Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting, 27 November 2008
Extract of Approved Minutes

Present:

Non-Executive Directors:	Prof. Sir Christopher Edwards (CE) (Chairman) Colin Glass (CG) Richard Kitney (RG) Andrew Havery (AH) Charlie Wilson (CW)
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 Affairs Amit Khutti (AK), Director of Strategy and Service Improvement for item 3.4

1. GENERAL BUSINESS

1.1 Apologies for Absence

Apologies were received from Karin Norman (KN)

1.2 Declarations of Interest

No declarations were recorded.

1.3 Minutes of Previous Meeting held on 30 October 2008

CE noted a slight change to the correction from the previous minutes for item 3.1 and stated that the final minutes would reflect this change.

THE MINUTES WERE APPROVED.

1.4 Matters Arising

CEO Report (1.7/Oct/08)
LB said that the THOTH business case will come to a future Board.

Performance Report (2.2/Oct/08)
AMC noted that the increase in complaints for medicine had evened out this month. The increase was in the emergency department and was related to behaviour and attitude but not to one person. The complaints were all different and no trend was identified. The matter was also discussed with patient affairs. They had noticed the increase but also found no commonality in the complaints.

Brief on Healthcare Commission ratings (2.2.1/Oct/08)
This is on the agenda

Working Capital Facility (3.1/Oct08)
LB said the team has met with AH but had not yet had the chance to meet with KN. They now have a proposal that will come back to the January Finance and Investment Committee.

Review of Corporate Objectives and Risk (3.4/Oct/08)
CM will revise the structure of the report for the next quarter report.

Maternity Quality Pilot with McKinsey (3..8.6/Oct/08)
AP said that she has followed up on the issue of copyright arrangements for the pilot. The response received from McKinsey was that this is a standard consultancy contract and all of the tools (survey, patient interview templates, facilitation guides for staff focus groups and patient groups) and outputs (thank you cards, mirror session posters, videos etc) are all the property of the Trust. We are able to roll out the approach without need for copyright. The programme has been explicitly designed to work with the one service and build Trust familiarity with the approach so that it can be rolled out independently.

Health and Safety (3.9/Oct/08)
A Board seminar on health and safety will be arranged in the new year.

1.5 Chairman's Report

CE said he has had further discussions around the creation of a HIEC: Health Innovation Education Cluster but no further progress has been made. The plan was to announce the pilot before Christmas but this will be delayed. It seems that this remains a good way to get Fulham Road partners working together. A new Director of Medical Education for England, Patricia Hamilton, has been appointed which is positive and a sign that things are progressing. CE said he has also met with Derek Bell, Professor of Acute Medicine, Imperial College London, and they agreed that the CLAHRC: Collaboration for Leadership in Applied Health Research and Care could be a vehicle for delivery of the HIEC. MA asked if we know who our industrial partner would be. CE said there are possibilities but it is not decided as of yet. AMC asked about the scope of the HIECs and how it would help us meet our corporate objectives around excellence in teaching and research. CE said that HIEC's could help us to deliver better teaching and research specifically in relation to major public health issues for example mental health is a key issue as we might need to bring a mental health trust into the partnership.

AH ARRIVED.

1.6 Members' Council Report

CE said the membership report brings us up to date on our current membership figures. We continue to place an emphasis on increasing our patient and public membership via the new discharge leaflet with its tear-out membership application and through the new membership area. CG has agreed to spearhead efforts to encourage Council Members to liaise with their respective constituencies. A key vehicle for this will be community-based foundation trust events. This will be discussed further at the joint away day. CE said we will be holding the joint away day next week. The day will be key in defining the function of the Members' Council and empowering them to fulfil their role.

1.7 Chief Executive's Report

London / Northwest Strategy Update: Burns
HL confirmed that the specialist commissioners have approved capital and revenue for scheme A of the Burns development. The redevelopment work for the most part will stay within the existing space.

London / Northwest Strategy Update: Major Trauma Centre
HL said since writing her report, NHS London has now designated three major trauma centres: Kings, The Royal London and St Georges. She noted that Imperial and the Royal Free hospitals had also submitted bids. There is still a gap in terms of coverage for our geographical area and we would possibly need one more centre.

London / Northwest Strategy Update: Stroke Care
HL explained that we decided to submit a bid to NHS London to become a Hyper Acute Stroke Unit (HASU) as we have an excellent stroke service.

Transport and access are also key issues to our bid being successful as there must be a 30 minute maximum travel time for patients from home to hospital. HL praised the excellent work of the stroke bid team and said that we had input from lead clinicians throughout the process. We will not lose on the quality of our bid.

The paediatrics brief is expected now in January. We have benefited from going through the process for stroke and we will transfer this learning in our bidding process for paediatrics. With these developments the issue is space but it can be resolved. A directory of paediatric services has been produced. (It was circulated later in the meeting)

Dr Foster Hospital Guide 2008
HL said the Dr Foster's annual Hospital Guide for 2008 has been published. She noted that the Trust was highlighted in the guide as being a poor performer for knee revisions with a rate of 5.33% compared to an average of 1.65% for other major London trusts. Whilst we need to investigate the causes of this high revision rate, it should be noted that we are a national and international specialist centre for knee surgery and difficult knee revisions are sent here – we have two consultants who specialise in this area.

Child Protection
HL has asked AMC, the Director for Children's Services and our representative on the cross agency Children's Board, to provide a report to the January Board as outlined in her report.

Action: report to the January Board on Child Protection.

Business Planning
HL said that she felt we had a productive board away day on Monday. We want to move from five corporate objectives to three about quality and safety, provider of choice and excellence in research and teaching. We will have seminars around these themes to involve staff and meet with directorates specifically. There will be additional time later with Pat Oakley around strategic issues.

Care Quality Commission
HL said the new Care Quality Commission (CQC) will be formed in April. It will bring together independent regulation of health, mental health, and adult social care for the first time. The CQC will be responsible for registering, reviewing and inspecting health, adult social care and mental health services. We must now apply to register for healthcare acquired infections between 12 January and 6 February 2009. AMC will work on the application and HL will have signed the form in advance for the Board to approve in January. AP will have to sign the completed application. HL went through the new powers granted to the CQC. One concern will be the quality of the assessors and how this fits in with Monitor.

Action: HL to sign registration form for Board to approve in January

2. PERFORMANCE

2.1 Finance Report Month 7

LB presented her report and highlighted key points. The position overall was positive. The forecast is now a £8.9m surplus against a plan of £7.9m. She noted the exceptions in month which are detailed in her report. Our position is driven by continued over performance against NHS contract income in certain areas. She noted certain areas of overspend. Details of the expenditure are provided in the report. We have achieved 94% of CIPs. However, recurrent achievement will be £0.5M down next year. The cash position was discussed in the Finance and Investment Committee. The cash position is behind the Monitor plan by £4.8m. Capital expenditure is ahead of plan due in part to the fact that the second CT scanner has been paid for in full and we had expected the charity to pay but insufficient funds have been raised. CG asked why we pay creditors sooner than necessary. LB said we pay within 15 days and Monitor has asked FTs to pay within 10 days. CG said he thought we paid too quickly. AH said the whole public sector had been advised to pay within 10 days. CW asked if we got paid within 15 days.

LB said that we did. LB said she would reassess the balance between payment and collection. AH asked why the advance payments from our host PCT had stopped. LB said this is a result of the PCTs own deteriorating financial position affecting their cash. CE said the Board should note section 12.5. The working facility is now in place with AIB.

Action: LB to reassess the balance between payment and collection

2.2 Performance Report Month 7

LB said that this month's report includes an appendix on the detailed constructs of the Healthcare Commission indicators as far as they have been confirmed. Not all constructs have been confirmed. We are on track to meet all of the Monitor targets that are being carried forward from last year. There are risks in performance, in particular to the delivery of the 18 weeks target and there are gaps in knowledge of future performance measurements e.g. indicators based on patient surveys. We have constraints in capacity in outpatients which is affecting the delivery on admissions within 18 weeks. LB drew attention to section 5.8. She said that we had had to submit a report pre validation reporting 18 weeks data completeness at 76%. This was because it was worse not to submit. However, she assured the board that the validated position was within the required tolerance and DH had allowed this to be resubmitted so that we will not be penalised. The only other operational concern is our rapid access chest clinic. As of November, we had not achieved target and unless numbers could be increased, the trajectory was for underachievement. This is a rolling target however so we must keep reassessing. The last point was on Choose and Book. At present, we do not expect it to be an HCC target, but we will watch this area closely. There were two elements to be reviewed, the first is difficulty in GP's accessing our C&B slots and the second is coverage of choose and book. Whilst we are now achieving in excess of 80% slot coverage, we are at approximately half the level of performance on difficulties with accessing our C&B slots.

CE noted the high vacancy rate and suggested we relook at where we advertise.

CE highlighted the action from a complaint around developing a policy on managing severe hyponatraemia. He felt that this should really be a given as a basis of medical training. RK raised the increased number of concerns by directorate and that surgery was up by almost 40%. AMC said this was due to problems with appointments and this had been highlighted to the executive as part of the quarterly complaints claims and incident reports, and was being actioned. MA said this increase is also linked to slot availability.

3. ITEMS FOR DISCUSSION/APPROVAL

3.1 Care Quality Commission

Covered under CEO report.

3.2 Choose and Book Incident Review Findings

LB presented the review findings. CE said that a further aspect was that there was no record of the Board being informed about the problems with Choose and Book. We must ensure that the correct mechanisms are in place for management to immediately inform the Board once the problem is clear. LB said this usually happens through the performance report, but in this instance, there was insufficient focus on the fact that we were not achieving. AP said we were focussed on slot availability as we thought this as the danger in terms of reputational damage. LB said what we have for next year is published in matrix 3. MA asked if there was a risk the HCC come back to slot availability and the answer was yes. CE said the appeal was submitted in July. AP said we now know which services have an issue which are dermatology, ophthalmology and orthopaedics. CM said a further action would be to feed back to the HCC about whether it was reasonable to publish targets so late and that guessing takes up a lot of organisational energy. CE said that as a review it was well done.

3.3 Financial Planning – 3 Year Refresh

LB said this paper is a first cut and would be developed to enable a target CIP to be confirmed for the next meeting. The paper provides the framework for developing the Trust's refreshed 3–year financial plan 2009/10-2011/12. The key issue is we have still to complete modelling for the new tariff. LB highlighted the overall planning process. We are awaiting publication of the Operating Framework for 2009/10 which will confirm national priorities and funding. We do not expect national priorities to change significantly. From the point of view of maintaining a competitive position, we will need to keep access times below 18 weeks. As at end month, we were at 14 weeks. In light of the Darzi review, we expect a large focus on quality. We have received the tenders back for the real-time patient feedback project which will be an important element to boost quality. LB said the financial detail can be found in the paper and she noted some key points on page 5. The MFF reductions are expected to result in a loss of income of up to £1m, although this was subject to the publication of the new tariff. The 5 year building revaluation will increase the level of depreciation and capital charges. Other key impacts on income are the development in specialist paediatrics and burns. The South East Burns Consortium has confirmed Chelsea and Westminster as their preferred provider as the London Burns Centre and have confirmed a revised tariff which would bring an additional £1.2m per annum and have confirmed capital funding of £3.1m. CE raised the difficulty of anticipating or planning around burns. LB said there is a built in guarantee for the critical care element for adult, paediatric and neonatal burns patients. LB noted the change in method of accounting to the IFRS which may have some impact.

Cost pressures include assumptions that utility prices will increase. CG said he would expect costs to decrease in this area. LB said the estimate was based on information from PASA (Purchasing and Supply Agency) and the increase reflected the beneficial contract prices that PASA had secured which had now lapsed. LB also highlighted Medihome which has potential savings but if length of stay is not reduced and activity throughput increased, at worst is a cost pressure.

CE said that we are moving towards devolving income and management more to the directorates as outlined in section 6. LB said we need more senior finance support for directorates to support this change. We must also ensure that senior clinical staff are involved in departmental finances. AP said that staff may need training to support this change. LB said the aim is to hold a Finance and Investment committee meeting before Christmas to take a view on the CIP required. The Board needs to decide on which specialities to prioritise for growth.

3.5 Complaints Policy and Procedure

AMC said that the complaints policy and procedure is currently a matter reserved for the Board. Some changes have been made in the last 6 months in relation to supporting staff and managing complaints. CE raised the issue of complaints around private care. AMC said that consultants respond directly and we address it if it involves complaints about the environment. LB noted that the annual report is also provided to the Board (section 31). AMC noted the short period for review as the national complaints policy was due to change next year

THE BOARD AGREED THE POLICY

3.7 Restatement of Balance Sheet for 1 April under IFRS

LB said the attached letter from Monitor explains that foundation trusts are required to submit their 1 April balance sheet restated under IFRS by 31 December. Further clarification just received from Monitor was then circulated. She said in the move to IFRS, we need to make some key submissions which are highlighted in the paper and Monitor letter. In addition to this submission, Monitor will expect FT boards to submit a supporting statement that confirms they have received reasonable assurance in relation to the restatement exercise. The Audit Committee discussed this statement. Appendix I of the Monitor letter sets out the requirements of the submission.

Assurance could take the form of the Board stating that they are happy with the process but LB cannot see how we give assurance without reviewing evidence. She suggested that the Board delegate the review role to the Chair of the Audit Committee. We have enlisted KPMG for assistance. We will be completing our submission by the 19th December and could present it to the Chairman of the Audit Committee then. LB reviewed the three main changes with IFRS and offered to send a further detailed paper

on IFRS for those who wanted more information. CE said that he was happy to delegate this to AH.

THE BOARD AGREED TO DELEGATE THE ASSESSMENT AND SIGN OFF TO THE CHAIR OF THE AUDIT COMMITTEE.

4. ITEMS FOR INFORMATION

4.1 Audit Committee Minutes

NO MEETING

4.2 Finance and Investment Committee Minutes

NO MEETING

4.3 Assurance Committee Minutes

NO MEETING

5. ANY OTHER BUSINESS

HL noted that 68% of people had supported the removal of the Western extension but the earliest this would happen would be Spring 2010.

CG asked if we could have a future Board meeting at Dean Street as an opportunity to see it.

6. DATE OF THE NEXT MEETING

29 January 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