



## TRUST BOARD

Minutes of a meeting held at Devon House, Heartlands Hospital

at 11.00 a.m. on Tuesday 7<sup>th</sup> April 2009

**PRESENT:** Mr C Wilkinson (*Chairman*)  
Mr D Bucknall  
Ms M Coalter  
Mr I Cunliffe  
Ms A East  
Mr M Goldman  
Mr C Ham  
Ms N Hafeez  
Mr R Harris  
Mr P Hensel  
Mr R Samuda  
Mr A Stokes  
Ms M Sunderland  
Dr S Woolley

**IN ATTENDANCE:** Mrs C Lea  
Mrs B Fenton  
Dr I Gupta  
Dr A Keogh  
Ms E Ryabov  
Ms L Jennings (Minutes)

### Part 1

Action

**09.38 1. APOLOGIES**

Apologies had been received from Dr Hugh Rayner.

**09.39 2. BUDGET SETTING PRIORITIES AND PLANNING 2009/10 (AS)**

The Chairman welcomed everyone and stated that due to extra budget setting requirements, the meeting had been convened for 11.00 a.m. Ms Ryabov, who had joined on an interim contract as Acting Chief Operating Officer, was welcomed to the Board.

Mr Stokes presented his metaphor of the “perfect storm” to illustrate that 4 or 5 significant conditions had occurred together to produce the current financial situation in which the Trust found itself. He drew particular attention to the following:

#### *CIP*

Last year’s CIP target had missed by £2m, and by £4m this year, resulting in an overall shortfall of £6m.

There were 3 key issues:

1. The implementation of inter-departmental CIPs, e.g. digital dictation, to be reviewed and stronger accountability established.
2. Phasing, particularly in surgery, was an issue particularly in Quarter 4 as there was no room for corrective measures to be put in place.
3. CIP had received less attention as the Trust became extremely target

driven e.g. with the A&E 4 hour wait, and the growing issue around the 18 week target for surgery.

Questions were invited on the subject of CIP, out of which the following points were made:

- Achieved £11m of £14/15m target.
- Not all capital CIPs were included in the above target and there were some instances of extra capital generation to invest.
- Accountability did lie with Directorate management, however, this was diluted in the case of cross directorate CIPs.
- A detailed list of CIPs, illustrating progress made against each one, did exist and was being scrutinised by the Executive Team.
- One of the learning points had been that going forward these detailed CIPs should be looked at in more detail earlier.
- A predominating factor for the short fall had been the imbalance between pay and efficiency. Other factors included the mixture of schemes not performing, temporary staffing, and delay in ward closure by 9 months.

The Chairman assured the Board that the Finance Committee looked very closely at large CIPs. There was an expectation on managers and CDs to keep the Finance Committee informed on their plans and progress. The EIG, Efficiency and Investment Group, sat behind the Finance Committee and looked at how savings should be reinvested and monitored CIP progress. Mr Goldman was the Chair and Mr Stokes sat on the Committee, which received reports from Medicine and Surgery. Plans had been received for different areas and coded as to whether they were likely to be delivered. This year a “Challenge and Confirm” initiative had been put into place to address the issues listed above. Mr Goldman informed the Board that ensuring accountability had been a lot of the rationale around the recent restructuring, with the introduction of 5 high quality CDs, with a Chief Operating Officer providing support and overseeing their performance. The Confirm and Challenge initiative would ensure that the Board was kept informed of any issues.

Mr Stokes returned to his presentation and the subject of Quality and Safety. The issues present at the time of the formation of the Foundation Trust had been addressed. A&E, Obstetrics and Gynaecology, Infection Control and IT had received a significant amount of investment to assist with those issues. In addition Corporate Admin had received an investment of £1.8m to facilitate reviews of the team and appropriate additions to be made in order to assist transformation. These included Head of Nursing, Commercial Director and a Head of Bereavement Services. £16m had been invested across the 2 years. Many of the benefits had been delayed to some extent, due in part to length of time to recruit in A&E, Surgery and Trauma and Orthopaedics.

The NHS Agenda at the time had moved to a Quality emphasis, the Trust had adopted this initiative a little in front of the NHS. The Trust had put in place a new structure to change the way it worked and help to create surplus. As the Trust became a Foundation Trust, it gained £38m through tariff which had generated a surplus as a result of the Trust's efficiency. £16.8m had now been invested in quality and it was important to quantify what that investment had given the Trust in terms of quality and efficiency. The following areas were highlighted as areas that could be measured: C.diff; pressure sores; and HSMR (hospital standardised mortality ratio) thus return on investment could be identified.

### *Recruitment*

Although there had been approximately 700 new starters since September 2008, which was 200 above budget, there was still a fairly high number of temporary staff. Notwithstanding that some of this was for legitimate reasons, for example specialising nursing, it was presenting a problem. Tight controls were now in place and Mr Cunliffe confirmed that he now had to approve all locum temps, which he would not do until all other avenues in rostering had been ruled out. The Working Time Directive was also having an impact, as did junior doctors going on sick leave.

The Trust was in a situation where the £24m surplus had now been reduced to £19.8m.

### **Lessons Learned:**

- Early warning signs needed to be spotted, CIPs had not been being achieved in full, and there had been early warning signs.
- In Quarter 3, the team had looked at a financial perspective paper and at re-phasing CIP plans back into Quarter 4.
- There had been increased levels of recruitment due in part to organisational pressures around activity; this combined with a depressed income, which had dipped after August and September 2008.
- In Quarter 4, spending on temporary staff had not decreased, even with increased levels of recruitment.

Mr Stokes wished to make it clear that whilst there were some non pay issues, this was predominantly about pay and productivity issues. The Trust did need to reduce temporary staffing and manage the situation back to establishment numbers.

### **Future Planning**

There was a need for more detailed plans around CIPs, this had already been put in place with Challenge and Confirm; and there was a need for improved data on real time workforce information.

### **Controls**

- Pay controls needed to be monitored more rigorously.
- More accountability within directorates would be assisted by the new structure.
- Warning signs should have been responded to more rapidly, particularly on temporary staffing between January and March.

### **Delivery**

- Making investments should have been delayed until savings had been made.
- If after a reasonable amount of induction time, increased staffing did not deliver the income correspondingly, there would be a need to review the situation.

### **Solutions**

- Drive out temporary staffing, this had been started and needed to continue.
- Period of vacancy control.
- Find a way of driving down cost while maintaining same service, thus find a different way of operating through service led redesign.
- Consider reduced working hours for people, shorter working weeks etc.
- Improved theatre productivity
- Reduction of Length of stay. Investment had been made and

transformational support was now in place.

- Reduction of DNA.
- Improvement of consultant productivity by looking at variation of PAs.
- Look at opportunities to develop growth in market share and not rely on increased income from PCTs.
- The Medicine Directorate plan to reduce 3 wards which should reduce length of stay but it was agreed that the situation would need to be monitored.

Ms Sunderland and Mr Stokes would meet to consider the findings of the national establishment review which was currently underway.

AS

A discussion took place regarding the risks and opportunities of the closure of 3 wards. Mr Goldman suggested that rather than increase A&E, the priority should be to deliver good care to the local community and reconfigure work to have a more realistic balance between surgery and medical care. Ms Fenton requested that more information was sought before the closure of the 3 Wards, due in part to the potential for problems with manpower planning.

Mr Stokes advised that it would be prudent to look at attrition rate and rolling 12 months spread sheet of income and expenditure, taking into account impact of solutions on safety, before deciding on the bottom line number to present to Monitor.

Mr Stokes agreed to bring a range of scenarios, with the associated risk ratings back to May's Board meeting.

AS

#### 09.40 **3. LDP COMMISSIONING UPDATE**

Mr Stokes presented his previously circulated report. Mr Stokes made the recommendation that the Board approve the deed of alteration at the contract values stated in his report, giving gross income of £449,536 as against the planned £427,336. Budget would be based on £449,536. The CQUIN money of £2.2m was in addition to the £449,536. CQUIN was not factored into the budget but was based on a range of issues and was target driven, e.g., c.diff target, and others around nursing quality. Mr Stokes confirmed that were no additional costs added and CQUIN would be a bonus.

Mr Goldman confirmed that reporting would be through performance matrixes. It would be represented by a much stronger executive presence, Mr Stokes chaired the meeting between HEFT, BEN and Sol.

The Board agreed the contents of the report, and delegated authority to sign the deed of variation to update the 2008-09 contract to the Finance Director.

#### **Part 2 resumed after lunch**

#### 09.41 **4. "Improving the quality and safety of healthcare: turning policy into practice in the NHS" HSMC Annual Health Policy Lecture 2009 by Prof. Sir Bruce Keogh (C.Ham)**

Professor Ham explained that his previously circulated report was primarily for information, as it summarised many of the issues relating to HEFT's work. The report was based on the belief that quality of care needed to engage all of an organisation's staff. Ms Coalter agreed to provide the Board with update of this later in the year.

MC

Ms Sunderland confirmed that a pilot of handheld sets to monitor patient

satisfaction had started the previous day. It was a 2 pronged approach with a set of nursing care indicators and asking patients about their perception of care. IT had developed a very good touch screen device, allowing patients to answer questions about their care in real time. Volunteers were being trained up to ensure patients did not feel pressurised by staff and it was conducted during visiting hours. This formed part of CQUIN and BEN PCT would be measuring on implementation rather than results for this year. It was agreed that Ms Sunderland would feedback to Board later in year on the progress in recording patient satisfaction.

MS

**09.42 5. Declarations of Interest**

Mr Goldman had been invited to be on the Membership Council of Aston University by the Vice Chancellor from August 2009 to July 2012. There would be 3 meetings a year. He had also been invited to be on the Leadership Council from Department of Health. The Board agreed that Mr Goldman should accept both of these invitations.

**09.43 6. Minutes – Tuesday 3 March 2009**

With the following amendments to be made: on page 7 under minute 09.34 Assurance Framework, should read “Ms Anna East outlined changes” and not “Dr Sarah Woolley” and on page 5 under minute 9.32 Finance Report should read “over performance in emergency admissions” and not “A&E”, the minutes were agreed as a correct record.

**09.44 7. Matters Arising**

There were no matters arising that would not be covered on the Agenda.

**09.45 8. Chairman’s Report – Coroner’s Inquest**

Ms Ann Keogh joined the meeting to take questions regarding the previously circulated brief regarding the case of a 15 year old girl who died following a routine appendectomy. The case was going before the Coroner the week commencing 20<sup>th</sup> April 2009.

**THIS MINUTE IS RESERVED UNDER SECTION 43 OF THE FREEDOM OF INFORMATION ACT 2000**

Ms Woolley agreed to circulate to the Board, the list of recommendations together with actions, arising from the internal investigation into the SUI.

SW

Mr Goldman asked the Board if they were comfortable with the current practice of dealing with the timescale of communication for how members of staff involved in these incidents were managed. Ms Keogh and Ms Woolley agreed to draft a proposal re the issue of communication of action taken with staff in SUI and bring back to the Board to consider.

AK/SW

Mr Goldman confirmed that he had advised Ms Cynthia Bower, Chief Executive of CQC of the situation in advance and agreed to inform her of all the Trust had done to reinforce patient safety. The CQC had been invited to look at the Trust as an organisation. Mr Goldman distributed a letter that he and Dr Woolley had drafted which, subject to Board approval, he intended to share with Ms Bower later that day. Mr Goldman had booked a telephone call with Mr Bill Moyes of Monitor the following day and would also inform the PCT, SHA and Department of Health. The Board agreed the letter was appropriate. Mr Cunliffe suggested that PEWs as well as MEWs be added in second page of letter. The Chairman confirmed that a notification letter would be going out to all governors.

Mr Goldman alerted the Board to the fact that it was likely the Trust would receive media attention during the course of the Hearing. Mr Goldman had invited an external review to give reassurance to the public and regulatory bodies that the Trust was doing everything it could to prevent such an incident happening again.

## **STRATEGY AND PLANNING**

### **09.46 9. CEO Forward Look**

Mr Goldman presented his previously circulated report, which included a history of the Trust to provide part of the context for current decisions the Board was faced with.

Mr Goldman asked the Board to consider how the Trust could continue to grow and become a more focused organisation driven by research and innovation to support the community within the context of the place it now found itself economically and politically. One area highlighted as important had been increasing the perception amongst the community of HEFT as being one whole as opposed to separate entities. It was also agreed that image and status were important and did affect care. It was thought that currently the perception and reality were quite different.

Mr Goldman and the Chairman agreed a shared ethos of building on the academic side and reaching out into the community with projects such as the school at Chelmsley Wood. The pace, however, would be determined by the Trust's ability to adapt to the economic climate. It was agreed that HEFT Consulting would be a good opportunity to raise profile and revenue to fund other projects, for example the HEFT Academy.

Mr Goldman suggested that the Trust should continue to grow its non NHS income. The Board would need to define targets on non NHS income and plan ways to develop them. Developing the HEFT brand was important in drawing in research monies. In that spirit a HEFT's service point was being opened inside Boots in Solihull Mall Square, thus promoting HEFT's brand. It was also pointed out that the Board should perhaps view the issue of private patients in terms of income, brand development and reputation enhancer rather than as straying away from the core business. The Chairman to look into having second Away Day around September 2009 to revisit the 10 year plan and vision to check that it does still hold good in the current economic climate.

CW/CL

## **BUSINESS PLAN 09/10 PRIORITIES**

### **We provide the Highest Quality Patient Care**

### **09.47 10. Infection Prevention and Control Report (Dr I Gupta)**

The Chairman welcomed Dr Gupta to the meeting, whose report had been previously circulated.

#### *MRSA*

The Trust had met its targets for February and was green year to date. There were 2 Post 48 in February involving the insertion of a tracheotomy tube. A review had been initiated to investigate whether antibiotic prophylaxis was needed for the procedure in patients colonised with MRSA in sputum. Focus of the RCA was the central line insertion which was being investigated by the Outreach team. Dr Gupta confirmed that all strategic issues were in place to comply with screening both for Emergency and electives and that the team was not losing focus. Out turn looked to be 41 against 54 and the year before was 92. Mr Goldman drew the Board's attention to the substantial improvement.

Mr Goldman drew the Board's attention to the fact that pre 48 and contaminants were the main cause for concern. He had opened discussions with Sophia Christie at BEN PCT, to tackle the issue as one team to manage and decolonise cases. He had received a positive response.

Finally, Mr Goldman shared with the Board that he had received an email from Dr Savita Gossain confirming that the Infection Control team had been given a national award and had been selected for first prize.

#### *C.diff*

The Trust had received targets but not the final outturn for next year, however this would probably be 336 – 340 cases. The target had now been changed to a more realistic one with the agreement that the Trust would still work internally towards the harder target.

#### *Norovirus*

Wards had been closed and re-opened quickly. HBU colleagues would provide data across the region to enable benchmarking.

#### *SCBU*

All the babies who had had *Serratia marcescens* had now been discharged.

### **09.48 11. Patient Safety Strategy – (SW)**

Dr Woolley confirmed that her previously circulated report was a follow on from the November Board meeting, where the new Patient Safety Strategy had been agreed. At that meeting she had been tasked with highlighting deliverables over the first 3 years. In answer to the question of whether a 10 year period was the right one, she confirmed that it was widely recognised that a long term view was necessary to deliver culture change. This had been the experience of other industries such as aviation, petrochemicals and construction.

#### **Key points:**

- Key measures were to be established and a matrix drawn up.
- Initially, focus would be on several points, expanding on a year on year basis.
- Training was being developed to assist with the process of culture change and behaviours

Dr Woolley would meet with HR and OD and jointly define training needs. There would also be an action around redesigning safety programmes.

Mr Goldman informed the Board that just by walking round he had seen evidence of change. For example, on Ward 28 (Elderly Ward), staff had proactively looked at research and found if the flooring was broken into smaller compartments, patients stayed more orientated and so were less likely to fall over. Mr Goldman confirmed that HEFT had been asked by Martin Fletcher CEx, to join elite group of international institutions to help him look at safety issues. This would provide very good benchmarking and was very encouraging. Dr Woolley confirmed that she was working with Mr Andy Laverick on utilising IT as a means of supporting implementation of safety issues.

### **09.49 12. Information Mapping Report for the DoH (SW)**

Dr Woolley had the additional responsibility of being Senior Information Risk Owner; a post that was in addition to the Caldicott Guardian. Dr Woolley confirmed that members of staff who took information sticks/portable devices home that were not encrypted would be subject to Disciplinary action. It was

agreed that Dr Woolley should discuss with Mr Laverick how to implement spot checks on staff, to act as a deterrent.

SW

**09.50 13. Healthcare Commission investigation into Mid-Staffordshire NHS Foundation Trust (previously circulated)**

Dr Woolley confirmed that this had been discussed at Clinical Governance Committee and the following actions had been agreed:

- A gap analysis was to be conducted against the Mid Staffs report at each site with findings to be brought back to the Board to provide assurance that HEFT's systems were sound and highlighting any areas to be improved. This was being carried out in the spirit of best practice, as the Board were confident that sound measures were already in place.
- Dr Woolley was to meet with Mr Samuda and Mr Stokes about the internal clinical audit and devise a system of illustrating what the Trust had in place to give the Board reassurance in future against this sort of scenario.

**09.51 14. Standards for Health Declaration 2008/09**

The choice of Mandatory Training was questioned by a member of the Board. Ms Lea explained that the area had been chosen to be vigorously tested, as it had been flagged up as an area of concern the previous year by the regulatory body. Privacy and Dignity had been looked at in depth the previous year and infection control the year before that. It was acknowledged that mandatory training was significant to the issue of patient safety. Dr Woolley to amend that BHH OSC had sent a response that they were not going to respond.

SW

The Board approved the Standards for Health Declaration 2008/09.

**15. Performance Measures**

The performance for Quality Patient Care was noted by the Board.

**We Are the Local Provider of Choice**

**09.52 16. Direct Bookable Service – (IC)**

Mr Cunliffe explained that the project had been delayed due to urgent operational pressures. However, a deployment schedule had been agreed in principle, additional senior support and project management had been put in place, and a joint approach with the PCTs agreed. The deployment plan would ensure that DBS was rolled out by December 2009. Mr Goldman emphasised the need to act quickly on this, so as not to miss any more opportunity and lose market share. It was agreed that all clinics' rules would be reviewed at later date and loaded up retrospectively, as it was imperative to get the Trust on the system. It was a major issue for the transformation process to make full use of benefits that the system would give. Mr Cunliffe agreed to report back in July 2009 on progress made and to confirm whether review was ready to commence.

IC

**17. Performance Measures**

Mr Goldman drew the Board's attention to the fact that in order to have met the 98%, 4 hour wait target in A&E, would have only required seeing an additional 3 more patients within 4 hours. From mid February, since the opening of the additional ward and MAU, the situation had much improved and had gone over 98% at all 3 sites on occasions. Ms Fenton was requested to bring a report to May's Trust Board to assist Board in their decision of Monitor return regarding 98% target for next year.

BF

## **We Are the Local Employer of Choice**

### **09.53 18. Performance Measures**

The performance for Employer of Choice was noted by the Board. Mr Goldman congratulated Ms Coalter on the performance achievement in this area.

## **We Continually Learn & Innovate**

### **09.54 19. Performance Measures**

## **We Grow the Business For Our Own And The Region's Prosperity**

The Chairman invited questions on this previously circulated paper. Ms Fenton had received a forecast from SHA against the HCC standards that the Trust was likely to receive "excellent" for quality of services and "excellent" for use of resources. Mr Goldman confirmed that the Cleaning standards measurement would change from April. It was measuring cleaning hours.

### **09.55 20. HEFT Consulting Full Year Report – (BF)**

Ms Fenton outlined the benefits from this project:

- Good practice had been brought back to the Trust.
- Enhanced reputation with at least 4 of the Trusts returning to HEFT Consulting for extra support and work.
- Provided funding in support of the HEFT Academy.
- Given job satisfaction and additional income to those involved.
- Added value to NHS, as income generated from clients had remained within the NHS.
- Delivering a much better product than private consultancy firms, due to experience; while at the same time avoiding diverting Trust's resources, as a cap had been put in place and maintained.
- Associates were now in place, who had worked collaboratively with HEFT Consulting, and added to the brand.
- Due to the success, the Trust was now in a position to employ full time management consultants.

Ms Fenton was requested to bring a business plan back to the Board in due course. HEFT Consulting had the potential to win several jobs in an appropriate geographical spread and an opportunity to expand its product range. This was thought to be a very good opportunity in offsetting economic decline with non NHS type earnings and reputation building. The Board accepted the first annual report.

BF

### **09.56 21. Performance Measures**

The performance for We Grow the Business For Our Own And The Region's Prosperity was noted by the Board

## **We Are Financially Secure**

### **09.57 22. Monthly Finance Report (AS)**

It was agreed to take the previously circulated report as read, given the level of detail discussed at the beginning of the meeting. No further questions were raised.

### **09.58 23. Performance Measures**

The performance for We are Financially Secure was noted by the Board

## **GENERAL BUSINESS**

### **09.59 Company Secretary's Report (CL)**

The draft minutes of the Executive Committee, Audit Committee, Governance & Risk Committee; Finance Committee; and Donated Funds were noted by the Board. An Executive Summary from the Donated Funds Committee was considered and Mr Wilkinson reassured the Board that income was matching spending. The Investment Managers had done well in comparison to many other organisations.

The Nominations Committee had met on 23 February 2009 and 24<sup>th</sup> February 2009. Remuneration Committee and Appointments Committee had met on 10 March 2009. There was also a Governors' Appointments Committee arranged for 28<sup>th</sup> April to consider the reappointment of Ms East and Mr Hensel. A further Trust Board Appointments Committee would be arranged to consider the appointment of the permanent Chief Operating Officer.

Ms Lea explained that there was now a requirement for an IFRS Opening Balance Sheet Declaration, which required Board approval and a letter to be signed by Mr Goldman. The Board approved the IFRS Opening Balance Sheet Declaration and balance sheet and authorised Mr Goldman to sign the letter on the Trust's behalf.

### **09.60 25. Any Other Business**

The Board approved the appointment of Ms Sunderland as the Trust lead for Adult and Child Safeguarding.

### **09.61 26. Date of Next Meeting**

Tuesday 5<sup>th</sup> May 2009

..... **Chairman**