Chelsea and Westminster Healthcare NHS
NHS Trust

Minutes of the Public Meeting of the Trust Board held on 26th February 2004.

Present: Non-Executive Directors

Juggy Pandit (Chair)	Marilyn Frampton	Jenny Hill
Charles Wilson	Prof. Ara Darzi	

Executive Directors
Heather Lawrence, Chief Executive
Lorraine Bewes, Director of Finance and Information
Edward Donald, Director of Operations
Andrew MacCallum, Director of Nursing
Krystyna Ruszkiewicz, Director of Human Resources
Alex Geddes, Acting Director of IT

In Attendance: Sue Perrin, Head of Corporate Affairs
Anna Croft, Associate Director of Service Development (item 3.1 only)
Jane Clegg, Director of Nursing, Kensington & Chelsea PCT (item 3.3 only)
Pippa Roberts, Chief Pharmacist and Clinical Governance Development Lead (item 4.2 only)

Action

1. GENERAL MATTERS

1.1 WELCOME

The Chair welcomed Alex Geddes and the members of staff and the public.

1.2 APOLOGIES FOR ABSENCE

Apologies were received from Andrew Havery and Mike Anderson.

1.3 MINUTES OF THE MEETING HELD ON 29th JANUARY 2004

The Minutes were agreed as a correct record and signed.

1.4 MATTERS ARISING FROM PREVIOUS MEETING

1.4.1 ASSISTED CONCEPTION UNIT (ACU)

Heather Lawrence said that the Trust Board would receive an updated paper, which would take into account the recent NICE guidance. HL

Lorraine Bewes confirmed that over billing was no longer happening in the ACU and that it had been specific to the ACU department. The Auditors had advised that the £100,000 credit notes did not meet the criteria for a prior year adjustment.

1.4.2 RISK REGISTER

Andrew MacCallum said that the Chief Pharmacist was calculating the loss of revenue from not collecting the prescription charges for day case patients in day surgery, out of hours Accident & Emergency patients, cancer patients and mental health patients. AmcC

1.5 CHIEF EXECUTIVE'S REPORT

1.5.1 FINANCE

Heather Lawrence reported that the forecast for 2003/2004 remained at £3.5 million deficit. Further action was being taken by the Trust to improve the overall income and expenditure position and a meeting had been held with Kensington & Chelsea PCT and

Action

the Strategic Health Authority. The PCT had not met the shortfall on the Cheyne Centre income or the costs of PALS. The Trust had been told that a transfer from capital to revenue would not be possible, as the SHA had given its allowance to other Trusts. However, there had been a clear message from the centre that the health economy (Kensington & Chelsea) was expected to achieve financial balance.

1.5.2 INQUEST

Heather Lawrence reported on the inquest into the death of a patient with rare leukaemia. The Coroner had recorded a verdict of death by natural causes contributed to by neglect. Actions had been taken following the recommendations from the internal inquiry, held in the previous year. The Trust's Risk Manager would play a leading role in assessing risk in the Pathology Department, including spot checks in the Accident and Emergency and Pathology Departments.

Professor Ara Darzi suggested the involvement of the National Patient Safety Agency. Heather Lawrence agreed to discuss this with Mike Anderson. HL/MA

1.5.3 STANDARDS FOR BETTER HEALTH

Heather Lawrence said that the consultation document introduced a series of key standards for quality of care and was a move away from star ratings. There would be a twelve week consultation period ending on 4th May 2004 and invitations to the Health Standards Consultation Roadshow had been received. Copies of the document would be circulated and Heather Lawrence would lead a discussion at the next meeting. HL - March TB

1.5.4 PADDINGTON HEALTH CAMPUS

Heather Lawrence said that progress would be discussed in Part B because of the current sensitivity of the development.

2. PERFORMANCE

2.1 FINANCE REPORT

Lorraine Bewes presented the report, which showed that the overall financial position had improved by £0.570 million in January bringing the cumulative position to £3.734 million deficit. There had been significant improvement in the HIV recovery plan, but this had been offset by the deterioration in private patient income.

The Trust forecast remained at £3.5 million deficit. The achievement of income targets remained a key risk area for the Trust. NICU over performance had continued in January with a consequential overspend due to the low marginal rate. Heather Lawrence said that the Unit had been instructed to remain within its funded cots (23). Occupancy had been as high as 29. The result could be the transfer of babies to a NICU some distance away.

Specialist Burns activity had been down in January because of clinical issues of concern, but was expected to increase again in February.

Lorraine Bewes said that it was possible that the year end deficit could be reduced by a maximum of £500,000 contingency measures but beyond this, there was no further scope within the control of the Trust. There had been unfunded beds (maximum of 30) on three wards, because of emergency pressures, which had been explained to the Director of Finance at the PCT. £200,000 had been allocated as 'year end support', but this did not cover the £350,000 deficit on Cheyne Centre and £133,000 deficit on PALS.

Lorraine Bewes confirmed that a capital to revenue transfer was not an option; the capital budget would therefore have to be spent before the end of the financial year.

Heather Lawrence said that although this level of deficit would place the 3 star rating and the Foundation Trust status at risk, the Acting Chief Executive at the SHA had advised that the application for Foundation Trust status should not be withdrawn.

Action

Lorraine Bewes said that she would bring a draft budget for 2004/2005 to the March Trust Board, but she would not be prepared to submit a balanced budget without evidence of income support from the SHA. LB – March TB

KPMG had commenced a financial review, which was part of the Foundation Trust status process.

The Chairman said that staff should be congratulated on the achievement of a substantial decrease in the deficit.

Jenny Hill asked about the underlying deficit for 2004/2005. Lorraine Bewes said that the figure was in a range of £6m to £12 million, depending upon assumptions about new year pressures.

The Trust Board noted the financial position at the end of January 2004.

2.2 PERFORMANCE MANAGEMENT

Edward Donald presented the report and updated the Trust Board on the progress made in respect of the key risks, with the exception of Finance.

Good progress had been made in respect of '4 hour waiting time in A&E', with a cumulative performance of 89.3% (July to date) and the Trust achieving 97% that week.

Edward Donald noted that performance had consistently been the best in London since January 2004. At a recent visit, The North West London Director of Public Health and Performance had commended the emergency care performance; the results of this visit would identify critical success factors. The Trust Board congratulated all those who had worked so hard to achieve the target. Jenny Hill suggested that their work be reviewed with the aim of identifying the key things, which had helped to achieve the target.

Edward Donald said that the effort was sustainable because it had consultant leadership. It had been possible to increase the number of Accident & Emergency consultants, enabling them to be available for decision making and to give leadership in the department.

There had been significant progress in respect of '67% of elective and outpatients to be booked during March 2004', with 86% of patients booked for their elective surgery (day-case and in-patient). Outpatient partial booking had commenced in mid February and 21% had been achieved. Actions required to deliver 67% during March 2004 had been implemented.

Performance in the turn-around of complaints had improved significantly in January, with 100% of complaints resolved in four weeks. The Clinical Director, Women and Children's, was personally reviewing all complaints, and the midwifery manager and the complaints team had continued to work hard to bring about this significant improvement.

The Trust Board noted the report.

3. STRATEGY/DEVELOPMENT

3.1 NHS FOUNDATION TRUST STATUS

Heather Lawrence reported that the Trust had gone out to consultation on its application for Foundation Trust status. This part of the process focused primarily on Governance. The consultation document sought views from staff, patients and the public. A summary of the document and publicity leaflets would be widely distributed. Copies would be available on both the intranet and internet, which was scheduled to be up and running later that day. There would be a press release in the local papers and this would be repeated throughout the process as a way of building up the membership.

Krystyna Ruszkiewicz said that the consultation plan for the Human Resources

Action

Strategy would be available by 12th March and the final version by 07th June.
Participation and attendance at the various meetings by members of the Trust Board would be essential.
The Chairman asked if there was any more information in respect of the Patient Forum representative to be appointed to the Trust Board. Andrew MacCalllum said he believed that this proposal had been overtaken by Foundation Trust Status.

The Trust Board noted the consultation document and the progress to date.

3.2 TREATMENT CENTRE

The Final Business Case (FBC) had been discussed with the PCT prior to the Trust Board meeting. Edward Donald presented the Executive Summary to the FBC, which set out the development of a mixed surgery Treatment Centre within Chelsea and Westminster. Tenders were scheduled for return on 18th March. The FBC had the support of the SHA and the PCTs with the exception of Hammersmith and Fulham. They could potentially have used the Centre for 130 cases under the six month waiting list initiative. Edward Donald said that there were a number of other opportunities which could be explored to substitute for PCTs that were unable to afford the referrals to the Treatment Centre. These opportunities, which had not been covered in the main part of the document, included St, George's Hospital, NHS Elect and the NHS Capacity Matching Initiative.
The Trust Board noted that written confirmation of the PCTs' support would need to be obtained. Edward Donald said that written confirmation of support had been received from Westminster and Wandsworth PCTs, as well as London Patient Choice and St. Mary's in relation to Urology. A letter of support was expected from Kensington & Chelsea following clarification of a number of points raised at the joint Trust Board seminar.
Jenny Hill said that the Centre would need to position itself in terms of quality, in order to secure future support. Edward Donald said that the risk of activity not coming through had been scrutinised, with pessimistic, realistic and optimistic activity income levels being set. Jenny Hill referred to Integrated Care Pathways and said that consultant buy-in was essential.

The Trust Board supported the Full Business Case, subject to letters of support being received from the relevant PCTs.

3.3 CHEYNE CENTRE

Jane Clegg presented the consultation document, which considered the future of the Cheyne Day Centre. There were a number of issues, including changes in the philosophy and the nature of service models for the education and treatment of children with disabilities, concerns about meeting clinical governance requirements and the high costs of running the centre.
The document set out five options:

- do nothing
- retain Cheyne Day Centre and reconfigure the service as suggested by the staff in their paper 'The Way Forward'
- an individual model for RBKC
- relocate the Cheyne Day Centre to Jack Tizard School
- investigate the feasibility of another organisation running Cheyne Day Centre in the current location.

The PCT had recognised that the document contained only minimal financial information, and a separate study would be commissioned before the commencement of the consultation period. The guidance in Section 11 of the Health and Social Care Act would be followed and there would be consultation with a wide variety of

Action

organisations including the local Overview and Scrutiny Committee. Jane Clegg confirmed that responsibility for making the decision remained with the PCT.

Heather Lawrence asked about funding for the Centre whilst the consultation took place. Jane Clegg said that funding would be considered as part of the financial assessment.

The PCT Trust Board had considered the paper too weighty as a consultation document, and a revised version would be issued in mid March. The end date of the consultation period would remain as 31st May 2004. Lorraine Bewes said that she would expect the Trust to be involved in the financial analysis.

Jenny Hill said that there were a number of contradictions in the document, which she considered to be vague and imprecise. A map showing the location of the different options and a glossary should be added.

Edward Donald commented on the lack of financial information. He said that parents had been looking for reassurance that the Centre would not close during the consultation period, when this was originally discussed at the Trust Board. This reassurance had been provided on behalf of the PCT by the North West London SHA (representing the PCT at the meeting), with a clear commitment to fund any shortfall in income during this period. It was on this basis that decisions had been made to keep the Cheyne Centre open during consultation. Funding was urgently required from the PCT to honour this commitment.

Edward Donald said that the sample grid for evaluating the options should separate 'quality, equity and inclusion' from 'affordability' dimensions if a cost per benefit point was to be identified. In the existing format, there was potential for the grid to be viewed as a subjective rather than an objective selection methodology.

Heather Lawrence considered the document to be a disservice to parents; it led to consideration of options which were not affordable and put the Trust in a difficult position.

Jane Clegg explained that the PCT Trust Board had agreed that Chairman's action should be taken to approve the revised consultation document. The Chelsea and Westminster Trust Board also agreed that Chairman's action should be taken, providing that the revised document was first circulated to all members.

Heather Lawrence noted that the PCT had not honoured its commitment to pay the additional cost of the Centre in the current year, and asked for a formal letter stating how the funding would be managed in 2004/2005. The Trust was facing a potential £600,000 income gap.

The Chairman asked members of staff from the Cheyne Centre, in the audience, if they would like to comment. They felt that some of the options being put forward were not available; it was upsetting for staff and patients; and assurances had not been kept.

There were currently two children in the Centre and three who had been assessed and whose parents would like them to attend, but these placements were dependent on funding.

The Trust Board agreed that further to receipt of the revised document by all members, Chairman's action should be taken to approve the consultation document.

3.4 INFORMATION, COMMUNICATIONS AND TECHNOLOGY (ICT) STRATEGY

Alex Geddes presented the strategy, which set out the ICT Strategy for the following three years and updated the previous strategy written in 2003. It aimed to take the Trust forward in line with the Service Strategy whilst supporting and converging with the National, London and Kensington, Chelsea and Westminster Care Record Service to deliver integrated information services and technology that would support patient care across care settings. One of the objectives of the National Programme for Information Technology (NpfIT) was to implement an Integrated Care Records (CRS) for England

Action

through five regional Local Service Providers. The Trust would form part of the London cluster, which had selected the Fujitsu Alliance system, which was based upon the IDX software currently in use at Chelsea and Westminster.

The Trust's advanced EPR would facilitate gains in the early part of the CRS programme from Electronic Booking and the ability to exchange electronic patient data with GPs, Mental Health and other Acute Hospital partners. The Trust would continue to work to adopt Electronic Booking and connection to the national spine. There were issues to be resolved in the London Programme to determine if the Trust could adopt these capabilities by the beginning of calendar year 2005. This would be dependent on the software capabilities of the IDX Lastword Product and the presence of an upgrade path to the IDX Carecast Product line, the basis for the CRS as at February 2004. However, whatever the outcome, the Trust would not be able to fully adopt the CRS solution until Phase 2 Release 2 in mid-2006, because other trusts would need to be brought up to an equivalent level. Appendix A detailed the 'bundles' – these 'bundles' comprised components of CRS formed of 'natural' functioning groupings typically brought together for practical implementation purposes. The Trust would not benefit initially from the national programme because it was already at an advanced stage.

Jenny Hill commented on the need for the strategy to be aligned with the Trust's strategic objectives and with Governance. Krystyna Ruszkiewicz said that it should also be aligned with the Workforce Strategy and the need to implement the national electronic staff record would have significant financial and organisational implications.

Jenny Hill said that there was a need for immediate actions to be identified. Edward Donald said that the Trust hoped to be an early adopter of Electronic Booking. Lorraine Bewes said that there needed to be an IT procurement strategy to identify what should be developed to realise significant non-pay savings.

Heather Lawrence said that compliance with the national spine might mean that the Trust could proceed earlier, but Kensington and Chelsea was not linked. There was a lack of a strategy within the Health Economy, and Heather Lawrence would raise the issue at the Chief Executive's meeting.

The Trust Board endorsed the ICT Strategy and asked for it to be brought back to the March meeting with an action plan. AG

4. GOVERNANCE

4.1 AUDIT COMMITTEE

Lorraine Bewes said that the Audit Committee had reviewed its Terms of Reference on the appointment of the new Chair. The Committee had largely endorsed the existing terms of reference, which had focused on the four key areas of internal control. Minor amendments had been made in respect of changing 'Board' to 'Trust Board' throughout and highlighting at the beginning of the document the committee's role as a sub-committee of the Trust Board.

Jenny Hill said that the committee's accountability to the Trust Board should be stated; the relationship with the Governance Committee be made explicit; and the scope of work for each committee defined. Marilyn Frampton said that there would inevitably be some duplication as certain items would be discussed by both. Lorraine Bewes said that she would discuss the cross relationships and the items which needed to be formally considered by the Audit Committee with Andrew Havery. LB

The Trust Board approved the Terms of Reference, subject to final discussion by the Audit Committee.

Action

4.2 ASSURANCE FRAMEWORK

Andrew MacCallum presented the Assurance Framework, which had been endorsed by the Audit Committee at its February Meeting. The Framework had been designed to assure the ten key corporate objectives, whereas the Risk Register was a comprehensive document. It was noted that only the first three objectives had been circulated.

The Framework was a living document, with new risks being added and existing risks re-scored over time, showing how risks were being managed.

Jenny Hill highlighted the difference between operational risks, which were unacceptable, and, for example, financial risks, which the Trust had to carry. Andrew MacCallum said the Framework was an initial draft, which would lead to a better understanding of what needed to be classified and recorded. It indicated that systems were in place to manage risk, not how they were managed or how urgently.

Marilyn Frampton confirmed that the document had been fully discussed by the Audit Committee. Jenny Hill suggested that it was the role of the Audit Committee to monitor and report any slippage in the 'Action'. Andrew MacCallum said that the Trust Board needed to be assured that key risks had been included and there was a link to other assuring frameworks, for example Research Governance.

The Trust Board endorsed the Assurance Framework, subject to circulation of the full document. SP

4.3 RISK MANAGEMENT

Andrew MacCallum noted that the Risk Management Committee, under his chairmanship, would focus on the management process and review.

4.4 TRUST PATIENT AND PUBLIC INVOLVEMENT FORUM

Andrew MacCallum presented the paper, which updated the Trust Board on the local establishment of a Patient and Public Forum. The Chairman asked about the role of the forum in relation to Foundation Trust Status. Andrew MacCallum said that the origin of the forum dated back four years and was linked to the abolishment of the CHCs. Six members had been appointed and an induction programme arranged. They had been given a preliminary tour of the hospital and had met the PALS Team. Further orientation and meetings with other key staff were being arranged. They were an autonomous group, free to decide their own agenda. However, it would be possible for the Trust to invite individuals to participate in specific pieces of work.

Jenny Hill said that the role of the User Involvement Group, which was complementary, would be reviewed.

Marilyn Frampton asked if the Trust had a protocol for managing the new complaints process which was due to start in June 2004. Sue Perrin responded that a paper on this would be presented at the next meeting. AMcC – March TB

The Trust Board noted the progress made in establishing a Patient and Public Forum.

5. ITEMS FOR APPROVAL/INFORMATION

5.1 AGENDA FOR CHANGE/CONSULTANT CONTRACT

Krystyna Ruszkiewicz reported on the progress with the preparatory work. The job evaluation/matching process was dependant on the results of the second ballot in June.

Provisional jobs plans for the majority of Consultant Contracts had been agreed. Krystyna Ruszkiewicz and Mike Anderson would meet with the Clinical Directors to

Action

work through the job plans in detail, with a view to offers being made by the end of March. The Trust Board would receive a report at its next meeting on funding implications. KR – March TB

The Trust Board noted the progress and the ongoing work.

6. QUESTIONS FROM THE MEMBERS OF THE PUBLIC

Questions were raised regarding:

- The relationship between the Trust Board and the Patient and Public Forum. The Chairman said that the relationship would be developed and agreed that members should be sent the Trust Board agendas. They would be welcome to attend the public part of meetings. SP
- The advertisement of the Trust Board meetings and the main agenda items in, for example, shops and newspapers.
- The discussion of the Paddington Health Campus in the confidential part of the meeting. The Chairman said that the Trust considered carefully which items should be taken as confidential. The discussion about the Paddington Health Campus would not be wide ranging but stemmed from confidential meetings attended by the Chief Executive and was sensitive. Heather Lawrence said that factual discussions were taken in the public part. Professor Ara Darzi pointed out that the Trust was not a stakeholder and the Trust Board meetings of St. Mary's or The Royal Brompton would be more informative as they were key players.

7. ITEMS FOR INFORMATION

There were no items under this heading.

8. MINUTES OF SUB COMMITTEES

The Trust Board received minutes:

8.1 Governance Committee, 21st January 2004

Jenny Hill referred to the review of the governance structures and the three layers – an assuring function, an executive decision making function and an implementation function. She suggested that each agenda item should explicitly state the required action.

There had also been a full discussion about the Assurance Framework.

9. ANY OTHER BUSINESS

9.1 There was no other business.

10. DATE OF THE NEXT MEETING

10.1 25th March 2004

11. CONFIDENTIAL BUSINESS

The Chairman proposed and the Trust Board resolved that the public be now excluded from the meeting because publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be concluded in the second part of the agenda. The items to be discussed related to commercial matters and the Paddington Basin Health Campus.