Chelsea and Westminster Hospital NHS
NHS Foundation Trust

Board of Directors Meeting 25 March 2010
Extract of approved minutes

Present

Non-Executive Directors	Prof. Sir Christopher Edwards	CE	*Chairman*
	Colin Glass	CG	
	Andrew Havery	AH	
	Richard Kitney	RK	
	Karin Norman	KN	
	Charles Wilson	CW	
Executive Directors	Heather Lawrence	HL	*Chief Executive*
	Lorraine Bewes	LB	*Director of Finance*
	Mark Gammage	MG	*Interim Deputy Chief Executive/HR Director*
	Mike Anderson	MA	*Medical Director*
	Andrew MacCallum	AMC	*Director of Nursing*
In attendance	Catherine Mooney	CM	*Director of Governance and Corporate Affairs*
	Vida Djelic	VD	*Interim FT Secretary*

1 GENERAL BUSINESS

1.1 Apologies for Absence **CE**

None were tendered.

1.2 Declaration of Interests **CE**

None were tendered.

1.3 Minutes of the Meeting of the Board of Directors held on 27 January 2010 **CE**

These were approved as a true and accurate record of the previous meeting with the following changes:
- p.3, item 1.5 re 1.7/Nov/09 CEO's Report, 1st line should read UCC related cost
- p.3, item 3.1/Dec/09 Safeguarding Children, 1st line should read arising instead of arsing
- p.6, 2nd para, 3rd line should read finance instead of reinforce
Next sentence should read 'citing' instead of 'siting'
Vida to amend minutes. **VD**

1.4 Matters Arising **CE**

1.7/Nov/09 Chief Executive's Report
LB said that she had not yet circulated clarification on the Urgent Care Centre (UCC) related costs as requested by KN as key work and

meetings had only taken place in recent days. She suggested that this was brought back to the Board in April. In response to KN's question LB replied that there were a number of risks. One was the impact on training rotas, and there is a risk to these continuing if training is not supported in the UCC. Another risk was that we do not have any capital provision in our plan. The UCC will fund the capital of about 300-400k. LB clarified that there will be one entrance. It will be badged as primary care and there will be no new patients. She confirmed in answer to CE's question that there will be no increase in new staff. She reported that CXH has seen a decrease in short stay non-emergency admissions. **Update on Urgent Care Centre costs for the April Board meeting** **LB**

3.3./Mar/10 Safeguarding Children Declaration
AMC said that the Safeguarding Leaflet was attached to the Maters Arising paper.

AMC confirmed that he had amended the Declaration in line with comments received from the Board re p.2, 3rd para.

AMC said that a list of names of those who lead on issues in relation to Safeguarding is published in the Declaration.

3.4/Mar/10 Medicine Action Plan Update
AMC said that Terms of Reference of the Medicine Improvement Steering Group are drafted.

3.5.3/Jan/10 Review of Capital Proposals
LB said that the detail at project level was included in the budget paper.

3.6.1/Mar/10 Outpatient Survey
AMC said that outpatient surveys are conducted every two years.

3.6.2/Mar/10 Patient Experience Tracker
AMC said that the patient satisfaction measured by the PET is 85%. The data is difficult to compare as PET has only five questions versus 79 questions on the In-Patient Picker survey.

AMC said that the Emergency Department Survey 2008 reported 81% patient satisfaction. The Patient Experience Tracker currently measures patient experience satisfaction of 85%.

3.11/Jan/10 Monitor In-Year Reporting & Monitor Q3 Report
LB confirmed that this action was completed.

1.5 Chairman's Report (oral) **CE**

CE asked for the Board's view on an Away Day as the one held the previous year was a success. He proposed two options; one was that the Board have the Away Day on its own and feedback to the Council of Governors; and the other to have it together with the Council of Governors. HL supported CE's suggestion to have a joint meeting and said that it would be good to invite all three Divisional Medical Directors and Directors of Operations.

The Board agreed to have the Away Day with the Divisional Medical Directors and Directors of Operations in the morning and with the Council of Governors in the afternoon.

CE said that the Trust had held interviews to recruit a consultant for paediatrics HDU. There were two candidates but we did not appoint. He said that we needed to rethink the cover and the paediatric department agreed to have temporary arrangements in place until a suitable candidate is found.

MA added that the advert was published in the BMJ but that there is a shortage of HDU specialist paediatricians.

1.6 Council of Governors Report including Membership Report **CE**

CE updated the Board on the Community Mobile Health Clinic and said that there had been positive feedback and good press coverage.

KN said that there are some 30-40 local charities which have an interest in hard to reach groups and suggested that Kensington and Chelsea Social Group could be involved in helping to use the mobile health clinic more actively. HL said she would like to hear more about this proposal.

CE said that the membership report has not changed much since last time it was presented.

LB commented that every time the report gets calculated a different total figure appears. She suggested that a note explaining the calculation behind would be helpful. **SN to include.** **SN**

1.7 Chief Executive's Report **HL**

Front Line Care
HL informed the Board that she had sat on the recent Prime Minister's Commission on the Future of Nursing and Midwifery in England, which published a report titled 'Front Line Care'. The report made 20 high-level recommendations on seven key themes. HL said that the Board might want to look at the report in more detail at a future meeting.

Mid Staffordshire NHS Foundation Trust Enquiry
AH noted the recommendation that every Board should read the full report and asked for a copy.
Provide a Board with copy of Mid Staffordshire NHS Foundation trust Enquiry **CM**

HRH Visit
HL noted that this had gone well to the Adult Spina Bifida Clinic with the HRH meeting many patients and their families and staff. HL said it was a true multidisciplinary holistic approach which puts the needs of the patient at the centre. The challenge will be to find a clinician to take it over after Dr Morgan retires.

Single Sex Accommodation
HL said that the Trust had to declare that it is compliant with a commitment to virtually eliminate mixed sex accommodation by 31 March 2010. AMC was the Trust lead on this.

Carbon Efficiency
HL said that the Carbon Reduction Commitment (CRC) is a new statutory emissions trading scheme which will begin with its registration in April 2010. The Trust will be required to participate and will need to purchase allowances for each tonne of CO_2 we expect to emit. The

money raised from the purchase of allowances is recycled to the organisations in the scheme. All Trusts are required to have a Sustainable Development Management Plan approved at Board level and will have a Board Director as the lead on sustainability.

Amit Khutti
HL said that AK was leaving the Trust in May 2010 to take up an entrepreneurial opportunity with Dr. Tom. The Trust started a search for his successor. There was a discussion re pay rates.

Contract and CIP Update
HL said that the main acute contract with the North West London Commissioning Partnership was signed, and the contract with the HIV Consortium and the Burns Consortium. She added that the outstanding contracts were with the NICU Consortium where we have to agree a high level of activity with the commissioners than what they had originally offered. She congratulated Lorraine Bewes, Amit Khutti and Sharon Robson for achieving this, in the current financial climate.

HL pointed out that directorates delivering 10% Cost Improvement Programmes is proving challenging.

HL informed the Board that the Trust was approached by Richmond and Hounslow Provider Arm Project Director and she asked the Board if it would agree for the Trust to proceed with bidding.

In response to CG, HL reminded the Board of previous discussions regarding our position. With the acquisition of paediatric surgery we are now considered a specialist hospital. She said she did not know the position re burns as it was out of our control.

CE said health services are a minefield and it is difficult to have a clear strategy and we need to be opportunistic to some extent.

CG suggested that we need to work on what the local community need and how we provide it. MA added that that is exactly what Lord Darzi identified in his report, which is closer care to home.

KN asked about how we could clarify a wish list should options become available. CE said there were a number of issues e.g. should we be part of polysystem? There is also the question of the push to have more services in the community to be considered. We need to build a bridge and keep the business. KN asked if we should be more proactive. HL said that we work with clinicians who have a high motivation as if we lose a bid then the hospital service will need to be reduced. LB emphasised that Dean Street was clinically led.

AH said that he agreed with CG and KN on taking a proactive approach and added that it is very important to balance between what the community want and what the NHS think is affordable.

CE suggested that a summary of different options be prepared for review. **HL**

Red incident
HL informed the Board that a maternal death occurred in March 2010. An investigation is being carried out.

Finance Q3

AH asked for clarification on the rating 4 of financial risk. LB responded that the lowest risk is 5 and the highest is 1.

2 PERFORMANCE

2.1 Finance Report – February 2010 LB

LB said that the financial position for the Trust for the eleven months was a surplus of £5.16m, which is £0.20m ahead of plan YTD and EBITDA is now behind plan by £2.52m.

The EBITDA position in February was ahead of plan by £0.20m. The forecast EBITDA position was that the Trust will remain behind the plan at year-end, with a projected shortfall of £2.44m. The full year projected surplus is £6.92m against a £6.4m planned surplus.

LB stated that the overall Trust savings target to Month 11 is £8.8m of which £7.4m was delivered at 87% rather than 84% as stated in the report.

The Board of Directors noted this report.

2.2 Performance Report – February 2010 LB

LB said that performance against the Monitor selection of indicators is broadly on track. Performance against the MRSA target has stayed at 10 cases. In order to achieve the stretch target carrying a bonus of £100,000 we must have no further cases.

LB added that we are projecting a 'fully met' rating for existing and national targets for the Care Quality Commission and we expect to achieve a rating of 'Excellent' for Quality of Services at year-end on current trend.

The key risks that needed close monitoring were cancelled operations target, not rebooked within 28 days and 18 week access.

LB emphasised that closer focus is required on sending discharge summaries to GPs within 24 hours.

CE asked about the strategy for achieving these targets. HL responded that we now have three Directors of Operations who will work on meeting these targets.

KN raised some concerns over the telephone system booking based on personal experience. **MG to look into it.** **MG**

KN said the outpatient booking system is appalling. HL said MG was looking at the whole way outpatients was working.

CG said there was some interesting and easy to use software around including one called 'IRemind' which is a texting system.

3 ITEMS FOR DECISION/APPROVAL

3.1 Netherton Grove HL

This item was covered in the Chief Executive's Report.

3.2 Estates Engineering Infrastructure **HL**

HL introduced the paper. She said that this was complicated and it had been discussed a little before at the Board and had been discussed in the Finance and Investment Committee.

She said we are a very inefficient Trust regarding energy and we must address our standby generator capacity and carbon profile. There was a concern about whether we are getting optimal advice. The contact at BAE systems came up with a very expensive proposition. Advice was sought on the previous proposals and the external assessment report from Services Design Partnership is included in the papers. The external advice was very supportive of what we proposed, except regarding steam, where it was thought we could save £2.2m.

The issue to discuss is us putting in a CCHP system and two large engines. The idea is that we would generate electricity and feed into the grid and income generate. The issue is whether we pay ourselves or via an Energy Supply Company (ESCO). The Services Design Partnership has advised us to take this up via an ESCO.

LB said that the Finance and Investment Committee had discussed capital vs revenue and noted that we cannot put a value on the risk but we would get this by the tendering process. It was noted that by instituting CCHP we significantly increase our dependence on gas.

We need to work up options via an ESCO (revenue) and buying (capital). CE pointed out that it was not just about money but also about risk and responsibility.

CW asked whether the proposed system cost less than two smaller units. LB said that option 3 would cost more money. She said there were two parts to it and there was a balance between up front costs and the cost over three years. She pointed out that we would generate electricity which would feed back into the grid. CW said that there was no comparison with the current running costs and it would be good to have this. CE said we would need to take into account that we would have a bigger building and what this would cost. LB agreed to circulate this.

The Board confirmed that they supported option A at £5.2m and the Board agreed to proceed to tender. For part B the Board agreed that this should be investigated further preserving both options i.e. to consider an ESCO solution as well as capital.

3.3 Corporate Plan

3.3.1 2010/11 Corporate Plan & Commissioning Summary **LB**

LB said that this report sets out the approach for the development of this year's Monitor Annual Plan. The paper describes the overall approach for the 2010/11 corporate plan. It was noted that the Monitor had moved to a template approach rather than a word document.

KN asked about the process for communicating with staff about the corporate objectives. LB responded that the Trust Executives have held three workshops in January on quality, finance and workforce. LB added that the work on Divisional business plans is still in progress and that we will have the outcome soon. LB added that HL has been

holding strategy sessions called 'Fit for the Future' regarding the need for the 10% efficiency and exploring opportunities for efficiency savings. These sessions had been very well attended.

There was a discussion regarding low priority procedures and the risk of discharging patients from care too early. CE emphasised that we must not accept exclusions which put patients at risk.

CW suggested that on p.4 deliverables are added. MG confirmed that lowering agency and bank costs are addressed. LB confirmed that Women and Children had banned agency.

3.3.2 Approval of 2010/11 Revenue and Capital Plan **LB**

LB said that this report presents the 2010/11 annual revenue plan and three year capital plan which provides the basis for the Monitor Annual Plan submitted in May.

LB referred to table 1 on p.4 which sets out the justification for the 10% CIP of £22.6m.

The key issues were:
- Income was planned to reduce by £3.8m vs. 09/10 outturn
- Required funding for corporate areas and investment was estimated at £10.8m including £2.3m to rebuild reserves due to NICU price error and additional CLAHRC commitment
- Need to recover EBITDA shortfall in outturn £7.8% vs. 9%.
(It was noted that table 11 showed EBITDA margin was 7.8% not 9%).
- Required EBITDA margin for 10/11 to meet an excellent rating required a further £5.6m.

It was noted that the income position reflected nearly 100% of agreed contracts with Commissioner which was an excellent achievement.

LB said that Monitor has carried out a top level review of FT financials and service performance and fed back whether we need to generate an additional couple of percentage points above outturn to afford the loan pay back. This supported the proposed EBITDA target.

CG supported the plans. He suggested that more income and less cost with more creativity might close the gap on the CIP. The telecoms cost should go down considering the technology potential, and virtualisation of IT. LB said that the plan of virtualisation of IT was to be done next year.

CG expressed his conflict of interest here.

HL said that she would like to see CG's proposal and it was agreed that LB would send CG a cost breakdown of telecoms spend. **LB to send to CG** **LB**

LB said the plan is to have 10% CIP but there is a gap of £5.4m.
LB stated that in light of the CIP gap a further risk assessment had been completed to determine if 10.5% EBITDA was required. This was tabled. Of £22.6m CIP target identified it was noted that £3.5m was high risk and a further £2m of risk on pay and the urgent care centre. This gave a £10.9m of worst case shortfall. Against this further mitigations of £3.9m had been identified and a piece of work was required to complete the 3 year plan to determine if there was any

tolerance to bring down the EBITDA while retaining a minimum FRR of 4.

It was agreed that a final budget position would be brought back to the April Board. **LB**

CG asked if there was a way of looking at other sources of granting. LB advised that there were potential constraints from the Charity Commission as funds had to be for charitable purposes.

LB said that we have £2m general contingency in reserves.

LB added that clinicians need to be engaged and was impressed by the level of engagement this year.

KN queried p.7 CIP analysis figures for pay for womens was large but nursing looked small. LB said it referred to staff in the central nursing team.

KN commented that we had increased the number of midwives and wanted to know who monitors staff on duty. AMC responded that maternity unit is monitored every day.

LB concluded that at this stage we still need to plan for 10% CIP but further work would be carried out to conclude on the financial budget next month.

3.4 Medicine Improvement update **AMC**

AMC outlined they key points covered in the medicine improvement plan paper. He said that progress has been made in several areas including, day to day management of wards. Of concern was staff vacancy which have not reduced yet even though recruitment activity has increased.

AMC pointed out that we have now moved our emphases of recruitment to supporting staff.

CE highlighted the turnover. AMC said that it was a London wide problem as well as a national problem. We have 20% vacancy in medicine, but we have stability in senior nursing and the moral is better than two years ago. CW asked why we thought we could bring it down by 12%. AMC said that it was overly optimistic and we thought we could focus on support workers.

CG suggested that there needs to be an emphasis when advertising that there is an academic side to the job as well as practical side.

3.5 Community Gynaecology Service Contract **LB**

LB said that she had signed a contract resulting from the recent successful bid submitted by the Trust to NHS Westminster for the provision of community gynaecology services. As there was no Board meeting in February, LB had to sign the contract in order to meet the mobilisation timescales and guarantee the contract. The contract form followed that used for the Community Dermatology which had been approved previously by the Board.

LB asked the Board to approve the contract and invited any questions.

There was a discussion about mobilisation and clarification of the actual services and what it meant for the staff on the ground. It was noted that the service was to provide consultation sessions to a number of offsite clinics.

HL said that in this way we would be contributing the polysystem / policlinic.

There was a further discussion about the need to compare on costs with the current community providers.

The Board approved the contract.

3.6 Nursing Workforce **AMC**

AMC introduced the paper and outlined the key elements. He noted that this would collapse the senior sister and matron role and reduce layers and numbers. The ward manager's role would be strengthened. There would still be a generous skill mix.

HL said that there are many changes to be welcomed and there are some to be discussed. There needs to be a further discussion about the general managers roles relating to the proposal that the Divisional Nurse manages all nurses.

MG agreed with reducing layers and said that we need further discussion with the Divisional Directors.

HL said we are almost there with the 75:25 ratio of registered nurse to support workers in the ward areas of medicines and surgery.

CW said it was sad that AfC had not delivered new role as promised and asked if there was anything in it that we could use. MG said the knowledge and skills framework could be used better. AfC allows us to prevent increments by right but we do not use that like most organisations.

CW asked if we are getting rid of matrons. AMC responded that there would be clinical nurse leads, matrons and senior sisters and he did not mind about the name.

CE confirmed that there was a broad support but matters of detail to be discussed. **He asked that the final form came back for information.** **AMC**

AMC said that the ward sister will manage the ward and provide patient care to get this done within resources.

MA said we have a small number of nurse consultants, and queried where they were in the structure. HL agreed that we need to look at where they fit in Andrew's proposal along with the specialist nurses of which there were approximately 60.

3.7 Third Party Stakeholder Schedule **CM**

This paper was noted.

3.8 Open Day – 8 May 2010 **HL**

This paper was noted.

4 ITEMS FOR INFORMATION

4.1 Assurance Committee Minutes – 18 January and 8 February 2010 CW

This item was taken as read.

4.2 Audit Committee Minutes – 21 January 2010 LB

This item was taken as read.

4.3 Finance and Investment Committee Minutes – 19 January 2010 LB

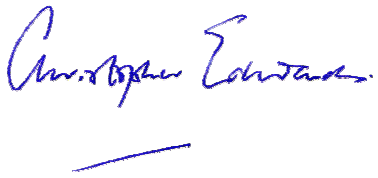
This item was taken as read.

5 ANY OTHER BUSINESS

None.

6 DATE OF THE NEXT MEETING – Thursday, 29 April 2010

Signed by



Prof. Sir Christopher Edwards
Chairman