

ROYAL BROMPTON & HAREFIELD NHS TRUST

Minutes of a Meeting of the Trust Board held on 27 October 2004 in the Concert Hall, Harefield Hospital

Present: Lord Newton of Braintree: Chairman
Mr C Perrin: Deputy Chairman
Professor M Green: 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: Acting Chief Executive
Dr. C Shuldham: Director of Nursing and Quality

By invitation: Mrs C Champion: Director of Strategic
Management

Dr. J Chambers: Associate Medical Director, HH
Mr R Craig: Director of Governance and Quality
Mr W Fountain: Associate Medical Director, HH
Mr N Hodson: Project Director
Mr N Hunt: Director of Partnership and Service
Development
Dr. R Radley-Smith: Associate Medical Director HH
Ms J Thomas: Director of Communications
Mrs J Walton: Director of Fundraising

In Attendance: Mr J Chapman: Head of Administration

Apologies for absence were received from Mrs Isabel Boyer and Professor Tim Evans.

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

At the commencement of the proceedings the Chairman referred to the recent death of Mr Ronnie Gorlin, Associate Non-Executive Director and Chairman of the Trust Audit Committee, and the tribute to him in the Acting Chief Executive's report. Mr Gorlin had made an enormous contribution to the Trust with great integrity and excellent judgement. The Chairman said Mr Gorlin would be greatly missed at the Board. Those present stood in silence for a few moments in his memory.

The Chairman drew attention to the installation of a sound amplification system which was being used for the first time at a Board meeting. The system also enabled the proceedings to be recorded.

2004/114 MINUTES OF THE MEETING ON 21 JULY 2004

Mrs McCarthy asked the minutes to be amended to record that she was present at the meeting and had not presented an apology for absence. The minutes of the meeting were then agreed.

2004/115 MINUTES OF THE MEETING ON 25 SEPTEMBER 2004

Mr John Ross, a member of Heart of Harefield, asked the Board to note that he referred to Westway and not the M40 motorway in Minute 2004/106. Mrs Crawley's name had also been misspelt in the minutes.

The Board then confirmed the minutes of the meeting.

2004/116 REPORT FROM THE CHIEF EXECUTIVE

Professor Anthony Newman Taylor, Acting Chief Executive, presented a report and drew attention to the following matters;

(i) The Outline Business Case for Paddington Health Campus Development

Negotiations were continuing with Paddington Development Corporation Limited and it was therefore not yet possible to present the Outline Business Case to the Board. Westminster City Council had suggested using a separate piece of land should be considered. This had been referred to the Department of Health and was being evaluated. The Department had requested a report within one month.

(ii) The Trust's financial position

The financial position at the end of September 2004 was very difficult and the current year-end forecast was around £4mn deficit. The Executive Directors were meeting Clinical Directors and General Managers monthly to ensure action is taken to achieve a break-even position at the end of the year. A strategy would also be developed to ensure immediate and medium term financial viability in the Trust.

(iii) Letter from a grateful patient

A patient who had received treatment by Professor Carlo Di Mario at Royal Brompton Hospital had written to the Chief Executive to express gratitude and to ask that the Board should be informed of his letter.

(iv) Car Parking at Harefield Hospital

The Trust had received a petition signed by 38 staff objecting strongly to the introduction of car parking charges for NHS staff members at Harefield Hospital.

- (v) **Research and Development levy funding**
Following a meeting with the Acting Chief Executive and Mrs Mary Leadbeater, Director of Finance, also attended by Dr. Catherine Johns, the NHS R&D Director had written to confirm that a new funding formula for NHS research and development would not apply to the Trust. The Board could therefore be assured that it would continue to receive R&D funding at the current value. The funding arrangement would however be reviewed in the next few years.

Professor Malcolm Green said that the Board had previously discussed risks of changes to R&D funding and enquired about the outcome of meetings with Trusts which received similar substantial funds. Professor Newman Taylor briefly reported on a meeting with Hammersmith Hospitals NHS Trust and a meeting with the Rector of Imperial College School of Medicine. A meeting of the associated universities across West London was planned.

The Board noted the report.

2004/117 CAR PARKING AT HAREFIELD HOSPITAL

Mrs Jean Brett, Chair Heart of Harefield, said that she would like to correct an error in the Acting Chief Executive's report, which gave 38 as the number of signatories on the staff petition against car parking charges. As she had made clear in the previous Board meeting, Heart of Harefield had by then been given copies of signatures in the 300 region and to date there were 413; possibly a zero had been omitted. However Mrs Brett expressed surprise that she had not been telephoned by anyone from the Trust to query the figure of 38 in the light of her previous information. Copies of the petition sheets were currently available as she had them with her. Mr Patrick Mitchell, Director of Operations, responded that his office had received one sheet of paper with 38 signatories.

The Chairman asked Mr Mitchell to pursue enquiries to establish what had occurred.

Mrs Pauline Crawley, Chairman of Harefield Residents Association, informed the Board that she had received a letter from a local resident who works in the Hospital which explained the difficulties that would be encountered in travelling to and from work by public transport instead of by car following the imposition of charges. Mrs Crawley also said Harefield is a tertiary hospital and not a district general hospital with people living throughout the country travelling very considerable distances for treatment there. For many patients alternative travel by public transport is not practical and to impose charges for car parking at the Hospital was not viable for them. Mrs Crawley asked if the Trust had made a case to the London Borough of

Hillingdon Planning Department to be treated as a special case for exemption from car parking charges because Harefield is a tertiary hospital.

Mr Mitchell explained that the planning consents given for the Anzac Centre and Phase 2 of the Heart Science Centre made it clear that the Trust had to put car-parking controls in place. The Trust will provide 537 spaces and has contracted with NCP to regulate the car parks with the Trust controlling the charges. The annual cost would be £170,000 which the Trust was unable to afford from its current budget. The alternative to imposing charges was a reduction in services which the Board had decided was unacceptable. Mr Mitchell said most Trusts, including tertiary care Trusts, levied car parking charges. Mr Mitchell assured the Board that the charges were being kept to a minimum. The Trust had looked at charges imposed elsewhere and gave details of the charges the Trust would make for the public, patients and visitors and for members of staff. Volunteers would be exempt so long as they are registered with the Hospital. Disabled drivers would not have to pay the charges. Consultation over the charges had taken place with the Joint Staff Committee and the Medical Committee.

Mrs Crawley asked if patients receiving benefits could be reimbursed car parking charges and what the position would be for patients who had prolonged stay in the Hospital. Mr Mitchell replied that the normal rules would apply over reimbursement to patients on benefits. Patients in Parkwood House would be given permits to park in the Hospital.

A member of staff asked how the charges would be collected. Mr Mitchell said there would be a pay and display system based on trust for those who parked in the Hospital. It was suggested that a problem could arise because patients would not always know how long they could expect to spend in the Hospital while their treatment takes place. The Chairman stressed that the Trust would not be dogmatic with patients who spent longer in the Hospital than the time they had paid for car parking.

Mrs Crawley asked what action would be taken if people abused the system by parking in the Hospital to commute to work elsewhere. Mr Mitchell said if someone constantly parked without paying they would be charged but, as at Royal Brompton Hospital, NCP would have a very sensitive system which is designed to prevent it happening.

Mrs Brett drew the Board's attention to the Trust's induction material of May 2004, which stated that staff parking at Harefield was free, an assurance which now appeared to be being overlooked. Seeking to remove this benefit by charging for car parking, could be seen as a breach of staffs' contract of employment. However, not making the managers concerned with introducing car parking charges aware of

this could have been a genuine oversight on the part of the Human Resources Department. Mrs Brett therefore suggested it would be helpful, if as requested in the past, a small group of representatives from Heart of Harefield, the village and other interested parties met with Mr Mitchell, to discuss the proposed introduction of charges.

Mr Charles Perrin, Deputy Chairman, reported that the Finance Committee had considered with great care the proposed implementation of car parking charges at its meeting earlier in the afternoon and was unanimous in recommending them to the Board. The Trust had to balance its finances with the needs of patients being paramount and had to introduce the charges which are as low as they can be. The intention was to break even over the charges. Appropriate notice would be given over the implementation date. Mr Perrin invited the Board to give agreement in principle to the introduction of charges subject to resolution of the issue Mrs Brett had raised over free car parking as a staff condition of employment. This was agreed.

2004/118 PADDINGTON HEALTH CAMPUS DEVELOPMENT

Mr Nigel Hodson, Paddington Health Campus Development Project Director, presented a report which included information about the new Outline Business Case (OBC) and recent communications over the Paddington Health Campus Development (PHCD). Mr Hodson expressed regret that it was not possible to bring the new OBC to this meeting of the Board. Negotiations still taking place with Paddington Development Corporation Limited (PDCL) were at a sensitive stage and it was not possible yet to give a closure date for the OBC. Mr Hodson drew attention to a letter dated 28 September 2004 from the Department of Planning and City Development, Westminster City Council (WCC) to Sir Terry Farrell, Chairman of Terry Farrell and Partners Limited, appended to his report as Project Director. The letter set out initial views on the masterplan for the Campus that Farrell and Partners had submitted to the Council and invited them to take account of all the issues raised in it. Mr Hodson said he did not think there would be any difficulties with them. The Council had also suggested in the past week the possible inclusion of surplus land to the north of Paddington Basin, adjacent to the proposed PHCD. As indicated by the Acting Chief Executive, this was being evaluated and a report would be submitted to the Department of Health within one month. The Board noted Mr Hodson's report. Mr Charles Perrin drew the Board's attention to recent publicity on a takeover of Chelsfield Plc and said that, whatever the outcome, the negotiating team had been assured by PDCL that it would not prevent PDCL entering into a contract.

2004/119 COMMENTS FROM MEMBERS OF THE PUBLIC

Mrs Brett said she was speaking more in sorrow than in anger coupled with some amusement. An assurance had been given that the new Outline Business Case for Paddington would be presented in an extraordinary Board meeting. That meeting was summarily cancelled causing inconvenience to the two coach loads of Harefield supporters, who has intended to attend. Heart of Harefield had then been informed by the Chairman that the new OBC would be presented in this Board meeting, but it was still not available.

Mrs Brett commented that the continued lack of an Outline Business Case was not a surprise, as the project did not have the necessary land or outline planning permission. This was incredible after four years, when it is common knowledge that even putting up a garage requires planning permission. Accountability was required because the Royal Brompton & Harefield Board, unlike that of St. Mary's, had benefited throughout from the informed opinion of Heart of Harefield.

Mrs Brett expressed surprise that Mr Hodson saw no difficulties in dealing with the requirements of the Westminster planning letter, to which he had referred. However, Mrs Brett admired the fact that this time a damning planning letter was within the Board papers, unlike that of 13 February 2003. Sympathy was expressed for the architects, Farrell and Partners, as Heart of Harefield doubted that the firm had been fully briefed on the dreadful planning history of this project, or the recent damning review report.

Mrs Brett said that the 28 September 2004 Westminster planning letter to the architects in response to their "Masterplan" stated, what should be noted if the project were to be pursued further. It reads, "The submitted model appears to have a number of significant inaccuracies, in the height of proposed and existing buildings to the extent that it provides a very misleading picture of the proposals. It also depicts buildings which have not yet been approved as well as schemes that have not been submitted for consideration. This should be corrected as the inclusion of schemes neither yet submitted or approved is potentially misleading. I would urge you to revisit the model to ensure accuracy for any further meetings that may take place (page 2 point 5). I must however also note that the drawings submitted are mostly of a diagrammatic or sketch nature and are not all to scale."

The planning letter continues by pointing out the listed buildings problem on that site of Mint Wing, while stressing that there should be no loss of open space on site or the quality of it. It then comments that, "The other more fundamental concerns about the height, bulk and form of the proposed buildings remain and the revised masterplan does not resolve the concerns registered in my letter of 20 August. Indeed the two fundamental pieces of new information provided only heightened my previous concern."

Mrs Brett made clear that the letter continues in this vein quoting that, "The proposal to have hospital buildings on either side of the canal still causes significant concern over the level of impact on the whole of the Basin." Saying there was no need for her to continue, the Heart of Harefield Chair emphasised that it was clear that there was no chance of getting a formal application through, despite that being a key component of a new Outline Business Case. When you put two large buildings on either side of the canal what you get is a canyon effect which mars the whole area. When over £6 million has been spent on external consultants, lessons should have been learned."

Mrs Brett then commented on the role of Mr Hodson. While always sympathetic to his having inherited the Paddington problem the time had come, after this planning letter to Farrell and Partners, for him to consider his position. There had also been the further critical press comment such as "Paddington PFI Project slammed".

Mrs Brett said that in this situation to be told by Mr Hodson that there was no problem in responding to the 28 September planning letter was incredible. There were tremendous problems which could not be overcome. What Heart of Harefield was saying was to put this on one side, to come back to the table. The priority in the Paddington area was improving St. Mary's, the district hospital of that area, but this had been delayed for years due to the inefficiency of the Paddington project.

The Chairman noted what Mrs Brett had said. It had been the Board's intention to bring the OBC to the 19 October meeting. The decision to cancel the meeting was taken partly because of what was said at a meeting with Westminster City Council on 14 October. The Council saw land north of the PHCD as a significant additional factor which ought to be taken into account. It followed the 28 September letter and brought about the decision to embark on the additional work.

Mr John Ross, Member of Heart of Harefield's Executive Committee, said he was absolutely appalled that the Project was employing the sixth architect in four years and to find them being misled was very sad indeed. Referring not only to the points Mrs Brett had made on the first three items in the 28 September letter he said that Farrell and Partners had obviously been leaned on saying that the Project needed the information from the Council quickly as it had to meet PFI dates. The new masterplan involves the demolition of the QEQM building which is only 30 years old and is worth many millions of pounds. This was a terrible waste of taxpayers' money in a desperate attempt to achieve something else. That should be registered by all concerned. Mr Ross said Mr Hodson's report indicated WCC had given its initial response. Mrs Brett had pointed out it had given a previous response, most of the points in which had been ignored. That the public were being given such misleading information all the

time was unacceptable. Mr Ross asked when the new Outline Business Case would be available.

The Chairman commented that it was not possible to say when the new OBC would be available. The Department of Health had asked for an assessment of the new possibility from Westminster City Council within one month which was proceeding apace. Where it would lead and what would then follow is speculation at present. Mr Hodson said that his reference to an initial response related to the new masterplan. The previous letter referred to earlier sketches and discussion and he considered it was fair to describe the response as an initial response to a reasonably well-presented masterplan.

Mrs Brett disagreed saying that the response to the "Masterplan" was scathing and the "Masterplan" commented upon was a revised version, not the original, as made clear in the planning letter. The level of inefficiency and incompetence on the Project was scandalous. It had failed to take heed of earlier planning letters.

Mr David Potter, Vice Chairman Heart of Harefield and Chairman of Rebeat, said members of Heart of Harefield as taxpayers would ultimately meet the bill for the costs of the Project. He was appalled over the optimism that continued within the Project Team. There had been an absolutely damning report on the management of the Project over the past four years. Heart of Harefield sees no changes being made and unless changes were made the Scheme will continue to flounder in the way that it had for the past four years. When we look at the costs to the public purse, the increase per month on construction costs alone of £400mn amounts to £400,000. Every time the Board meets there is a further delay which adds to these costs. The time has come to make some dramatic changes in the management of the Project.

Mr Potter also said the independent review required the appointment of a single client with overall responsibility. The Chief Executive of St. Mary's NHS Trust had responded to the question at a meeting of the SHA saying that three groups of people were co-operating. Mr Potter asked to know who the single client is. Mr Potter was also very concerned about the Trust's financial position and asked if any money is being spent by Royal Brompton & Harefield NHS Trust on the Paddington Project. Even if there is not, the continuing management commitment to pursuing Paddington must be detracting from the running of the Trust and benefits to patients. Mr Potter also asked that members of the Board meet with Heart of Harefield to discuss the review and what changes are taking place due to its findings.

The Chairman said that he had indicated in a letter to Mr Ross that the review was a report to the SHA. What is in the report is essentially a matter for discussion in the SHA. The action taken in response to the report is by and large beyond the control of any one

of the parties that are involved in the Project. Mr Hodson said the Project was funded by the local PCTs and Partnerships UK. The St. Mary's Chief Executive was right in saying there are three parties to the Project which have created the Project Board and Project Governance. Mr Perrin said the Joint Project Board had looked carefully at all the independent review recommendations and the SHA Chief Executive had accepted that further work on them should be the responsibility of the SHA. The Joint Project Board would work on them through the SHA's views. Mr Perrin gave an assurance that the independent review recommendations had not been ignored.

Mrs Mary Leadbeater, Director of Finance, confirmed that the Trust made no payments towards the Project costs. Professor Newman Taylor agreed that some members of staff committed considerable time to the Project but considering the importance of the Paddington Health Campus to the future of Royal Brompton and Harefield Hospitals this was considered to be worthwhile.

Mr Potter said Mr Hodson had repeated the answer given by the SHA to his question about the appointment of a single client. He therefore asked if there will be a single client. Mr Perrin reiterated that although the recommendation is clear it is a matter for the SHA to consider. At present there is no single client.

Mr Perrin confirmed in the interest of completeness that it is clearly stated in the Trust's accounts for 2003/4 that if the project folds payments would have to be made to Partnerships UK. This is a contingent liability. Note 21 to the accounts indicates the sum of £1.9mn but this had not subsequently been quantified with certainty and was subject to agreement with Partnerships UK.

Mr Potter returned to the comment he made about concerns over the costs that would be incurred over continuing delays to the Project and the consequences and asked Mr Hodson to respond. The Chairman said no one was suggesting that the delays and the costs were not a matter of concern and he referred Mr Potter to Professor Newman Taylor's comment on the benefits of the Paddington Health Campus to the Hospitals in the future and also the importance of the scheme potentially to West London. Westminster City Council clearly were anxious that a scheme should proceed.

2004/120 FINANCE COMMITTEE MEETING – 27 OCTOBER 2004

Mrs Mary Leadbeater gave a brief oral report on matters considered at the Finance Committee meeting earlier on 27 October 2004. A number of items arose from the minutes of the meetings on 21 July and 25 September including losses, debtors and a review of procedures for making ex-gratia payments. The Committee was updated on the future of the R&D levy funding, reference costs and payments by results. Foremost in the Committee's deliberations was

the financial position at the end of September 2004, at which a deficit of £1.65mn was reported with a potential deficit of almost £4mn at the year-end. The Committee was determined to achieve a break-even position at 31 March 2005 and discussed a recovery plan.

The Board noted the report with concern.

2004/121 BUDGET SETTING FOR 2004/5

Mrs Mary Leadbeater presented a report. The Trust was experiencing considerable difficulties in setting a budget in 2004/5. After identifying savings targets of 3.5% a budget gap of £3.2mn was reported to the Finance Committee on 21 July. It had been proposed to bridge the gap through additional savings, from additional activity in cardiology and surgery and corporate savings including establishment reviews and potential receipts from disposals. The Board was informed at the previous meeting that the budget gap could not be bridged and a balanced budget could still not be set. Failure to set a balanced budget meant the Trust was not fulfilling its statutory obligations and the SHA was informed. The SHA had requested a recovery plan. Mrs Leadbeater indicated that her report explained the steps proposed to the Board to establish a balanced budget. There were three elements.

The Trust had to be certain of the budget pressures. These comprised failures to close the budget gap and financial performance in the first half of the year. Mrs Leadbeater drew attention particularly to the Trust's complex income position with more purchasers funding clinical activity at national tariffs or variable local tariffs. The Trust was under-funded from national initiatives such as implementation of the consultant contract and the European Working Time Directive. It was also at the leading edge of implementing new technology in patient care, of which the use of drug-eluting stents was an example, increasing costs.

A second element concerned performance recovery. The Executive Directors were meeting weekly with Directorates to ensure performance is maximised. This had involved developing and reviewing activity, capacity and throughput. There was significant unused capacity in the Trust and every effort was being made to secure additional activity. There had however to be certainty of income and cost containment. The Executive Directors were also looking for additional savings and financing opportunities. Despite all these measures Mrs Leadbeater said at present it still was not possible to bring a balanced budget to the Board.

Mr Charles Perrin, Chairman of the Finance Committee, said the Committee had carefully considered the financial position and the actions that are being taken. He repeated the determination of the Chief Executive and the Director of Finance to achieve a balanced budget for 2004/5 and to maintain the Trust's three star status.

The Chairman commended the action Trust Directors and Managers had so far taken in the year to reduce the deficit and in particular the savings that had been achieved by recruiting staff through the Trust Bank instead of agencies. The Trust had always fulfilled its statutory obligations and although the Trust's position was far less precarious than many others in the NHS all possible action had to be taken to achieve the balanced budget.

The Chairman also commented that there appeared to be potential underlying problems that could recur over the years and a strategic review would be appropriate. Professor Newman Taylor said the Executive Directors were developing a medium term financial strategy with the aim of ensuring continued Trust viability. It was hoped to present it to the Board by January 2005.

The Board took note of the current financial position of the Trust and gave its full support to the action the Executive Directors were taking. A fuller report on budget setting would be considered at the next meeting.

2004/122 PERFORMANCE REPORT

Mr Patrick Mitchell presented a report on waiting lists and activity at the end of September 2004. The Trust was slightly behind NHS activity targets and considerably behind the private patient activity target. It was however fulfilling waiting time and outpatient targets and did not expect any breaches in 2004/5. The target for responding to complaints had improved greatly with 92% of complainants receiving a response within 20 days. The performance over human resources indicators was noted.

2004/123 GOVERNANCE AND QUALITY REPORT

Mr Robert Craig, Director of Governance and Quality, presented three reports. The infection control report for 2003/4 was noted and the infection control plan for 2004/5 was approved. A claims management report for the first half of 2004/5 was noted.

Mr Craig gave a brief account of the risk strategy report which the Risk Strategy Committee had considered. Mrs Suzanne McCarthy, Chair of the Risk Strategy Committee, said issues such as the future of the R&D levy funding, the PHCD, payment by results and the Trust financial position showed the importance of a reliable risk register and recommended a report to the next Board meeting on how risks were identified, valued, controlled and kept under review. Mrs Leadbeater commented that the Internal Auditors had agreed to review risk management and would be able to draw on the experience of other Trusts, notably those that were their clients. The Internal Auditors would report in Spring 2005.

2004/124 THE DEVELOPMENT OF A SCIENCE PARK AT HAREFIELD

The Board received a report from Mr Patrick Mitchell, Director of Operations. The London Development Agency and the Trust, in partnership with Imperial College and with input from the Greater London Authority and London Borough of Hillingdon advisors, were seeking to prepare a vision for the development of the Harefield Hospital site as a science park after the hospital services relocate to Paddington. This was consistent with the Statement of Undertakings issued when the Minister for Health responded to the recommendation from the former Kensington and Chelsea & Westminster Health Authority for the production of the full business case for the Paddington Health Campus. Following recent discussion the LDA, supported by the GLA, had agreed to work with the Trust to explore the feasibility of the Science Park Project by drafting a masterplan for the 44 acres of the hospital site. The masterplan would seek to preserve the character of the local area and Harefield's identity as a village, minimise the level of traffic approaching and within the site, ensure the Science Park is a good neighbour and create an environment that promotes a sense of community within the Science Park.

Mr Mitchell said relevant planning guidance was complex. There were significant issues to resolve over the Green Belt, preservation areas, landscaping, car parking, infrastructure components, public transport access and traffic in the village. It would therefore take two years to develop the masterplan, build a business case and then seek outline planning permission. Mr Mitchell gave an assurance that the Trust would not seek an intensive development but would be sensitive to the current Harefield environment. The vision is to create a vibrant, interactive environment that will foster innovation, encourage business growth and generate employment in the area following relocation of Harefield Hospital.

As Vice-Principal of Imperial College School of Medicine, Professor Green confirmed that the School was enthusiastic about the concept of science parks which provide an appropriate location for spin-off companies from academic institutions where biomedical science led to added economic value and health gain.

Mr Mitchell said the next stage for the Trust would be to work out a budget position with the LDA. This would be reported to the Board for approval. The Board noted and gave its support to the proposal.

2004/125 COMMENTS FROM MEMBERS OF THE PUBLIC

Mrs Jean Brett noted that the LDA would only "part fund" the work, on the idea of replacing Harefield Hospital with a Science Park. It was a joke as was the suggestion that Hillingdon Council would be in favour of it. Later in the month Hillingdon Borough Council would be issuing a statement reiterating its unanimous support for Heart of Harefield and the retention of Harefield Hospital on site. While any science park would need planning permission and there was little

likelihood of getting it, neither would a business firm spend money on this project, when there would be no possibility of it coming to fruition until 2014 at the earliest.

There were the practicalities. In the face of them whatever resolutions or projects the Board passed or pursued in private, even to close Harefield, were meaningless. There was also already a science park nearby at Brunel. Three years ago the Minister had said there was potential for a science park at Harefield. Three years later there had been no progress. On 12 April 2002 Mr Woodhead had written to the leader of Community Voice stating that he would be meeting him soon to discuss a science park at Harefield. The meeting did not and has never since taken place.

Mrs Brett questioned the commitment to involve stakeholders as a key part of this project. The same assurance had been given to Heart of Harefield three years ago but had not been carried through. Had she been consulted the advice would have been that time and energy would be wasted as Hillingdon Council backed retaining Harefield Hospital on its present site. Explaining future problems with planning permission, Mrs Brett said that the Trust needed to be wary of this project. She quoted from Mr Mitchell's paper, which stated that development on the Harefield site could be permitted for health purposes "in association with Harefield Hospital." Mrs Brett stressed that this was the opposite of, instead of the Hospital. Mrs Brett offered discussion with Mr Mitchell so that Heart of Harefield's knowledge of the problems of pursuing the science park project could be shared. A copy of Mr Woodhead's April 2002 letter was also offered. Heart of Harefield's advice was that the Board was not in a position to spend any money on this project, apart from the fact that Harefield Hospital would be retained.

The Chairman acknowledged Mr Mitchell's paper was postulated on the transfer of Harefield Hospital to Paddington, that it would not be enthusiastically received by the public and that Mrs Brett's remarks were postulated on the belief that Harefield Hospital does not move. The fact is that whether or not the work currently done at Harefield Hospital moves is not in the gift of Hillingdon Borough Council. No doubt if another use is proposed that is a possibility the Council would have to consider at some stage. the Chairman said it would be irresponsible of the Trust not to devote some attention to the possible alternatives for Harefield if the Hospital moves, with fairly wide support in this case. Mr Mitchell said he had nothing to add. His paper, as presented, was factually correct and outlined the work done to date.

A member of the public asked if the Paddington Basin Project assumes that an alternative use will be found for the Harefield site. The Chairman confirmed this is the case and added that the OBC referred to an alternative use for Harefield.

Professor Green said there was an element in Mrs Brett's comments that the Trust is damned if it does do something about the future of the Harefield site and damned if it does nothing. He recalled vividly a public meeting five years ago in which those present were condemned for having no viable proposal for the Harefield site after the Hospital is relocated to Paddington. Following the meeting it was decided that clear, credible, coherent and worthwhile opportunities should be developed for the site. There was discussion with Sir Magdi Yacoub and as a result the science park proposal came forward. All recognised it is contingent on relocating the Hospital to Paddington. It is synchronous with the Heart Science Centre contributing to world-class research on the Harefield Campus.

In response Mrs Brett commented upon the public consultation meeting on Paddington in 2000 attended by Mike Turner, the Chairman of Community Voice and herself. Despite speakers in favour of Paddington such as Mr Woodhead and Professor Newman Taylor being given 15 minutes each, it took a protest before Mr Turner and herself were allowed three minutes in support of Harefield. She thought it dreadful that someone who had reached a high position in this country through democracy, was present at the back of that hall when this occurred. However Mrs Brett felt that she could do more in two or three minutes because she spoke the truth, than those who supported Paddington could do in three hours. This remained her stance in concert with all who supported Harefield.

The Chairman noted what Mrs Brett said.

A member of the public said that whether or not Harefield closes and the influence Hillingdon Council has on it is a matter for debate but were Harefield to close the Council would be in a strong position to determine what it does with the site. Mr Mitchell indicated that all the approvals that would be required over the proposals in his paper were contingent on the relocation of the Hospital and planning permission by Hillingdon Borough Council.

The member of the public asked to what extent Mr Mitchell's report would be put forward in the OBC and would be part of the solution to the PHCD. He said that if the report was being used to promote the future of the NHS in North West London it would be dishonest to say otherwise.

The Chairman stated that the report was not integral to the OBC and the sale value of the Harefield Hospital land was not being included in the capital receipts for financing the PHC Development. Professor Green commented that Harefield Hospital is not closing, it is moving and the Trust was looking at health-related scientific opportunities for the Harefield site. If the London Borough of Hillingdon preferred the Trust not to pursue these opportunities the Trust should be told. The

Chairman agreed that London Borough of Hillingdon would have a substantial influence on the future of the Harefield site and if it wants no economic activity there or a different type of activity to what is proposed this would have to be considered. The Chairman said the proposal was seen as a substantial opportunity by others. Mr Mitchell commented that if the Trust's proposal did not proceed the London Development Agency could pursue development at another site. It had biotechnology in mind as a suitable use for the Harefield Hospital site.

Dr. Rosemary Radley-Smith, Associate Medical Director Harefield Hospital, endorsed Professor Green's support for the future of the Harefield site. Concerns were expressed at the public meeting about employment prospects if Harefield Hospital is relocated to Paddington. The proposal was to develop an alternative use of the site that provides a source of employment for those staff who do not want to go to Paddington.

Mrs Pauline Crawley, Chair of the Harefield Residents' Association, said that at the time of the consultation process, she was a non-executive director of Hillingdon Heath Authority. An assurance had been given by the Minister of Health for the Harefield site and an assurance that this was not the end of consultation. However when she wrote to the Minister she had been ignored. No one had asked the community what it wanted whereas if the Trust had asked the community it would have been told. Decisions were being taken by the back door which was dishonest.

The Chairman told Mrs Crawley she was being unreasonable. The Board was doing nothing behind the scenes. It had been absolutely clear that it is pursuing the proposal. The time for consultation would be at a later stage. If Hillingdon Health Authority had come forward with a proposal that may be something Hillingdon Borough Council would have wanted to look at. The Trust could not pre-empt any of these considerations let alone consultation on what might emerge. What is clear is that the Trust has a duty to construct what it believes is a viable alternative economic activity for the site. There may be others but it is not the Trust's business to evaluate every possible option.

Mr Mitchell commented that he saw the proposed Science Park as health related in association with the Sir Magdi Yacoub Institute. Mrs Brett regretted that she could not agree as the Science Park would only be welcome as an addition to the Hospital not instead of it. This was also the view of the Chief Executive of the Sir Magdi Yacoub Heart Research Centre, who was the leader of Hillingdon Council.

The Chairman said that there was a limit on how far discussion could continue. The Trust was in good faith seeking to explore what appeared to it to be a potential alternative to the use of the Harefield

site. Should it become available Hillingdon Borough Council would have a substantial input. Other developments might come forward. Indeed there is already a proposal for a housing development on another 22 acres. If that were to be granted others might say why stop there, why not build further. The Trust's duty was at least to establish the viability of the science park proposal.

Mr Don Chapman, Vice-Chairman Harefield Hospital League of Friends, said the Trust might be surprised to hear him say that if in the unlikely event that Paddington ever becomes a reality the science park proposal might be something to look forward to. Mr Chapman however raised two other matters.

Three or four meetings previously Mr Chapman asked what would happen to the Mansion at Harefield Hospital. He had expected to hear about it in a Board meeting but so far had heard only rumours. Mr Chapman's second point was that someone telephoned him that afternoon about the time of the Board meeting. He telephoned the Hospital and as the Operator did not know he was put through to the Hospital Reception who said that there was nothing on for a Board meeting today. Mr Chapman asked why people on the site did not know what is going on in the Hospital.

Mr Mitchell said he was still in discussion with a group that may be able to commit £3.5mn to acquire and restore the Mansion. The Trust was in the position that the Mansion is no longer fit for the purpose the Trust had designated for it. It did not have £3.5mn to restore it without diverting the entire capital allocation to it. Mr Mitchell apologised for lack of information since the matter was raised. It was possible more could be reported by February 2005.

Mr Chapman asked if funds had been sought from other sources. Mr Mitchell said a bid for funds from the National Lottery was considered but at the time the group he referred to approached the Trust with a proposal for the Mansion it made more sense to then continue discussion with them. The possibility of acquiring funds from other sources had not been pursued. Mr Chapman said the Trust Board and its predecessor had allowed the Mansion to deteriorate to its current state and it should look to funds from English Heritage or perhaps from Australia or New Zealand. Many people would be interested in conserving the Mansion and bringing it back into use. The Chairman took note of what Mr Chapman had said. He added that, given the demands on English Heritage there would be little prospect of success from them whatever the situation is with Australia or New Zealand.

Mr Craig apologised for the lack of information given to Mr Chapman about the Board meeting. He said a temporary member of staff was on duty today in the Hospital Reception. Another member of the public said some staff were told the meeting was on Tuesday and

some said the meeting was at 6.30pm. The Chairman said it appeared from the information that they were perhaps referring to the repeat of the AGM.

Mr David Potter referred to the report on budget setting and applauded the efforts by the Board and indeed the Executive Directors to achieve break-even at the end of the year. He asked the Director of Finance if she would have more optimism or less optimism in breaking even in future years, the public had heard of the need to invest in the longer term over budgets, expenditure and income but, if the Trust was saddled with the greater cost of financing the PHCD (because we know well the costs of occupying buildings under PFI schemes is considerably higher than occupying NHS owned buildings) and that gap is widened by the reduction of the levied 5% to 3.5% of the capital value of buildings.

The Chairman said that over the point of market values, in the case of Royal Brompton & Harefield NHS Trust, the move to Paddington does not have the same consequences as it had for St. Mary's Trust. Mrs Leadbeater said initial views on the impact of a final Payments By Results position, based on consultation documents, at present states that the health care resource group (HRG) tariffs could be uplifted for specialist services probably quite considerably over the next ten years as the process becomes more routine for updating these procedures. The Trust had been made aware of the funding arrangement to reflect two aspects to this. In the first place, investment in the NHS estate grows annually and the tariffs will over time reflect that increase in growth. Secondly, there are numerous and large PFI schemes that are more advanced than the Paddington scheme and there are proposals being put forward for an adjustment to tariffs for Trusts that have PFI schemes over a period that may last up to ten years in order to reflect the additional adjustments that Mr Potter rightly says occurs when hospitals move totally into new buildings from the costs that are paid for old estates of a different age. Mrs Leadbeater said she was aware of all these potential adjustments. The Trust did not at present have a full business case, a PFI bidder or a contract network and Mrs Leadbeater said she could not genuinely answer Mr Potter's question beyond saying that these steps are being put in place and several Trusts were ahead of Royal Brompton & Harefield NHS Trust.

Mr Potter referred to the current predicted revenue deficit for the PHCD of £48mn annually. Repeating his question, Mr Potter asked Mrs Leadbeater if she was more confident or less confident over the Trust's finances in the future. Mrs Leadbeater said she had nothing further to add.

Professor Green referred to the vision of the NHS of the future. In working for the NHS for more than thirty years he used to be proud of the work that was undertaken in outmoded Victorian buildings.

Over the years he had become less and less comfortable that in delivering what he still considered to be first class, world class medical care in these buildings that anyone present would be comfortable that this could continue into the 21st century. To move forward the NHS needs the sort of premises, the sort of clinical adjacencies that are planned as the absolute norm. Professor Green said the Trust should aspire to that type of environment and should be looking forward to building a new hospital.

Members of the public said the answer was to build a new hospital on the Harefield site. The Chairman said this would repeat all the arguments of the past four or five years in relating to the desirability as perceived by the Board, not least the clinicians, of the greater adjacencies of the Trust's specialist services to other specialties. It was not just a question of renovation of Harefield Hospital which would be a substantially different investment that would have effects on district general hospitals over a considerable area.

A member of the public said he did not understand the dishonesty of what had been said. The meeting had considered the Trust's budget, the solutions to achieving break-even, attracting more private patients from overseas and patients from elsewhere and now it was saying that current practices are unsafe. He asked what was unsafe, the premises or the lack of adjacencies.

Professor Newman Taylor said this had been addressed on a number of occasions. The problem the Trust is facing is a future in which patients are older and have more complex health problems that increasingly require other specialties to provide treatment for them.

In view of the length of the discussion the Chairman suggested that the repeat of the AGM should not take place. Mrs Brett said she understood and that it had been wise to let people have their say. However, they would be concerned if this prevented a presentation on the creation of the primary angioplasty service at Harefield by Dr. Ilsley. The Chairman assured that it had only been planned for Professor Newman Taylor and Mrs Leadbeater to repeat their presentations they had given at the AGM. Mrs Brett, after having ascertained that those present had no objection to the Chairman's suggestion, agreed that the meeting should be closed.

**Lord Newton of Braintree
Chairman**