



A lifetime of specialist care

**Minutes of the Board of Directors meeting held on 24th May 2017 in the Concert Hall,
Harefield Hospital, commencing at 10.30 am**

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 Robert Craig, Chief Operating Officer	RCr
	Mr Nicholas Hunt, Director of Service Development	NH
	Ms Joy Godden, Director of Nursing and Clinical Governance	JG
	Mr Neil Lerner, Deputy Chairman & Non-Executive Director	NL
	Dr Andrew Vallance-Owen, Non-Executive Director	AVO
	Mr Luc Bardin, Non-Executive Director	LB
	Mr Philip Dodd, Non-Executive Director	PDd
	Ms Kate Owen, Non-Executive Director	KO
	Mrs Lesley-Anne Alexander, Non-Executive Director	LAA
	Pr Kim Fox, Professor of Clinical Cardiology	KF
	Mr Richard Jones, Non-Executive Director	RJ
By Invitation:	Mr Richard Connett, Director of Performance & Trust Secretary	RCo
	Mr David Shrimpton, Director Private Patients	DS
	Ms Jo Thomas, Director of Communications and Public Affairs	JT
	Ms Joanna Smith, Chief Information Officer	JS
	Ms Lis Allen, Director of Human Resources	
	Ms Jan McGuinness, Director of Patient Experience & Transformation	JMc
In Attendance:	Mr Anthony Lumley, Corporate Governance Manager (minutes)	AL
Governors in Attendance:	Mr Anthony Archer	

2017/41 WELCOME AND APOLOGIES
There were no apologies.

The Chair expressed her wholehearted thanks to Neil Lerner who had served the Trust so well as a Non-executive Director, Deputy Chairman and latterly as Acting Chairman. He had given her great support and invaluable advice.

NL said he had hugely enjoyed his time with the Trust and had felt privileged to have been a part of it.

2017/42 DECLARATIONS OF INTEREST IN MATTERS COMING BEFORE THIS MEETING
None.

2017/43 MINUTES OF THE PREVIOUS MEETING HELD ON 26th APRIL 2017
The minutes were approved.

Matters Arising
None.

2017/44

REPORT FROM THE CHIEF EXECUTIVE

BB gave an oral update in which the following was raised:

- The recent much publicised cyber attack on NHS systems served to remind the Trust that this was just a part of an increasing hazard. The Trust had not been affected by the specific virus but the Board noted and acknowledged that while the organisation was taking this issue extremely seriously, absolute assurance that similar attacks in future would not breach our systems could not be given.
- The Royal Borough of Kensington and Chelsea would be considering the Trust's planning application for a new respiratory wing and modernised imaging facility on 1st June 2017. There were grounds for optimism that they would be approved –BB would be attending the planning meeting with RJ together with the Trust's property advisors.

2017/45

CLINICAL QUALITY REPORT FOR MONTH 1: APRIL 2017

RCo presented the report. The Board were pleased to note that with one exception (Cancelled Operations) all targets had been met including the target for VTE Risk Assessments, but also noted that data quality concerns had been identified in the auditor's report on the Quality Report (as also discussed under item 2017/50 Audit Committee Report). The auditor had proposed that emails, documenting the dates that cases from other Trusts were being referred to the Royal Brompton and Harefield NHS Foundation Trust (RB&HFT) for surgical treatment of lung cancer, were retained. The Board heard that the Trust is confident the figures were correct, notwithstanding the issue of supporting evidence.

RCr assured the Board that the process that had led to two thoracic surgery patients not being offered another appointment date within 28 days following the cancellation of their operations had been examined and a solution (to involve the Thoracic service at the first discussion) was being implemented.

The Board also noted that the infection outbreak - Extended Spectrum (beta) Lactamase-producing Klebsiella Pneumonia - while affecting the provision of bed places had not been the cause of any serious patient harm, there had been no deaths, and were assured that the best patient management was in place and infection control was robust. Following on from implementation of recommendations from the Care Quality Commission's inspection report, new processes would be embedded more widely in transformation work and Quality Priorities, this work being monitored, on behalf of the Board, by the Risk and Safety Committee.

The Board noted the report.

2017/46

FINANCIAL PERFORMANCE REPORT FOR MONTH 1: APRIL 2017

RP presented the M01 report which summarised the financial performance of the Trust to 30 April 2017. The Board welcomed the key headline that the recorded deficit (£4.7m) was ahead of plan (£5.5m) while noting that the full year control total, a £5.6m deficit was already close to being surpassed. Board members also noted that:

- The cash position was strong and would be further bolstered by the receipt of STF bonus monies although repayment of ITFF and commercial loans would commence during the year and progress on CIPs and productivity transformation was required.

- The sale of Chelsea Farmers Market or at least its further revaluation at the end of financial year would be a key factor in meeting the plan.
- Not all CIPS had been identified to date and £6.1m had therefore been back end loaded.
- Projections for Private Patient income while reasonably conservative did not obviate monthly fluctuations, as noted in the past.

RP said his overall assessment for achieving the control total for Month 1 was, on balance, optimistic although there were clearly risks. The Board noted that this view was shared by the Chief Executive and the Chief Operating Officer, specifically in terms of achieving the control total.

The Board noted the report.

2017/47

SAFE STAFFING REPORT NURSING

JG presented the report. The Board heard that nurse staffing levels were safer than the national average (and in line with NHSI's target) and that sickness levels were also lower than nationally reported. The Board also noted that vacancy levels varied between 12% and 25% across different areas and that agency usage was reducing and the trend for the number of shifts that had to be covered and hourly rates was downwards.

The Chair proposed that a 'good news' paragraph be added to Annual Report. This was agreed.

The Board noted the report.

Action: reference to reduction in the use of agency nurses to be included in the Annual Report (RCo).

2017/48

PRODUCTIVITY AND TRANSFORMATION PROGRAMME

RCr gave a brief verbal update in which the following was raised:

- The scale of the challenge was a likely Income/Expenditure gap of £50m by the end of 2018/19 if nothing was done.
- The 'Transformation' programme had begun, and had now moved from scoping the challenge and opportunities to the early implementation phase.
- Plans amounting to c£10m (over and above the 'regular' Financial Stability Plan) had been quantified and progress was being made against the remaining challenge.
- A key theme was changing the way we use our capacity – both beds and interventional resources – to optimise the flow of patients through our hospitals. Early initiatives were to increase the number of day-case and day-of procedure admissions, and to improve 'in-hours' utilisation of theatres and cath labs.
- Staff were being engaged in the process and a competition had been launched to name the programme. There would also be Programme Management Office (PMO) blended between consultant support (from the Boston Consulting Group – BCG) and Trust staff.

RGM assured Board members that clinicians were suitably involved and were making a positive contribution in Programme Leadership, Divisional Directors and Care Group meetings - overwhelmingly there was an appetite for change.

Action: A full presentation on the Productivity and Transformation Programme will be scheduled for the next Board Seminar which is to be held on 26th July 2017 (RCr).

2017/49

FINANCE COMMITTEE: GOING CONCERN

NL reported that the Audit Committee, having examined plans for the current year and 2018/19 had noted that there was a strong cash position which would remain strong throughout the period. Sensitivities had been analysed: potential delays in receipt of money from the sale of Chelsea Farmers Market and failure of challenging CIPs plus other smaller sensitivities. The Board noted that both the Audit Committee and the Finance Committee were comfortable that there would be enough cash for two years without having to draw on the £10m Revolving Credit Facility.

2017/50

AUDIT COMMITTEE (AC)

(i) REPORT FROM MEETING HELD ON 23 MAY 2017

NL provided Board members with an oral update of the work of the Audit Committee which had primarily been focused on the Annual Report and Accounts. They were informed that the Head of Internal Audit opinion was 'clean' with only minor points for improvement. The External Auditor had also given a clean opinion on the Annual Report and a modified opinion with respect to the Quality Report due to the data quality issues relating to the referral to treatment time target and the 62 day cancer target.

(ii) MINUTES FROM THE MEETING HELD ON 25 APRIL 2017

The minutes were noted.

2017/51

RISK & SAFETY COMMITTEE (RSC): MINUTES FROM THE MEETING HELD 25 APRIL 2017

The minutes were noted.

2017/52

APPROVAL OF THE ANNUAL REPORT AND ACCOUNTS INCLUDING QUALITY REPORT 2016/17

RCo reported that the changes to the Annual Report and Quality Report, requested by the Audit Committee had been made and an analysis of the country of origin for the nursing workforce had been included at the request of the Chief Executive. Stakeholder comments absent in the Quality Report would also be added shortly.

RP said that in addition to minor drafting changes an adjustment to accounts was required because of the award by NHSI of a further £200k STF funding. He proposed that NL be given delegated authority to approve final changes. This was agreed. The draft independent audit opinion was to be added which would be clean subject to the final amendments and a satisfactory representation letter; and the auditors had agreed with the Trust's Going Concern statement. In the draft representation letter the Trust was asked by the auditors to confirm that it was the plan to redevelop the RBH campus given the related £6m of capitalised costs. This was agreed.

Subject to those final amendments and NL's delegated authority the Board approved the Annual Report and Accounts.

2017/53

CORPORATE GOVERNANCE STATEMENTS

Introducing the paper RCo said under the terms of the NHS Provider Licence, NHS Improvement (NHSI) required the Trust to approve two self-certifications prior to their publication on the Trust's website. The accompanying paper set out the matters which

required a declaration by the Trust Board as to whether they were 'confirmed' or 'not confirmed'. Each matter included sources of assurance and, where required, risks and mitigating actions. RCo drew attention to Statement 2 Training of Governors – the views of Governors were being sought on the specific issue of training. A considerable amount of training had been provided in 2016-17. AL would be circulating the statements to Governors following this meeting.

The Board approved each recommendation.

Action: circulate Corporate Governance Statements to Governors (AL) and publish the self-certifications on the Trust web site (RCo).

2017/54

RECOMMENDATIONS OF ADVISORY APPOINTMENTS COMMITTEE

The Board were presented with a ratification form for the appointment of a Consultant Vascular Surgeon with an interest in Aortic Surgery and ECMO by LAA.

The Trust Board ratified the appointment of Mr Maziar Mireskandari as a Consultant Vascular Surgeon with an interest in Aortic Surgery and ECMO.

2017/55

AOB

a) KO and LB reported that they had held a constructive meeting with Governors and that they would continue to work with Governors to ensure collaboration between the Non-executive Directors and the Council of Governors.

b) The Chair raised the possibility of fewer Board meetings next year, though these may be lengthier. This may be a more constructive and effective approach. The Board agreed that this should be examined.

Action: RCo to prepare a draft schedule of meetings for 2018.

2017/56

QUESTIONS FROM MEMBERS OF THE PUBLIC

Mr Kenneth Appel congratulated the Trust on operational performance and asked if more could be done to promote the Trust. BB thanked him for his kind comments and assured him that the Trust's communications team were not missing a beat highlighting the good things about RBH and Harefield Hospital and were carrying out a job which was professional and accurate.

NEXT MEETING: Wednesday 26th July 2017 at 2.00pm, Boardroom, Royal Brompton Hospital.