

**Minutes of the Board of Directors meeting held on 27th July 2011 in the Boardroom, Royal Brompton Hospital, commencing at 2.00 pm**

Present:	Sir Robert Finch, Chairman	SRF
	Mr Robert Bell, Chief Executive	BB
	Mr Richard Connett, Trust Secretary & Head of Performance	RCo
	Mr Robert Craig, Chief Operating Officer	RCr
	Mr Nicholas Coleman, Non-Executive Director	NC
	Prof Tim Evans, Medical Director	TE
	Mrs Jenny Hill, Senior Independent Director	JH
	Mr Richard Hunting, Non-Executive Director	RH
	Ms Kate Owen, Non-Executive Director	KO
	Mr Neil Lerner, Non-Executive Director	NL
	Prof Sir Anthony Newman Taylor, Non-Executive Director	ANT
	Dr Caroline Shuldham, Director of Nursing & Clinical Governance	CS
By Invitation:	Mr Nick Hunt, Director of Service Development	NH
	Ms Carol Johnson, Director of Human Resources	CJ
	Mr Piers McCleery, Director of Planning & Strategy	PM
	Ms Jo Thomas, Director of Communications	JT
	Mr David Shrimpton, Private Patients Managing Director	DS
	Mr Tim Callaghan, Head of Financial Management	TC
	Ms Sue Peterson, Named Nurse Safeguarding Children for agenda item 8 (2011/64)	SP

In Attendance: Mr Anthony Lumley, Corporate Governance Manager (minutes) AL

Apologies: Mr Mark Lambert, Director of Finance and Performance

2011/58     MINUTES OF THE PREVIOUS MEETING HELD ON 25TH MAY 2011  
The minutes of the meeting were approved subject to 1 change requested by CS - spelling of Carolyn Webster corrected.

2011/59     REPORT FROM THE CHIEF EXECUTIVE  
BB gave verbal updates on the following items:

Presentations were made on 21<sup>st</sup> July in respect of the re-designation of the Cardiovascular and Respiratory Biomedical Research Units. The team from the Royal Brompton & Harefield NHS Foundation Trust (RBHFT) was led by Professor Eric Alton and Professor Dudley Pennell, both of whom had made exceptional presentations. BB, ANT, and TE had also attended. At present the outcome of the re-designation process is unknown.

TE received a letter this morning from the Medical Adviser to the National Specialised Commissioning Team (NSCT). The letter notified the Trust that the NSCT intended to instigate an external review of the Heart Transplant Programme delivered by Harefield Hospital (HH). BB asked NH to check the terms of the Trust service level agreement with

the NSCT. TE observed that two heart transplants had been carried out recently and both patients were doing very well. The Board NOTED the letter.

A letter has been received from Jeremy Gyde of the Safe & Sustainable Review notifying the Trust that Adrian Pollitt will lead the panel convened to assess the knock on effects that would result from the Safe and Sustainable Review proposals. The panel will meet during the week beginning 5<sup>th</sup> September 2011. BB said he intended to acknowledge the letter and advise the Review that the Trust's Board had been informed of its contents.

BB notified the Board that, on 15 July 2011, the High Court had granted permission to proceed to full judicial review. The hearing will take place during the week beginning 26<sup>th</sup> September 2011 and is expected to last 3 days. BB said that he and SRF would be meeting with the Trust's legal team during the week beginning 1 August 2011. SRF commented that, in view of the expenditure of public money that a judicial review would incur, he would review the position with counsel and see if it would be possible to resolve the question on the basis of 3 London centres. JH said that she strongly endorsed the Trust's actions. ANT said that he was wholly accepting of the Trust Board decision in respect of the judicial review. The Board was unanimous that the Trust should proceed with the judicial review process.

2011/60

#### CLINICAL QUALITY REPORT FOR MONTH 3: JUNE 2011

RCo presented Paper A. He highlighted the Quarter 1 Governance Declaration for Monitor which is driven by the metrics set out in the Compliance Framework. He recommended that the Trust declare that all of these targets had been met. However, he went on to inform the Board that this declaration could only be made because the Trust was disputing the threshold set by the Department of Health (DH) for the *Clostridium difficile* objective. The DH has set an objective of 7 based upon performance 1 Oct 2009 – 30 Sep 2010. The Trust has uploaded an objective of 23 to UNIFY based on a reduction from the Objective of 27 for 2010/11 and actual performance of 18 during 2010/11.

The Trust has had 3 cases in the first quarter of this year which around half the national rate. Last year there were 18 cases in total so the current rate and projection is less than last year. The excel sheet to be submitted to the MARS portal will accept the words 'in dispute' within the threshold cell, so with the Board's agreement, this could be entered as the Trust's return. The DH will be providing a ready reckoner in September to take into account the more sensitive laboratory tests initiated by the Trust in October 2010 and this may help with the Q2 declaration required in October 2011. BB added that this means that by making the declaration proposed by RCo the Trust's governance risk rating will be unaffected now, but in the future it could be.

Monitor's view, set out in their July Bulletin, is that Trust's should report against the DH target, so the recommendation to the Board to declare compliance means the Trust would not be acceding to their request.

The Board agreed that the DH target appeared to be too low and requested that RCo find out what *Clostridium difficile* objective had been set for Liverpool Heart & Chest NHS FT and Papworth Hospitals NHS FT so that performance could be benchmarked against similar institutions.

The Board NOTED the report and accepted RCo's suggestion that the words 'in dispute' be entered next to the C Diff metric and submitted to Monitor.

### **Quality Governance Framework**

RCo drew to members' attention his recommendation that the Board should make Declaration 2 for the Q1 Quality Declaration required by Monitor. In response to questions from NC and NL, RCo advised that the Trust was not in a position to make declaration 1 as KPMG were currently assessing the work that the Trust would need to do to make this declaration. However, emerging findings from the KPMG review suggested that the Trust would be able to make Declaration 1 by Q2 as required by Monitor

The Board agreed that it did not have sufficient assurance that Declaration 1 should be submitted now and it approved submitting Declaration 2.

The Board NOTED Section 4 and 5 of the report (Controlled Drugs Governance and Activity, and Patient Advice & Liaison Service and Complaints Report 2010/11). On behalf of the Board, SRF congratulated CS and the Complaints team for hitting the target of 100% of all complaints received being replied to within 25 days up to the end of M2 11/12.

2011/61

### **FINANCIAL PERFORMANCE REPORT FOR MONTH 3: JUNE 2011**

TC presented the report which was in a new formatted report as recommended by the Interim Director of Finance before his departure. He highlighted in the summary I&E that the Trust has a year-to-date surplus of £365k which is slightly below plan (£538k). This performance has delivered the planned financial risk rating of 3.

In his position as Chair of the Finance Committee, NL said that he endorsed the report with some minor comments to be considered. More information on the margin associated with high value items and more discussion of the intelligence from the KPIs would be helpful in future.

In reply TC said that ICDs were a large element of the high value items and that KPIs would be discussed at monthly Operational Management

Team meetings with the intention of teasing out details of activity, revenue and costs at divisional level.

The Board NOTED the report.

2011/62 THE ROLE OF RESPONSIBLE OFFICER

TE presented Paper C.

In reply to a question from SRF on the challenges going forward and challenges in relation to IT, TE said that he is less worried now than he was in May. He expressed his thanks to CJ for her help and support. He also noted that Cliff Morgan has taken on the role of clinical lead for IT.

Non Executive members expressed some concerns about the workload now being carried by TE. TE assured them that he was being supported and that the size of the Trust meant that it was possible to cover more than one role. BB said that TE is exceptionally able and that he was sure that TE is up to the task, and that he would speak out if problems arose. It was agreed to keep the Responsible Officer role under six monthly review to ensure that it continued to be properly resourced.

SRF thanked TE on behalf of the Board and the Board NOTED the report.

2011/63 RESEARCH UPDATE AND SCORECARD

TE presented the research scorecard which was for information only and said Angela Cooper had done an enormous amount of work on it. SRF asked TE to pass on its congratulations to Angela.

The research update also contained the NIHR Biomedical Research Unit applications.

The Board NOTED the report.

2011/64 SAFEGUARDING CHILDREN ANNUAL REPORT 2010/11

SP presented Paper E. In reply to a question from the Chairman, SP said she was satisfied that the Board is giving enough support and commented that CS and TE in particular were very supportive. CS commented that the Trust is now submitting reports of safeguarding activity and that these are likely to show increased activity as a result of training and awareness raising through the work of the Safeguarding Children Advisor.

RCo informed the Board that the Trust Annual Report, once approved by the Board, will be integrated with those of other healthcare providers in North West London and a consolidated Annual Report will be

presented to NHS Kensington & Chelsea by Sara Sunderland, the Designated Nurse of Safeguarding Children.

The Board NOTED the report and APPROVED the Web Declaration.

2011/65

RECOMMENDATIONS OF ADVISORY APPOINTMENT COMMITTEE

The Board were presented with five ratification forms for the appointment of consultant medical staff.

JH commented that the use of psychometric testing had been useful in bringing objectivity to the appointment process when only one candidate was available due to the specialist nature of the post.

SRF asked KO for more information on the process for appointment of a Consultant in Cardiac Electrophysiology. KO emphasised that a full and frank debate on the merits of the candidates had been held and the decision to appoint was based on a majority vote.

SRF wondered whether new immigration rules (concerning visas) may restrict the Trust's ability to attract international talent. BB said that the Trust was not seeing any restrictions yet and he did not think the change in immigration rules would present any problems. He noted that the Trust employed medical staff from 34 different countries of origin, although often with UK training. He also said that home grown talent for the consultant post in electrophysiology had been very strong and the final decision to appoint an external applicant had been influenced by the fact that the external applicant was already an acting consultant with international experience.

JH noted that some appointees were returning to the Trust having spent time there during their training.

The Board ratified the appointment of:

- Dr Wei Li as a Consultant in Adult Congenital Heart Disease Echocardiography
- Dr Joanna Szram as a Consultant in Respiratory Medicine (Occupational Lung Disease & Asthma)
- Dr Tushar Salukhe as a Consultant in Cardiac Electrophysiology
- Dr Rajdeep Khattar as a Consultant Cardiologist in Adult Echocardiography
- Dr Hui-Leng Tan as a Consultant in Paediatric Sleep & Respiratory Medicine.

2011/66

ANTI BRIBERY POLICY AND REVIEW OF ASSOCIATED POLICIES

RCo presented Paper G. In accordance with the new Anti Bribery Policy, written by Capsticks, the Board is required to designate a Compliance Officer. It was agreed that the Trust Secretary & Head of Performance would fulfil this role.

NL said the policy had been reviewed by Audit Committee earlier that day. The Board approved the policy and recommended that implementation of the policy should be reviewed by the Audit Committee in 1 year.

CS said she had queried the retention of honoraria with BB as she felt that small amounts should be retained by more junior staff. BB said the legislation is very binary and open minded interpretation could lead to confusion and it was not possible to be flexible on the principle. SRF said that he supported an approach of zero tolerance.

Speaking from his experience at Imperial, ANT said that he felt the conflicts of interest are not always recognised. He mentioned the role of principle investigator in clinical trials and offered to share the Imperial College Policy with RCo. This offer was accepted.

SRF proposed a paper be presented to the Audit Committee in a year's time to review the limits. This was agreed.

The Board APPROVED the Anti-Bribery Policy.

2011/67

AUDIT COMMITTEE

(i) MINUTES OF THE MEETING HELD ON 12 APRIL 2011

Minutes of the meeting held on 23<sup>rd</sup> May 2011 - tabled  
The Board NOTED the minutes.

(ii) REPORT FROM THE MEETING HELD ON 27 JULY 2011

NL reported that the Audit Committee had met earlier that day and reviewed the audit plans for 11/12 submitted by External Audit (Deloitte LLP) Internal Audit (KPMG) and Counter Fraud (London Audit Consortium).

He noted the £0.9m error recently identified in the year-end financial position through miscalculation of the value of 'work in progress'. The Audit Committee had reviewed the resource allocation for the 2011/12 internal audit plan and noted the continuing KPMG review of outstanding internal audit recommendations. This would be followed up at the next Audit Committee meeting in October 2011. He also noted the auditor's report into the loss of high value items.

NL also reported that the Audit Committee had reviewed the performance of Deloitte, had found this to be satisfactory and while noting that external audit services should be tendered at some point in the future, the Audit Committee would recommend to the Governors that Deloitte be retained as external auditors for 2011/12.

2011/68

RISK AND SAFETY COMMITTEE

(i) MINUTES OF THE MEETING HELD ON 12 APRIL 2011

The Board noted the minutes.

(ii) REPORT FROM THE MEETING HELD ON 12 JULY 2011

NC reported that the Risk & Safety Committee had been active in reviewing the regular business of the Trust its activities had included:

- Clinical audit; reviewing other sources of assurance and undertaking an internal review of the working of the committee.
- Review of survey results: Staff survey / Patient survey / Safety survey in particular the substantive underlying themes around behaviours and culture in the trust.
- Transplant Review – The Risk & Safety Committee had reviewed the work done by the Governance & Quality Committee in respect of the scrutiny of the internal review of transplant services. The Risk & Safety Committee supported the decisions made by the Governance & Quality Committee.
- Annual review of Serious Incidents (SIs). Some patterns had been noted within the root cause analyses undertaken e.g. compliance with policy.

2011/69 REPORT FROM THE FINANCE COMMITTEE HELD ON 13 JULY 2011

NL reported that under the Trust Standing Financial Instructions, Board approval is required to write off debts > £50k. The Finance Committee has recommended the write off of one particular debt concerning a private patient and this is brought to the Board today for formal approval. The Board approved the write off of this sum.

The Finance Committee had also reviewed financial performance with regard to income and expenditure and working capital and had reviewed a paper from RCr which set out potential savings (yet to be included in the budget) which is intended to foster a continued focus on savings culture.

The Finance Committee has discussed the resourcing of the Finance Directorate and will keep the situation under review to ensure that there are appropriate senior level resources in the directorate.

2011/70 REPORT FROM THE PROPERTY COMMITTEE HELD ON 27 JULY 2011

SRF reported that the Property Committee continued to look at options for the development of Royal Brompton Hospital, both on site and off site within the North West London sector. It also continued to keep under review the development of Harefield Hospital. The Property Committee will meet regularly and will oversee the work of Savills and Knight Frank and will review legal advice in respect of potential property transactions.

2011/71 INSTITUTE OF CARDIOVASCULAR MEDICINE AND SCIENCE MONITOR DECLARATION AND NOMINATION TO THE ICMS BOARD

PM presented Paper I and I (a). He asked the Board to approve the proposed joint venture with Liverpool Heart and Chest Hospital NHS FT and to review the due diligence work undertaken to ensure compliance with Appendix C4 of the Monitor Compliance Framework.

NL proposed that the Board should receive regular reports on the performance of the joint vehicle. BB advised that this point should be checked against the minutes of previous ICSM project meetings to clarify the governance structures to both parents.

PM said that the Executive Committee would meet bi monthly and the main ICSM Board would meet 1-2 times per year. The ICSM Board would report to the 2 NHS FT Boards.

BB noted that monies paid to the ICSM were an initial grant only. He expected that the ICSM would be launched in September 2011.

RH was nominated to serve as the RB&HFT NED representative to the ICSM Board and this was agreed by the Board.

The Board APPROVED the report.

2011/72      THE BRILLIANT BOARDS – ARTICLE PUBLISHED BY HSJ  
An article headed 'The Brilliant Boards' published by the *HSJ* on 30<sup>th</sup> June 2011 was tabled.

NL said the Board should note that there was an 'x' in the column relating to the employee perspective and that this should be a tick. He felt that the Trust should put resources into changing this. SRF asked CJ to consider this in her annual report on the staff survey to the Board.

2011/73      ANY OTHER BUSINESS

- a) RCo said that the appointment of individuals to act as security management leads should be noted by the Board:
  - o Nick Coleman - has been appointed as the designated person to promote security management measures as a non executive director
  - o Robert Craig - has been appointed as the Security Management Director, and has the required voting rights at Board level.
- b) SRF met with Sir Keith O'Nions, Rector of IC to continue discussions about the AHSC partnership.
- c) SRF met with Chairman of Papworth Hospital NHS FT to discuss potential future collaboration, as well as an Institute of Transplantation. The initial reaction had been that both Papworth and RBHFT might relocate to separate sites at Addenbrookes,



which was not the kind of collaboration RBHFT had in mind. Development of a Cambridge option continued to be explored with Mary Archer and Gareth Goodier.

d) BB reported that together with TE RCr KF and PM he continued to liaise with Lord Darzi about the restructure of the ICHT / IC AHSC.

2011/74

#### QUESTIONS FROM MEMBERS OF THE PUBLIC

John Ross asked about capacity at Harefield (HF) having received a letter from the Chair of the Hillingdon Planning which said that the case for 18 additional beds at HF was due to the new MRI scanner.

RCr said that he couldn't comment on the contents of the letter, but that The Trust did intend to build a new 18 bed ward and increase the bed capacity at HF from 155 to 173 beds in order to address a number of capacity issues.

John Ross also raised the issue of why Board meetings were not following the usual pattern of alternating between RB and HF sites.

SRF replied that there had been no change in policy. Board meetings would continue to be held at HF, although for logistical reasons, the last meeting had been moved to RB and the next meeting scheduled at HF had been cancelled due to the timing of the judicial review.

Ken Appel raised the following issue. The agenda and papers should have been sent out 5 days before meeting. His only came just before the meeting.

SRF accepted this comment and said the Trust would try to do better in future.

Ken Appel also said that a recent Alzheimer's Society report had shown that 25% of hospital beds are occupied by patients with dementia and asked whether the Trust provided any special training for nurses.

BB responded that the report was generic for all hospitals. NH clarified the Trust position; only 7 patients with Alzheimer's disease have been admitted in the last year. CS said that although there were no special courses, the Trust did have a nursing lead for older people.

Ken Appel asked whether the red tray initiative, which indicates where patients may need help with food, had been implemented and CS indicated that it had.

A registrar on the SpR management training programme asked if activity in the BRUs had proven to be as high as when first planned.

TE replied that the first tranche of funding was for capacity building and that activity levels were reported in the research scorecard (Paper D).

2011/75

DATE OF NEXT MEETING

Wednesday 26<sup>th</sup> October at 2.00 pm in the Boardroom, Royal Brompton Hospital.