

## Board of Directors Meeting, 25 September 2008 Extract of Approved Minutes

### Present:

**Non-Executive Directors:** Prof. Sir Christopher Edwards (CE) (Chairman)  
Karin Norman (KN)  
Charles Wilson (CW)  
Colin Glass (CG)  
Richard Kitney (RG)  
Andrew Havery (AH)

**Executive Directors:** Heather Lawrence (HL), Chief Executive  
Lorraine Bewes (LB), Director of Finance and Information  
Andrew MacCallum (AMC), Director of Nursing  
Amanda Pritchard (AP), Deputy Chief Executive  
Mike Anderson (MA), Medical Director

**In Attendance:** Catherine Mooney (CM), Director of Governance and Corporate Affairs  
Julie Cooper (JC), Foundation Trust Secretary/Head of Corporate  
Berge Azadian (BA), Director of Infection Prevention and Control  
Roz Wallis (RW), Nurse Consultant, Infection Control

### 1. GENERAL BUSINESS

#### 1.1 Apologies for Absence

There were no apologies. AH had notified the chairman that he would be late.

#### 1.2 Declarations of Interest

No declarations were recorded.

#### 1.3 Minutes of Previous Meeting held on 30 July 2008

The Chairman circulated an updated version of the minutes with some alterations to the minutes around finance and private maternity.

The updated minutes were agreed as an accurate record of the meeting with the following amendments:

MA was present.

#### 1.4 Matters Arising

##### **Private Maternity (3.3/Jul/08)**

This was covered under agenda item 3.3. HL and CE are due to meet Tim Chessell on October 2<sup>nd</sup>.

##### **Monitor Consultation on the Private Cap (3.3/Jul/08)**

The response to the consultation was sent.

##### **Annual Workforce Report (3.7/Jul/08)**

The queries will be addressed at the next Board meeting.

##### **NEDS Skills and Experience (3.12/Jun/08)**

The immediate need for doing the skills analysis has ceased as KN has confirmed

that she will stay on the Board. This will be reviewed again when it is necessary.

### **1.5 Chairman's Report**

CE reported that he had asked HL to produce a series of scenarios for where the Trust might be in the next 5-10 year, for example considering how academic we want to be, what size we want to be. Dean Street has proved that we can expand our services and this may affect models for future service provision. CW suggested that any blockages to a vision be included e.g. the Darzi review. CE said any future models will have to take into account the political climate.

CE said that he is charged with appraising individual non-executive directors (NEDs) and he will be contacting them over the coming months to set these up.

CE said that he has had a further meeting with Steve Smith about Health Innovation Education Clusters (HIECs). This led to a further meeting with the four relevant chief executives to discuss HIECs and what this means in practice. They discussed the role of commissioning and the impact the Took report will have on medical education, and the need to understand MPET and SIFT funding.

CE said that he and HL had met with Cllr Christopher Buckmaster, Chairman of the Overview and Scrutiny Committee on Health for Kensington and Chelsea. It was a useful meeting and a wide range of issues were discussed.

### **1.6 Members' Council Report**

CE presented the report and noted that a lot of effort is going into membership recruitment and engagement. We agreed to focus on increasing our patient membership and we have now produced a new discharge leaflet with the membership application form at the back. We held a second membership week last week and recruited some 230 new members. JC noted that about one-fifth of these were public members. CE asked CG to share his views as the lead director for the Members' Council. CG said the focus is good and we are moving in the right direction but we must demand more from Council Members. The discharge leaflet is good and having a GP Liaison Manager who is now distributing membership materials to individual practices will help get us into the community. He would like individual Council Members to start reporting back on their engagement activity. Providing training around engagement was discussed. HL said the Red and Yellow Card Policy is a good example of getting the Council involved. AMC suggested inviting Council Members and the membership to the Nursing and Midwifery seasonal conference. CW said the Council is there to reflect the views of the larger public. We ought to give them a list of things to do and get them more involved.

The Board agreed that we should review the Members' Council agenda and try and allow more time for strategic issues as well as agree a clear process that involves them and raises expectations for them to liaise with their members. We do need to produce tools to help them. CG suggested that he might go with a Council Member to a constituent meeting. CE suggested that a joint Away Day might be the occasion to discuss this issue. CE said the membership area is up and running and very good. There will be some further design changes including changing the flooring. It was suggested that we might also get tips on best practice from the Campaign Company regarding membership engagement. JC confirmed that she has liaised with them already.

**Action: Explore possibility of joint away day to look at membership engagement**

## 1.7 Chief Executive's Report

HL reported that the Duathlon had been a huge success and she has congratulated the charity. All executives were involved in some way and it has had a positive effect on staff morale. CE congratulated everyone.

The results from the Healthcare Commission standards will be known in October. We expect to receive a score of excellent for use of resources but there is a risk that we will receive a score of good for quality of care due to the breach of the MRSA target. We will need to manage the messages around this. Our rating will ultimately depend on the tolerance allowed by the Healthcare Commission. Initial feedback from the Healthcare Commission Hygiene Code inspection has been encouraging.

The GP newsletter has been circulated and HL said she thinks it is well done. CW said he had read each of the links and that it was very full of information. CW suggested a list of topics be agreed for future versions. HL said this is what GPs wanted.

HL invited AMC to outline the 'Productive Ward' project. AMC said the project is about optimal performance on the ward e.g. being able to find things within 3 seconds and increasing time for direct patient care. Members may be able to get involved. This will be discussed at the March nursing conference.

HL noted the patient satisfaction project which Monitor is subsidising. We see this as an opportunity to engage clinicians in this work. Zoe Penn has agreed to pilot this in the Women and Children's Directorate. The Trust is also in the final stages of engaging one or more companies to provide real time feedback and this links in well with Monitor's project. KN asked when payment will be linked to patient satisfaction. LB replied that the PCT may begin to introduce this from next year and we have not reserved for it as it is unquantifiable at the present.

HL asked the Board if they would like to write to TfL in response to the consultation on the Western extension. CE has encouraged individual members of the Council to respond. He noted the comment from the Members' Council that the current arrangements made it easier for disabled people to get into the car park as it was not so full. CE said we should also look at June Bennett's suggestion about changing the boundaries. RK said the Board should contact Gordon Taylor to help us clarify our position and he would provide contact information to HL.

AH arrived.

**Action: Investigate using kiosks to provide link to online response forms**

**Action: The Board to respond to the congestion charge consultation to either support the abolition of the Western extension or an amendment to the boundary.**

**Action: JC to follow up on sending the link to the consultation documents to all Members with emails including all staff.**

## 2. PERFORMANCE

### 2.1 Finance Report Month 5

LB highlighted that the Trust was on track for a surplus of £8.27m, £0.3m above plan. This forecast assumed that CIPs were 85% delivered. LB also highlighted that a review of provisions would mean up to £3m of non recurrent funds was available for release. LB highlighted that in the light of recent credit difficulties in the banking sector that the Board needed to review the Treasury Policy.

LB tabled 3 documents which set out an overview of deposits with Approved

Counterparties showing distribution of investments, Approved Counterparty Limits, interest rates and share prices as at close of play on 24 September.

As a result of the credit crunch a number of our Approved Counterparty ratings had fallen, which meant that we were above the Treasury Policy Approved Counterparty Limit with RBS and Bank of Scotland.

The Finance and Investment Committee (F&IC) had considered this in detail on 17th September and advice had been taken from KN, given her expertise in this area. The F&IC recommended that monies on deposit with Bank of Scotland and Allied Irish Bank (AIB) be withdrawn to Government accounts and recommended that the Board consider withdrawing all funds to Government accounts on maturity until the markets calmed down. LB reported that Bank of Scotland instant access savings and AIB deposits had been withdrawn although Bank of Scotland had refused to allow early termination of the fixed term deposit.

The Board discussed the recommendation of the F&IC to withdraw all funds to Government accounts. CE reported that the F&IC had considered that the primary importance was to safeguard public money and to remember that we were in new territory that no-one could have imagined. The F&IC considered that the risk of losing investment income (c£100k) was preferable to the risk of losing public funds which the Trust needed for its capital development.

The Chairman summarised a number of principles to allow the Board to delegate action to the Chief Executive and Finance Director in consultation with KN and AH to redistribute the funds and review the Treasury Policy:

- THE BOARD AGREED THAT WE MUST BE PRUDENT AND WE HAVE A CAPITAL PLAN THAT REQUIRES THE FUNDS.
- WE NEED TO TAKE ACCOUNT OF RECENT CHANGES IN THE MARKET AND CONSIDER WHAT THE IMPACT MAY BE ON CERTAIN FINANCIAL PARTNERS.
- AT THE MOMENT, WE SHOULD NOT TERMINATE EVERY AGREEMENT, SO WE NEED TO DEPOSIT FUNDS WITH INSTITUTIONS THAT ARE CONSIDERED HIGHLY UNLIKELY TO GO UNDER.
- IT WAS FELT THAT THE MATURITY ON ANY INVESTMENT SHOULD NOT EXCEED 3 MONTHS AND THE TERMS AND CONDITIONS OF FIXED TERM DEPOSITS SHOULD BE REVIEWED TO ENSURE WE ARE ABLE TO BREAK EARLY IF REQUIRED.

THE BOARD AGREED TO THE FOLLOWING:

- EXPAND THE NUMBER OF APPROVED COUNTERPARTIES TO INCLUDE HSBC, ROYAL BANK OF CANADA, BNP PARIBAS AND CONSIDER LARGEST NATIONAL BANKS IN EACH EUROPEAN COUNTRY.
- COME OUT OF RBS EARLY TO STAY IN LINE WITH TREASURY POLICY
- REDUCE THE APPROVED COUNTERPARTY LIMIT FOR LLOYDS HBOS TO £3M BETWEEN THEM AND DEPOSIT MONEY WITH LLOYDS RATHER THAN HBOS.
- DO NOT DEPOSIT MONEY LONGER THAN 3 MONTHS.
- REVIEW THE TERMS AND CONDITIONS OF FIXED DEPOSIT CONTRACTS TO ENSURE WE ARE ABLE TO BREAK EARLY IF REQUIRED.

## **2.2 Performance Report Month 5**

LB said we started in better position for Monitor and Healthcare Commission ratings. We are on track to meet all Monitor targets that are brought forward from last year, but there some new targets around cancer and stroke care. CE noted poor performance in relation to the waiting times for Rapid Access Chest Pain clinic during the period of annual leave. AP explained that this had been investigated and was due to a mix up in communication regarding annual leave and cover. This has been addressed with the appointment of a full time person and centralisation of the booking procedure. LB said we would need to see six more patients per month to meet target. CE asked for a brief on this at the next Board. LB said there was a national coding audit and we did not do well. Electronic discharge is key to bettering

our performance and this is now progressing. MA said that the GPs are very happy with this and report a significant time saving. KN noted that ethnic coding continues to be a problem and LD replied that there is a great deal of focus on this at the moment

**Action: Bring brief on target in relation to rapid access clinic to come to next Board.**

### **3. ITEMS FOR DISCUSSION/APPROVAL**

#### **3.4 Maternity Services Review**

AP presented the paper on behalf of the Maternity Services Improvement Steering Group which was set up as a result of the Healthcare Commission Report on maternity services and will monitor the delivery of the service improvement plan. The group has met five times and is now firmly established. There is representation from Kensington and Chelsea PCT as well as the Members' Council. The group is focussing on three complementary work streams which are outlined in the paper. The Trust has agreed an investment package and there is funding available from the PCT. HL suggested that the group look at the themes of complaints around maternity services.

The group will focus on areas with the greatest potential impact. AH asked that if the data collection issues which led to some of the Trust's poor results had been rectified. LB said it had.

THE BOARD NOTES THE ESTABLISHMENT OF THE GROUP AND SUPPORTS THE APPROACH.

#### **3.5 Infection Control Annual Report**

BZ introduced the report and said that the executive summary outlines the main points and he invited directors to ask questions. CE thanked BA for such a comprehensive report. He said that some suggestions were made during the seminar earlier in the year regarding screening and CE asked for an update. BZ said we screen all electives and inter-hospital transfers. We are looking at the cost effectiveness of screening all patients coming into A&E. CE expressed interest in what other similar trusts are doing. BZ said that UCLH have piloted universal screening but there were issues around universal screening e.g. what is meant by 'universal' and what do we do with patients while we are waiting for the results. We currently capture between 80 and 90 percent of at risk patients. He noted our success around reducing false positives. Our contamination rate was 8.9% and our method of collecting blood has brought this down to 3.4%. The percentage of genuine blood infections remains at 6% i.e. we have not missed any genuine positive results.

HL wants to ensure that the Trust is following best practice and we should emphasise this on the Trust website to instil confidence. The issue of proton pump inhibitors (PPIs) and the effect on *C.Difficile* rates was raised. CE asked for further information on our approach to be brought to the next Board. CE asked what advice BA might give to NEDS visiting the wards to promote best practice. BA said they should follow the measures to take when in any clinical environment, which is to clean hands. If not touching patients, then the below the elbows policy is not necessary. CE noted that he had written to the Department of Health regarding the private patient admitted with MRSA which was counting against our target.

**Action: Bring proposal for an appropriate solution for patients on PPIs to the next Board.**

#### **3.6 Terms of Reference Assurance Committee**

CM said this paper follows on from the agreement at the July Board to create one assurance committee. CM outlined the terms of reference and the proposed work

plan. The issue of who is a member of the committee and who is in attendance was discussed in detail. If the approach was the same as for the Audit Committee then the executive directors would be in attendance. The issue of the role of Members' Council representatives was discussed. It was felt that they might not engage to the full extent if not full members. Regarding recruitment of Council members onto the committee, CE suggested the chair of the committee to be involved in developing the selection specification. CE asked that the membership be considered in more detail as a result of these discussions and asked for a further proposal to be brought to the next Board.

**Action: Bring proposal on terms of reference to next Board.**

### **3.8 Tendering of Facilities Contract**

THE BOARD RATIFIED THE PAY DEAL AND AGREED THE TWO-YEAR EXTENSION OF THE EXISTING SOFT FM CONTRACT.

### **3.9 Terms of Reference for Finance and Investment Committee**

THE BOARD AGREED THE TERMS OF REFERENCE

### **3.10 Contract Award for Dean Street Works**

LB said the Board was familiar with this contract. A briefing on the tendering process had been prepared and LB outlined the main points. Tenders were received by the Trust on 15th August. Tenders were analysed financially and three of the five tenderers were requested to attend a tender review and presentation meeting. This meeting was held on 22nd August. Following the review meeting and completion of the presentation scoring schedule it was unanimously agreed that since Area Square have not previously undertaken work for the Trust it would be beneficial for them to arrange site visits to enable Trust representatives to inspect quality of design, standards of workmanship, site organization and to assess client satisfaction at first hand. Site visits were held on Tuesday 2nd September and attended by Leigh Chislett, David McDonnell and Martin Wiggins. The Tender Report and Award Recommendation was reviewed by Debbie Richards and Lorraine Bewes on 11th September and presented at the Programme Board on 15th September. The award recommendation was approved by Chairman's Action on 17th September. Chairman's Action was required to avoid an additional 2 weeks delay which would have resulted from waiting for Board approval. Area Square were verbally notified of the intent to award them the contract on Thursday 18th September, 3 weeks later than shown on the preliminary programme.

THE BOARD RATIFIED THE CONTRACT

## **4. ITEMS FOR INFORMATION**

### **4.1 Audit Committee Update**

THERE WAS NO UPDATE.

### **4.2 Clinical Governance Assurance Committee Report**

THE BOARD NOTED THE REPORT.

## **5. ANY OTHER BUSINESS**

There was no other business.

## **6. DATE OF THE NEXT MEETING 30 October 2008**

NB These minutes are extracts from the full minutes and do not represent the full text of the minutes of the meeting. For information on the criteria for exclusion of information please contact the Foundation Trust Secretary.

**Signed by**

A handwritten signature in blue ink, appearing to read "Christopher Edwards". The signature is written in a cursive style with a long horizontal stroke at the end.

**Prof. Sir Christopher Edwards  
Chairman**