



A lifetime of specialist care

**Minutes of the Board of Directors meeting held on 25th October 2017 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
	Mr Luc Bardin, Non-Executive Director	LB
	Mr Simon Friend, Non-Executive Director	SF
	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
	Ms Jo Thomas, Director of Communications and Public Affairs	JT
	Ms Joanna Smith, Chief Information Officer	JS
	Ms Lis Allen, Human Resources Director	LA
	Ms Jan McGuinness, Director of Patient Experience & Transformation	JMc
	Mr Piers McCleery, Director of Planning and Strategy	PMc
In Attendance:	Mr Anthony Lumley, Corporate Governance Manager (minutes)	AL
	Ms Gill Raikes, CE Royal Brompton & Harefield Hospitals Charity	GR
Governors in Attendance:	Mr Anthony Archer	
Apologies:	Mr Robert Craig, Chief Operating Officer	RCr

2017/79 DECLARATIONS OF INTEREST IN MATTERS COMING BEFORE THIS MEETING
(None).

2017/80 MINUTES OF THE PREVIOUS MEETING HELD ON 27th SEPTEMBER 2017
The minutes were approved subject to the following amendments:

Page 1 Present. Delete 'Mr Neil Lerner, Deputy Chairman and Non-Executive Director NL'.

BD 17/70 Clinical Quality Report. Page 2, para. 3: insert 'suspected infectious' between 'with' and 'diarrhoea' and insert 'promptly' between 'be' and 'isolated' (Sentence is 'Secretarial note: the learning point from the above case involving a lapse in care was that patients with suspected infectious diarrhoea should be promptly isolated').

BD 17/70 Clinical Quality Report. Page 2, para. 1, sixth sentence: replace '27 July 2017' with '27 September 2017'.

Matters arising

BD 17/70 Clinical Quality Report. Page 2, para. 1, sixth sentence. RGM said the operation had gone well and the patient was recovering.

2017/81

REPORT FROM THE CHIEF EXECUTIVE

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

- With respect to the Congenital Heart Disease (CHD) Review the Trust is awaiting an announcement which is expected from NHS England (NHSE) following the meeting of its Board scheduled for 30th November 2017. The Trust has put forward a position and BB said that he wanted to reassure staff, through the Trust Board, that the Trust would continue to deliver a strong service.
- The conclusion from the Trust's planning applications to the Royal Borough of Kensington and Chelsea (RBK&C) was pending but imminent. RP added that final amendments had been made to the s.106 agreement that morning and, if agreed by RBK&C, would be on its web site for 48 hours. The three parties (RBK&C, Transport for London and the Trust) would then sign, the appropriate signatories having been identified. By the end of the week commencing 30th October 2017 a signed s.106 should have been achieved and the related planning consents would then be issued. A six week period for judicial review would follow on the process. BB proposed that he be given authorisation to sign the s.106 agreement on behalf of the Trust. This was agreed. BB added that this was the lynchpin for future financial and operational plans.

2017/82

CLINICAL QUALITY REPORT FOR MONTH 6: SEPTEMBER 2017

RCo presented the report. The Board noted that 8 cases of *Clostridium difficile* awaited review by NHS England and that there had been no cases for MRSA bacteraemia in M6 and indeed no cases in the year to date.

Performance against the 18 Week Referral-to-Treatment (18w RTT) target had been above the national standard and performance against the 62 Day Cancer target had met the STF trajectory agreed with NHS Improvement. There had been no cancellations of urgent operations and no breaches of the pledge to offer a binding date within 28 days of the cancellation.

There had been one breach of the National Quality Requirement that no patients on an RTT pathway wait over 52 weeks. The investigation into this breach is ongoing and will be followed up by the Governance and Quality Committee.

On the 31 Day Cancer Targets, the data was reviewed during August and September by the Cancer Services Manager who has confirmed that breaches of the targets were due to clinically complex cases and that differences between the provisional data published from the Trust Inflex system and the data published six weeks later by the national Open Exeter system were due to other trusts changing pathway information. The Board noted that the replacement system for Open Exeter, currently being developed by NHS Digital for implementation on 1st April 2018, is expected to include functionality to ensure that the Trust receives email notifications when data is changed.

The Board noted that the updated CQC Insight report continued to rate the Trust as either stable or improving and that CQC's new inspection methodology had been rolled out from September 2017. It also noted that inspections would now be unannounced and that the

CQC would first visit those Trusts who were rated 'Requires Improvement' prior to April 2016 which meant that RB&HFT would not be in this first wave although this did not rule out a visit before March 2018 if there was another risk trigger. The Board noted that CQC preparation was ongoing.

The Board noted the Learning from Deaths data for the first six months of 2017/18 and the complexity of the reporting including the different grading scales used by the Trust and the Royal College of Physicians.

SF asked whether performance against the 18w RTT for cardiac surgery fell regularly below 92%. RGM said that historically it had been below the target. Surgery commissioned by NHSE did not always meet demand and more urgent cases frequently took priority. While he acknowledged that the Trust could do better this was mainly a supply and demand problem. RJ added that he had sought assurance on this previously and that Robert Craig had responded that the 92% target figure was expected to be the average performance achieved by the Trust and that it was acknowledged that there would be variation within this.

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

2017/83

FINANCIAL PERFORMANCE REPORT FOR MONTH 6: SEPTEMBER 2017

RP presented the M6 report which summarised the financial performance of the Trust to 30 September 2017. The Board noted the key headlines:

- Monthly income and expenditure: M6 performance was with one exception consistent with the first five months of the year. Relative to plan, NHS income was on target, private patient income down 20%, pay savings continued and EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) was £0.5m favourable. The one exception was that the Trust did not receive a planned £1.8m capital donation from the Charity in month. This had been deferred because completion of the related facilities had been delayed by perhaps two months. There would be a catch up effect later in the year as receipt of the donation is not in doubt.
- Surplus year-to-date (YTD): is c. £2m ahead of plan (c. £4m adjusted for the delayed capital donation).
- The year ahead: the plan would be ramping up by £1.0m a month in the second half at the 'bottom line'. Given that YTD performance was ahead of plan this should enable the Trust to meet its target deficit of c. £6m. This was important because the outcome would determine whether the Trust achieves its 'control total' and receives all its allocation of Sustainability and Transformation Funding. There were still some £7m of unidentified Cost Improvement Programmes for the second half of the year. There would be some Darwin dividend but probably not enough to match that figure. RP said the control total and deficit target were achievable but re-emphasised that this was subject to achieving a substantial gain on the revaluation of Chelsea Farmers Market at 31 March 2018 as it would not be sold before 2018/19.
- Cash: at £26m this was currently healthy but there would be a sharp deterioration in the second half with back-ended capital expenditure as well as loan repayments and PDC dividend, and there was therefore pressure on the forward cash position. The Finance Committee had received and reviewed revised I&E and cash forecasts at its meeting on 24 October 2017. At the end of 2017/18 the cash balance would be some £6m but this was likely to go negative in the first few months of 2018/19 without mitigating action.

- The Trust would therefore be making an application to the Independent Trust Financing Facility (ITFF) for a bridging loan for £40m. This was necessary because the proceeds from the sale of Chelsea Farmers Market could only be deposited into a ring-fenced bank account and used for defined hospital improvements. Bridging finance would be required until any unused funds could be transferred to the Trust's main account. A back up facility application was under discussion with approaches made to Barclays and HSBC. Any resulting loan facility agreement would probably not require Board approval before 2018/19.

RJ said that the Finance Committee had also received papers on Patient Level Information and Costing Systems (PLICS) and HRG4+. These had been encouraging from the point of view of Darwin work which needed accurate costing. RGM said the Divisional Directors meeting earlier that day had also discussed these two papers.

SF asked if the ring-fenced amount applied to all capital expenditure for this site. RP said that the Trust had held out for a s.106 agreement with as much flexibility as possible but RBK&C had pressed hard for precise definition of the hospital works to be financed from ring-fenced funds. This interchange had contributed to the delays in finalising the agreement.

It was agreed that the papers on PLICS and HRG4+ presented to the Finance Committee would be circulated to other Board members.

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

Action: circulate PLICS and HRG4+ documents

2017/84

AUDIT COMMITTEE (AC)

(i) REPORT FROM MEETING HELD ON 17 OCTOBER 2017

SF provided Board members with a verbal update on the work of the Audit Committee. Under Matters Arising it was noted that a briefing on cyber security from Joanne Smith, Chief Information Officer would be received at the next meeting.

The committee had discussed two reports from the Internal Auditors(KPMG). These covered Risk Management and the Lorenzo PAS Implementation.

The internal auditors finding for the Risk Management Review was of significant assurance with minor improvement opportunities, Consideration of the report led to a discussion of strategic risks facing the Trust and the Trust's risk appetite. It had been concluded that it would be helpful to have a discussion on these matters at the Trust Board.

Action: it was agreed that a discussion of Strategic Risks would be added to the Board Programme - RCo

The internal auditors finding for the Lorenzo PAS Implementation Review had been of partial assurance with improvements required. The discussion concerning this report had focused on the Trust's ability to manage change.

The committee had also received a progress report on counter fraud and it had been resolved to clarify reporting lines to ensure that relevant members of the Trust Board were aware of issues relevant to their areas. Deloitte's External Audit Plan for 2017/18 and their

Sector Developments paper were discussed and the advent of the General Data Protection Regulation in May 2018 was noted.

(ii) (UNCONFIRMED) MINUTES FROM THE MEETING HELD ON 17 OCTOBER 2017
The minutes were noted (tabled at the meeting).

2017/85

RISK & SAFETY COMMITTEE (RSC):

(i) REPORT FROM MEETING HELD ON 17th OCTOBER 2017

AVO provided Board members with a verbal update on the work of the Risk and Safety Committee. It had been agreed that good work was being done in the area of cancer services and that bearing this in mind the frequency of review could move to every six months.

Dr Helen Goodman, had attended the committee in her capacity as Chief Nursing Information Officer and the Committee had heard about the work being done to bring nursing staff and IT staff closer together. The CQC update focused on organisational culture and also updated the committee on progress made on critical care. It was agreed to review a couple of the top 10 risks in more depth at each meeting. Anne Pike, the Trust's Freedom To Speak Up Guardian spoke about her challenging role and the committee noted the good dialogue with Human Resources. The committee also received updates on Learning from Deaths and the Health and Safety Annual Report. The latter had included details of a needle stick injury incident and the committee discussed how to provide more information on incidents without breaching confidentiality. It was noted that there would be one more meeting of the RSC in 2018 bringing the total number of meetings of the Committee to five.

(ii) (UNCONFIRMED) MINUTES FROM THE MEETING HELD 17th OCTOBER 2017
The minutes were noted.

2017/86

CONFLICT OF INTEREST AND ANTI-BRIBERY POLICIES

RCo presented the report. The Board noted that: the Conflicts of Interest Policy had been reviewed following the publication of guidance by NHSE. Advice had been taken from Hempsons and all of the guidance had been incorporated within the updated policy. It was noted that that adherence to the guidance had been written into the NHS Standard Contract for 2017/18 by NHS England.

The Board approved the Conflict of Interest Policy and the Anti-Bribery Policy.

2017/87

RECOMMENDATIONS OF ADVISORY APPOINTMENTS COMMITTEE

The Board were presented with three ratification forms for the appointment of consultant medical staff. All had been chaired by AVO. AVO recommended the appointment of:

- Dr Benjamin Silverman as a Consultant in Anaesthesia;
- Dr Ana Hutado as a Consultant in Critical Care Medicine; and
- Dr Effychia Galiatsou as a Consultant in Critical Care Medicine.

The Trust Board ratified the appointments.

2017/88

MARS

RP informed the Board that the scheme required approval from HM Treasury and that this could be achieved through an application to NHSI which had delegated authority for MARS approvals. The Board noted that this application had been made.

The Board approved the scheme.

2017/89

AOB

SM said that in the future Board programme Research and Education would feature on the agenda at least twice a year.

SM informed the Board that the Board Seminar on 29th November would be on Patient Experience.

NEXT MEETING Wednesday 29th November 2017 at 10.30am, Concert Hall, Harefield Hospital