

Board of Directors

Minutes of Part One of the meeting held on Wednesday 21st July 2004
in the Burfoot Court Room, Guy's Hospital

Present : Mrs Patricia Moberly (Chairman)

Ms D Ariotti
Dr E Baker
Ms C Geddes
Mr T Higginson
Mrs D Hill
Dr J Michael
Mr S McGuire
Ms J Oliver
Mr K Palmer
Mr M Shaw
Prof G Williams

Attendance : Miss A Knowles Director of Communications
Mr R Tarling Secretary

BOD/04/01 Apologies

Mrs A Tapsell

The Chairman welcomed Mr Jeremy Marsh, elected Patient member of the Members' Council, who was present at the meeting as an observer.

BOD/04/02 Minutes of the meeting held on the 23rd June 2004

The minutes of the meeting held on 23rd June were approved as an accurate record subject to the following corrections.

TB/04/099 Monthly Action Review

Paragraph 4, first sentence to be replaced by:

Implementation in Paediatrics was complicated by two site working and difficulties in recruitment of staff.

TB/04/100 Finance Report

Fourth bullet point to read:

(The Trust Board agreed) that the Trust continue to press the DoH for the 2003 / 04 inflation shortfall and full costs of Agenda for Change.

BOD/04/03 Matters arising**Matters arising from the meeting held on the 23rd June 2004****TB/04/095 and TB/04/074 and TB/04/059 Chief Executive's Report NHS Confederation Foundation Trust Group**

The Chairman reported that the interim board of the Foundation Trust network established by the NHS Confederation had now been established.

BOD/04/04 Chairman's Report

The Chairman introduced her regular report and drew particular attention to the Annual Report of the Voluntary Services department. The Chairman acknowledged the huge contribution of the volunteers and thanked them all for their commitment and dedication.

The Chairman reported on her recent discussions with the artistic directors of the Old Vic and on plans which were in hand for a gala to benefit the Evelina Children's Hospital appeal.

The Board of Directors noted the Chairman's regular report**BOD/04/05 Chief Executive's Report**

The Chief Executive introduced his regular report and drew attention to the following issues.

2004 Performance Ratings

The Chief Executive tabled a report on the 2003 / 04 Star Rating performance results which had been published by the Healthcare Commission earlier the same day. The Trust had been awarded 3 stars for the third successive year and the report drew attention to issues which had influenced the outcome.

Thanks were due to all staff for their contribution to this achievement, accomplished despite pressures which had caused other Foundation Trusts and aspiring Foundation Trusts to lose a star.

The Chairman and the Non-Executive Directors thanked the Chief Executive and the Executive Team for their own contribution to this outcome.

The Chief Executive reminded the Board that though the Independent Regulator and the Healthcare Commission were discussing the shape of performance measurement in the future, the star system would continue until 2006.

Hospital Acquired Infection

The Chief Executive tabled a detailed paper briefing the Board about the current position on hospital acquired infection in the Trust and the measures being taken to achieve the Board's objective of reducing the incidence.

The tables of relative incidence of infection published alongside the Audit Commission's report issued the previous week had showed the Trust to be in a disappointing position relative to others. There were a number of issues which

affected this finding and in particular it was necessary to be clear about what was being measured and acknowledge that a significant percentage of patients already carrying MRSA were admitted to the Trust. The Joint Directors of Clinical Leadership were working with the Infection Control team on efforts focussed on achieving improvements to the position in high risk areas and bring significant improvements in the measured rates overall.

London Trams

The Chief Executive briefed the Board about the Mayor of London's proposals for the provision of new tram routes through London. One route through Waterloo would have potential impact on traffic circulation in the vicinity of the St Thomas' site.

The Trust was among major organisations sited along the route who had been asked to give their formal support to the proposals. The Trust had also been asked to allow a model of the proposal to be put on public display at St Thomas' Hospital in September.

The Board of Directors:

- **reserved its position on supporting the proposal until further consultation had taken place;**
- **agreed that the model may be displayed at St Thomas' Hospital**

Association of UK University Hospitals

The Chief Executive briefed the Board about the constitution and role of the Association of UK University Hospitals of which he had been elected Chairman.

Consultant Appointments

The Chief Executive advised the Board about procedural reasons requiring their specific approval for a Consultant Advisory Appointment Committee recommendation.

The Board of Directors:

- **approved the appointment of Dr Mason Pannell as Consultant in Anaesthetics following a Consultant Advisory appointment committee held on 8th July 2004.**
- **Noted that the Chief Executive had confirmed the recommendations of the Consultant Advisory Committees held in June and July 2004 as follows: Dr Sophie Jane Watkins and Mr Kalpesh Bavisha, Consultants in Restorative Dentistry, Dr Anna Maciag, Associate Specialist, Restorative Dentistry and Dr Adnan Al-Kaisy Dr Charles Thorburn Consultants in Anaesthetics**

City Growth Strategy

The Chief Executive reported on a meeting which he and the Chairman had attended with representatives from King's College London and the South Bank Employers Group. The subject had been proposals for a City Growth Strategy with the aim of improving employment opportunities in deprived areas and the specific suggestion that health employers might form a focus for such an initiative. Discussions were continuing.

Lambeth Urban Development Plan

The Chief Executive reported that the Trust had been asked to respond to a consultation about the Lambeth Urban Development Plan and sought delegated authority for the Chief Executive and the Chairman to sign off a response on behalf of the Board of Directors in view of the late issue of the consultation document and the short response time allowed.

The Board of Directors:

- **agreed to delegate consideration of the response to the Estates Strategy sub committee;**
- **agreed to delegate authority to the Chairman and Chief Executive to agree and sign off the Trust's response.**

The Board of Directors noted the Chief Executive's report

BOD/04/06 Operational Report, Month 3

The Director of Delivery introduced the Operational report for the period to the end of June 2004 and drew attention to the following particular issues

Overall Activity

Elective activity had been 3% higher than for the same period in the previous year, it was notable that day cases were 5% higher.

Emergency admission levels at St Thomas' had reduced slightly in June and were now comparable with levels for the previous year. It was notable that the effect of the Clinical Decision Unit on the management of emergency medical patients had resulted in a further reduction in overall bed usage.

Outpatient Waiting Times for GP Referrals

There had been no breach of the 17 week standard and the number of patients waiting between 8 and 13 weeks had fallen sharply following sharp increases in April and May suggesting that the position was volatile and therefore hard to predict.

Inpatient Waiting Times

There had been no breaches of the 9 month waiting time target. Interim targets of 8 months by the end of September and 7 months by the end of December had been agreed. Plans had been agreed to reduce waiting times in plastic surgery with the use of private sector capacity.

Emergency Access

The Trust performance against the standard of 98% of patients should stay less than 4 hours in the A&E department was at 95.3% for the first quarter. The definition of A&E departments had been extended to include patients seen in Eye Casualty and the Emergency Gynaecology Unit although it was possible that the definition could be reviewed and revised again in the future. Last minute cancellations saw further reduction in June.

Cancer Waiting Times

There had been no breaches of the standards.

The Board of Directors noted the report

BOD/04/07 Finance Report Month 3

The Finance Director presented the financial report for the period ending 30th June 2004.

The Finance Director advised the Board that this period coincided with the last financial statement of the Guy's and St Thomas' Hospital NHS Trust and that it would therefore be the subject of a further set of final accounts and that the ultimate figures might therefore vary slightly from this report.

At the end of the quarter the Trust was reporting a small surplus of £285K but predicting a year end out turn of a £6.6m deficit. The Finance Director was pursuing discussions with the Department of Health aimed at regularising the position on the treatment of inflation in the tariff and also seeking funding for the full implementation costs of the new consultant contract.

The Operational Performance Review programme will identify savings opportunities and proposals would be brought to the Project Board chaired by the Chief Executive. Directors would identify savings opportunities and would then implement the recommendations within their existing authority. Significant proposals would be the subject of wider discussion, formal agreement and as appropriate consultation according to the protocol agreed by the Board at its last meeting.

The Board of Directors noted the report

BOD/04/08 PCT Contract Negotiations

The Finance Director presented a report on the position with contracts being negotiated with Primary Care Trusts. At the time of the report the total value of signed off contracts plus those where PCTs had indicated their agreement amounted to 73% of the Trust's projected income.

The Finance Director acknowledged the need for systems to restrict elective clinical activity where PCTs were not prepared to pay for over performance.

The Finance Director was in discussion with Strategic Health Authorities where no offers had been received from PCTs and there were currently two areas where arbitration was a possible outcome.

The Board of Directors noted the report

BOD/04/09 Performance Report Quarter 1

The Director of Strategy and Policy introduced the quarterly performance report for the period to ending 30th June 2004 and drew attention to the following issues.

Cardiac National Service Framework

Attention was drawn to the increase in referrals to the rapid access chest pain clinic. The increased demand had affected the Trust's ability to meet the target of 100% of patients being offered appointments within 14 days.

Patient Transport

There had been a sharp fall in the number of complaints. Refurbishment of physical areas was making good progress and much other work was underway. Volunteers were engaged to support patient surveys and there were indications that the fall in complaints was due to the effect of the work to improve the attitude of staff.

Infection and Cleanliness

The report showed a fall in the MRSA acquisition rate. As recommended in the separate paper presented earlier in the meeting a detailed review of action to secure further improvements would be brought to each future meeting of the Board.

Emergency readmissions and nursing

The Board was advised that the emergency admission rate defined in the national performance indicators includes readmissions to other providers. It was not therefore currently possible for the Trust to capture the data with which to compute a fully accurate readmission rate.

Outpatient non-attendance

Plans to restructure outpatient administration are being developed to address the subject of missed outpatient appointments and will be the subject of a report to a future meeting of the Board.

In the medium term the Trust's rate of missed outpatient appointments is expected to fall as a result of the further introduction of direct and partial booking.

Theatre Utilisation and Daycase rates

Measure to improve theatre utilisation rates and day case rates would form a major element of the work of in the Operational Performance Review.

Data Quality

The Board noted the growing importance of the completion and depth of clinical coding in the light of the introduction of Payment by Results. The estimated value of un-coded episodes was reducing although the depth of coding had not yet reached the aim of an average of 2.4 average diagnosis per episode in all clinical directorates. The Board noted the excellent performance in Acute Medicine and Paediatrics and the good performance in Surgery and Cardiac Services.

The Board of Directors noted the report**BOD/04/10 Register of documents signed under Trust seal**

The Board of Directors received and noted the record of documents signed under the Trust seal during the period 1st April 2004 to 30th June 2004

BOD/04/11 Review of Standing Financial Instructions

The Finance Director introduced proposals for revisions to the Trust's Standing Financial Instructions which were last revised and reissued in 2002 and reviewed by the Audit Committee in 2003.

Changes were now necessary however to reflect the Trust's assumption of Foundation Trust status and also to accommodate the new management structure. The Board was asked to adopt this draft for use with immediate effect subject to resubmission of a correctly formatted version to a future meeting of the Board.. Copies of appendix B to the draft would be circulated following the meeting.

The Finance Director confirmed that previously agreed policies on hospitality the acceptance of gifts and sponsorship had been circulated and that it was the responsibility of the Executive Directors to maintain the appropriate registers as monitored by the Head of Internal Audit.

The Board of Directors agreed and adopted the proposed Standing Financial Instructions and Scheme of Reservation and Delegation and agreed that a final version of both documents would be brought to the September Board meeting.

BOD/04/12 2005 Meetings Programme

The Chief Executive tabled a proposed programme of Board of Directors meeting dates for 2005 with some alterations from the traditional pattern in order that financial reports could be submitted to each meeting with the exception of the December meeting where it was not possible.

Members of the Board were asked to advise the Head of Corporate Affairs if they had any difficulties with these dates. They would then be confirmed and chairs of the board sub-committees would then be asked to agree dates for their own meetings.

The Board of Directors noted the schedule of meetings for 2005 and agreed that, subject to any comments made, the Head of Corporate Affairs would circulate a confirmed version following the meeting

BOD/04/13 Corporate Risk Assurance Framework

The Joint Director of Clinical Leadership (Medical Director) introduced a paper updating the Board of Directors on the Corporate Risk Assurance framework formerly known as the Corporate Risk Register.

The revised approach incorporated a regular reporting cycle, a revision of the name to reflect the wider purpose of the framework and revised reporting framework to show monitoring of implementation against action plan. This was a working document regularly reviewed by the Board Clinical Governance and Quality Monitoring committee and the Management Executive's Risk Management Committee.

The assessments recorded in the Risk Register were the results of judgements made by the Risk Management committee based on accumulated knowledge and experience.

The Board of Directors noted the content of the Corporate Risk Assurance Framework and approved the changes made

BOD/04/14 Strategic Direction

The Director of Strategy and Policy introduced a paper briefing the Board on progress in preparing the Trust's future strategy. The Board was asked to consider the progress report and endorse the proposed programme.

The Board was asked to note and support the steps to take the work forward including the preparation of a project plan, involvement of executive directors, external support and the further engagement of external partners and the Trust's staff in developing the strategy.

The Board of Directors:

- **noted the report and the work to take the strategy forward before the next meeting;**
- **agreed the need to explore discussions with stakeholders and staff and secure their input to the continuing process;**
- **supported the approach described;**
- **agreed the proposed principles under the headings of aspirations, service portfolio, delivery and action plan as set out in the approach to the Trust strategy development;**
- **supported the circulation of the proposals to members of the Members' Council.**

BOD/04/15 Efficiencies in the use of inpatient beds

The Chief Executive introduced a paper to brief the Board about the proposals for reductions to the number of bed previously discussed in principle, to seek ratification for those proposals where implementation was under way and to obtain the Board's support for those proposed for the future. Clearer arrangements were proposed for the role of the Board of Directors in future similar issues.

The paper was presented following discussion at the Board's previous meeting public concern over plans to reduce capacity. There had been Board discussion in the context of agreement of the financial plan but detailed discussion of the proposals had only taken place at Executive Directors and Trust Management Executive meetings.

The Director of Delivery reminded the Board that the reduction of bed numbers had become possible due to falling lengths of stay caused by advances in the way in which care was delivered and that the implementation of the reduction was helping the Trust to address its revenue targets, was allowing the implementation of the capital programme in improving the ward environment and was of benefit to patients who would be cared for in an improved environment.

The Board of Directors:

- **supported the proposals for achieving efficiencies in the use of beds as set out in the paper and its attachments;**
- **agreed that the process for seeking approval or support and for becoming informed about future changes to capacity, should be as set out in the paper namely;**
 - **service reductions require the approval of the Board of Directors**
 - **substantial capacity reductions without effect on services require the support of the Board of Directors**

- **minor adjustments in the refinements to capacity or service are to be the subject of information provided to the Board of Directors and its sub committees through routine reports.**

BOD/04/16 2004 / 05 Additional Capital Allocation

The Finance Director introduced a report updating the Board on additional capital funding available to the Trust following its assumption of Foundation Trust status and making recommendations about the allocation of those funds.

The Board was reminded that at its previous meeting in May 2004 it had agreed recommendations about the allocation of the Trust's operational capital of £11,223,000 for 2004 / 05. As a result of the Trust's successful Foundation Trust application the Trust Board must now agree an allocation of an additional £8,783,000.

The Board of Directors agreed:

- **that the Finance Director should undertake a full review of revenue expenditure with a view to identifying opportunities to use up to £3m of capital to deliver revenue savings through strategic investment;**
- **that the Finance Director undertake a review of business systems and bring forward a proposal to deliver revenue savings for improved procurement and manpower and financial reporting systems against a reserve of £500k;**
- **that the Director of Delivery will lead on the agreed expenditure of £283k allocated to IT equipment;**
- **that the Director of Capital, Estates and Facilities will lead on the agreed expenditure of £1m allocated for Evelina Children's Hospital equipment;**
- **that the Joint Director of Clinical Leadership (Medical Director) will lead on the agreed expenditure of £2m allocated to medical equipment;**
- **that the Director of Capital, Estates and Facilities will lead on the expenditure of £2m to Estates;**
- **that a review should be undertaken about the allocation of £8.3m additional funding for 2005 / 06;**
- **that the proposals from the Projects and Estates Directorate to commit £9.1m of the £205 / 06 capital allocation be approved**

BOD/04/17 Florence Nightingale Museum

The Chief Executive introduced a paper briefing the Board on the proposals of the Trustees of the Museum to seek external support for an expansion of the Museum's services and facilities on the St Thomas' Hospital site.

The Trust had been asked to support this application by formalising its commitment to a continuation of the Museums activities on the site, the Trustees recognised that they could not be given an absolute space commitment.

The work and life of Florence Nightingale was an important part of the history of the Trust and more could be made of the implications of her life and teachings for the Trust's present and future work.

The Board of Directors agreed that the Museum should be supplied with a letter of in principle support for the Museums development and expansion plans, subject to agreement on siting, legal and financial matters.

BOD/04/18 European Working Time Directive

The Medical Director presented a report on the implementation of changes to the working arrangements of junior doctors in order that the Trust may comply with the requirement that from August 2004 the maximum hours such doctors may work reduces to 58 per week and 13 per day.

Extensive efforts, including revisions to 117 rotas, had led to a situation where the Trust will be compliant in every area except Paediatrics, Cardiac Surgery and Haematology. Compliance in Haematology and Paediatric Intensive Care will be achieved by November 2004 but compliance in the rest of Paediatrics and in Cardiac Surgery cannot be achieved while those services are delivered on two sites. Plans for the consolidation of both services on the St Thomas' site were reliant on the opening of the Evelina Children's Hospital in 2005.

Few trusts expected to achieve full compliance and, although this brought the risk of legal action, it was unclear what compliance action might be taken or by whom. Although this Trust would not be fully compliant by August 2004, plans were in place to achieve full compliance as soon as it is possible to do so.

The Chief Executive asked the Board to agree that was not acceptable to close or significantly restrict clinical services where the Trust had plans to comply but could not do so immediately. The Board must understand however that there was a risk of prosecution.

The Board of Directors:

- **noted the action taken to achieve compliance in most areas by the due date;**
- **agreed the action proposed to achieve compliance in the remaining areas as soon as possible;**
- **noted that to achieve compliance in advance of the reported times would require the severe curtailment of key services with a severely detrimental effect on clinical services and patients;**
- **agreed that clinical activity should not be curtailed in order to achieve compliance sooner**

BOD/04/19 NHS Improvement Plan

The Director of Strategy and Policy presented a paper summarising the main points of "The NHS Improvement Plan" published by the Department of Health in June 2004 and setting out priorities for the next four years. The proposals included substantial changes to service standards which would pose very challenging targets for the Trust to achieve in the areas of service access and booking. The proposals were less clear about the other measures which were mentioned.

The proposals set the strategic context within which the Trust should plan for the future and it was therefore necessary to understand the implications including the potential impact on the Trust's services through the effect of Patient Choice and potential opportunities for the Trust to be able to offer improved access or additional services.

The Board of Directors noted the content of the NHS Improvement Plan

BOD/04/20 Emergency Planning

The Joint Director for Clinical Leadership (Medical Director) presented a report updating the Board of Directors on major incident planning and on the organisation's preparedness to deal with a major incident. Action undertaken included an update of the major incident policy, directorate table top exercises and a Trust wide table top exercise undertaken by Executive Directors.

A Risk Manager post had been established to undertake responsibility for major accident planning and to take forward the implementations of lessons learned from simulations conducted.

A further report will be made to the Board of Directors in October.

The Board of Directors noted the report

BOD/04/21 Minutes of Committee Meetings

The Board of Directors received and noted the minutes of the following sub committee meetings:

**Service Delivery, 19th May 2004
Estates Strategy, 26th May 2004**

BOD/04/22 Date and Time of Next Meeting

The next Board of Directors meeting would be held on **Wednesday 22nd September** at **2.00pm** in the **Grand Committee Room, St Thomas' Hospital**

BOD/04/23 Confidential Business

The Board of Directors resolved that representatives of the press and other members of the public be excluded from the remainder of the meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest.

Signed

Dated