

Board of Directors Meeting 29th April 2009

Extract of approved minutes

Present

Non-Executive Directors	Prof. Sir Christopher Edwards	CE	<i>Chairman</i>
	Andrew Havery	AH	
	Charles Wilson	CW	
	Colin Glass	CG	
	Karin Norman	KN	
	Richard Kitney	RK	
Executive Directors	Heather Lawrence	HL	<i>Chief Executive</i>
	Amanda Pritchard	AP	<i>Deputy Chief Executive</i>
	Lorraine Bewes	LB	<i>Director of Finance & Information</i>
	Mike Anderson	MA	<i>Medical Director</i>
In attendance	Andrew MacCallum	AMC	<i>Director of Nursing</i>
	Catherine Mooney	CM	<i>Director of Governance and Corporate Affairs</i>
	Dianne Holman	DH	<i>Interim FT Secretary</i>

The meeting was called to order following the first of a series of seminars on Board Development.

1 GENERAL BUSINESS starts 2pm

1.1 Apologies for Absence

There was full attendance.

1.2 Declaration of Interests

None were tendered.

1.3 Minutes of the Meeting of the Board of Directors held on 26 March 2009

The meeting agreed the minutes as a correct record of proceedings subject to the correction of typographical errors identified by CM.

1.4 Matters Arising

1.4/Mar/09 Matters Arising

CM will report on the outcome of actions in relation to Monitor Code of Governance in May 2009. **CM**

3.4 Memorandum of Understanding between Chelsea & Westminster Hospital and the Royal Brompton Hospital

It was agreed that although a signed copy had not yet been found, it was no longer an issue as the text of the draft agreed in 2006 indicated that it was required to be renewed.

1.5 Chairman's Report

CE reported that Royal Brompton Hospital expected to learn of the outcome of their Foundation Trust application on the next day and if it was successful, as it was likely to be in the absence of quality issues, CE would write to Robert Finch discuss how the two FTs could share services to mitigate the impact of the economic downturn.

1.6 Members' Council Report

CE reported on vacancies, refurbishment of the Information Zone, training and development, a consultation by Monitor on the Members' Council meeting statutory responsibilities. CE also reported on feedback from some Council Members on their preference for using the term 'governor' and 'Board of Governors'.

AH expressed the view that he had no objection to the term 'governor' but felt that it would be unwise to make the name change if the Trust needed to incur substantial costs to update communication materials.

AMC noted that the terms 'governors' was not adopted at the time of the FT application as it was thought that it might lead to confusion about the role of this body.

Others put forward the view that a name change might promote inappropriate perceptions about the role.

The Board noted the zeal of the Members' Council in responding to the Major Trauma and Stroke Consultation.

CM reminded the Board that its attendance at meetings of the Members' Council is not mandatory but is required to be disclosed in the Trust's Annual Report.

1.7 Chief Executive's Report

In response to NWL PCT commissioning plans, the Trust would develop a set of criteria to select which invitations to bids it would explore. HL emphasised that the assessment of clinical leadership would be crucial in this process.

The Board of Directors and the Members' Council both responded to the Major Trauma and Stroke Care Consultation.

The Memorandum of Understanding between the Trust and Royal Brompton Hospital was signed on 7th April 2009.

The Trust expects to receive an 'excellent' rating for use of resources in 2008/09 and at least a 'good' rating for clinical services with the possibility of 'excellent'. HL expressed her disappointment that the increased activity did not yield a far higher surplus and on this basis asked the Board to concede that it had under-achieved on finance in the year 2008-09.

HL noted an increase in £500k in agency midwives in a month. This may not reflect the actual expenditure in that month and work was underway to explore further the use and cost of agency and a more accurate representation.

HL reported that there was some complex work being done by KPMG on the NWL Provider Landscape. HL was of the view that there was an optimal time frame for the Trust to pursue options which may be recommended and hoped to be in a position to access all necessary information and advice and to be in a position to exploit the options within the optimal time frame.

2 PERFORMANCE

2.1 Finance Report – March 2009

LB reiterated HL's view on the financial performance in 2008-09 and stated that in light of the significant additional activities and write-backs, the surplus could have been at least £5 million higher. For 2009-10 the Trust will ensure that capacity is planned more effectively and there is more control over the pay budget.

In response to CG, LB confirmed that the Month 12 2008-09 results did not indicate the expected trend for 2009-10 because the Month 12 results included charges which had been incurred throughout the financial year but had not been recognised in the financial statements until Month 12.

It was also noted that the duathlon event organised by the Charity to raise funds for the purchase of a second CT Scanner had not been as successful as anticipated and as a result, the Trust need to commit additional capital expenditure to fund the purchase. KN suggested that, having regard to new 'giving' patterns, the Trust should recognise gifts as they are received rather than formulate plans in reliance on gifts.

CE also noted that the Trust did not always achieve its cost-improvement targets in the past and while this did not prejudice the viability of the Trust in the past, there was a need to ensure that these were achieved in the 2009-10.

The Board agreed that the finance paper would, in future, be limited to the commentary and the numerical tables would be circulated by email for information.

2.2 Performance Report – March 2009

LB reported that the Trust was on track to receive an 'excellent' rating for quality of services in the 2008-09 Annual Health Check.

CE asked if the AMU (Acute Medical Unit) could be renamed the 'Stroke Admissions Unit'. It was noted that the AMU and the Stroke Unit were not located in the same unit.

In response to CE, HL noted that for HR metrics, the Trust benchmarked well against other London teaching hospitals but cautioned that there were anomalies in the results of some hospitals.

In response to CM, LB explained that the HCC's new audit indicator was in the template.

The Board was concerned by the growth in bank and agency staff reported and AP noted that while there were midwifery and other clinical staff shortages in London, there was no shortage of administrative and clerical staff, an area where there was also significant growth in bank and agency usage. AP suggested the introduction of training packages for the recruitment of medical secretaries. AP also explained that there was a permanent advertisement for midwives and the Director of Human Resources looks at a range of different techniques to recruit midwives

CE enquired about the way that agencies controlled the market and AP responded that there was a pay war among agencies in London. AMC added that the agencies had changed tactics and were offering staff a bonus to take a placement at 3 hours' notice, thereby creating further pressures. AMC suggested that the Trust should promote overall benefits of employment at the Trust, including the excellent pension scheme and opportunities for training.

HL suggested that NHS London is the appropriate body to pursue this issue of midwifery shortages. HL proposed that a paper is brought to the Board and proposed that the Board also considers foregoing a 'gold star' for midwifery.

AP

AH asked if there was a structural problem in midwifery, to which HL responded that demand was growing faster than supply and there was the alternative of working in the community.

The Board agreed that if the performance paper would, in future, be limited to the commentary and the numerical tables would be circulated by email for information.

2.3 Revised Complaints Policy

AMC presented the changes to the complaints process which includes changes to the process for local resolution and review by the Ombudsman. AMC noted that a summary by the NHS Confederation had previously been circulated.

The revised complaints policy is being updated and will be brought to the Board for approval after consulting the Members' Council.

AMC

3 ITEMS FOR DECISION/APPROVAL^{*1}

3.1 Three-year Financial Plan

LB presented the 3-year plan which forms the basis for the Annual Plan for Monitor. LB explained that there will be a further opportunity to review when the Annual Plan is presented, but in the mean time, the Board's approval was sought to enable the Finance Department to proceed with setting detailed budgets within the quantum of the proposed plan.

LB asked the Board to confirm that the scenarios contemplated in the down-side risk analysis were sufficient. KN emphasised that the priority should be to focus on the risks in the market which are outside of the control of the Trust.

LB also reported on local accountability in directorates. A system of 'earned autonomy' was being developed in response to the need for a broader framework for measuring good financial management and governance. Metrics were being developed to mirror Monitor's model. Full trading accounts would be established for each directorate and Finance Managers will sign off budgets for directorates and confirm that there are no accounting errors. CE hoped that the system would alter behaviour.

3.2 Patient Survey Results and Action Plan

AMC reported on the approach to securing improvements in priority areas.

On the issue of noise, where performance had slipped, AMC explained that the Trust needed to ask more questions to fully understand this issue, but it was already understood that this included the use of TVs and radios at night, as well as confused patients.

AMC also thought that the discrepancy on the question of food could be attributed to the different methodologies of the surveys. However, what was concerning was not the response of 'fair' but the response of 'poor'.

CW suggested that the volunteers could be involved in activating the patient trackers.

AMC noted that the service specification for transport was a waiting time of 1 hour and this was related to discharge delays.

HL proposed that there was a need for further engagement as the

¹ * This means that requests for discussion of papers so marked must be submitted to the Chairman in advance of the meeting.

RBKC Residents Panel Survey indicated that only 70% would recommend the trust to a friend.

CG asked if the Trust was familiar with the internet tools 'Net Provider Score' and offered to provide further information. CG

CW asked if the Members' Council would be involved AMC responded that their Communications Sub-Committee would help to craft questions.

The Board agreed with the approach proposed in the paper.

3.3 Staff Survey Results and Action Plan

AP reported on key corporate actions taken in response to the survey results and focused on the specific departmental issues of the labour wards and midwifery in general.

CW noted that maternity scores were consistently low. AP explained that, although Midwifery was a complex 24-hour service like A&E, Midwifery's score was lower and there was a need to better understand the issues before making any assumptions.

CG suggested that a tool similar to the patient tracker could be used to collect staff responses.

The Board expressed its support for the action plan.

3.5 Monitor In-Year Reporting & Monitoring Quarter 4 of 2008/09

LB reported that much of the analysis was discussed earlier in the Finance Report, but Monitor will note the downturn in Quarter 4. The Trust has already been in contact with its relationship manager.

Referring to Appendix 1, CW noted that Peter Molyneux of Kensington & Chelsea PCT had resigned from the Members' Council. CE explained that this was done to avoid a conflict of interest.

CE and HL will discuss a suitable replacement. CE/HL

3.6 Treasury Policy

KN reported that the new version of the policy was mostly a cleaning up exercise and the final product was a bit more conservative than the earlier version with gilts being added and money market funds being deleted from the list of acceptable investments. LB commented that there were also changes to the thresholds.

The Board approved the addition of BNP Paribas as an approved counterparty for the purpose of placing short term deposits and approved the revised Treasury Policy.

3.8 Report and Terms of Reference of the Remuneration Committee

CM tabled a revised report which included further data on remuneration and pensions.

It was agreed that the disclosures should be extended in the form of a footnote to fairly disclose the impact of self-funded benefits where applicable. LB

It was also agreed that the disclosures should be extended in the form of a footnote to reflect the fact that AP was on maternity leave for part of the year under review. LB

CM and HL explained that the disclosure did not exactly match the list of persons under the remit of the Remuneration Committee as the disclosure was required to meet a particular definition of 'senior manager' required by Monitor, and determined by the CEO.

The meeting agreed the draft at paper 3.8a subject to the additional disclosures for self-funded pension benefits and maternity leave.

CM introduced an updated version of the Draft Terms of Reference of the Remuneration Committee due to the need to correctly reflect the committee's remit with respect to the Secretary.

The Board approved the draft.

3.9 Review of Corporate Objectives Q4 of 08/09

HL outlined the key issues and CM commented that the paper understates the massive achievement in the year under review. The Board noted the paper and CE noted that, on page 4, the text should read 'cause of death' in place of 'death' to avoid confusion.

3.10 Risk Report Q4 of 08/09

CM asked the Board to note that there was a new red risk related to aspects of maternity. HL pointed out that this was first highlighted in February. AP reported on the risk assessment and highlighted new initiatives.

A Rapid Improvement Leadership Group has been established. It will be chaired by AP and its membership will be small, senior and multi-disciplinary. The group will oversee a single overriding action plan and will focus on recruitment and retention, complaints and leadership.

CE proposed that an Away Day may be helpful to discuss the issues in a more relaxed setting. CE also proposed simulation as a constructive tool.

The meeting also discussed the role of the obstetricians in flagging up the issues and assisting in resolution. AMC noted that he had observed similar tensions between the midwives and obstetricians in other hospitals that he worked in.

CE drew attention to research which indicates that the effect of stress at birth may have long-term and deleterious effect on the child and

there was a need to have this conversation with clinicians.

KN applauded the process to be adopted as very comprehensive with an emphasis on communication.

The Board noted the paper.

3.12 Risk Policy & Strategy*

The Board approved the Risk Management Policy and Strategy for 2009-10.

3.13 Register of Seals Q4 of 08/09*

The Board noted this paper.

4 ITEMS FOR INFORMATION

4.1 Finance & Investment Committee Minutes – March 09

The Board noted this paper.

4.2 Audit Committee Minutes – March 09

The Board noted this paper.

5 ANY OTHER BUSINESS

HL reported that there were 2 cases of Swine Flu at the Trust. Melanie Van Limborgh, the Assistant Director of Nursing, has detailed plans in place. MA stated that the message to the public is to stay at home and medication will be delivered there.

6 DATE OF THE NEXT MEETING – Thursday, May 28th 2009

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



Prof. Sir Christopher Edwards
Chairman