Minutes of the Board meeting held on 29 July 2009
in the Concert Hall, Harefield Hospital

Present: Sir Robert Finch (Chairman)
Mr R Bell, Chief Executive
Mr R Craig, Director of Operations
Mr N Coleman, Non-Executive Director
Mrs J Hill, Non-Executive Director
Ms M Hiscock, Interim Director of Nursing
Mr R Hunting, Non-Executive Director
Mr M Lambert, Director of Finance & Performance
Dr C Shuldham, Director of Nursing, Governance & Informatics

By Invitation: Mr R Connett, Head of Performance
Ms K Farrow, Modern Matron, Senior Nurse, RBH Heart Division
Mr R Goodman, Director of Pharmacy
Dr A Hall, Consultant Microbiologist & Director of Infection Prevention & Control
Mr N Hunt, Director of Service Development
Ms C Johnson, Director of Human Resources
Mr D Shrimpton, Private Patients Managing Director
Mr D Stark, Interim Assistant Director, Legal Affairs
Ms J Thomas, Director of Communications
Ms J Walton, Director of Fundraising

Apologies: Mrs C Croft, Non-Executive Director
Professor T Evans, Medical Director
Professor Sir Anthony Newman Taylor, Non-Executive Director

In Attendance: Ms E Mainoo (Executive Assistant)
Mrs R Paton (minutes)

The Chairman welcomed everyone to the meeting and particularly Dr Caroline Shuldham, Director of Nursing, Governance & Informatics, who had recently returned to the Trust. Dr Shuldham said she was pleased to be back and thanked everyone for their support while she was away.

2009/082 MINUTES OF THE PREVIOUS MEETING HELD ON 24 JUNE 2009
The minutes of the meeting were approved with the following amendment:
Page 1, Title, line 1, to read: Minutes of the Trust Board held on 24 June 2009

2009/083 REPORT FROM THE CHIEF EXECUTIVE
Mr Robert Bell, Chief Executive, reported that Ms Maria Cabrelli, Director of Estates & Facilities, was leaving the Trust after nine years to move to Kingston Hospital NHS Trust. He congratulated her on her new appointment and wished her well. Plans on how the current Estates portfolio would be taken forward would be brought to a future management of the Board meeting.

Mr Bell announced that Mr David Stark (currently Interim Assistant Director, Legal Affairs) had been selected as Trust Secretary following a competitive process, subject to finalisation of the appointment formalities.

2009/084 FINANCIAL PERFORMANCE REPORT FOR MONTH 3: JUNE 2009
Mr Mark Lambert, Director of Finance & Performance, reported a very healthy result for Month 3 with a surplus of £1.2m after making provisions in respect of the period-end at 31st May (he reminded the Board that accounts would next be prepared for the 10 months as a Foundation Trust to March 2010). There was a YTD surplus of £2.27m, a favourable variance of £1.3m, which was twice the rate

of profitability we had set as a target, driven by a strong income position. The Heart Division was showing a positive variance with strong performance in Cardiology on both sites, albeit with some underperformance in Cardiac Surgery. PP income was also performing strongly, with earnings of £5.6m for April to June. Expenditure on nursing pay was overspent at £1,234k YTD, driven by the additional activity performed and income earned.

The Financial Stability Plan (FSP) was still performing well and delivering YTD £2,825k against a target of £3,069k, a shortfall of £244k. The full-year extrapolation based on performance of current initiatives was £13.9m (a shortfall of £1.2m against the full-year target). Mr Robert Craig, Director of Operations, reported the FSP had performed strongly in months 2 and 3 and was over 90% achieved in the first quarter of the year. However, the commitment remained to achieving the original target of £15.1m and, to that end, work was proceeding on a revised forecast and remedial action. An interim adjustment was reflected in the Month 3 report, but further work was continuing on schemes at risk of not achieving their original target.

The Chairman suggested the Board should have a more in-depth look at the position at the six-month point in the year. Mr Coleman, Non-executive Director, said it was important to get ahead this year and felt it important the Board should receive a re-forecast as soon as possible to secure some assurance that any problems had been identified and were being resolved. He urged early intervention by the Executive in any problem areas. Mr Bell said the Trust was ahead of budget, having doubled its profit target, and reminded the Board that that the FSP was a five-year plan. He felt that a 'drill-down' at six months would be appropriate. He was not concerned at this juncture and felt the Trust could finish the year with a very healthy surplus. He went on to point out the difficult areas for delivery, particularly Workforce and Modernisation, and these were the focus for improvement. He was most concerned on delivery of workforce initiatives and this was doing well. It was agreed that Mr Craig would produce a more detailed drill-down for the December Board meeting.

Mrs Jenny Hill, non-Executive Director, asked about cardiac surgery activity. Mr Craig reported on the review that had been undertaken within the RBH Heart Division, as the reduction in activity appeared to be sustained. Lower levels of referrals than in recent years were evident from the south-west and south coast of England: one of the features of widespread achievement of 18-week targets was that most surgical centres were meeting local requirements and the need for additional tertiary capacity was less (e.g. Southampton had expanded its cardiac capacity and was actively seeking to 'recover' referrals of Hampshire patients to London). There was less 'longevity' in the pattern of referral from further a field, and relationships with hospitals closer to us provided longer-term networks. HH had well-established geographical links for cardiac services (aided by the primary angioplasty service).

Mr Bell confirmed that elective activity overall was ahead of plan – and reminded members of the planning process the Trust had been through with Monitor and the focus on out-patient and 'unbundled' diagnostic activities. There were significant positive variances in this area in the first three months. There had been a 'sea-change' in the tariff and he was less concerned about small variances and more interested in macro shifts. Mr Lambert reminded the Board that the Trust was in receipt of £11.7m of one-off, non-PbR income in 2009/10, equating to just under £1m per month.

The cash position at the end of June was £9.5m, which was slightly down on

plan. With current interest rates at historic low levels, the Trust was not seeing much return on its cash holdings, but would not take risks in seeking to improve this position. NHS debt was low at £1.5m.

The current level of capital spend was at a creditable £2.3m at the end of the first quarter. The corresponding figure in 2008/9 had been less than £1m.

2009/085 OPERATIONAL PERFORMANCE REPORT FOR MONTH 3: JUNE 2009

Mr Lambert introduced the report and highlighted the following:

- The Trust's HSMR ratio was showing a 3-year average of 54.2 (National index = 100)
- Incidents: During month 3 there had been no outbreaks of infection, Safety SUIs or Never Events, but one IRMER was reported. Mr Craig, Director of Operations, confirmed that the three IRMER reports in the last year were all very different in nature. There was concern about the most recent incident, which was being reviewed by the Medical Director.
- Health Care Acquired Infections (HCAI): There had been no cases of MRSA bacteraemia for the current year (nil since November 08) and no cases of C.diff for the first quarter of 2009/10.
  Mrs Hill said she had recently taken part in a Hygiene Code walk-about and had noticed that infection statistics displayed on the ward included red markers. Mr Lambert explained the difference between MRSA bacteraemia cases (i.e. bloodstream infections, which were the reportable figures) and colonised MRSA (i.e. not in the bloodstream). Mrs Hill felt patients might not understand the difference. Mr Bell asked if the aim was to achieve transparency or promote success with treating infections. The data on colonisation was included in the Audit & Risk reports and was therefore seen by the Board. Mr Lambert said we should aim for 'zero tolerance' but it would be impossible to achieve zero on colonisation. He and Dr Shuldham agreed to look further at this.
- Cancelled operations: at month 3 YTD the rate was 0.83%, just missing the cumulative target of 0.8%. Cancellations at HH in June had been affected by higher than usual transplant activity (which was unpredictable), but other measures still needed to be taken.
- 18 weeks: performance was still strong with 97% achieved for admitted patients, and 99.3% for non-admitted. Mr Bell confirmed that current performance was the top score of any London hospital and congratulated the Director of Operations and his team. Mr Craig said the teams on both sites had worked extremely hard and liaison with the referring hospitals had been beneficial. However, he counselled caution because referral pressures were emerging and capacity and waiting-times would have to be closely managed. It would be a challenge to maintain this level of performance over the coming months.
- Workforce: the reported staff sickness rate improved further to 2.76% (against a target of 3%).

Performance Update

- **Controlled Drugs 2008-09**

Mr Richard Goodman, Director of Pharmacy and Accountable Officer – Controlled Drugs, presented the report and explained that controlled drugs included the major analgesics, sedatives and other drugs considered to be at risk of abuse and these were controlled by law. Following the Shipman Inquiry in 2005, there had been an increase in relevant legislation. Accountable Officers had been introduced who were accountable to the Care Quality Commission (CQC) and systems put in place to monitor and audit controlled drugs. Additionally, the Healthcare Commission (HCC) had recommended that the Chief

Executive and the Board of Trusts should be made aware by the responsible officer and this report was the first of what would be a quarterly report on controlled drugs use. Mr Goodman informed the Board that:

- Audit was carried out daily at ward level;
- Any incidents were reported on an IR1 form or the 'Datix'' system
- There was a formal quarterly audit to ensure legislation was being met.

Identified shortcomings related primarily to record-keeping. A total of 101 incidents had been reported during 2008-09, 31% relating to drug administration or handling errors and 23% to loss. The highest risk rating allocated had been yellow, when lessons had been learnt and processes put in place to prevent recurrence. Mr Goodman felt the risks were managed well and there had been no particular problems as a result of incidents reported, with extra training being implemented where necessary.

Dr Shuldham referred to the three significant incidents which had been reported to the PCT Accountable Officer and asked if the Board should be concerned. Mr Goodman explained that two of the incidents had related to the unexplained loss of a controlled drug and one to a viscous liquid drug when some liquid was lost in the measuring process. In one instance a capsule was lost but then reappeared and one related to the administration of a dose of morphine without a prescription – this was investigated and managed appropriately.

Mrs Hill was concerned about controlled drugs being dispensed in very busy and sometimes cluttered ward environments and Mr Goodman agreed there should be a review of where controlled drug cupboards were sited.

Mr Coleman asked if our incidents rates were good but Mr Goodman said he had not been able to identify comparative data from other Trusts, and felt it was better to focus on improving our own practice. Mr Hunting, Non-Executive Director, asked if there was an open reporting culture in other NHS Trusts. Mr Bell felt that reporting to the Board at our Trust was very open, and evidence suggested a generally strong rate of incident reporting in the Trust.

- **Clinical Quality Report: Patient Safety Summary Qu 4 2009**

Dr Shuldham explained that the report included statistics on PALS contacts and formal complaints, SUI's, mortality and outcomes. More information had been introduced into the report with data presented by Division. She confirmed that complaints are reviewed at the quarterly Complaints Working Group. A project was being undertaken on in-patient falls.

Mr Coleman confirmed that the Audit & Risk Committee in September would receive an extended version of this report. He brought up the subject of root cause analysis of SUIs, IRMERS and "never-events" and sought assurance that the underlying reason was being determined. He said he had seen no evidence that root cause analysis was revealing any behavioural or organisational reasons for problems. Mr Craig confirmed that the analyses were undertaken by the lead clinicians in risk and that if further assurance was required, it could be provided. It was agreed that Mr Craig and Dr Shuldham seek ways of providing further assurance.

- **Modern Matrons' Report**
    1. **Cleanliness and Infection Control April-June 2009**

Kathryn Farrow, Modern Matron and Senior Nurse in the Heart Division at RBH introduced the report which provided an update on cleanliness within the hospital, estate maintenance and hand hygiene. Cleanliness audits in the quarter had noted a decline in some of the benchmark scores in some clinical areas. It was

felt this was related to key changes within the Trust's Domestic Services contractor. The situation was being monitored closely by the Modern Matrons, Infection Prevention & Control team and the Facilities team. At the recent Contract Review meeting, actions agreed included the re-education of the ISS Mediclean supervisory team in the audit process, and joint audits to be undertaken between ISS and Facilities teams. Appropriate training of domestic staff on each ward is being monitored. There was a rapid response team within the ISS contract and cleaning beds after discharge was being re-emphasised.

Ms Farrow said there was a need to establish who was responsible for some areas and equipment and a robust preventative maintenance programme. The fabric of the building was linked to cleanliness and Matrons recommended the Board encouraged the routine maintenance of the general fabric and facilities of the building, in particular WCs, basins, etc. Mr Craig confirmed that he would be liaising with the Estates team on planned maintenance.

2. Hand Hygiene

Ms Farrow reported that hand-hygiene compliance across the Trust remained static at 65-70%. Focus remained on all disciplines to improve hand-cleaning and an education plan was being developed to focus on performing hand-hygiene at the right time. Allied to this was the decision to re-site some of the alcohol gel dispensers to be more available at the point of patient care.

Ms Farrow further reported that the Dress Code for the Trust had been adapted slightly and expected that all staff be fully 'bare below the elbow' before entering the clinical area. This initiative was proving challenging to implement fully and the policy sought to achieve more consistency. Mr Coleman said that compliance at 65% static was not acceptable. The situation had been referred to the Audit & Risk Committee and the Medical Director was undertaking a review of relevant policies in the Trust and would report back to the Board later in the year. Mrs Hill had herself noted non-compliance with the initiative.

2009/086 AUDIT & RISK COMMITTEE STRUCTURE

Sir Robert Finch, Chairman, confirmed that this item would be referred to the September Board meeting when the Medical Director and other NEDs would be in attendance.

Sir Robert referred to the recommendation for an extra NED with financial expertise and said that retired partners from PwC, KPMG and Deloitte were all still interested.

2009/087 RECOMMENDATIONS OF ADVISORY APPOINTMENT COMMITTEE

The Board received the recommendations for the appointment of:
Dr Toby Maher, Consultant in Respiratory Medicine (with an interest in interstitial lung disease)

The appointment was approved.

2009/088 Q1 MONITOR SUBMISSIONS

(i) Self Certification

Mr Lambert explained that as an FT the Trust is required to submit to Monitor a Declaration of Self Certification for Quarter 1 for operational performance, and this would be the first such submission. Monitor wished us to certify in respect of the full first quarter even though we had only been an FT for one month of that period (June). Mr Lambert confirmed that compliance had been confirmed with all targets and core standards, with the lowest possible score (nil) using Monitor's

weightings.
Mr Lambert recommended we declare a risk rating of green, and Board members agreed.

(ii) Financial Monitoring Template / Commentary
The paper was tabled, setting out the Trust's financial performance for Q1 2009/10 as required in Monitor's Compliance Framework. Mr Lambert explained that as an FT we are being monitored against the quarterly expected results set out in the long term financial model submitted to Monitor as part of the authorisation process. There had been some variances to the original plan, with a net surplus of £2.3m for the quarter compared with the target of just under £1m. The overall financial risk rating for the Trust at 30 June 2009 was 4 (available ratings are 1 – 5, with 5 being the lowest risk, but not available to an FT in its first year of authorisation). A decline in risk rating would invite monthly monitoring as opposed to quarterly.

Mr Coleman referred to the year-end cash figure being negative. Mr Lambert explained that the figure was simply a mathematically driven number in Monitor's model and was not a cause for concern.

The Board approved the financial template and supporting narrative for submission to Monitor.

2009/089 NOTIFICATION OF CHANGE OF MEMBERSHIP – BOARD OF GOVERNORS
Mr Craig reported that, unfortunately, Ms Shelagh Eaton, the elected Governor for the Patient Constituency – South of England felt unable to take up her role and had therefore resigned. Under the terms of the Constitution the position was offered to the candidate who had polled the second highest number of votes in the election. Consequently, Mr Richard Baker had accepted the invitation to join the Council.

Mrs Hill confirmed she had met with 25% of the Governors to receive their views on the workings of the Council and to assess their individual experience. She would provide an update to the next Board meeting.

Mr Craig confirmed that a series of working lunches was taking place with Governors and Executive members. To date, Mr Craig and Mr Bell felt the sessions had been useful and constructive in focusing the Governors on their involvement in the Trust.

2009/090 PANDEMIC FLU PLANNING
Mr Craig introduced a paper produced by Joy Godden, General Manager - Lung Division, and operational lead for the planning for dealing with pandemic flu. The paper included key planning assumptions, escalation planning, the planning process and the current action plan. Mr Craig confirmed he was Chair of the Trust's Pandemic Steering Group, within which was a core group including Dr Anne Hall, Director of Infection Prevention & Control. Dr Hall explained that this was the most studied flu pandemic ever experienced, that information was evolving and there were a large number of directives from the DH. The Infection Control team were working to keep pace with this and to ensure that all areas of the Trust were being educated appropriately. The Trust should seek to treat H1N1 patients who need specialist support not available elsewhere. To date, 7 patients had tested positive for the virus at RBH, with no positive cases at HH. Dr Hall was confident the Trust could cope ably with this number of patients. She confirmed that pandemics usually had more than one wave, and expected a more extreme problem in the autumn. The main worry was that the virus might mutate

although there was no evidence that this was happening currently. Dr Hall was content the Trust was addressing the situation competently; advice was issued last week for staff as it became available, and there were no particular staff problems. She confirmed that patients were only screened if there was a suspicion they were carrying flu.

Mrs Hill asked how serious the situation was in terms of a risk rating for the Trust. Dr Hall felt in terms of severity it is similar to seasonal flu (and in most cases milder). Unfortunately, the conditions that some of our patients have would put them in a high risk category. Staff absence was currently low and it might be difficult to assess the situation fully during the peak holiday period in August. Particular risks might be at their height in the Autumn. Mr Bell said the ultimate risk would be an inability to function as a hospital, and that Dr Hall and her team had been given appropriate powers to take all necessary steps. He said that at least it was known what the virus was. Dr Hall said there was evidence the virus is more infective than normal and the under-14-year-olds seem to be particularly susceptible. The over-45s, having been exposed to flu before, would have more immunity.

Mr Coleman asked at what level of nursing depletion would the Trust have to shut down any part of its operation. Mr Craig confirmed that focus would not just be on nursing staff, but AHPs and support staff as well. Critical Care would be an important area to maintain and we might have to face the problem of seeking more temporary staff when availability is less and demand higher. He felt that if sickness rates doubled, then bed capacity would be affected.

Mr Bell confirmed that any decision to close a hospital would be taken in conjunction with the SHA, the Public Health authorities and Health Protection Agency advice. The criterion was not only about how many were sick (and therefore absent), but also whether they were infecting one another, compounding the problem.

The Chairman summarised that the Director of Operations and Dr Hall were content that all sensible steps were currently being taken, but that the situation was evolving.

2009/091 QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no comments from members of the public present at the meeting.

2009/192 NEXT MEETING

The next meeting would be held on Wednesday 23 September 2009 at 2.00 pm in the Boardroom, Royal Brompton Hospital