

**Minutes of the Board of Directors meeting held on 28 October 2009
in the Concert Hall, Harefield Hospital at 10.30 am**

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, Acting Director of Nursing
Mr R Hunting, Non-Executive Director
Mr M Lambert, Director of Finance & Performance
Mr D Stark, Trust Secretary & General Counsel (from Item 209)

By Invitation: Mr R Connett, Head of Performance
Mr N Hunt, Director of Service Development
Ms C Johnson, Director of Human Resources
Mr D Shrimpton, Private Patients Managing Director
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
Dr C Shuldham, Director of Nursing, Governance & Informatics

In Attendance: Mrs R Paton (minutes)

2009/207 MINUTES OF THE MEETING HELD ON 23 SEPTEMBER 2009
The Board approved the minutes.

2009/208 REPORT FROM THE CHIEF EXECUTIVE

Mr Bob Bell, Chief Executive, updated the Board on the following:

- A letter had been received on 27 October 2009 from Ruth Carnall, Chief Executive NHS London, congratulating the Trust on its achievements in the recent Care Quality Commission performance ratings for 2008/09. A double rating of 'Excellent' had been achieved for financial management and quality of services, one of only 37 trusts in England to be awarded this result. Ms Carnall added her personal congratulations to the Chief Executive and the Board for their commitment and asked for these sentiments to be conveyed to all the staff. Mr Bell recognised that a great deal of work had been undertaken to achieve this result and the Trust Communications Directorate would be publicising this result to the staff on the Trust website. This achievement would also feature in Item 9 on the agenda for this meeting.
- Mr Bell reported on the introduction of a new service: Extra-Corporeal Membrane Oxygenation (ECMO). This system allows by-pass of the lungs by a mechanical process during treatment and its arrival is timely in respect of potential increasing incidence of swine flu. The Trust had taken the decision independently to develop this service and, although it is an onerous service to support, it will enhance Trust capability. The system had already been in use in the paediatric area and intensive care clinicians had recently visited Michigan to further their familiarisation with the system and service. There is only one formally designated adult

centre in the country, at Glenfield Hospital in Leicester that operates this service. The Trust had recently been informed by the NHS that it was to become the second ECMO centre in the country to support Glenfield for the pandemic flu period. Mr Bell reported the Trust had already received two patients requiring this service from Northern Ireland. Inspections of our service by the DoH and the Leicester team had been passed successfully. Mr Bell said the Trust was more than capable of coping with this service, having the correct technology and staff to support these types of patients. Mr R Craig, Director of Operations, continued that hitherto, the Trust used ECMO to support patients post-cardiac surgery and that the Glenfield Hospital supported respiratory cases. Mrs J Hill, Non-Executive Director, asked if the service would have an effect on staff. Mr Craig felt it would stretch our critical care, nursing and perfusion staff. Also there are potentially cost implications which had still to be resolved.

- NW London Healthcare Innovation and Education Cluster (HIEC). Mr Bell reminded the Board that the Trust had been engaged with proposals for a NW London HIEC, which was being co-ordinated by Chelsea & Westminster Hospital NHS FT (CW). The final application was due by 30th October 09. Work was still in progress and the conglomerate of 12 - 14 organisations had been asked this week to sign a Memorandum of Understanding (MoU) which committed interested parties to be part of this consortium. Mr Bell confirmed he had signed the MoU and thought that this was the first signature. Mr Craig had recently attended a meeting at C&W of the working group which had been formulating the content of the application. A document had been drafted on how partners would create a HIEC and how it would progress in response to 26 questions. Mr Bell reported that the CEO of Imperial College Healthcare had said he had hoped he would be able to sign by the 30th October. Mr Bell said we should anticipate that any selection panel would expect to see evidence of those who had agreed to sign up. The final number of HIECs to be created and how they will be funded will be in the hands of the DoH and to some extent in the hands of NHS London. Mr Bell felt that once funding had been agreed, he expected there would be more interest.

2009/209 FINANCIAL PERFORMANCE REPORT FOR MONTH 6: SEPTEMBER 2009

Mr Mark Lambert, Director of Finance & Performance, introduced the report for September. The Trust had incurred a loss of £183k in Month 06 September, the second consecutive month to show a deficit. The situation had gone from being strongly profitable in Month 4 with a variance of £1.6M between months 4 and 6. Contributory factors to this were that PP was £300k down on Month 04, although he hoped this was a temporary variance; the Trust pay bill had increased and was some £300k per month more at Month 06 than at Month 04 and this is likely to recur; there had been a 'one-off' £200k adjustment for training income; and finally Critical Care income was down £800k.

Mr Craig said the most concerning part of the report in expenditure terms was the pay issue. There was no one single answer but key issues had been costs relating to complying with the European Working Time Directive and the junior doctor rotas which had to be introduced by August and had increased our medical pay bill. Two elements of new capacity had been brought on-line over the summer: the HH Recovery Unit which had involved

some initial start-up costs, and staff appointments to the BRUs. Mr Craig expected to see costs for temporary staff reduce in conjunction with an increase in permanent staff in post. Ms M Hiscock, Interim Director of Nursing, confirmed that the nursing vacancy rates in cardiology and surgery at RB were now below 5%, the lowest for some time.

Mr N Coleman, Non-Executive Director, reminded Mr Lambert that he was preparing a re-forecast which might determine any significant trends against planned levels. Mr Lambert confirmed that the Trust had made a surplus of £3.5M this year-to-date, was in receipt of £1M a month in non-recurrent funding, and activity spells were looking good with a favourable variance £4.9M against planned income. If there was no improvement in October, then more radical action might have to be taken. Mr Bell emphasised that the Trust position was clear in that it was forecasting a £3.8M surplus for the year, that it would take whatever action was necessary to achieve this and would not expect to make a formal adjustment to its forecast. With regards to the PP situation, Mr Bell said this was a complex, local and London-wide story but there were a number of local actions which could be taken. The Trust was reviewing the market sector and this would be presented to the Board. We need to determine how to make capacity available to encourage revenue and to reclaim some of the work that was undertaken outside the Trust.

Mr Lambert referred to rent returns on Trust property held in Chelsea, The Farmers Market and on the Kings Road. The properties are sub-let via Urban Space Management, (USM) with the Trust receiving a set proportion of the total rent received from the tenants. There are currently vacancies in the properties and therefore less income. Mr Lambert is to meet with USM in November to discuss the situation, having taken professional advice beforehand.

Mr Lambert confirmed that, at the request of the Board, capital forecasting for the current year was included in the report. As an FT there were fewer time limits on when we spend our capital. These figures were a best estimate at this stage and the Capital Working Group expects to refine these estimates as the year progresses. Flag-ship projects would be included in the report in future.

Turning to the Financial Stability Plan (FSP), Mr Craig confirmed this had been revised following a review process held with Divisions and Departments over the summer, particularly relating to those schemes felt to be at risk of non-delivery. There had been a reallocation of supplementary targets where necessary. The report demonstrated the impact of changes to plan to more evenly distribute between the Workforce and Modernisation workstreams. The PP income initiative had been reported pessimistically and is behind plan year-to-date.

Mr Coleman said it was excellent to see this mid-year check being undertaken in order to implement any remedial action. He referred to vacancy management and felt this very ambitious initiative seemed to be struggling. Mr Craig agreed that pressure on the pay bill needed to be reduced – there was always a desire to extend and improve services but this needed to be done efficiently, improving productivity at the same time. Mr Craig continued that thoughts had already been given to next year's FSP in more detail and the effects of the schemes which had started part-way through this year.

2009/210 OPERATIONAL PERFORMANCE REPORT FOR MONTH 6: SEPTEMBER 2009

Mr Lambert introduced the report and highlighted the following:

- The Trust's HSMR ratio was showing a 3-year rolling average of 75.0 (National Index = 100). This is a higher result than previously reported which has resulted from recalibration by Dr Foster of all HSMR data. In response to a query from Mr Coleman as to whether the 5 additional deaths and 4 extra admissions identified between August 2008 and July 2009 by Dr Foster had been included in the data refresh, it was confirmed this was so. Mr Lambert explained that on an annual basis the Trust had approximately 25,000 admissions and about 250 deaths, therefore the additional data identified would not make a big difference to our HSMR ratio.
- Incidents: there had been no Outbreaks of Infection, Safety SUI's, Never Events or IRMERs in Month 6.
- Healthcare Acquired Infections: there had been no cases of MRSA bacteraemia at Month 6. For the first time the target for MRSA Screening had not been achieved. Mr R Connett, Head of Performance, said that he had raised the issue of MRSA screening with the infection control team. There was a possibility that a simple count of swabs might not be the best way to evidence compliance with this requirement, and an audit of elective admissions may be a better way to demonstrate compliance. This would be followed up with the infection control team
- Surgical Site Infection Surveillance (SSISS): For HH there were zero per 100 operations, for RBH 23.08 per 100 operations for the month of July. Mrs Hill referred to the 4 incidences of deep/organ wound infections at RBH and asked what was the reason. Mr Bell explained there was no universal answer to this, and there is not necessarily a pattern or trend involved. He felt that this kind of data was not best reviewed on a month-to-month basis, but would be more meaningful if looked at over a longer period (e.g. 3 months). There may have been certain incidents or complications occurring at a specific time and he personally would prefer to see results on a quarterly basis. Divisional Heads would be monitoring this area and putting in place rectifying practices, but it would take time to see if new practices make any improvements. Mr Craig reported that a 'lock-down' of RBH theatres had been instigated with e.g. greater restrictions on circulation, however no single reason had been identified. Mr Coleman requested that root cause analysis results on wound infection risk be submitted to the Audit & Risk Committee (ARC) and he and Mr Craig agreed to discuss this further.
- Cancelled Operations: YTD position is 0.75% against elective admissions, which brings the figure back within target. Mr Lambert wished to register his congratulations to all involved in this achievement.
- Cancer targets – all met.
- 18 week wait: Admitted 96.5%. Non-admitted 99.1%.
- PP activity is underachieved with an adverse variance of –6.0%.
- PCT target for Complaints: the complaints response time of 25 days is not met at 55%. Investigation is being carried out into this result but there is some evidence that complainants had been contacted to agree an extension when replies could not be completed within 25 days – but this was nevertheless an area requiring attention.

Modern Matrons' Report on Cleanliness and Infection Control. July-

September 2009

The Report was introduced by Mrs Jackie Burbidge, Service Manager for Theatres and Anaesthetics HH, as follows:

- **Hospital Cleanliness Update:** Cleanliness scores had improved throughout the quarter but audits showed this still remained below the required benchmark in some areas. Audits are to be undertaken jointly between ISS Mediclean (the Trust's Domestic contractor), management and Trust Facilities Teams. Results were to be communicated to the Head of Estates and Facilities and the Operations Director of ISS Mediclean for monitoring on a daily basis and prompt rectification of any problem/issues found. The strategy is supported by quarterly audits undertaken by Modern Matrons, Managers, Facilities, and Infection Prevention & Control teams, reinstated in October. Monthly Health Care Associated Infection inspections continued and the Productive Ward programme had worked well, facilitating de-cluttering and organisation of the ward environment.
- **Estates & Facilities:** There continued to be a need for a robust, planned preventative maintenance programme with regards to the fabric of the clinical environment. With the appointment of a new Estates Manager from 2nd November this programme would be developed.
- **Hand Hygiene:** The Infection Control Team continued to deliver the education strategy across the Trust, including hand hygiene compliance and the Bare below the Elbow policy, with Matrons supporting and addressing any areas of poor compliance. Mrs Burbidge referred to the raised rate of infection at RB recently and said a similar problem had been experienced at HH five years ago. At that time a lot of theatre practices had been changed and she agreed that the RB changes should continue and that staff should be empowered to make these changes. Mrs Burbidge explained that new clinicians could arrive from other hospitals with varying ideas on theatre practice and she emphasised it was important for the Trust to maintain an education programme to maintain our theatre standards for new intakes. The Chairman asked if there was an adequate disciplinary procedure available in the case of non-compliance. Mrs Burbidge replied that there was a very delicate balance to be achieved when working together as a team, taking on sometimes unpalatable edicts. Different approaches were used to gain support from staff and personal contact was usually most effective. Mr Coleman commented that as the policy had been introduced on 1st October, improvements should now be observable. Mrs Burbidge said she hoped improvements would continue and had herself noted the promotion of the policy in wards and departments. Mrs Hill said she was encouraged that there was stringent training in place for clinicians newly arrived in the Trust and asked if the training was accredited. Mrs Burbidge said it was not compulsory to attend the training but nonetheless the system worked reasonably well.

CQUIN – Briefing Note

Mr Lambert explained that through the Commissioning for Quality and Innovation (CQUIN) payment framework the Trust might expect to receive some £900,000 p.a. if it could successfully demonstrate compliance with their targets for quality and innovation. This amount is expected to rise in the future. The Note set out the eight indicators upon which success would be measured and the Trust current forecast for all items was Green.

2009/211 HAREFIELD CATHETER LABORATORIES

Mr Craig brought to the Board's attention an incident which had occurred as a consequence of planned remedial works to the ceiling of the Catheter Laboratories/Imaging Suite at Harefield. The project which was to remove asbestos had not been properly managed resulting in the ceiling not being appropriately secured in that area when the work concluded. From 19th to 20th October a number of patients were consequently being treated in an area which might have exposed them to the potential risk of aspergillus infection. When the Infection Control team became aware of this situation, the service was suspended while corrective work was undertaken. The service suspension had had implications for primary angioplasty (suspended for approx 30 hours), cardiac surgery, imaging and angiography. Mr Craig wished to record his thanks for the prodigious efforts made by all staff concerned in handling this situation and in returning the service to normal. The 28 patients potentially put at risk of infection had been contacted and all accepted a precautionary course of anti-biotic therapy. There had been no subsequent ill effects to anyone. Fortuitously the 21st October was the regular, monthly Clinical Governance day and there had been no scheduled work for the catheter labs. No primary angioplasty had to be diverted to other centres and there was only one electrophysiology case to be re booked.

Mr Craig referred to the cause of the problem: the original project manager had left the employment of the Trust and the responsibility for the project had not been properly reassigned. The groups of staff involved had different views of how the job was expected to progress. Mr Craig confirmed further action would be taken with the project management areas and had been assured that all other current projects are being undertaken appropriately with appropriate handover from the contractors to the staff. In this case, initial arrangements had been understood but the project management had failed. Mr Craig agreed to bring back an Executive Summary of the full report to the November Board. The incident had been reported as a SUI. The Chairman felt note should be taken of the mechanisms for further projects, taking back control at the end of a project in order to limit risk.

2009/212 SUCCESSION PLANNING AND TALENT MANAGEMENT SYSTEM PILOT APPRAISAL UPDATE

Ms Carol Johnson, HR Director, reported that this scheme had been piloted at HH and would be completed in November. The scheme focused on three main areas: identifying potential, succession planning for staff bands 3 - 8, and leadership. A new appraisal system was to be introduced and Ms Johnson looked to the Board to support the roll-out throughout the Trust of the new initiatives.

Mrs Hill said the schemes were very reassuring. She emphasised that in specialist hospitals staff with relevant skills tend to stay for a long time and would benefit from good career progression. Mrs Hill thought the Trust had exceptional leadership and requested attention be paid to Board succession – possibly via the vehicle of the Remuneration Committee. The Chairman confirmed he had already discussed this issue with the Chief Executive and agreed there was a need to discuss with the NEDs succession planning for the Board and the senior directors of the Trust. Mrs Hill advised comparison with similar specialist trusts to see how they undertake this process.

Mr Coleman noted the new appraisal process would include a discussion

with the member of staff on their attitude and behaviour towards patients and colleagues. He felt there were opportunities here to identify if the behaviour of individual staff members towards patient safety is the right attitude. He said it had been found that when there is an incident, after root cause analysis, there is usually a behaviour of a member of staff that was a major contributing factor in any given incident. Mr Coleman asked Mrs Johnson to note this.

2009/213 SAFEGUARDING CHILDREN

Mr R Connett, Chair – Safeguarding Children Steering Group, presented the annual review of safeguarding children on behalf of the Named Doctor and Named Nurse for Safeguarding Children. Following publication of three reports during the year on Safeguarding Children, the Trust had received letters from the Chief Executive of the NHS and from Monitor in relation to Board assurance regarding safeguarding children. The Trust report confirms that with regard to the carrying out of Criminal Record Bureau Checks, Internal Audit had reviewed this and management action had been taken to ensure compliance with the statutory requirements. Child protection policies and systems were up-to-date and included a process for the follow-up of children who missed out-patient appointments and for flagging up children for whom there were safeguarding concerns.

Level 1 training in safeguarding children has been provided through e-learning. Level 2 and 3 training will be reviewed in order to take account of messages emerging from the national review of safeguarding training. Named professionals are clear about their roles and have sufficient time to carry these out. Management action will be taken to ensure resources continue to meet the requirements of these posts. Caroline Shuldham, Director of Nursing, Governance & Informatics, is the Board level Executive Director lead for Safeguarding and the London Audit Consortium are currently undertaking an audit of safeguarding arrangements.

In terms of the governance of the document, Mrs Hill referred to the Named Leads and recommended that, in their absence, there should be a named deputy clearly assigned. Mr Bell agreed there should be a title but that there might be a problem with naming a specific person. He assured Mrs Hill that at Executive level there is a very definite deputising process already in place but this may have to depend on availability. Mr Connett felt this situation would be alleviated with the recruitment of a Safeguarding Children Advisor.

Section 4 of the paper set out the Safeguarding Children Declaration. This was approved by the Board.

2009/214 ANNUAL HEALTH CHECK RATING 2008/09

The item had been previously addressed under agenda item 208: Report from the Chief Executive. In the Care Quality Commission Annual Health Check Rating 2008/09 the Trust had scored 'Excellent' for both Quality of Services and Quality of Financial Management. Mr Connett had compiled a paper on the Trust achievements against the ratings together with some comparisons against peer Trusts. Some 37 organisations received a 'Double Excellent', 34 of which were FT Trusts; only 3 centres were NHS Trusts, so our achievement as an NHS Trust was admirable. The Board wished to record its congratulations to all staff who did so much hard work to deliver this quality of service and quality of financial management achievement.

2009/215 Q2 MONITOR SUBMISSIONS

(i) Self Declaration

Mr Lambert introduced the document which set out Trust performance for Q2 2009-10 against the targets and national core standards set out in Monitor's Compliance Framework. Performance against all targets and core standards had been met and the Board agreed to sign the appropriate "Green" Declaration which would now be submitted to Monitor.

(ii) Financial Monitoring template/Commentary

The document set out the Trust's financial performance for Q2 2009/10 as required in Monitor's Compliance Framework. Mr Lambert confirmed the Trust had delivered a £3.5M surplus YTD, a positive variance of £1.4M against plan. The overall financial risk rating for the Trust as at 31st October 2009 was 4. Scoring is set between 1 and 5, but 5 is not available to an FT in its first year of authorisation.

The Board approved the financial template and supporting narrative and this would be submitted to Monitor.

Mr Coleman noted that the template showed year-end cash to be slightly negative. Mr Lambert responded that this was automatically derived by the template from the Q2 position and that if such a position were neared in reality then compensating measures would be taken.

2009/216 NOTIFICATION OF CHANGE OF MEMBERSHIP – BOARD OF GOVERNORS

Mr D Stark, General Counsel and Trust Secretary, reported that Ms Elke Keinath, Staff Governor HH, had tendered her resignation from the Board of Governors as she would be resigning from the Trust effective 1 November 2009 and returning to Germany. The FT Constitution makes provision that in the event of a vacancy arising, the next highest polling candidate in that class or constituency may be approached. Dr Olga Jones had the next highest number of votes in the Staff Constituency poll; she had been offered the position and had accepted. Her period of office would begin on 1st November 2009 and continue until 30th November 2010.

The Board noted this change.

2009/217 ANY OTHER BUSINESS

- Mr Bell reminded the Board that there was an agreement with the Magdi Yacoub Institute to proceed with the sale of some property pertaining to the Heart Science Centre. The Chairman had been in correspondence with Mr Ray Puddifoot, Chief Executive of that Institute. Three weeks ago the Institute had requested a letter of confirmation from the Trust to proceed with the sale as outlined in our original agreement as they expected funding from a donor in the United States. The Trust had complied with this wish and when the funds were realised the sale could go forward.
- The Chairman reported on a successful fund-raising Auction which had been held at Sotheby's London, organised by Mr Jullien Gaer, Consultant Surgeon, and his wife, Polly. Artists had donated some nine items to the Charity and the auction raised some £650K for the benefit of Harefield Hospital. The Charity would consider how best that money would be used at its next Corporate Trustee meeting.

2009/218 QUESTIONS FROM MEMBERS OF THE PUBLIC

Mr David Potter, Chairman – ReBeat, wished to congratulate the Board and members of staff for the absolutely excellent ratings achieved in the Care Quality Commission Annual Health Check Rating 2008/09.

Mr Don Chapman, Chairman – League of Friends HH, noted the change in management in the Estates & Facilities Directorate. He asked that due attention be paid to the Mansion building on the HH estate and that it be kept secure from the elements. Mr Craig confirmed this situation was being kept under observation and that part of the redevelopment planning was to include resolution for the future of the Mansion.

2009/219 NEXT MEETING

Wednesday 25 November 2009 at 2.00 pm in the Boardroom, Royal Brompton Hospital. Meeting concluded at 12.20pm