

Members' Council Meeting

Hospital Boardroom

Chair: Prof. Sir Christopher Edwards

Date: 18 September 2008

Time: 3:00- 5:00 pm

Agenda

1. GENERAL BUSINESS	3.00pm
1.1 Apologies for Absence (MB)	CE
1.2 Declaration of Interests	CE
1.3 Minutes of Previous Meeting held on 24 July 2008 (attached)	CE
1.4 Matters Arising (attached)	CE
1.5 Chairman's Report (oral)	CE
2. ITEMS FOR DISCUSSION/DECISION/APPROVAL	3:45pm
2.1 Listening to Patients: Highlights from PALS and Complaints (oral)	AMC
2.2 High Quality Care for All and Northwest London Commissioning – Update (oral)	HL
2.3 Public Consultation on the Congestion Charge Western Extension (attached)	HL
2.4 Membership: Recruitment, Engagement and Sub Committee Highlights (attached)	MR
2.5 Members' Council Funding Report (attached)	JC
2.6 Foundation Trust Membership Area (oral)	JC
2.7 Developing the Role of Governors-Next Steps (attached)	ALL
2.8 Summary of Proposed Changes to the Constitution (attached)	CE
2.9 Annual Members Meeting: Council Member's Role (oral)	MA
2.10 Progress on Objectives (attached)	HL
2.11 NHS Champions (oral)	MA
2.12 Red/Yellow Alerts (attached)	AP
2.13 DOH Consultation on the NHS Constitution (attached)	HL
3. ITEMS FOR INFORMATION	4:30
3.1 Finance Report – Month 4 (attached)	LB
4. ANY OTHER BUSINESS	
5. DATE OF THE NEXT MEETING	
4 December 2008 at 4:30pm	

Members' Council Meeting Minutes, 24 July 2008

Present:

[Quorum: 12 Council Members with a minimum of 4 public/patient, 1 Staff and 2 appointed]

Council Members: Prof. Sir Christopher Edwards (CE), Chairman
Jim Smith (JS), Patient
Brian Gazzard (BG), Staff – Medical & Dental
Duncan Macrae, Appointed - Royal Brompton & Harefield NHS Trust
Christine Blewett (CBT), Public – Hammersmith & Fulham 2
Mervyn Maze (MM), Imperial College
Catherine Longworth (CL), Westminster PCT
Maria-Elena Arana (MA), Patient
Peter Molyneux (PM), Appointed, Kensington
& Chelsea PCT
Jane King (JK), Patient
Alison Delamare (AD), Staff – Contracted
Cathy James (CJ), Staff – A&C
Martin Rowell (MR), Patient
Ann-Mills Duggan (AMD), Public – Westminster Area 1
Nathan Billing (NB), Staff-Allied Health Professionals
Chris Birch (CB), Patient
June Bennett (JB), Patient
Walter Balmford (WB), Patient
Martin Lewis (ML),
Mary Symons (MS)
Ann Mills-Duggan (AMD)
Hugo Fitzgerald (HF)
Sue M Smith (SMS), Staff-Nursing and Mid-wifery

In Attendance: Heather Lawrence (HL), Chief Executive
Amanda Pritchard (AP), Deputy CEO
Andrew MacCallum (AMC), Director of Nursing
Cathy Mooney (CM), Director of Governance and Corporate Affairs
Charles Wilson (CW), Non-Executive Director
Amit Khutti (AKh), Director of Strategy and Service Performance
Lorraine Bewes, Director of Finance
Heather Bygraves (HB), Deloitte and Touche
Colin Glass (CG), NED
Mike Anderson (MA), Medical Director
Julie Cooper (JC), Foundation Trust Secretary

1. GENERAL BUSINESS

1.1 Apologies for Absence

Apologies for absence were received from:

Prof Salman Rawaf (SR), Appointed,
Sandra Jowett (SJ), Appointed – Thames Valley University
Michael Henry (MH), Patient
Nicky Browne (NBr), Royal Marsden NHS Foundation Trust
Frances Taylor (FT), Appointed - Kensington & Chelsea
Lionel Foulkes (LF), Public – Wandsworth 2
Martin Bradford (MB), Patient
Raymond Levy (RL), Patient
Sue B Smith (SBS), Patient

1.2 Declaration of Interests

None

1.3 Minutes of the Previous Meeting Held 8th May 2008

The minutes were approved with the following amendment:

Add MA to the attendance list.

Remove the sentence on p3, section 2.2 starting with *...but it was felt.*

1.4 Matters arising

The Council congratulated the Chairman on his knighthood.

The Chairman announced that Valerie Arends and Vivian Wood had resigned from the Council.

Financial and Corporate Plan (2.1/May/08)

LB said the Council had asked for further information regarding bank and agency staff. She reported that in June we had 300 bank staff and 110 agency staff. With regards to their rate of pay, in 2005/06 the Trust undertook an extensive benchmarking exercise around our rates and we came out expensive. We made changes to the rates in 2006 by eliminating specialist rates and paying for staff for the jobs they were covering rather than their band when in a substantive post.

The other query was relating to the surgical directorate's business plan regarding the development of the role of nurses. The directorate has a pool of nursing staff who have been trained but are not specifically assigned to one area so that they can be called upon to fill in rather than having to turn to agency staff.

LB said that there was a more extensive glossary of terms attached to the finance paper and that going forward there would be one to accompany the business plan.

Staff Constituencies

The Chairman said that a more substantive issue has arisen with regards to amending the constitution to allow for changes to the staff constituency. Monitor interpreted the constitution to say that we should have held a meeting of all members rather than just members of the staff constituency at which time a vote should have been taken and a majority of the staff members present would have had to vote positively for the change. We will therefore have to bring any proposed changes to the constitution to the annual members meeting and devote a portion of the meeting for these matters. An alternative in future might be to also hold a members' meeting on the open day.

THE COUNCIL AGREED TO TAKE THE PROPOSED CHANGES TO THE ANNUAL MEMBERS MEETING.

1.5 Chairman's Report

CE said he has become increasingly concerned with the situation around paediatrics. There was a danger that the current service review will lead to damage and disruption to services. It was important to examine where services actually fit best. A meeting has now been held by the Chairman with Professor Stephen Smith and it has been agreed to prepare a joint bid for the creation of a 'virtual' paediatric intensive care unit with specific services being provided on each of the three sites and consultants being jointly trained and working across the sites. CE said he had discussed this with Lord Darzi and he was supportive of this type of collaborative approach. DM commended the new model and said it may work but there are risks for all three Trusts.

CE and HL went to see the sexual health outreach clinics. Dean Street is an impressive building and it will allow for an innovative service to be provided out of this site. Debbie Richards the General Manager for this service is to be congratulated for her work on this project. The planning permission has now been granted and there is no longer a concern about a possible judicial review.

1.7 Chief Executive's Report

HL noted that Peter Sharrot was also awarded an MBE. She noted that patient safety was a key priority and Cathy, Andrew and Mike will have key roles in implementing the patient safety first campaign. Regarding MRSA, we have had two cases this year, neither of which originated in the Trust. We are now auditing some aspects of infection control to ensure that we are doing what we say. We are also considering some additional measures around screening but this has been put on hold until the end of the first quarter to have a clear picture of the finances.

We had a successful launch of the CLAHRC: NIHR Collaboration for Leadership in Applied Health Research & Care.

HL said we are pleased to inform the Council that we have been designated an ESMO (European Society of Medical Oncology) Centre of Integrated Oncology and Palliative Care and we are one of the only Trusts in the country to receive this designation.

2. ITEMS FOR DECISION/APPROVAL

2.1 High Quality Care for All and Northwest London Commissioning

CE said the review had been clinically led and focussed on quality. There is a feeling that what is being proposed is a way of getting better value for money. He recapped the key aspects of the proposal and noted a greater focus on prevention. The specific mention of obesity is good for the Trust now that we have a dedicated bariatric service. The same applies to the expansion of sexual health. The proposal also grants greater freedom to frontline staff which is in line with the ethos of Foundation Trusts. The implementation schedule for the proposal was noted. PM said the direction of travel over the next couple years is clear and it should be relatively easy for PCTs to interpret the changes and the PCT welcomes the patient focus. MM noted that the report sites partnership to pioneer new treatments and he sees applying telemedicine to paediatric services as fitting this model. CE said the report supports working in partnership and means of bringing education and research closer together. The creation of HIECs: Health Innovation in Education Clusters would strengthen the health educational aspect of universities. These clusters will be debated over the next months and bids for funding should be submitted in December. There is a significant amount of funding set aside for this purpose. The implementation of HIECs was discussed in relation to Academic Health Science Centres (AHSC). CE said that the AHSC could fit within the HIEC. The key thing is to improve communication and interfaces between the different players in the health arena.

2.2 Monitor Consultation on the Private Patient Cap

CE said when Foundation Trusts were set up one of the requirements for their acceptance was to place a cap on the income to be generated from private patients. Unison is now threatening to take Monitor to judicial review over their interpretation of the legislation. This is not a consultation on the legislation, but rather on the approach Monitor should take in setting the detailed rules to interpret and apply the legislation. HL went through the options as outlined in the paper. The Board will respond to the consultation and the Members' Council might also like to respond or contribute to the formulation of the Trust's response. AK recapped the specific questions being asked in the Monitor consultation document to help the Council formulate their thinking and how they might contribute.

CE suggested that the Trust could partially reduce the risk associated with option 3 whereby donations from the Charity would count towards the Trust PPI cap by gifting the money to Imperial College to channel towards specific research.

Action: To be discussed at the Board meeting on 30th July 2008

2.3 Annual Plan 08-09

CE said that we have previously brought the annual plan in various stages to the Council. The final plan has more detail around directorate-specific plans. CE asked if the process of involving the Council had been appropriate. ML said he would like more detail going forward versus the skeleton plans. It would be difficult to properly engage a group of this size and it was suggested that a dedicated task group might get more involved. However it was also agreed that this

might exclude some important views. BG stressed that he did not want to lose the opportunity for the full Council to get involved in the strategic direction of the Trust and suggested a dedicated meeting might be set up for this purpose. It was agreed to explore the best vehicle for Members' Council involvement.

The situation with LastWord was raised and the fact that GE would not support the system beyond December 2008. HL said that the Trust took an advanced decision 10 years ago to adopt a US system to work in the UK. We have a good interim solution with employing GE staff and any solution going forward will not go back on our overall functionality.

CB raised the issue of named alternates on p25 and that he understood this had not been accepted by Monitor. This was confirmed and the report will be amended.

The issue of the congestion charge was discussed and the possibility of making a plea to the current Mayor to see if an exemption could be made for the Trust. PM said that the PCT will also be looking at the congestion charge but they must counter any negative impact on the Trust with the public health benefits from the charge.

AMC reported that we are in the process of appointing a provider to assist the Trust in gaining real-time feedback and that this should be in place by December. The GP Liaison manager is now in post and this has been a great advantage for the marketing of the Trust.

It was noted that the Trust exceeded both the 18 Week Target and the Financial Target.

Action: Identify the best format for Members' Council involvement in business planning

Action: Amend annual plan regarding named alternatives

2.4 Membership Report

CB said there were many items on the agenda for the Sub Committee meeting and that he would report on two specifically. First, the group reviewed the Membership Development and Communications Strategy. The strategy is now divided into three sections: 1/Buidling Membership, 2/ Engaging with our Membership and 3/ Ensuring Diversity. The paper is much tighter and more focussed now. Roz Wallis, Nurse Consultant for Infection Control also joined the meeting to discuss how we might use the Trust website to share information on infection control. This will be done soon. It was agreed that the best advert for the Trust is figures showing low rates of MRSA. CBT queried the target for members leaving. JC said that this was an estimate based on previous years and she would either explain it or remove it in future reports.

2.5 Revision of the Membership Strategy

CM said we have now grouped the strategy into three sections as CB outlined and the fourth section looks at evaluation. CM reviewed the content of the three sections and highlighted what had changed. We are still working on better understanding the diversity of our membership. We are currently getting figures from the information team on our patient population which will serve as an important benchmark. We also want to work more closely with our existing Patient and Public Involvement structures to engage with our members. We intend to create a database for the feedback we receive so we can audit progress and feedback both to the individuals as well as to the Council and the Board. It was suggested that we have individual business cards for Council Members with a central point of contact. It was suggested that PALS might be used to channel some of the input from the Membership. BG said we should have more working councils within the staff and he suggested that the themes coming out of complaints be shared with the Council. It was suggested that some examples of how membership had been valuable might help with recruitment.

Action: Explore possibility of having business cards for Council Members as well as using PALS to collect feedback.

Action: Make a schedule of the Membership Surgeries and promote meeting point.

Action: Make complaints and the results of patient satisfaction surveys more available to Council

THE REVISED MEMBERSHIP STRATEGY WAS AGREED

2.6 Members' Council Funding Report

JC presented the report and noted that the actual costs were slightly higher than the estimates. In light of some of the agreed objectives in the Membership Strategy she proposed an annual budget be agreed for certain activities relating to membership engagement and recruitment. This includes the following: 1/a bi-annual membership week leading up to the Open Day and the AGM, with external support from recruiters at a cost of circa £6,000. 2/ The development, design and printing of a discharge leaflet for all patients which includes information on infection control and membership with a detachable membership application at a cost of £8,000 for £65,000 and 3/ the possibility of training Council Members to be mystery shoppers for which JC has requested a quote.

It has been suggested that the membership leaflet be tailored to target users of specific services to make the offer of membership more meaningful e.g. sexual health, maternity. The cost for the design and printing of 5000 tailored leaflets would be c£2,500 per leaflet. MS said we must look at the return on investment for tailored leaflets as the gain might not justify the cost. It was noted that the quote was high and could be done more cheaply.

The Membership Development and Communications Sub Group has suggested the creation of a membership area to help Council Members communicate with their constituents whilst promoting future membership at the same time. We have now secured a supplier via the supplies department with whom there are no caveats to allow for advertising. We will buy the screens and necessary equipment outright and the cost is within the estimated budget of £10-£15,000. PM said we must look at different methodologies for communicating with different groups of members.

THE MEMBERS' COUNCIL AGREED WE THE PROPOSAL TO FUND THE ACTIONS IDENTIFIED ABOVE AS REGULAR BUDGET ITEMS ON AN ANNUAL BASIS.

2.7 Members' Council Performance Evaluation Report

CE thanked those who completed the evaluation. He gave an overview of the results and comments. He highlighted those results where there was a strong view in one direction or great discrepancy. The first issue was difficulty in contacting and engaging with constituents. CE said we are now trying to address this with some of the activities noted under the funding report. The membership area will also help in getting 'Meet your Council Representative' sessions off the ground. The issue of contact with Directors was raised as at least one member felt this did not exist. CE pointed out that directors attend every Council Meeting and going forward we may have one Board meeting where Council Members might attend.

2.8 Nominations Process

CE said we have two vacancies on the nominations committee at present. He has asked PM if he would be interested to get involved as his predecessor had been on the committee. He said we needed one elected member from either a public or patient constituency as BG is already a member from the staff constituency. It was suggested that those who are interested let JC know. If there are many interested candidates than CE will hold informal interviews to make an appointment. MS confirmed that the proposed change with regards to the policy for maintaining the composition of the NEDs will have to be voted on at the Annual Members' Meeting.

The Council approved the appointment process for the new Non-executive Director; agreed the policy for maintaining the composition of the Non-executive Directors and approved the updated terms of reference for the Nominations Committee.

Action: Take the proposed change to the constitution with regards the maintenance of a policy for the composition of the non-executive Directors to the annual members meeting.

2.9 Annual Report and Annual Members Meeting

MA said the annual members meeting is a key event for both the Members' Council and the Membership during the year. It is a chance for members to present questions to the Board and we must allow plenty of time for this. There are also some statutory requirements for information that must be included in the membership report. Once the required information is presented there is flexibility in what other information is presented and how. We are looking for a nominated spokesperson to present the membership report as Martin Rowell did the first year. The issue of time was discussed and whether holding the meeting in the evening made it difficult for mothers to attend. It was suggested that we might hold specific sessions on key services at different times throughout the day or perhaps provide a crèche if the meeting is held in the evening. It was agreed that this would be considered in future but it was too late now to change the time significantly although changing the AMM and Members' Council meeting around would be considered.

Action: Investigate the possibility of holding the annual members meeting at a different time of day as well as the possible provision of childcare.

Action: Nominate a spokesperson to present the membership report. Interested people to inform JC.

2.10 Involvement in the Assurance Committee.

CM explained that a review of the governance arrangements had been agreed and one assurance committee would be created. It was agreed that a representative from the Members' Council would be very valuable. Assurance is important and the work of this committee does not duplicate the work of the executive but rather compliments it and provides outward challenge and objectivity. It is a challenging committee. The time commitment would be a two-three hour meeting quarterly and all of the necessary preparation work for this including reading the papers.

Action: Council Members who are interested in joining this committee to inform JC.

2.11 Year End Accounts

HB said this is an update on the audit of accounts for the financial year 07-08. The Trust met their deadline for submission to Monitor and we reported a healthy surplus. We have invested over £10M in fixed assets. The auditors will be issuing an unqualified audit and there were no areas for adjustments.

We will also be required to introduce International Accounting Standards from 2010 and next year will be a transition year.

THE COUNCIL NOTED THE ACCOUNTS.

3.1 Finance Report – Month 3

The Council noted the report.

3.2 Performance Report – Month 3

The Council noted the report.

3.3 Code of Governance

The Council noted the report.

3.4 Trust Board Open Minutes May 29 2008

The Council noted the report.

QUESTIONS FROM THE PUBLIC

None

4. ANY OTHER BUSINESS

CB said he had a spare copies of the service to celebrate the 60th Anniversary of the NHS.
Add NB to minutes of last Communications Sub Group meeting.

5. DATE OF NEXT MEETING

18 September 2008 from 3:00 -5:00

Signed by



**Prof. Sir Christopher Edwards
Chairman
18th September 2008**

Members' Council Meeting, 18 September 2008

AGENDA ITEM NO.	1.4/Sept/08
PAPER	Matters Arising
AUTHOR	Julie Cooper, Foundation Trust Secretary
LEAD	Prof. Sir Christopher Edwards, Chairman
EXECUTIVE SUMMARY	This paper lists matters arising from previous meeting(s) and the action taken/to be taken.
DECISION/ ACTION	The Members' Council is asked to note the matters arising and update where appropriate.

Matters Arising from Previous Meetings

Reference	Item	Action
2.2/Jul/08	<u>MONITOR CONSULTATION ON THE PRIVATE PATIENT CAP</u> Action: Discuss the consultation and Trust options at the next Board.	JC
2.2/Jul/08	<u>ANNUAL PLAN 08-09</u> Action: Identify the best format for Members' Council involvement in business planning Action: Amend annual plan regarding named alternatives	LB LB
2.5/Jul/08	<u>MEMBERSHIP DEVELOPMENT STRATEGY</u> Action: Explore possibility of having business cards for Council Members as well as using PALS to collect feedback. Action: Make a schedule of the Membership Surgeries and promote meeting point. Action: Make complaints and the results of patient satisfaction surveys more available to Council.	JC JC AMC
2.6/Jul/08	<u>NOMINATIONS PROCESS</u> Action: Take the proposed change to the constitution with regards the maintenance of a policy for the composition of the non-executive Directors to the annual members meeting.	JC
2.9/Jul/08	<u>ANNUAL REPORT AND ANNUAL MEMBERS' MEETING</u> Action: Investigate the possibility of holding the annual members meeting at a different time of day as well as the possible provision of childcare. Action: Nominate a spokesperson to present the membership report. Interested people to inform JC.	CE/HL JC
2.10/Jul/08	<u>INVOLVEMENT IN THE ASUSRANCE COMMITTEE</u> Action: Council Members who are interested in joining this committee to inform JC.	ALL

Members' Council Meeting, 18 September 2008

AGENDA ITEM NO.	2.4 /Sept/08
PAPER	Members' Council Funding Report
AUTHOR	Julie Cooper, FT Secretary/Head of Corporate Governance
LEAD	Prof. Sir Christopher Edwards, Chairman
SUMMARY	This paper provides an overview of the funds spent to date from the Members' Council budget on the Open Day and other membership related activity. The paper provides detail of the actual costs for each item together with the projected spend for those recurrent budget items which were agreed at the last Council meeting.
DECISION/ ACTION	The Council is asked to note the report.

Members' Council Funding Report

1.0 Background

The decision was made at the November 2007 Members' Council meeting that a recurring budget of £100,000 per financial year was to be made available to the Members' Council to spend at their discretion on relevant projects. This budget was made available as of this financial year (1 April 2008).

2.0 Update

An initial allocation of £35,000 was agreed to go towards the hospital Open Day, Membership Week, the creation of a membership information area in the hospital, and the improvement of patient and public information.

In light of some of the agreed objectives in the Membership Strategy it was proposed that an annual budget be agreed for certain activities relating to membership engagement and recruitment. These activities and their respective budgets are listed in the table in section 3.

It was agreed that a report of all monies spent together with initial estimates and projected spend be brought back to the Council which is the purpose of this report. These figures are captured in the table in section 3 with future items listed in section 4.

Allocation for 08/09 = £100,000

3.0 Funding Overview

Of the £100k, about £47k has been spent. Approximately £12k is committed for those activities already agreed which leaves approximately £38k for allocation for the remainder of the financial year (March 2009).

Activity	Estimate	Actual	+ / - Estimate () = over
NON-RECURRENT SPEND			
OPEN DAY AND MEMBERSHIP WEEK			
Development of Trust brand including: design templates, information stands, publicity materials for Open Day, Membership Recruitment Leaflet template and Council name badges	c. £10,000	£10,819	(£819)
Membership Leaflet Dispensers x 50	£600	Waiting for invoice	
Purchase 48" Plasma Screen and related programming and software for members area.	£10,000- £15,000 (IT)	£14,500 (two self – service kiosks + Installation) £3,055 (46" LCD Screen) Total = £17,555	(£2,555)
Design and work relating to membership area	£3,000 Building Work	£3,176 (VM Server) £942 (3 wall ports and 3 network patches) Total = £4,118	(£1118)
Re-design of Membership Recruitment Leaflets with attached application form to reflect feedback. (10,000 print job)	£3,000	£1,184 (printing) £1,368 (design) Total = £2,552	£448
Internet Diagnostic	£5,000	£6,200	(£1,200)
TOTAL	£36,600	£41,244	£4,644
RECURRENT and/or FUTURE ACTIVITY	Estimate Inc VAT	Actual Inc VAT	+ / - Estimate () = over
MEMBER RECRUITMENT			
Spring Membership Week May 08	£2,937.50	£3,022	
Autumn Membership Week Sept 08	£2,937.50	£2,878.75	
Reprint of Recruitment Leaflet	£1,762.50		
PATIENT INFORMATION			
Discharge Leaflet x 65,000	£9,635		

BUDGET SUMMARY			
Capital Expenditure 08/09	£41,244		
Capital Committed 08/09	£3,537		
Revenue Expenditure 08/09	£5,901		
Revenue Commitments 08/09	£11,398		
Remainder for allocation in 08/09	£37,920		

4.0 Proposed Items for future Funding

The following items have been put forward for consideration for funding in the future.

RECURRENT and/or FUTURE ACTIVITY	Estimate Inc VAT	Actual Inc VAT	+ / - Estimate () = over
MEMBER RECRUITMENT			
PATIENT INFORMATION			
Plasma Screen and Kiosk Programming	£2,937.50		
Mystery Shopping 2 x year	£3,525		

Chelsea and Westminster Hospital NHS Foundation Trust
Corporate Objectives 08/09 – progress report for Quarter 1 for the Members' Council

CORPORATE OBJECTIVE	Lead	Progress on objectives
Key Theme: Focus on Patient Safety and Quality		
Key Objective 1a: Achieve consistent improvement in clinical quality as benchmarked through best practice.	Mike Anderson	Paper presented to the Board in June 08. Recommendations agreed. Implementation to be agreed.
Key Objective 1b: Deliver target reductions in healthcare associated infections.	Andrew MacCallum	There have been two MRSA bacteraemia by end July. The <i>C. Difficile</i> infection rate is below target trajectory. All action plans currently being integrated into one to allow easier monitoring. Point prevalence study against screening criteria undertaken. Results due July 08.
Key Objective 1c: Maintain Clinical Negligence Scheme for Trusts (CNST) Level 2 and make progress towards CNST level 3.	Cathy Mooney	The CNST Level 2 now requires us to evidence the implementation of policies. The Trust is making steady progress on the 40 policies/procedures that need to be written and / or reviewed and evidence of compliance identified. There are some risks related to evidence of compliance and at this stage two areas are red risks.
Key Theme: Deliver effective and efficient pathways of care		
Key Objective 2a: Deliver the 18 weeks target in full by December 08 then sustain performance and identify areas where can go further.	Amanda Pritchard	Excellent progress and target met in April in advance of the December target. To sustain this level of achievement we are now utilising learn methodology to achieve service improvement. Along with other London hospitals our referrals are increasing which creates a risk to OPD target. The Trust however is already treating a significant number of patients in 14/52.
Key Corporate Objective 2b: Work in partnership with PCTs to deliver recommendations from the consultation on Healthcare for London: A Framework for Action	Heather Lawrence	Groups involved in stroke care, urgent care and paediatrics. Strong clinical leadership and staff engagement in these areas. Awaiting draft document from PCT on urgent care, and tender document for paediatrics. Currently provide thrombolysis 12 hours per weekday in conjunction with the centre. .

CORPORATE OBJECTIVE	Lead	Progress on objectives
		<p>Structure for Midwifery Action plan is in place, and the steering group is established and has met several times. Clear reporting is in place. Clinical Director Women's and Children's Directorate leading weekly meetings.</p> <p>Good progress is now being made with clear executive and directorate leadership. We also have a NED and two Council Members involved.</p> <p>A risk is that a monopoly provider environment could be created in relation to the proposal for the three inner London PCTs to commission collectively from Imperial Healthcare leaving C&W the only other acute provider.</p> <p>CEO attended PCT launch Conference on Health for London. Shared with Execs and included in team brief.</p>
Key Corporate Objective 2c: Introduce case-management of patients.		<ol style="list-style-type: none"> 1) A meeting has taken place with NHS Direct to explore a proposal for case management. 2) Definition of case management and links with other objectives to be agreed.
Key Corporate Objective 2d: Achieve key financial targets.	Lorraine Bewes	The Trust is on track to achieve the financial target. Cost improvement currently at 82%.
Key Theme: Be the provider of choice		
Key Corporate Objective 3a: Improve patient satisfaction. (Aim for more than 90% good or excellent overall)	Andrew MacCallum	Tender due to be awarded and preferred provider selected before end of September. All wards have action plans based on the patient survey, monitored by patient affairs. Exploring a pilot in maternity linked to service line reporting and quality with Monitor.

CORPORATE OBJECTIVE	Lead	Progress on objectives
<p>Key Corporate Objective 3b: Improve staff satisfaction in key areas (appraisals/Personal Development Plans/stress management training and targeting bullying and harassment and internal HR function).</p>	<p>Amanda Pritchard</p>	<p>Every directorate now has local action plans, based on their individual surveys and the overall results.</p> <p>Each directorate to achieve 80% appraisal rate by Oct 08. Directorates doing individual tracking.</p> <p>More stress management training commissioned. Areas with highest percentage of work related stress as highlighted in the survey, targeted specifically by HR with offers of support.</p> <p>Interim leadership in place supporting internal HR function. Plan for additional support 3 days a week.</p> <p>HR managers undertaking development opportunities.</p> <p>Process mapping of HR administrative function for recruitment and appointment undertaken.</p>
<p>Key Corporate Objective 3c: Secure a larger patient base for the Trust in collaboration with PCTs and other providers. (Also see objectives re patient experience)</p>	<p>Heather Lawrence</p>	<p>Detailed review of activity and growth underway. Looking to expand sexual health services further re Dean Street. Awaiting paediatrics tender.</p> <p>Service directory for paediatrics re-written, to be published in September.</p> <p>Project support for paediatrics bid identified.</p>
<p>Key Theme: Deliver excellence in teaching and research</p>	<p>Lorraine Bewes</p>	
<p>Key Corporate Objective 4a: Deliver excellence in teaching.</p>	<p>Andrew MacCallum/ Mike Anderson</p>	<p>Excellence in teaching awarded by Imperial College to Dr Ed Abrahamson. Exit interviews being piloted for current trainees (all grades) in paediatrics who are due to leave in Aug. Specific and explicit team responsibilities for teaching being discussed within each directorate and service. Feedback from Imperial undergraduate students awaited for the current financial year.</p>

CORPORATE OBJECTIVE	Lead	Progress on objectives
		Improved co-ordination and delivery of training and running of Objective Structured Clinical Examinations (OSCEs) for undergraduates. Delivery of multidisciplinary module on service improvement led by Derek Bell and Veronica Corben.
Key Corporate Objective 4b: Implement the research strategy including the Collaboration for Leadership in Applied Health Research and Care Programme (CLAHRC).	Derek Bell Executive Leads: Heather Lawrence/ Mike Anderson	Background work undertaken, need to move into implementation phase.
Key Theme: Create robust infrastructure for the future		
Key Corporate Objective 5a: Provide excellent administrative processes for elective patient pathways.	Amanda Pritchard	Overall progress according to plan.
Key Corporate Objective 5b: Ensure services have strong clinical leadership and managerial and corporate support to enable increased devolution of responsibility to front line services.	Heather Lawrence	All Directorates pursuing service line reporting are in line with 18 weeks delivery.
Key Corporate Objective 5c: Maintain robust governance and assurance processes.	Cathy Mooney	Revised governance arrangements agreed. The plan is to draft terms of reference for the Assurance Committee for the Board in September, with the first meeting in Sept or Oct 08.
Key Corporate Objective 5d: Agree and approve a migration path from LastWord to an alternate system.	Heather Lawrence	Lastword secured and developments taking place with NED involvement and CEO and Medical Director are in discussions with NPfIT, BT and Cerner re migration to alternate system. NPfIT have a solution that the Trust can adopt, in circa 2010 when advancements in functionality are available.

Members' Council Meeting, 18th September 2008

AGENDA ITEM NO.	2.12/Sept/08
PAPER	Red / Yellow Alerts
COMPILED BY	Hannah Coffey, Director of Operations
LEAD	Amanda Pritchard, Deputy Chief Executive
SUMMARY	This paper introduces the Trust's Red Card/Yellow Card Policy and outlines its content and gives an example of how it would be implemented. The new policy is attached.
DECISION/ ACTION	The Members' Council is requested to consider the Red/Yellow Card Policy and advise on whether it achieves the right balance between protecting staff and ensuring that patients treatment is not compromised.

Members' Council Meeting, 18th September 2008

AGENDA ITEM NO.	2.13/Sep/08
PAPER	Consultation on the NHS Constitution
COMPILED BY	Julie Cooper, FT Secretary/Head of Corporate Affairs
LEAD	Heather Lawrence, Chief Executive
SUMMARY	<p>The proposed NHS Constitution was published on the 60th anniversary of the NHS. It is about safeguarding its core principles and values for the next generation, whilst setting a clear direction for the future. It reaffirms rights to NHS services, free of charge and with equal access for all, and it enshrines patient rights to choice and to NICE-approved drugs recommended by clinicians.</p> <p>It aims to empower both staff and patients, containing clear pledges on the ways in which the NHS will strive to go beyond the stated rights to improve the working environment. It has been developed from the bottom up, with the active engagement of staff, patients and the public.</p> <p>The DH is consulting widely on its contents and how to put it into practice, until 17 October 2008.</p> <p>Attached is some further information on the consultation and how to get involved.</p>
DECISION/ ACTION	The Council is asked to promote the fact that there is a consultation and encourage members to respond.

Members' Council Meeting, 18th September 2008

AGENDA ITEM NO.	2.3/Sep08
PAPER	Consultation on the Congestion Charge Western Extension
COMPILED BY	Julie Cooper, FT Secretary/Head of Corporate Affairs Helen Elkington, General Manager, Estates
LEAD	Heather Lawrence, Chief Executive
SUMMARY	<p>The Mayor of London has asked Transport for London (TfL) to seek Londoners' views on the future of the Western Extension of the Congestion Charging Scheme. The results of this consultation will help inform the Mayor's decision on the future of the Western Extension.</p> <p>Chelsea and Westminster Hospital is adversely affected by the congestion charge and this is an opportunity for members to represent their views to TfL.</p> <p>This paper together with the attached leaflet provides all of the necessary information around the congestion charge and the impact it has had to date.</p> <p>The deadline for responses to the public consultation is October 5th 2008.</p>
DECISION/ ACTION	The Council is asked to promote the fact that there is a consultation and to encourage members to respond.

1.0 Background

On 19 February 2007, the congestion charge zone was extended west incorporating Chelsea and Westminster Hospital by a matter of 100 yards. The extension places the hospital in a less favourable position in comparison to other key hospitals in our neighbourhood e.g. St Marys and Charing Cross in terms of being the provider of choice for both patients and staff. The Northwest London Strategy for implementing Healthcare for London will centralise a number of more specialised services on fewer sites. Access will be a key determinate. If the public are consulted on location of services the application of the congestion charge to this area is likely to be a negative factor when considering the most suitable site however excellent our services are. The loyalty of our staff is paramount to our ability to continue to provide excellent clinical services. Staff travel a considerable distance to work here and staff with young children rely on their cars to ensure easy access to their children. The cost of childcare and the congestion charge combined is often too great for front line staff to be able to continue working with us. Where possible, we have altered shifts but we are unable to accommodate many staff in this way due to the nature of the business.

2.0 The Proposal

The Mayor of London has asked Transport for London (TfL) to seek Londoners' views on the future of the Western Extension of the Congestion Charging Scheme. The results of this consultation will help inform the Mayor's decision on the future of the Western Extension.

The deadline for responses to the public consultation is **October 5th** – any individual or organisation wishing to respond can complete an online questionnaire which is included in the attached leaflet as well as obtainable from the following web address

<https://www.tfl.gov.uk/tfl/roadusers/congestioncharging/westernextension/have-your-say.aspx>

The three possible options for the Western Extension, which are being consulted on, are as follows. Only the removal of the western extension would meet our needs.

Keep the Western Extension as it is

Remove the Western Extension – There would no longer be a charge to drive within the Western Extension; residents there would no longer receive a discount on travel in the original charging zone

Change the Western Extension – Change the way the scheme operates by introducing account based payment, by introducing a charge free period in the middle of the day in the Western Extension, or by increasing the residents' discount to 100%

3.0 Way Forward

Although we have the ability to respond as an organisation, and to highlight some of the key concerns that face us as a hospital, it would be more meaningful to encourage individual members to also complete the questionnaire itself, as the volume of responses would be powerful.

It seems if we complete the questionnaire as a 'business' there is nowhere to indicate we are a hospital or how many people we represent, so it is not clear how we could truly represent the impact the charge has on our services and the patients we treat.

The Trust has facts and figures for the Members' Council regarding the impact of the charge. Our income is no longer adversely affected, but clearly the impact on individuals is significant – both to patients and staff – together with the bureaucracy we are now involved in to help those eligible to reclaim their costs.

The Trust recognises that our preferred option of removing the western extension may not be affordable and note that TfL want to hear other ideas that could improve how the congestion charge is implemented going forward. Council Members may wish to lobby for an exclusion for the Chelsea and Westminster Hospital if the western extension is retained.

The Council is asked to discuss and agree a plan of action to best take advantage of this public consultation.

Members' Council Meeting, 18 September 2008

AGENDA ITEM NO.	2.4 /Sept/08
PAPER	Members' Council Funding Report
AUTHOR	Julie Cooper, FT Secretary/Head of Corporate Governance
LEAD	Prof. Sir Christopher Edwards, Chairman
SUMMARY	This paper provides an overview of the funds spent to date from the Members' Council budget on the Open Day and other membership related activity. The paper provides detail of the actual costs for each item together with the projected spend for those recurrent budget items which were agreed at the last Council meeting.
DECISION/ ACTION	The Council is asked to note the report.

Members' Council Funding Report

1.0 Background

The decision was made at the November 2007 Members' Council meeting that a recurring budget of £100,000 per financial year was to be made available to the Members' Council to spend at their discretion on relevant projects. This budget was made available as of this financial year (1 April 2008).

2.0 Update

An initial allocation of £35,000 was agreed to go towards the hospital Open Day, Membership Week, the creation of a membership information area in the hospital, and the improvement of patient and public information.

In light of some of the agreed objectives in the Membership Strategy it was proposed that an annual budget be agreed for certain activities relating to membership engagement and recruitment. These activities and their respective budgets are listed in the table in section 3.

It was agreed that a report of all monies spent together with initial estimates and projected spend be brought back to the Council which is the purpose of this report. These figures are captured in the table in section 3 with future items listed in section 4.

Allocation for 08/09 = £100,000

3.0 Funding Overview

Of the £100k, about £47k has been spent. Approximately £12k is committed for those activities already agreed which leaves approximately £38k for allocation for the remainder of the financial year (March 2009).

Activity	Estimate	Actual	+ / - Estimate () = over
CAPITAL			
OPEN DAY AND MEMBERSHIP WEEK			
Development of Trust brand including: design templates, information stands, publicity materials for Open Day, Membership Recruitment Leaflet template and Council name badges	c. £10,000	£10,819	(£819)
Membership Leaflet Dispensers x 50	£600	Waiting for invoice	
Purchase 48" Plasma Screen and related programming and software for members area.	£10,000- £15,000 (IT)	£14,500 (two self – service kiosks + Installation) £3,055 (46" LCD Screen) Total = £17,555	(£2,555)
Design and work relating to membership area	£3,000 Building Work	£3,176 (VM Server) £942 (3 wall ports and 3 network patches) Total = £4,118	(£1118)
Re-design of Membership Recruitment Leaflets with attached application form to reflect feedback. (10,000 print job)	£3,000	£1,184 (printing) £1,368 (design) Total = £2,552	£448
Internet Diagnostic	£5,000	£6,200	(£1,200)
TOTAL	£36,600	£41,244	£4,644
RECURRENT and/or FUTURE ACTIVITY	Estimate Inc VAT	Actual Inc VAT	+ / - Budget () = over
MEMBER RECRUITMENT			
Spring Membership Week May 08	£2,937.50	£3,022	
Autumn Membership Week Sept 08	£2,937.50	£2,878.75	
Reprint of Recruitment Leaflet	£1,762.50		
PATIENT INFORMATION			
Discharge Leaflet x 65,000	£9,635		

BUDGET SUMMARY			
Capital Expenditure 08/09	£41,244		
Capital committed 08/09	£3,537		
Revenue Expenditure 08/09	£5,901		
Revenue Commitments 08/09	£11,398		
Remainder for allocation in 08/09	£37,920		

4.0 Proposed Items for future Funding

The following items have been put forward for consideration for funding in the future.

RECURRENT and/or FUTURE ACTIVITY	Estimate Inc VAT	Actual Inc VAT	+ / - Budget () = over
MEMBER RECRUITMENT			
PATIENT INFORMATION			
Plasma Screen and Kiosk Programming	£2,937.50		
Mystery Shopping 2 x year	£3,525		

Members' Council Meeting, 18 September 2008

AGENDA ITEM NO.	2.4 /Sept/08
PAPER	Membership Report
AUTHOR	Julie Cooper, FT Secretary/Head of Corporate Governance
LEAD	Prof. Sir Christopher Edwards, Chairman
SUMMARY	The paper provides the membership figures as of 28 August 08 with commentary in regards to progress against membership targets as set out in the annual plan 07/08, together with the draft minutes of the Members' Council Sub Committee Meeting.
DECISION/ ACTION	The Council is asked to note the report.

MEMBERSHIP REPORT

1.0 Membership size and movements

OVERALL MEMBERSHIP OVERVIEW	Figures for 06/07	Figures for 07/08	Target for 08/09	Figures at end Aug 08/09
Members at start of year	10,740	13,287	13,140	
New Members	5,162	565		429
Members leaving or changing constituency	-2,615	-958		-396
TOTAL	13,287	13,140	15,296	13,173
PUBLIC MEMBERSHIP OVERVIEW	Final Figures for 06/07	Final Figures for 07/08	Target for 08/09	Current Figures at end Aug 08/09
Members at start of year	3,500	6,982	6,580	
New Members	4,192	76		147
Members leaving or changing constituency	-710	-478		-214
TOTAL	6,982	6,580	6,580	6,513
PATIENT MEMBERSHIP	Final Figures for 06/07	Final Figures for 07/08	Target for 08/09	Current Figures at end Aug 08/09
Members at start of year	6,536	5,898	6,095	
New Members	969	362		271
Members leaving or changing constituency	-1,607	-165		-181
TOTAL	5,898	6,095	6,399	6,185
STAFF MEMBERSHIP	Final Figures for 06/07	Final Figures for 07/08	Target for 08/09	Current Figures at end Aug 08/09
Members at start of year	704	*653	465	
New Members	1	127		11
Members leaving or changing constituency	-298	-315		-1
TOTAL	*407	465	2317	475

*The discrepancy between these two figures is due to on-going data migration during this period. The correct number of staff members as of 1 April 2007 is 653.

2.0 Membership Commentary

Recruitment and Engagement

The overall membership size has decreased by 10 since July. We have gained 429 new members since the beginning of the year which is positive, but we have lost 396 due to people leaving the area, patient passing away and members choosing to leave. This means the overall membership remains relatively the same.

We have agreed to focus our efforts on increasing the patient membership this year. The main vehicle for doing so will be the new hospital discharge leaflet which includes information on membership and a membership application form. The leaflet has now been printed and is ready for distribution. We hope to see the results of this new leaflet by an increase in our patient membership over the next year.

With regards to increasing public membership, Julie Cooper is working successfully with the GP Liaison Manager to promote membership via GP surgeries and our membership display stands are in more than 12 local practices.

The Foundation Trust Membership Area is now complete and is officially being launched at the annual members meeting. Both the plasma screen and the two self-service kiosks have a lot of information on membership and how to get involved. We intend to keep this as a regular agenda item going forward to ensure the Council plays a major role in developing the information to be displayed on these machines. There is also a large leaflet display for key information including *Trust News* and the membership leaflets. This area provides a great opportunity to host events, lectures and activities specifically targeting members.

We are hosting the second Membership Week during the week of the Annual Members Meeting. We will have two recruiters in the Trust throughout the week and one floating recruiter to cover various GP surgeries. Two new additions to the week are free 'mini health check' as well as a 'writing on the wall' session on the day of the members meeting.

Diversity

We continue to audit our membership compared with our local population to identify groups which are under-represented. The Membership Development and Communications Sub Committee has applied the equality impact assessment to the sections of this strategy focusing on communication. The results of the assessment will be published on the Trust website and used to guide future work. The latest ethnicity data as well as socio-economic profile of our membership can be seen in the Trust Annual Plan. We are also working with the Trust information team to map our patient population which will serve as a benchmark for our patient membership.

3.0 Membership Development and communications Sub Committee

The Committee met on 2 September. The focus of the meeting was preparing for Membership Week, the Annual Members Meeting and the Membership. The draft minutes for the meeting are attached.

Julie Cooper
FT Secretary
September 2008

Members' Council Membership Development & Communication Sub-Committee, 2 September 2008

DRAFT MINUTES

Present:

Council Members:

Martin Rowell (MR) - Chair
June Bennett (JB)
Chris Birch (CB)
Jane King (JK)
Nathan Billing (NB)

In Attendance:

Cathy Mooney, Director of Governance and Corporate Affairs
Julie Cooper (JC), Foundation Trust Secretary/Head
of Corporate Governance
Matt Akid (MA), Head of Communications

1. Apologies and welcome:

Apologies were received from Sue Smith and Alison Delamare and Cathy James

2. Minutes of Sub-Committee meeting held on 24 June

CB said that he did not like the fact that the draft minutes went to the full Members' Council prior to being approved by the committee. CM said she appreciated this concern, and there was the same issue for committees reporting to the Board. The Board decided that it was more useful to have the draft minutes promptly than it was to have the final minutes with some delay. She felt that a similar situation applied here; that it was more important to keep the Members' Council up to date with progress and make it clear that the minutes were draft. If the meetings were arranged more in advance of the Members' Council this would allow more checking by members of the committee in advance of the Members' Council. This was agreed. CB also noted there were some discrepancies in the minutes that went to the Council and the ones included in the papers for today's meeting. The group agreed to take the papers included in the papers as the final draft and they were approved with the following amendments:

Nathan Billing and Sue Smith were in attendance.
Jane King was not.

Action: Add version, date and file name in footer

Action: Send draft minutes to Chair prior to sending out the Members' Council

THE MINUTES WERE APPROVED WITH THESE AMENDMENTS

3. Matters arising from the Sub-Committee meeting held on 24 June 2008

Matters Arising

JB has taken some leaflets for distribution in Hammersmith and Fulham.

Linking the concept of tracking membership queries with PALS was raised by Andrew MacCallum at the Members' Council and this will be explored further. JC will ensure issues raised to date are included.

It was agreed that the Members focus newsletter had much potential e.g. encouraging joining. A suggestion was double-page feature on active membership in Trust news. MA said he welcomed any ideas on this newsletter and the content. MA asked for ideas by end February for the next edition. It was agreed that this would become a standard item in the two membership mailings.

Action: JC to schedule this item into the committee plan.

Membership Week

Julie Reed distributed membership leaflets at the research open day.

A proposal for certain activities to be agreed as regular budget items was proposed at the last Council meeting and agreed.

Open Day

JC is looking into having a banner made for behind the Foundation Trust Display.

Membership Development Strategy

The issue of encouraging more participation in the Communications Group was discussed. It was agreed that it might be beneficial to have one or more public members join the group, but that the group was the right size as it was to be effective.

Action: JC to approach one or more public members to join the group

Action: Recruit members at the Duathlon

Annual Members Meeting

CB has been nominated as the spokesman for this year's meeting.

4. Membership Week

JC informed the group that we would be hosting the second membership week during the week of the Annual Members Meeting. She explained that learning from the last week, we will have two recruiters in the Trust throughout the week and one floating recruiter to cover various GP surgeries. The idea of having recruiters attend community centres was discussed. JC asked for comments on two new additions to the week, a free 'mini health check' as well as a 'writing on the wall' session on the day of the members meeting. This was agreed. NB asked if Computershare had been able to provide a breakdown of the number of public members from each constituency area so we could target those areas where we are under represented.

Action: JC to ask Computershare to provide a breakdown of the number of public members from each constituency area.

5. Membership Area

JC handed out the CAD drawings for the Membership Area. The group discussed how the area should be 'branded'. It was agreed that the sign should read *Chelsea and Westminster Hospital NHS Foundation Trust Information Zone*.

JC circulated a list of headings to be used as the framework for the material to be developed for both the kiosks and the large screen. It was agreed a main focus of the material should be around foundation trust membership and how to get involved. The plasma screen could be used to tell a story about the hospital with our key marketing messages and latest news. The screen could direct people to the kiosks. It was suggested that we might include 'what you want to know' feedback in some way by members and other visitors to the area which would guide future programming.

Action: Make the membership area and the content of the screens a regular agenda item.

Action: Explore possibilities to get feedback on 'what you want to know' from members and other visitors to the area which would guide future information provision.

6. Annual Members Meeting

MA said CB has kindly agreed to be our spokesperson. The slides are now prepared and include all of the information for the membership report. MA said it would be good to have a stand once again for the Members' Council where people can learn more or meet their council member. JC confirmed this is happening.

7. NHS Champions

MA explained that this is an award being launched in the Evening Standard today. It is a great opportunity to draw attention to the work of the hospital and our staff. Sarah Cox, from Chelsea and Westminster, was shortlisted last year. MA encouraged Council Members to spread the word and nominate individuals.

8. Membership Development and Communications Strategy

CM said she wanted to confirm with the Communications Group that there was nothing further to add to the strategy and that it could be adopted as final. JC said she would update the action tracker against the revised objectives. CM suggested that we should try and get the review of this strategy more in line with the Trust's strategy and the financial year and discuss it again around March 09. It was agreed that an annual plan for the committee should be produced and a schedule of meetings for the year, allowing a longer gap between this meeting and the Members Council to allow the minutes to be checked.

Action: Update the action tracker against the revised objectives

Action: Do annual plan and dates for the year.

9. AOB

CM said that we have been developing a discharge leaflet but it had not been clear whether there had been lay input. CB had kindly and efficiently reviewed it for us and improved it. The Trust has guidance on the development of patient information which includes lay input but there is no formal input from the Members' Council or the membership although JC had set up a reader's panel in her previous job. CM suggested that it would be good to formalise the input from the Members' Council. It was agreed that we add any known proof reading projects to the yearly schedule so Council Members can choose whether to be a 'critical reader'. It was suggested that we might invite members to express their interest in being lay readers by submitting a form to PALS.

Action: Add any known proof reading projects to the yearly schedule so Council Members can choose whether to be a 'critical reader'.

10. Date of Next Meeting

4th November 2008 4pm

Members' Council Meeting, 18 September 2008

AGENDA ITEM NO.	2.6/Sept/08
PAPER	Proposed Amendments to Constitution
AUTHOR	Julie Cooper, FT Secretary/Head of Corporate Governance
LEAD	Prof Sir Christopher Edwards, Chairman
SUMMARY	This paper summarises the three previously agreed amendments to the constitution as well as one new proposed amendment which will all be voted on at the annual members meeting on 18 th September.
DECISION/ ACTION	The Council is asked to note the amendments.

PROPOSED AMENDMENTS TO CONSTITUTION

1.0 Background

- 1.1 The Members' Council have previously discussed and agreed the constitutional changes listed in section two. .
- 1.2 The constitution requires the approval of a majority of members present and voting at a members meeting before for any amendments to be made.

2.0 Summary of Proposed Changes

STAFF OPT-OUT

It is proposed that the constitution be amended to allow for Trust staff to automatically become members unless they choose not to do so.

STAFF CONSTITUENCY

It is proposed that the statement excluding volunteers from becoming staff members is removed.

POLICY FOR THE COMPOSITION OF THE NON-EXECUTIVE DIRECTORS

According to the constitution (12.5.1) the Members' Council should maintain a policy for the composition of the non-executive directors. It has been proposed that the wording in the constitution be changed from '*...the Members' Council will maintain a policy for the composition of non-executive directors which takes account of the membership strategy*' to read '*takes account of all relevant Trust strategies*'.

3.0 Additional Proposed Amendment to the Constitution

NOMINATED COUNCIL MEMBERS'

It is proposed that the wording relating to the section of the constitution governing partnership organisation appointments to the Members' Council be broadened to state a 'major education provider for the Trust' rather than a specific organisation.

4.0 Process for Future Amendments to the Constitution

In order to comply with the Constitution all proposed amendments to the Foundation Trust constitution will be considered once per year as part of the Annual Members' Meeting unless an emergency situation arises whereby we would have to call a Special Members meeting to take a vote on the proposed change.

Julie Cooper
FT Secretary/Head of Corporate Governance
September 2008

Members' Council Meeting 18 September 2008

AGENDA ITEM NO.	3.1/Sept/08
PAPER	Finance Report – M4
AUTHOR	Neil Callow, Deputy Director of Finance
LEAD	Lorraine Bewes, Executive Director of Finance
EXECUTIVE SUMMARY	<p>The Trust is reporting a £4.18m income and expenditure surplus for the 4 months to 31st July 2008 (£0.1m above plan), an improvement of £0.04m in the month.</p> <p>The current months performance is driven by :</p> <ul style="list-style-type: none"> • Continuing over performance against NHS activity and income targets <p>Offset by:</p> <ul style="list-style-type: none"> • Activity related overspends in Directorates against pay and non-pay budgets offset by their marginal share of contract overperformance • Shortfall against savings targets <p>The latest forecast remains unchanged from last month and confirms that the planned £7.9m surplus will be over achieved by £0.37m through additional contribution from income and non-recurrent benefits offset by shortfalls against savings targets.</p> <p>Cash balances at the end of July were £37.91m compared with the internal forecast of £39.54m and Monitor plan of £38.19m.</p> <p>The Capital Budget for the year 08-09 is £37.26 of which £5.14m has been spent and a further £1.1m committed. Expenditure is slightly ahead of plan.</p>
DECISION/ ACTION	The Council is asked to note the report.

Financial Summary to July 2008

1. Introduction

1.1. This paper sets out the financial position for the 4 month period to 31st July 2008.

2. Overall Financial Position (Form F1)

2.1 The following table summarises Income & Expenditure performance and financial risk ratings.

	Year to 31st July 2008				Forecast			
	Budget £'m	Actual £'m	Variance £'m	Var %	Budget £'m	Actual £'m	Variance £'m	Var %
Income	89.3	90.9	1.5	1.7%	268.8	273.4	4.6	1.7%
Expenditure	80.1	81.5	-1.4	-1.7%	244.6	248.8	-4.2	-1.7%
EBITDA	9.2	9.4	0.2		24.2	24.6	0.4	
EDITDA Margin %	10.3%	10.4%			9.0%	9.0%		
Interest, Dividends and Depreciation	5.2	5.2	-0.1		16.2	16.2	0.0	
Surplus/Deficit (-ve)	4.1	4.2	0.1		8.0	8.3	0.4	
Surplus Margin %	4.6%	4.6%			3.0%	3.1%		
ROA %	5.7%	7.2%			5.5%	5.8%		
Liquidity (days)	63.7	65.5			33.5	30.9		
Risk Rating	5	5			5	5		

2.2 The income and expenditure position to the end of July is a surplus of £4.18m, which is £0.01m ahead of plan. Current month performance shows a surplus of £0.41m which is an improvement of £0.04m against plan.

2.3 The EBITDA margin is 7.7% in July (plan 7.5%), bringing the year to date EBITDA margin to 10.4%. (plan 10.3%) This performance is equivalent to the maximum Monitor financial risk rating of 5 as planned.

2.4 There is a positive variance against both planned EBITDA and I&E surplus. This reflects overperformance against planned income has exceeded overspends against pay, non-pay and post-EDITDA items. This is analysed as:

- Income is £0.86m above plan in month and £1.54m above plan year to date with £1.18m relating to overperformance against NHS contract income and £0.362m relating to overperformance against other income types
- Pay budgets are overspent by £0.21m in month with a year to date overspend of £0.903m.

- Non-pay budgets are overspent by £0.55m in month with a year to date overspend of £0.47m.
 - Post EBITDA items are overspent by £0.07m in month with a year to date overspend of £0.07m
- 2.5 £5.37m (82%) of the £6.534m annual savings requirement has been identified and is currently forecast to be delivered. £1.52m (83%) of the year to date target of £1.83m has been delivered.
- 2.6 The front-line Directorates are showing a year to date overspend of £0.14m against budget after receiving £0.75m income for activity overperformance. This is an improvement of £0.09m in the current month.
- 2.7 Other Directorates are showing a year to date overspend of £0.09m, the largest overspend of £0.12m relating to Private Patients.
- 2.8 Cash at bank and in hand at 31st July is £37.91m which is behind the Monitor plan of £38.19m and the internal forecast of £39.54m. The variance is explained by capital spend and payments to revenue creditors ahead of plan offset by an advance payment from Kensington & Chelsea PCT.

3 Income (F1 and F2Bii)

- 3.1 The Income position has continued to improve with £0.86m surplus against plan in July and a year to date surplus of £1.54m.
- 3.2 Performance against planned contract income by point of delivery is shown in the following table:

Activity Type	Activity Variance Over/(Under) %	Surplus / (Deficit) M4 £000's
Elective	12	1,289
Emergency	5	440
Obstetrics	2	(44)
Critical Care	14	(22)
NICU/SCBU	12	(507)
A&E attendances	(2)	(92)
Outpatient First Attendances	13	880
Outpatient Follow ups	5	(155)
Excess Bed Days	(11)	(218)
Other		(397)
Total	4	1,174

The following issues are highlighted from this analysis:

Elective - continued over-performance for all specialities but, especially significant for the surgical specialities.

Non Elective - significant over performance against General Medicine and Plastic Surgery. All other specialities are over performing with the exception of Obstetrics, A & E observation and Gastroenterology.

Outpatients - follow up attendances are over performing by activity but under performing by value reflecting a provision of £0.24m for attendances above the new : follow-up ratio cap. Dermatology, GUM, Neurology, Paediatric

specialities, Pain Management and Plastic Surgery are all significantly over performing.

Critical Care - Child ITU & HDU critical care activity increased significantly in July compared to the previous 3 months average.

Other - includes variable targets and Directorate CIP targets which will be matched against Elective and Outpatient targets

- 3.3 Other clinical income has shown an underspend in July of £0.18m reducing the year to date overspend to £0.08m. This relates to overseas visitors (£0.08m), RTA income (£0.05m) and the rephasing of the ACU savings target to later months (£0.05m)
- 3.4 Private Patient income is £0.10m behind plan
- 3.5 Other non clinical income has shown an underspend in July of £0.22m increasing the year to date underspend to £0.55m. This relates to facilities recharges (£0.12m) and other recharges relating to staff and levies.

4 Expenditure (F2 – F3)

- 4.1 Expenditure is reporting an adverse variance of £1.37m for the 4 months to 31st July 2008, which is a deterioration of £0.76m in July.
- 4.2 Pay overspends have increased by £0.21m to £0.9m relating primarily to increased costs to deliver additional activity and the 18 week target which are offset by additional NHS overperformance income
- 4.3 Non-pay spend has overspent by £0.55m in July resulting in a year-to-date overspend of £0.47m. Significant items include unallocated procurement savings targets (£0.13m), patient appliances (£0.11m), drugs (£0.1m), IT equipment (£0.05m), legal fees (£0.05m) and energy (£0.05m)

5 Savings Plans (F5)

- 5.1 £1.52m (83%) of the year to date target of £1.83m has been delivered. £5.38m (83%) is forecast to be delivered against the annual savings plan of £6.53m
- 5.2 Analysis of savings delivered by Directorate is shown in the following table:

	YTD Plan	YTD Delivered	Variance
Directorate	£000's	£000's	£000's
A&I	84	124	40
HIV	127	127	0
Medicine	283	283	0
Surgery	288	208	(80)
Therapies	106	106	0
Pharmacy	45	45	0
W&C	344	297	(47)
Man Exec	157	157	0
Operations	199	150	(49)
HR - Sickness & Absence	31	0	(31)
Procurement	111	0	(111)
ACU	53	20	(33)
Grand Total	1,827	1,515	(312)

- 5.3 A methodology needs to be agreed to allocate Procurement and HR – sickness & absence targets to Directorates and evidence delivery of savings

6 Risks

The main financial risks facing the Trust are as follows:

- 6.1 Directorates continue to incur costs associated with delivering additional activity and 18 weeks in excess of the income received for delivering this activity.
- 6.2 The financial plan assumes that 10 beds on Rainsford Mowlem ward are available for Medicine's use during the last 6 months of the year and we will need to ensure that Surgery in doing any additional activity continue to live within their bed complement.
- 6.4 HIV drugs spend, due to size and variability of drug spend.
- 6.5 Lost income due to potential reclassification of non-elective maternity admissions not resulting in deliveries as outpatients. The provision reflects 50% of the theoretical risk noting the scope for local negotiation with PCTs.

Balance Sheet

7. Debtors & Provisions (Form F7 & F11)

- 7.1. The closing position of aged debtors at the end of July shows a decrease of 48% from previous month's balance of £7.33m. The decrease is due to advance collection of £3.50m August block contract billing for Kensington & Chelsea PCT (K&C PCT).
- 7.2. The private patients' aged debtor balance shown excluding private maternity in Form F11 stands at £0.48m in this month. This balance has increased by 7% from previous month's balance of £0.45m. Overall there has been a decrease in total private patients' debtors, attributed to deposits received from private maternity patients. The overseas patients' aged debtors balance at the end of July has increased by 7%.
- 7.3. The provision for bad and irrecoverable debts has reduced by £0.09m after writing off minor balances in the category "Other General Trading Organisations". This represents provision coverage for 33% of total debtors excluding the advance payment from K&C PCT.

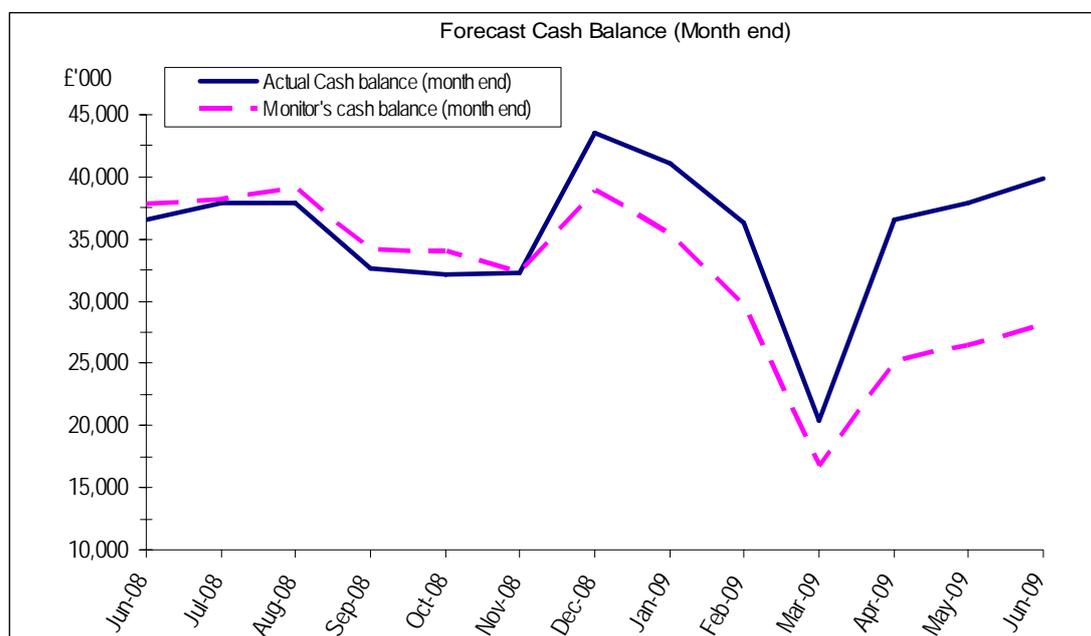
8. Creditors (Form F8)

- 8.1. Aged creditors of £4.75m at the end of the month represent a decrease of 12% from the previous month's balance of £5.38m. Accounts Payable staff have been successful in bringing down the prior month invoices awaiting authorisation. This includes £2.1m payment to Imperial College Healthcare NHS Trust for the Pathology SLA for Q1.

- 8.2. A cumulative performance of 94% by value and volume of invoices paid within 30 days was achieved by the Trust against the BPPC target of 95%

9. Cash Position (F9)

- 9.1. The cash position in this period is behind the plan with a balance of £37.91m compared with the internal forecast of £39.54m and Monitor plan of £38.19m. The actual cash balance in this month is therefore £1.64m behind plan taking into account the advance receipt of £3.5m from K&C PCT.
- 9.2. The variance is explained by an above plan capital (£2.51m) and trade revenue (£4.79m) creditor payments offset by above plan NHS debtors collections of £4.54 (including £3.5m prepayment from K&C) and other receipts of £1.12m.
- 9.3. The chart below illustrates the cash forecast in the annual plan reported to Monitor mapped against the internal plan updated for the outturn cash position. The peaks and trough from December in the chart represent the planned loan facility drawdown of £6.75m in December 2008 and £20.25m in April 2009, whereas a significant payout, over and above recurrent creditors' payment, of £7.06m for dividend and loan repayments is expected in March 2009.



10. Treasury

- 10.1. The Bank of England's Monetary Policy Committee (MPC) kept interest rates unchanged at 5% in July 08 (and again in August 08). The MPC continues to face a balancing act between upside risks of continued high inflation in the near term on pay growth and inflation expectations and downward risk that a more prolonged slowdown due to weaker incomes and tighter credit could pull inflation well below the target in the medium term. It was in the light of these risks that the MPC in their July meeting, decided to stay with the same

interest rate of 5%. The average over night and 3 month LIBOR in the month of July 08 was 5.07% and 5.83% respectively.

- 10.2. As at 31st July, the Trust had £28m invested with Royal Bank of Scotland (RBS), Lloyds TSB, Bank of Scotland (HBOS), Bank of Ireland, Barclays Bank and Allied Irish Bank. The cash balance of £9.90m was held in the Office of Paymaster General Account (OPG), Royal Bank of Scotland Special Interest Bearing Account (SIBA) and Bank of Scotland (Instant Access). The cash position for the month of July is as follows:

July 08	04 Jul 08	11 Jul 08	18 Jul 08	25 Jul 08	31 Jul 08
	£'m	£'m	£'m	£'m	£'m
National Loan Fund	00.00	00.00	14.00	1.40	00.00
RBS	10.00	10.00	10.00	10.00	10.00
Lloyds TSB BANK	5.00	5.00	5.00	5.00	5.00
Bank Of Scotland	5.00	5.00	5.00	5.00	5.00
Bank Of Ireland	3.00	3.00	3.00	3.00	3.00
Barclays Bank	3.00	3.00	3.00	3.00	3.00
Allied Irish Bank	0.00	2.0	2.00	2.00	2.00
Cash at Bank	8.92	5.52	6.48	9.02	9.90
Cash at Bank & Total Investments	34.92	33.52	48.48	38.42	37.90

- 10.3. The Trust has a committed facility of £18m set up with RBS. This facility has not been utilised year to date. Monitor has approved an increase to the working capital facility to £20m. The Trust is holding a dialogue with some of the nominated banks (as per Treasury Policy) to negotiate the cost to put this facility in place. There are no plans to utilise this facility in the year.
- 10.4. The Trust has Investment Accounts with RBS, Lloyds TSB, HBOS, Barclays, Bank of Ireland, Allied Irish and National Loan Fund in accordance with the Treasury Management Policy. An account with Bank of Canada will be set up in August 2008.
- 10.5. The returns on the Trust's short term deposit investments have historically outperformed the cost of financing the Trust loans. This continued in the month of July where 81 basis points were gained (see Table below). The return achieved in this month on short term deposit investments is 73 basis points above the over night LIBOR rate and 0.3 basis points below the 3 months LIBOR.

	Apr-08	May-08	Jun-08	Jul-08
	%	%	%	%
Weighted average investment returns	5.36	5.49	5.76	5.80
Weighted average cost of Loans	(4.99)	(4.99)	(4.99)	(4.99)
Average interest rate gains	0.37	0.50	0.77	0.81

10.6. The approved counterparty summary report is as follows;

The credit rating has been updated for the approved counterparties as per Moody's investor ratings and Standard & Poor ratings. HBOS and Barclays are on a negative watch. No further investments will be made with these two organisations until the rating is improved.

Approved Counterparty	Amount	Approved Counterparty Limit	Moody/S&P Long Term Rating	Moody /S&P Short Term Rating	Outlook
	£m	£m			
National Loans	Nil	Unlimited	Aaa/AA+	N/A	N/A
RBS	10	10	Aa1/AA	P-1/A-1+	
Lloyds TSB	5	10	Aaa/AA	P-1/A-1+	
HSBC (account not set up)	Nil	5	Aa1/AA	P-1/A-1+	
Bank of Scotland	5	5	Aa1/AA-	P-1/A-1+	negative
Barclays	3	3	AA1/AA	P-1/A-1+	negative
Allied Irish Bank PLC (account set up 8 th July)	2	3	Aa2/A+	P-1/A-1	
Bank of Ireland PLC	3	3	Aa2/A+	P-1/A-1	
Royal Bank of Canada (account not set up)	Nil	5	Aaa/AA-	P-1/A-1+	

11. Capital Programme

11.1. The Capital Budget for the year 08-09 is unchanged at £37.26m. The actual spend to date is £5.14m which is in-line with the year to date budget of £5.05m. A high proportion of the expenditure to date relates to carry forward building schemes and equipment.

11.2. The total expenditure for building schemes amongst includes the completion of phase one of the private maternity project, building management system

and relocation of the hospital radio. In addition the Trust has received 95% of the invoices for the CT & MRI scanners including installation which forms most of the incurred expenditure on equipments.

- 11.3. Commitments of £1.10m include building schemes (£0.50m), Information Technology (£0.3m) and equipment projects (£0.3m).