Guy's and St Thomas' NHS
NHS Foundation Trust

Board of Directors
Corporate Management Committee

Part 1

Minutes of the meeting held on Wednesday 9th December 2015 at 1pm in the Burfoot Court Room, Guy's Hospital.

Present	**:**	Sir Hugh Taylor (Chair) Dr I Abbs Mr R Drummond Ms A Macintyre Mr S McGuire Ms G Niles Mr M Shaw Dr S Shribman Dr P Singh Dr S Steddon Ms D Summers
Attendance:		Mr P Allanson, Secretary Ms V Cheston Ms J Parrott Mr S Sommerville Mr B Rees Mr J Duncan (Council of Governors representative) Mr J Porter (Council of Governors representative)
Apologies		Ms H Coffey Sir Ron Kerr, Prof Frank Nestle Ms A Pritchard Dame Eileen Sills Mr S Weiner

CMC/15/06 **Minutes of the meeting held on 7th October2015**

The minutes of the meeting held on 7th October 2015 were approved as a true record.

CMC/15/07 **Essentia**

a) IT Strategy Update
The Director of IT updated the Committee on progress against the IT strategy agreed in 2011 aimed at introducing a digital healthcare system and culture providing the right information for the right patient in the right place at the right time in as paper-lite manner as possible.

The critical remediation of the basic infrastructure and basics was now complete with plans in place to keep systems up to date in terms of hardware and software, with stable storage arrangements accessible through a managed service provider. Service failures had dropped dramatically and the roll out of Microsoft 10 to the Trust has begun.

Whilst E-HR has largely covered its remit it was important to review the OBC to check that the system was delivering what was now required – this would be presented to the Board in due course. A number of specialist systems had been delivered including maternity, community, job planning, HR self service, hospital in patient prescribing and cancer network prescribing together with desk top platforms. The progress on system resilience would lead to improvements in clinical safety.

The next three months would see the roll out of e-noting to outpatients, GP information displayed in KHP on line, Windows 10 to 500 users and Skype for business more widely available.

Over six months the e-HR OBC would be finalised, the Windows 10 roll out would gather pace and the network procurement in place.

Within twelve months, Windows 10 would be 80% complete, Datacentre migrations 75% complete, and video conferencing integration to Skype complete, CSU IT service transfer to GSTT Complete, FFF Transformation defined for new technical capabilities, and Digital hub set up.

As the strategy was refreshed, plans were likely to include making Trust designed IT, including systems designed to streamline attendance administration, available to others with transformation support available from Essentia Trading Ltd. There was scope for analytic developments for applications showing the live bed state in the hospitals, whilst workflow and algorithms will automate process removing layers of administration, provide expert clinical support, and substantially reduce the cost base of innovative healthcare providers.

All of this marked a significant commitment by the Trust where some £70mn of the planned £110mn was already committed. The Trust had demonstrated that it could rapidly develop and implement digital solutions. It had a good track record on involving senior, IT literate clinicians in finding solutions and embracing and leading change.

Making sure that transformation and benefits realisation received greater attention and focus with the issues owned by the business; these were not challenges just for the IT directorate. Making sure the focus swung from inputs to outputs would be important. Much of the work of the last year had been in investment to build platforms that would enable future transformation. The move from Windows XP to Windows 10 was a fundamental shift that would require and enable staff to work differently. One of the benefits from the work on the infrastructure was a reduction in the length of time taken to log in which had fallen from up to 10 minutes to around 3 minutes.

In terms of measuring return on investment, it was suggested that all responses could be drawn together to consolidate the gains and show how the system as a whole had benefited from changes, including clinically; for

example the reduction in errors following the introduction of e-prescribing to build a cogent story about the result of investment and as a guide to the future.

The Committee was particularly interested in the risks and benefits associated with the current work to move to electronic health records. In itself this was seen as highly desirable and necessary but there would be significant risks during the transition with both paper and electronic records extant. Knowing what others were doing was also important and systems may not be completely compatible. This major discussion item for the Trust should be put into a strategy paper over the next 3-6 months.

The question of co-operation across KHP as the benefits of co-operation should be evident but were not being discussed at a senior level beyond KHP on line. It was suggested that a summit of CEOs and Medical directors, supported by IT directors but not led by them. The Committee supported the idea of this initiative building on the informatics work that had begun and in developing a leadership role that brought benefits to all parties.

b) Capital Plan and Investment Strategy Update
The Director of Asset Management confirmed that the ITFF was prepared to lend the Trust £100mn in a further loan for capital development against agreed proposals and had suggested that the loan should be requested as three or four different loans as this would make a difference to the governance arrangements. The loans were available at government gilt rates which could vary depending on the length of the loans.

CMC agreed that the loans should be restated with a much flexibility as possible with the length of the loan balanced against the interest rate and the point at which the asset appeared in the balance sheet.

It was noted that work had now stopped on any project not earmarked for support within the money available and the resources redirected. There were some backlog issues to be resolved and a further report to CMC would be made in February 2016. The strategic investment funding group would be meeting later in December and would be considering how to fund future projects. It was asked to consider whether the Board should hold a larger contingency find and it would be wise to assess the impact on capital and the plan were the Trust not to meet the plan in the next two years or fail to meet project budgets because of disputes or over runs. Other possibilities included closer working with other stakeholders – SLaM, local authorities, given the number of properties SLaM worked out of and that local authorities had access to capital at similar rates to the NHS. As a defensive move it would be sensible to protect the Trust from any central rationalisation initiative.

CMC/15/08 **<u>Financial Planning</u>**

Monitor had classified the Trust's financial performance at level 2 which, without its star, suggested it could be vulnerable to regulatory action though for the time being it seemed unlikely that there would be any further intervention. Although month 8 had not yet been assessed the early indications suggested that the Trust was performing to plan. The recovery team was now in place and ready to move into action.

It was noted that the outcome of the tariff discussions together with any distribution following the CSR announcement of £3.8bn for the NHS were not yet known. The Trust continued to plan on the basis that it would need to find more than £100mn cost savings to deliver a break even outcome of which £30-40mn would come from "business as usual" and a similar amount from "bold" schemes. Any benefits from tariff or CSR were not yet within the planning assumptions.

Carter Review
The Finance Director and colleagues had met Lord Carter's review team to discuss the validity of the figures it had been suggested could form the basis of cost reductions for the Trust. The team had acknowledged that its figures were unrefined and the ambition of the intention had been acknowledged in return. Ensuring that reference costs reflected the role and pressures of a tertiary, teaching hospital and also currently ignored those costs where the Trust was better than average would be the way to ensure that describing a "model hospital" reflected the range of realities necessary. Trusts had been invited to nominate other trusts to be compared with as part of this exercise.

There were some indications about how the money given to the NHS in the Comprehensive Spending Review (CSR) would be distributed although the conditions that were likely to be set were not yet evident. It was suggested that capacity plans were revisited so the Trust could capitalise on additional RTT activity if it became available. Overall, it was sensible to look at theatre capacity given that GO referrals had increased by 12.8% this year.

The Committee accepted that it should focus on the Carter proposals once they had been refined. It should come as no surprise that some of the Trust's costs were above average given the range and specialist nature of its work including the super specialist work carried out.

The Committee also noted the current financial position and that the prospects for next year were partly dependent on the outcome of the CSR.

CMC/15/09 **<u>Workforce Planning</u>**

a). Junior Doctors
The Director of Workforce noted that the strike action had been postponed and meetings would take place to try to resolve the dispute as quickly as possible.

a). Agency Costs
The Committee welcomed the initiative to reduce costs and noted that a number of agencies, though not those supplying doctors, had reduced their rates to meet the first reduction, though it was not clear whether they would reduce them further as the cap was lowered twice more in the new year.

The Trust was required to report weekly and give information about breaches by shift. In the first return, 611 shifts had breached of which 519 were due to IT consultants. Some of the rates paid to these staff were considerably in excess of the Monitor cap. While the argument about London rates held some sway the Trust was an outlier and would need to look at various options to reduce its reliance on temporary staff.

CMC/15/10 **Any other business**

Staff Engagement Steering Group
This group, chaired by Girda Niles, had met for the first time to work collaboratively on issues raised in surveys. It had been a large meeting showing a snapshot of the current mood of the Trust and would report regularly to the Corporate Management Committee.

Patient and Public Engagement Conference
The Trust has hosted a successful event updating staff and stakeholders on progress in implementing the strategy agreed in 2013. It had occasioned the launch of a video and engagement hub to help staff plan and organise engagement. Awards for outstanding programmes had been awarded to Southwark CCG and a team of Trust staff. The event had attracted a good mix of staff from the Trust, Healthwatch in both Lambeth and Southwark as well as supporters and more challenging members.

CMC/15/11 **Workforce Race Equality Standard**

The Committee noted the completed template