

## **ROYAL BROMPTON & HAREFIELD NHS TRUST**

### **Minutes of a Meeting of the Trust Board held on 26 April 2006 in the Board Room, Royal Brompton 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  
Mrs M Leadbeater: Director of Finance  
Mrs S McCarthy: Non-Executive Director  
Mr P Mitchell: Director of Operations  
Professor A Newman Taylor: Non-Executive Director  
Dr. C Shuldham: Director of Nursing and Governance
- By invitation: Mrs M Cabrelli: Director of Estates and Facilities  
Mr R Craig: Project Director Foundation Trust Status  
Mr N Hunt: Director of Service Development  
Ms J Ocloo: Chair Royal Brompton & Harefield Patient and Public Involvement Forum  
Ms J Thomas: Director of Communications  
Ms J Walton: Fundraising Director  
Sir Michael Partridge: Independent Project Reviewer  
Mr M Taylor: Independent Project Reviewer
- In Attendance: Mr J Chapman: Head of Administration  
Mrs L Davies: Assistant Director and Head of Performance  
Mr R Sawyer: Head of Risk  
Mrs E Schutte: Executive Assistant

An apology for absence was received from Mrs Christina Croft, Non-Executive Director.

The Chairman welcomed members of the Trust staff and members of the public to the meeting.

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2006/48 MINUTES OF TRUST BOARD MEETING ON 29 MARCH 2006  
The Board received the minutes of the previous meeting on 29 March 2006 and agreed the following amendments;

- (i) 2006/38: Redevelopment of Harefield Hospital and its Services  
The first three sentences in the first paragraph on Page 6 to be deleted and replaced with the following;

“Professor Newman Taylor said the proposed transfer of heart and lung transplantation from Harefield to Hammersmith Hospital was incoherent from the perspective of the quality of clinical care and of research and development. Transplantation is a treatment option for patients with end-stage heart and lung disease, which is one component of integrated treatment provided by the Trust for these patients. The majority of patients receiving a lung transplant have either cystic fibrosis or interstitial lung disease, both specialities for which the Trust has an international reputation. The same applies in medical treatment of severe heart failure.

The Trust is also the centre within the National Heart and Lung Institute for research in these conditions. In addition, research into Ventricular Assist Devices, both as a bridge to heart transplantation and, in some cases, as an alternative to transplantation and in a few cases as the means to allow recovery of the heart to prevent the need for transplantation, is being undertaken in the Heart Sciences Centre at Harefield.”

- (ii) 2006/40: Annual Healthcheck 2006: Draft Declaration  
The second sentence of the first paragraph on Page 9 was amended to read, “Mrs Davies said the declaration would report the position across the full year 2005/6”.

The Board then confirmed the minutes of the previous meeting.

2006/49 CLINICAL GOVERNANCE REPORT FOR THIRD QUARTER OF 2005/6  
Mr Robert Bell, Chief Executive, said relevant members of staff would meet Ms Josephine Ocloo to discuss the issues she had raised about the NHS Outpatients 2004/5 Survey, exclusion of outpatients from the Medicines Management Programme, action taken to address clinical risks in documentation of casenotes and the involvement of the PPIF in implementing “Being Open”. The outcome would be reported to future Board Meetings.

2006/50 REPORT FROM THE CHIEF EXECUTIVE  
Mr Bell drew the Board’s attention to the exceptional financial results for 2005/6 and highly commended the Trust staff for the achievements. The Chairman reiterated what Mr Bell said. To have

achieved a very considerable financial surplus and eliminated in a single year the deficit that had been carried forward from 2004/5 was a very substantial achievement which was largely to the credit of the Trust staff at every level in the organisation. Mr Charles Perrin, Chairman of the Finance Committee, said the Committee had met earlier in the afternoon and after reviewing the results in depth had agreed to recommend that the Board should congratulate the Trust staff.

2006/51 REDEVELOPMENT OF HAREFIELD HOSPITAL AND SERVICES

Mr Patrick Mitchell, Director of Operations, tabled a progress report on the implementation of the recommendations of the North West London SHA Clinical Governance Review of Surgical Services and the NSCAG Review of Transplantation Services at Harefield Hospital and explained the current position. The specification for fire safety improvements, removal of the highest risk asbestos, water, electrical and other remedial works should be completed in June. Invitations to tender would be issued in July and a contract would be awarded for work commencing in September. The cost was expected to be in the order of £1.5 million to £2 million and a business case would be submitted to the SHA for consideration at its Capital Investment Committee meeting in June. The length of the contract would depend on phasing and decanting of services and was unlikely to be less than six months.

A meeting on 18 April, which representatives of the PPIF, the Trust PPI Group, Rebeat and Hamsters attended with the Trust Senior Nurse User Involvement and members of the Estate and Facilities Department, reviewed progress that had been made with improvements to facilities and the patient environment at Harefield Hospital. A report would be given to the Board at the next meeting.

A number of meetings would take place next month to explore the options for long term provision of Harefield Hospital services. It had however emerged since the previous Board meeting that the redevelopment of Hillingdon Hospital was unlikely to provide a new build incorporating Harefield within the timescale set by the Oversight Board. North West London NHS Trust, which managed Northwick Park Hospital, had indicated that it was not able to work strategically over the options with Royal Brompton & Harefield NHS Trust at the present time. A formal offer in writing to provide accommodation for transplantation services and complex cardiac surgery at Hammersmith Hospital with non-complex surgery being pooled between the Hammersmith Hospital and St. Mary's Hospital

had been received from Hammersmith Hospitals NHS Trust. The offer required investigation before the Oversight Board could review it.

Sir Michael Partridge updated the Board on the work of the Independent Project Review. Mr Mark Taylor and he continued to consult widely on the Trust's response to the SHA clinical governance review. The SHA review was however part of a much wider set of issues about acute heart and lung services for the population of North West London and the surrounding areas and in some respects for other parts of the UK and abroad and the independent review was considering the wider picture. It was however focusing primarily on the needs of patients and the services they require. There was strong and unanimous support for the Trust's response within Royal Brompton & Harefield NHS Trust, from the local Harefield and Hillingdon communities and from many organisations associated with acute heart and lung services provided by the Trust. Hillingdon Borough Council was also supportive and helpful over the rebuilding plans.

So far no convincing alternative location for continuing provision of Harefield Hospital services as a complete entity in North West London, at least for six to seven years, had come forward. Referring to a draft proposal from Hammersmith Hospitals NHS Trust which he had been given, he stated that it required detailed and earnest consideration to determine if it could become a viable alternative to the Trust's proposal. Sir Michael Partridge however said it had major disadvantages for patients, separating successful and popular services and the skilled teams that provided them and transferring much of the work away from North West London. It would also have a damaging impact on the work of the Trust and its finances. Sir Michael Partridge said Mr Taylor and he would present a detailed report to the next meeting on 24 May.

Mr Bell said Professor Evans and Mr Mitchell planned to meet representatives of Hammersmith Hospital NHS Trust about the proposal in the very near future and the Oversight Board was expected to be in a position to provide advice about it at the next Trust Board meeting. Professor Evans and Mr Mitchell also hoped to meet all the other Trusts where sites had been identified as possible locations for long term solutions and also to report the outcomes at the next Board meeting. Mr Bell commented that the deadlines mentioned during discussion were critical. It was essential, particularly in the context of the Trust's application for Foundation

Trust status, that the remedial works were funded and a start on site commenced in September when the Secretary of State's decision on the application was likely to be announced.

#### Comments from Members of the Public

Mrs Jean Brett, Chair of Heart of Harefield, said that Heart of Harefield together with the Harefield Patients' Charities, Community Voice, local people and even those living abroad, were giving complete support for the actions of the Trust following the 2005 reviews of Harefield Hospital. Heart of Harefield also welcomed the outcomes currently being reported.

Heart of Harefield also agreed with the content of the report which Sir Michael Partridge had given to the Trust Board.

Mrs Brett noted that two issues had emerged. On relocation of Harefield's services only Hammersmith Hospitals NHS Trust had made a proposal. The enormous financial problems facing the West Herts NHS Trust meant a Watford option had no viability. West Herts had a reported 2005/6 end of year deficit of over £28 million and there had been difficulty in obtaining its Board papers for tomorrow's Board meeting. The number of partners proposed for its PFI Scheme to rebuild Watford Hospital was also unrealistic.

The Hammersmith draft proposal was no more than a wish list of the Harefield services which it would like to acquire. This was despite yesterday's NWLSHA Chief Executive's report which named the Hammersmith Trust as one of those which would not be able to repay its deficit in one year – and which would therefore be subject to special measures. Any NHS organisation subject to special measures should not be considered suitable to take on extra work. This proposal also seems to have caused dissent within the Hammersmith, notably in the Cancer Unit which wanted to expand its services.

Mrs Brett also noted that as the Hammersmith lacked the necessary skills to perform Harefield's most specialised work, Harefield clinical teams being in favour of such a relocation was essential. On this however the key point is that 95% of Harefield's clinicians want to retain all of Harefield's services on its present site in combination with the other services of the Royal Brompton & Harefield NHS Trust.

In conclusion Mrs Brett said that the Royal Brompton & Harefield NHS Trust was most welcome to any assistance which Heart of Harefield could give.

The Chairman thanked Mrs Brett for her very kind offer.

Mr John Ross, an Executive Member of Heart of Harefield, said the Hammersmith proposal was reported in some detail at a meeting in Harefield Village on 20 April and caused great concern.

Mr David Potter, Chairman of Rebeat, a Patients' Charity, and Vice-Chairman of Heart of Harefield, fully supported Mrs Brett's comments. The proposal from Hammersmith Hospital was totally unacceptable to patients and the public who, if necessary, would fight it all the way.

2006/52 RESTRUCTURING OF THE AUDIT AND RISK COMMITTEES

Dr. Caroline Shuldham, Director of Nursing and Governance presented a report which proposed restructuring of the Trust's Audit and Risk Committees. Revised guidance on the constitution and functions of Audit Committees was issued in Autumn 2005 and promoted a wider responsibility of the Audit Committee to scrutinise risks and controls which affect the organisation's business and to consider the relative responsibilities of clinical governance or risk committees in the Trust. Following reviews of the new guidance the Board was recommended to approve new terms of reference for the Audit Committee which would be established as the Audit and Risk Committee. The Committee would be a Standing Committee of the Board with membership confined to Non-Executive Directors. It was also proposed to restructure the Risk Strategy Committee into a Governance and Quality Committee. The Committee would be a management committee of the Trust. The proposed terms of reference for both the Audit and Risk Committee and Governance and Quality Committee were attached to Dr. Shuldham's report.

Mrs Suzanne McCarthy, Chairman of the Risk Strategy Committee, endorsed the report and the proposed terms of reference for the new committees. The current Risk Strategy Committee would meet in May 2006 and Mrs McCarthy recommended that the new structure should come into operation from 1 June and thus ensure an orderly transition. The terms of reference for the Audit and Risk Committee proposed three Non-Executive Directors as members of the Committee. Ordinarily the names of the members would be referred to the Trust Board for approval but in view of possible changes in the

Non-Executive Directors of the Trust in 2006/7 Mrs McCarthy suggested it would be appropriate to be more flexible about membership. The Chairman suggested that the membership should comprise such number of Non-Executive Directors as the Board from time-to-time may determine, being not less than three. This was agreed.

Ms Josephine Ocloo, Chair of Royal Brompton and Harefield Patient and Public Involvement Forum (PPIF) said the Forum was given only two days to comment on the proposals. Patient safety was an important part of the work of the Forum and was a key component in PPI involvement in the Trust. Ms Ocloo said she had expressed concern about possible overlap in responsibilities of the new Committees and said the PPIF wished to be involved, particularly in the Committee that scrutinised operational policies. The PPIF had proposed that it should be involved in both Committees. Mrs McCarthy said she supported PPI involvement in the Audit and Risk Committee but involvement in the Governance and Quality Committee which would be a management committee was a matter for decision by the Chief Executive.

Mr Bell said the Trust had a record of engagement with patients and the public in governance issues but a distinction had to be drawn over engagement in management and delivery of services. The appropriate place for PPIF involvement in governance was in the Audit and Risk Committee. Trust Management would be accountable to it and the PPIF could hold them accountable. Ms Ocloo said the PPIF took a different view. It had concerns about the function of the Audit and Risk Committee which had a very broad remit and was likely to concentrate on financial matters and thus constrain review of patient safety matters. The Chairman commented that the Audit and Risk Committee was not expected to concentrate on financial matters; it would be concerned with best practice and would embrace the whole of governance and risk in the Trust.

Mr Charles Perrin, Deputy Chairman, recommended the Board to approve the proposals in Dr. Shuldham's report as modified during the discussion. This was agreed. Mr Perrin indicated that the Board should review the new governance structure during the first year of operation; the Board could then reconsider patient and public involvement from the PPIF's perspective if the Forum had concerns. The Chairman recommended a review of the effectiveness of PPIF involvement after one year. This was agreed.

2006/53 FOUNDATION TRUST APPLICATION

The Board received a progress report on the Foundation Trust application which had to be submitted to the Department of Health by 9 June 2006. Substantial work was taking place on the application and a number of items required Board approval which would be sought at the next meeting. Nearly four thousand members of the proposed Foundation Trust had been recruited, the vast majority of whom were patients or members of the public.

2006/54 PERFORMANCE REPORT FOR MARCH 2006

Mr Patrick Mitchell, Director of Operations, presented the Performance Report for March 2006. Overall activity in 2005/6 was 4.1% above completed FCE activity in the previous year and constituted a 3.4% increase in NHS work and a 10.1% increase in FCE private patient care. The Trust had met all NHS targets in the year and the number of complaints had fallen for the fifth successive year. Mr Mitchell said there was confidence that all national targets would also be met in 2006/7. The Executive Directors were developing a performance strategy to govern performance reporting in the Foundation Trust.

Mrs Mary Leadbeater, Director of Finance, presented the financial results of March 2006 and the full year. The Trust had achieved, subject to audit, an operating surplus of £3.24 million. The main contributing factors to the surplus were increased private patient income, favourable variances in central income and release of uncommitted reserves. These were sufficient to absorb adverse pay variances incurred through implementation of Agenda for Change and some increased non-pay costs. Mrs Leadbeater said the favourable outcome did not yet take account of a SHA contribution to PHCD costs which were responsible for the deficit reported in the 2004/5 accounts or of any surplus incentive from the SHA.

Mr Charles Perrin, Chairman of the Finance Committee, said the Board could have confidence in the reported outcome even though it was still subject to audit. He hoped that the Chairman and the Chief Executive would highlight the highly satisfactory results in their contributions to the Trust 2005/6 annual report.

Comments from Members of the Public

Mr Kenneth Appell, a member of the Patient and Public Involvement Forum, observed the financial report referred to an increase in debtors on non-NHS accounts in 2005/6 and said they should be



pursued for payment urgently. Mrs Leadbeater said the main cause was the decision in the Finance Directorate to concentrate resources on collecting NHS debts during the year as the risks on the financial outturn from uncollected NHS debts were far greater than the risks from uncollected private patient debts.

- 2006/55 INTERIM BUDGET FOR 2006/7  
Mrs Mary Leadbeater presented a report on budget setting for 2006/7. Cost pressures and service developments were being reviewed and it was planned to produce the first draft budget next month. However, SLA proposals had been delayed until the revised 2006/7 Payment by Results tariff had been received and it was therefore proposed to adopt an interim budget for the first quarter of the year which would be based on the 2005/6 annual budget, adjusted to allow for known pay increases, generic price increases, inclusion of 3% efficiency savings and unavoidable cost pressures. This was agreed by the Board.
- 2006/56 APPOINTMENT OF A CONSULTANT CARDIOLOGIST WITH A SPECIAL INTEREST IN CARDIAC ELECTROPHYSIOLOGY  
The Board approved the recommendation of an Advisory Appointment Committee to appoint Dr. Tom Wong as a Consultant Cardiologist with a special interest in electrophysiology at Royal Brompton Hospital.
- 2006/57 APPOINTMENT OF A CONSULTANT IN PAEDIATRIC RESPIRATORY MEDICINE WITH A SPECIAL INTEREST IN DIAGNOSIS OF PRIMARY CILIARY DYSKINESIA  
The Board approved the recommendation of an Advisory Appointment Committee to appoint Dr. Claire Hogg as a Consultant in Paediatric Respiratory Medicine with a special interest in diagnosis of primary ciliary dyskinesia.
- 2006/58 CONTEXT OF CONSULTANT APPOINTMENTS  
Mrs Jennifer Hill said future recommendations of advisory committees should be cross-referenced to the Trust's strategic direction and business plan and the Board made aware before appointments are advertised. These were agreed.
- 2006/59 RESEARCH AND DEVELOPMENT UPDATE  
The Board received a report from Professor Martin Cowie, Director of Research, Development and Academic Affairs on progress with bids to the Department of Health under the new Research and Development Strategy. In Professor Cowie's absence Professor

Anthony Newman Taylor, Non-Executive Director, said the Trust had received the pre-qualifying questionnaire and a supplementary bibliometric supporting evidence to become a specialist biomedical research centre. The completed analysis would be circulated to Board Members. It showed that Royal Brompton & Harefield NHS Trust was the leader in the top 20% overall most-cited articles and the leader in the top 10% most-cited articles in cardiovascular, respiratory and critical care specialties. The questionnaire and analysis would be submitted to the Department of Health shortly.

The Department of Health externally commissioned research showed Royal Brompton & Harefield NHS Trust and its academic partner, Imperial College, was in a strong position in terms of the quality of research and it was unlikely that it would not be shortlisted for a full application. The bid for technology platform funding for specialist imaging would be submitted next month. Five bids were being submitted for health technology assessments (clinical trials).

Professor Newman Taylor said Royal Brompton & Harefield NHS Trust and its academic partner were in a very strong position to argue the case to become a specialist biomedical centre in heart and lung disease in London.

The Board noted the progress that was being made.

2006/60 ANNUAL HEALTHCHECK 2006 – FINAL DECLARATION OF COMPLIANCE

Following the previous meeting the Board received a further report from Mrs Lucy Davies, Assistant Director and Head of Performance, on the final declaration of compliance for the annual healthcheck 2006. The Board had decided to declare compliance in all standards other than in Element 1 (taking steps to provide care in well-designed and well-maintained environments) of Standard C21 (providing care in environments that promote effective care and optimise health outcomes) in Domain 6 (care and amenities) of the Core Standards. Mrs Davies presented the report and explained that the Healthcare Commission had advised that the highest performance rating (excellent) could be achieved if a Trust declares non-compliance or insufficient assurance in up to four standards but only if the significant lapses had been identified and resolved by 31 March. The Board had agreed at the previous meeting that the lapse in Element 1 of Standard C21 had not been resolved by 31 March and as a consequence Mrs Davies said the Trust could not be awarded the highest rating.

Mrs Davies however drew the Board's attention to the commentary from North West London SHA on the declaration. It referred to the SHA Clinical Governance Review which drew attention to deficiencies in the physical estate at Harefield Hospital and said it felt the Trust had put steps in place to mitigate them. The Healthcare Commission had therefore been consulted and asked to clarify whether the Trust may ask for an inspection in anticipation that it might conclude that the Trust is compliant. The Commission had indicated that this would not be possible.

Dr. Caroline Shuldham said the Management Committee studied the proposed declaration in detail and supported all that was documented. The SHA Clinical Governance Review of Harefield Hospital referred to deficiencies in the physical estate and the Trust had therefore to declare that Element 1 of Standard C21 was not met. Mr Bell commented that Trust Management was committed to integrity, professionalism and high standards and had to state what it truly believed. There were risks in stating the Trust was not compliant with Element 1 of Standard C21 and they were recognised. Mr Perrin said the conclusion of the Executive Directors was that the Trust was not compliant and the Board should accept their advice. However, the Trust should explain in the commentary on the declaration the steps that were being taken following the SHA Review towards compliance and the date it expected to achieve it.

The Management Committee, after considering the commentary from the PPIF, had also reviewed whether or not the Trust was compliant with Standard C7(e) on challenging discrimination, promoting equality and respecting human rights. It had recommended the Trust should declare that a significant lapse existed on 1 April 2005 and give details of the non-compliance with an explanation of the areas of development that resulted in the Trust being compliant on 26 January 2006, when the Board approved the action plan to promote equality and diversity. The declaration would then set out further progress made up to 31 March and action being taken in 2006/7.

The Chairman recommended, following the discussion, that the declaration should be modified to reflect what had been decided on both standards and shown to all Board Members again before submission on 4 May. Mrs Davies agreed to modify the declaration promptly. The Chairman agreed to write a joint letter with the Chief Executive to the Chief Executive of the Healthcare Commission to ask

her to clarify the disparity between the wording of Standard C21 and Element 1 and to offer to work with the Commission on any review of the standard.

2006/61 NEXT MEETING

The next meeting of the Trust Board would take place on Wednesday 24 May 2006 in the Concert Hall at Harefield Hospital commencing at 10.30am (subsequently changed to the Board Room at Royal Brompton Hospital).

**Lord Newton of Braintree  
Chairman**