commissioned equity studies among their patient groups which had so far focused on coronary heart disease and cancer patients.

The Chairman recommended the Board at this stage to take note of Mr Hodson's paper. The Board would be invited to approve the OBC at its next meeting. He proposed that the Board should hold a special meeting to consider the OBC alone. This will be held in the afternoon on Tuesday 19 October at a time and place to be agreed later.

2004/106 COMMENTS FROM MEMBERS OF THE PUBLIC

Mrs Jean Brett said Heart of Harefield would prefer to be discussing the review report on the Paddington Health Campus. In the light of the content of that independent report an extraordinary Board meeting should be called to discuss it in detail.

Mrs Brett said it was interesting that Mr Hodson's report referred to the Union Site when due to the Grand Union Canal splitting the development it is the Disunion site, whereas in the consultation the Paddington Project had been sold as a single site development. That is what Heart of Harefield took legal advice upon and with it not now fitting on a single site it gives the opportunity to revisit that advice.

Mrs Brett stated that Mr Hodson's report gave no evidence of progress whatsoever. The new hospitals were supposed to have been completed by early 2006 yet near the end of 2004 a split site with tunnels providing adjacencies between St. Mary's and the Royal Brompton and Harefield buildings was being suggested. The Trust and the Project Board had not done what the independent review recommended, for that report did not only refer to pursuing the Paddington Health Campus option. It said the SHA should lead a

process identifying options for investment in the NHS in West London for tertiary cardiac care. Mrs Brett thought that there could be a use for the Grand Union site in solving the core problem in Paddington which was the rebuilding of St. Mary's and decanting its services elsewhere during that process. The new buildings put up on that Chelsfield site could later be used for a convalescent hospital or research.

Mrs Brett said that only the idea for an outline business case had been presented because they did not have the land, nor had an outline planning application been put in to Westminster City Council. There was an obsession with Paddington whereas there was a duty to look at alternatives. The independent review report refers to the HM Auditor General who, in a letter to Mr John Wilkinson MP, dated 6 September 2004, stated that, "we shall of course continue to monitor NHS progress in delivering affordable and achievable investment in healthcare for the population of North West London." Mrs Brett said that the Project had not moved forward and was in a worse position now than in 2000 when it at least had an OBC.

Heart of Harefield was concerned that the independent review report had been practically ignored by the Board yet it was one of the most damning reviews she had read on a NHS project. This was an opinion shared by MPs. The mismanagement of the project had been horrendous; the inefficiency around the project had been horrendous; the amount of misinformation surrounding it had been horrendous. Mrs Brett said this was not meant as a criticism of some of the people involved in the project because they had merely followed the advice they had been given. But it was the job of any Project Director to question and to question.

The letter from HM Auditor General to John Wilkinson MP referred to the MP drawing the attention of Edward Leigh MP, Chairman of the House of Commons Public Accounts Committee, to the soaring costs of the Project, the absence of agreed affordability envelopes and insufficient funding of the Project Team. In particular, the Scheme was not deliverable for the price stated in the original OBC. The Project Team was no longer certain the preferred scheme in the OBC remained the best value for money. There was no definition of an affordability envelope within which the Scheme had to remain. This contributed to the Scheme having a lack of focus and cost drift. The annual revenue gap for the reviewed project was £48mn per annum. Heads should roll.

Mrs Brett referred to the NHS manual, which anyone involved in a NHS Project should refer to. However, in point 20 the review report states that despite costs rising from £460mn to between £800mn and £900mn so reaching the 10% tolerance leeway the Project Board did not ask the Project Team to seek reapproval for its Outline Business Case. It comments that there seemed to be no clarity in the Project

Team on the financial limits within which they should operate. Mrs Brett commented that this level of inefficiency was damning and in a private firm would result in resignations from the Board.

There was a Gateway Review in November 2003. That review said quite bluntly that the Project Team needed to deal with a critical situation, strengthen project management and resolve problems before they became worse. There is no sign that was done. Press interest continued culminating in John Wilkinson MP writing to the National Audit Office.

Mrs Brett reiterated that the report was damning and expressed surprise that the Board had failed to acknowledge it was appalling or queried what had gone wrong when the report utterly vindicated the opponents of the Paddington Project. However, Mrs Brett said that they had been delighted by the reaction of the Strategic Health Authority Non-Executives the day before who had said that, "The expertise was on our side, that we were right and that apologies and a different attitude were in order". This could lead to progress on Paddington but not at the expense of Harefield Hospital.

The idea that few patients would have to travel into London for heart treatment as this could be provided after Harefield's closure by their local general hospitals Mrs Brett did not accept. She referred to an excellent paper within the current Board papers written by Dr. Charles Ilsley. This explained the development of a primary angioplasty service at Harefield Hospital which had marked benefits for patients as well as being financially beneficial in reducing length of hospital stay. In this model of care London ambulances go straight into Harefield Hospital. This is the reality not the creation of cardiac services in local general hospitals as envisaged by the Paddington Project.

Mrs Brett said many in Heart of Harefield would have liked her to put its views more strongly. Nevertheless, the independent review is scathing. The Board must face this. Apologies are owed. Mrs Brett paid tribute to the expertise available within Heart of Harefield from Mr David Potter on the construction industry and Mr John Ross on building hospitals. Heart of Harefield had also benefited greatly from other freely given professional advice.

Mrs Brett said that instead of the fantasies of progress in actual fact the Project was further behind than it was in November 2000. It did not have the site or the land that it wants. It had not submitted a new Outline Business Case and it had not submitted a new Outline Planning application.

Responding to Mrs Brett's remarks, Mr Hodson said the Union Site and the current NHS development site would be connected by a subway, 50 metres long and 8 metres wide, not a tunnel. There

would be two channels, one for patients and staff and the other for services. The distance was comparable with the distances between the St. Mary's and Royal Brompton and Harefield buildings in the previous scheme. Mr Hodson agreed that the NHS did not own the Union Site and this is a major issue. He maintained the new OBC would be a satisfactory scheme but could only be achieved if the Union Site could be obtained.

Mr John Ross commented that the St. Mary's building would have 22 floors and would overlook the M40 motorway. This was hardly a suitable environment for a hospital. The Chairman said it was the adjacency that mattered. Ambulances would have direct access from the motorway to the Accident Department, which was better than current access from Praed Street.

Mr David Potter, Vice Chairman Heart of Harefield, informed the Board that he had attended the most recent SHA Board Meeting and had noted that no-one from the Trust or the Project Team was present. One of the SHA Non-Executive Directors had spoken out very strongly in commending the independent review report to the Board. He said the review reflected what the public and patients representatives had been saying for years. It was about time the Trust and the Project Team began to listen to them because they were clearly better informed. By the end of the meeting three other Non-Executive Directors also supported the comment made earlier by their colleague in saying that something had to change. Because if it stumbles on with all the problems it had encountered over the last four years, if nothing changes, if there is no accountability, then to repeat Mrs Brett's remarks, if this was a commercial organisation heads would roll. It is an appalling situation. The management of the scheme had not significantly changed and if it continues as it has in the past the next series of mistakes would be far greater as would be the criticism and that would be cause for very great concern.

Mr Potter believed there is a case for members of the Board to meet with Heart of Harefield to discuss the review and the projections for the OBC in order that the mistakes made in the past are not repeated all over again. We talk about patient and public involvement and there are people working hard to achieve it but unless they are involved now the benefit of that involvement would be lost.

Mr Potter said Mr Hodson's paper referred to the environmental benefits within the PHC. There were also environmental benefits of Harefield Hospital. One option that had not even been looked at is the possibility of developing Harefield in balance with Royal Brompton. Mr Potter believed this should still be considered. Mr Potter then asked a number of questions. Firstly, what changes to the project management will occur so that the mistakes of the past are not repeated? Secondly, will the OBC be provided to members of the public prior to the special Board meeting in time to consider it?

Thirdly, who is funding the current work and how much funding goes on external advisors each month?

Mr Potter also said the previous paper from Mrs Champion reported 10 beds in the Royal Brompton and Harefield building at Paddington would be lost. Within two months 25 beds had been lost. He appreciated bed numbers are a changing position but all the time there is a diminution of services in the wrong direction. Mr Potter repeated that the Board should meet to discuss the review and indeed the proposed OBC.

In reply the Chairman said that as a result of the Gateway Review steps were taken to strengthen the structure of the Project Board by closer involvement of the PCTs and Imperial College. While in no way seeking to dismiss the criticisms made in the report it would be unfair to suggest that nothing had been done to address some of the recommendations. Not all of them were directed to the Trust. The Chairman said the Trust was unsure how the SHA would address them. Many others were also involved and it would require engagement with them in determining how the criticisms and the recommendations could be addressed.

Mr Hodson said the OBC would be available to the public before the special Board meeting. It would be a substantial document and Mr Hodson said he would talk with Mr Potter about how the logistical problems of distribution and the cost implications could be resolved. An executive summary would also be published. It was suggested that in order that members of the public who do not usually receive Board papers could obtain the OBC before the meeting copies should be made available for personal collection at Harefield Hospital.

Mr Hodson said the Project had spent £6.2mn on external advisors at the end of March 2004. Up to 30 June it had spent about £105,000. The Chairman said the costs were still being met by the PCTs and Partnerships UK but this may have to be looked at as a consequence of the independent review.

Mr Potter referred to the independent review report reference to the total cost of £6mn through to closure. This had been spent before the invitation to tender for the PFI partner, following which there would be another two and a half years of expenditure. Even taking the revised figure now half had been spent without even having an OBC let alone advertising for the PFI partner or work through to closure, which is an enormously expensive process.

The Chairman said it would be inappropriate to comment but acknowledged there could be difficulties which would require consideration by the two Trusts on whether or not they would need to find funds in the short term.

Mrs Jean Lucas, on behalf of Rebeat and a supporter of Heart of Harefield, asked the Chairman if the next two Board meetings would be held at Harefield. The Chairman said they would and in 2005 to redress the imbalance between Royal Brompton and Harefield sites that had arisen in 2004 there would be an equal number of meetings at each site.

Mrs Pauline Crawley referred to the issue of consultation over the PHC Development and the use of the Point Building that she had raised at the previous meeting. She was informed that it was not a substantial change from the proposal in the 2000 consultation document. Mrs Crawley said what is now proposed is a much greater change. Great stress was placed in the consultation document on the proximity of DGH services as the reason for relocating Royal Brompton and Harefield to Paddington. To get from the Royal Brompton and Harefield building to the St. Mary's building in the new proposal would take about 15 minutes. This is all it would take, in fact even less, to get from Hillingdon to Harefield. Things had changed and the Trust should be consulting again.

Mrs Crawley also referred to the requirement of an Accident and Emergency Department on the site where tertiary care services are located. The report on the NSF for coronary heart disease services proved this was not necessary. The case was being determined by the availability of DGH services which are very different.

The Chairman said that these issues went over ground that had been extensively discussed for a long period of time. One of the advantages would be that people arriving in the Accident Department would benefit from the availability of the specialist tertiary services available to them which could not have been predicted to be required when they were referred or taken there. St. Mary's was also more than a DGH. On the issue of distances the Chairman produced information given to him. The distance between the Royal Brompton and Harefield and St. Mary's buildings would be 220 metres and between the Royal Brompton and Harefield and the Maternity and Children's Unit 190 metres. The distance between the Transplant Unit and the Day Case Unit in Harefield is 244 metres and from Harefield Reception to B West Day Room 200 metres. These do not give the impression of great distances in the PHC Development. The Chairman said Harefield is a widespread site. There was also a considerable distance between the Sydney Street and Fulham Road Wings in RBH.

Mrs E Hill, a member of Community Voice, said Farrell & Partners who produced the plan of the PHC had referred to the Westway Flyover as the Harrow Road. This showed inefficiency and if they could not get this type of detail right there was no reason to have any confidence in them. The Chairman said the Trust would make sure Mrs Hill's comment is passed to the firm.

Mr John Ross said he was appalled at Mr Hodson's reaction to the Project's costs. This was indicative of the fact that nothing had been learned from the independent review report. With the questions Mr Hodson had been asked month after month he should have at least had the figures available for the meeting. In the commercial world the Project Director would certainly have known what is being spent month by month.

Mr Ross referred to the evaluation of options. He hoped to see in the OBC the criteria for each heading would be explained very clearly and equally the weight that is applied to them in order to see the rationale behind the decisions that are made.

The Chairman said the revised OBC would be looked at with some care, both by the SHA and more importantly by the Department of Health and the Treasury. Mr Hodson confirmed that the criteria and weights would be given and explained.

A member of the public drew attention to a reference by a Board member saying the use of the site north of the Canal being the best option to have evolved and therefore suggested that the first plan on which £6mn had already been spent was a waste of time.

The Chairman invited the member of the public to read or read again the paragraph which said that, "We think this is worthwhile and good as a plan". The Chairman acknowledged that view is not shared by members of the public present. The Chairman also said the independent review report commented that the PHC Project was one of the largest and most complex ever undertaken in the NHS. The Project was always going to be different because of its size and complexity. The Trust considers it is worth the effort. Most of those present from the public are opposed to it. Whether or not they like the concept, they do not want the practical consequences of the closure of Harefield. The Trust Board had to accept that.

A member of the public referred to the acquisition of the Union Site. The owner would know how essential it is to the Development and the NHS would have to pay dearly for it. Without it the Project is sunk.

The Chairman said there are other possibilities than purchase of the land. Mr Hodson said the member of the public should appreciate that if the price is too high the land would not be purchased and the Scheme would not proceed. It was not just a matter of purchasing the land. The Project would have to also establish value for money and comply with the OBC process. The Chairman added that any option has to be compared with the status quo which would itself be costly and is also unsustainable.

Mrs Crawley referred to the question she asked at the previous meeting about the 2004/5 staff questionnaire and whether it had been formulated yet. The Chairman interjected and said Mrs Brett, Mr Ross and no doubt others were well aware that it had not.

Mr Dennis Gulliford, a member of Rebeat, said Mr Hodson had indicated the NHS would have to acquire land on the Union Site but gave no figures on what this was likely to cost and whether it would be a leasehold or freehold purchase. He asked for an indication of what the land would cost.

The Chairman said these were points the Board would have to discuss in a closed meeting. The Trust had to safeguard its negotiating position and the interests of others over which it had no control. These matters could not be discussed in an open Board meeting at this stage without undermining the position of the NHS.

Mr James Kincaid, Vice-Chairman of Community Voice, informed the Board that although most of the questions raised had come from Heart of Harefield a very much wider and larger grouping of patients and potential patients were extremely concerned about the whole project. Community Voice is an umbrella group of 30 to 40 voluntary organisations in North West London representing almost 100,000 people. Harefield Hospital was always on the agenda of Community Voice and it receives regular reports from Heart of Harefield on progress, or rather lack of progress, on the Scheme. Mr Kincaid wished the Board to know that Community Voice is fully behind almost all the issues Heart of Harefield raises which concern a very large proportion of the population of North West London. The Chairman said this would be recorded in the minutes.

2004/107 REPORT FROM THE FINANCE COMMITTEE

Mrs Mary Leadbeater informed the Board that the Finance Committee had met earlier in the afternoon on 22 September 2004 and had discussed a number of matters that featured in reports written for the Board Meeting. These included the Trust financial position at the end of August (month 5), HRG payments by results, business cases for capital and revenue schemes and debt write-offs.

The Chairman asked the Board to note the Trust's serious financial position and action taken by the Executive Directors to resolve it. The Chairman also said it was regrettable that the Trust still did not have a balanced budget for the year.

2004/108 BUDGET SETTING FOR 2004/5

Mrs Leadbeater said the Board had particularly been aware that a budget could not be set at the end of Month 5. Clinical Directors and Trust Managers were working with an interim budget, but great difficulty was being experienced in bridging a £3mn gap in the agreed

savings plan for the year. A further report would be submitted to the next meeting.

Mr Don Chapman, Vice-Chairman of Harefield Hospital League of Friends, said the Board should give more consideration to Harefield Hospital. The League of Friends was careful with spending money but at the same time received requests to purchase items that the NHS should provide. Mr Chapman also said Harefield Hospital was the poor relation with tasks being done for the Hospital at Royal Brompton, sometimes less well.

The Chairman said that with more time available Mr Chapman would receive orally from one of the Executive Directors a lengthy list of capital schemes that had recently been completed at Harefield Hospital. Far from Harefield being less favoured it could be said Harefield had received a disproportionately greater share of the Trust resources. As for what the NHS should pay for when resources were scarce the Chairman said it was a matter that the Trust Charity frequently considered. The Chairman invited Mr Chapman to take up the matter with Mr Robert Craig if he had specific concerns.

2004/109 PERFORMANCE REPORT AND STAR RATINGS

The Board received and noted a performance report on finance activity and waiting list measures and human resources for the period ending on 31 August 2004. A significant increase in the size of the financial debt had occurred with the overall debt in excess of £2.2mn and possibly £2.5mn. The initial year-end forecast indicated the overall deficit could be as high as £4mn.

The Board noted a report from Mrs Lucy Davies, Head of Performance, which set out the full results of the star ratings assessment for 2003/4. The Board again congratulated Mrs Davies and her team for the achievement.

2004/110 REPORT FROM THE AUDIT COMMITTEE MEETING

The Board noted that the Audit Committee had met on 21 September 2004. Mr Charles Perrin, Deputy Chairman, indicated that the Committee's deliberations would be reported to the Board in due course through the minutes.

2004/111 ADVISORY APPOINTMENTS COMMITTEE

The Board confirmed the decision of an Advisory Appointments Committee on 6 September 2004 to appoint Dr. Andrew Gaunt and Dr. Ian McGovern as Consultant Anaesthetists.

2004/112 ITEMS FOR INFORMATION

The Board received and noted the contents of the following reports that had been distributed for the meeting;

- (i) Clinical Governance Quarterly Report for the period from April to July 2004
- (ii) Progress with the National Service Framework for Coronary Heart Disease
- (iii) Report from the Director of Operations
- (iv) Revised Declaration of Directors' Interests

2004/113 RESOLUTION TO EXCLUDE MEMBERS OF THE 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 interest."

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

The Chairman then gave a very brief indication of the business that would be transacted with members of the public excluded. They included a matter relating to a covenant on the use of certain land at Harefield Hospital.

**Lord Newton of Braintree
Chairman**