Heart of England NHS
NHS Foundation Trust

GOVERNORS' CONSULTATIVE COUNCIL

Minutes of a meeting of the Governors' Consultative Council held on 15 September 2008 in the Education Centre, Heartlands Hospital at 4.30 pm

PRESENT:

Mr C Wilkinson (Chairman)
Ann Brierley
Aftab Chugtai
Mike Cooper
Carole Edwards
Valerie Egan
Qulsom Fazil
Bethan Ilett
John Jebbett
Ian Lewin
Shahid Mir
David O'Leary
Roy Shields
John Simms
Lee Smith
Bridget Sproston
Margaret Veitch
Thomas Webster
Colin Williams
Margaret Sutton
Jim Ryan
Sheila Blomer
Frances Linn
Liz Steventon

IN ATTENDANCE:

Mrs F Baillie
Ms M Coalter
Ms L Dunn
Ms B Fenton
Ms N Hafeez
Mr M Jones
Ms C Little
Mrs E Paterson
Mr J Step
Dr S Woolley
Mr D Bucknall
Miss L Creaven
Ms A East
Mr M Goldman
Mr R Harris
Mrs C Lea
Mr E Martin
Mr R Samuda
Mr A Stokes
Mrs S White

The Chairman opened the meeting and welcomed everyone to the Annual General meeting of the Governor's Consultative Council.

08.33 1 APOLOGIES FOR ABSENCE

Apologies for absence had been received from Ms F Begum, Prof C Ham, Mr N Harris, Mrs B Hayward, Mr P Hensel, Mr R Hughes, Ms H Parker, and Mr V Palmer.

08.34 2 MINUTES OF THE MEETING HELD ON 12 MAY 2008

The minutes of the meeting held on 12 May 2008 had been previously circulated.

Minute no: 08.29 – Item 6: Consultation on Monitor Annual Plan
Mr David O'Leary commented that two issues raised had been omitted from the minutes, namely:

i. Loss of 300 beds. The Chairman stated that this had referred to future development and progress of technology in medicine and surgery and not a reduction in service provision.

ii. Work by the Patients Quality Committee on End of Life. The Chairman stated it was the policy of the Government and PCTs to try to ensure those people known to be coming to the end of their life to do so in their own home or hospice, rather than into hospital.

It was noted that Ms Bridget Sproston had attended the meeting and reference to apologies would be deleted.

With these amendments the minutes were agreed and the Chairman authorised to sign as a correct record.

08.35 3 FINANCE 2007/08 PRESENTATION & UPDATE
UPDATE ON HALF-YEAR POSITION 2008/09

Mr Adrian Stokes, Director of Finance, gave a presentation on the 2007/08 financial position and 2008/09 year to date position. He stated he would also identify future spending plans for the surplus achieved to date. In particular his presentation demonstrated the following:

- I&E surplus of £22.4m including interest receivable of £5.7m.
- Total income (excluding interest) of £471.4m.
- Net assets employed of £384m including cash and investments of £60.4m.
- Fixed assets of £346.3m.
- PwC signed a clean audit opinion on 16 June 2008.
- The Trust met all external reporting deadlines.
- An expectation of even tighter reporting deadlines in 2008/09.
- £6.0m surplus at end of quarter 1 and on plan for 2008/09

Monitor Risk Score
In quarter 1 the Trust had scored a 5 for financial performance which was the highest attainable for a Foundation Trust. This gives good assurance for the Board and Governors and the Trust was expecting this risk score to be maintained throughout the year 2008/09.

Questions asked at this point:

Q: What is the Lean Academy?
A: It is a team set up to look at issues differently. The original concept came from the Toyota factory as a means of ensuring everything was in the right place and at the right time and was now being introduced into the NHS. It means making sure at HEFT that everything is in the right place and time for the patient pathway. The Trust is investing in the Lean process to ensure it has an understanding of all services and then redesigning and where appropriate creating a new level of service for the organisation.

Q: The Trust has £60m in the bank and support received from the Government in 2008, in view of the current economic situation and move into recession, could the amount of investment proposed be too much?
A: There is a possibility that the recession could hit the NHS. The Trust receives payment by tariff on activity. The Department of Health (DoH) could reduce the tariff and therefore would have an impact on activity income. In terms of whether the Trust was spending too much, the Trust would continually review the situation on an annual basis. Investment would be made in a staged way in order to assess the economic and market position and the forecast projection would be adjusted accordingly.

Q: Please advise on the level of investment in the control of infection team.

A: In total £2.5m has been invested into infection control. Of this amount £300k invested into the control of infection team. Also an investment in screening on admission of £70k and £1.4m for a new dedicated control of infection ward.

Q: Can you put the reduction in carbon footprint in terms of tonnes into context as a % to identify the saving.

A: Not at the moment, but will ascertain the answer and feedback.

Action: AS

Q: How much investment has been put into improving maternity services? Noted more babies delivered this year than last year.

A: The position in the presentation refers to 2007/08. The Clinical Director for Obstetrics & Gynaecology, is preparing a business case to invest £1.2m into the service and this will be identified in the 2008/09 highlights.

Q: What investment has been made in cleaning and security services?

A: The Trust has made a substantial investment with Initial Cleaning Services and with additional security. This was both on site and around the Yardley Green car parking area.

Position of Key Performance Indicators (KPIs)

Mr Stokes then highlighted areas of performance raised at previous meetings.

A&E – 4 hour wait	Quarter 1	98.47%
Waiting lists – 18 weeks		
- Non-admitted	Quarter 1	94.80%
- Admitted	Quarter 1	86.60%

Infection Control	Target	Actual
- MRSA – end of August	23	19
- C.diff post 48 hours – wnd of July	203	168

The Trust expected to achieve its targets in all these categories by the end of the financial year.

In conclusion Mr Stokes, stated that since the previous meeting where the 10 Year Site Strategy plans had been presented, the Trust had been establishing the infrastructure to undertake the work. A Programme Director had recently been appointed to lead on this work.

08.36 4 TO RECEIVE AND CONSIDER:

4.1: Auditor's Report 2007/08 – Pricewaterhouse Coopers (PwC)

The Auditor's Report for 2007/08 was presented by Mr Mark Jones on behalf of Pricewaterhouse Coopers LLP. PwC had been appointed as external auditors to the Trust for a three year period from September 2005 and this had been extended for another two years until August 2011.

Mr Jones advised the meeting of the Audit Process and confirmed their work was carried out in accordance with the Monitor Audit Code of Conduct for NHS Foundation Trusts. The key outcomes and focus of the external audit was to provide:

- An opinion on the Trust's accounts.
- Review of the Statement on Internal Control
- Arrangements to secure economy, efficiency and effectiveness
- Responsible for signing off the Trust's Charitable Funds Accounts

The audit was risk based and proportionate. It focused on areas of particular risk and was undertaken in a staged approach of planning the audit; interim stage of looking at financial systems and systems of control; and final audit which focused around the actual financial statements. At each stage of the audit PwC reported to the Audit Committee and continuous communication was maintained at all times with key stakeholders.

Audit Findings

One of the major issues faced by the Trust in 2007/08 was the merger with Good Hope Hospital and reference and implications were recorded in the annual report and accounts. The auditors were able to place a level of reliance on the work of the internal audit department and this formed a key part of their approach. Mr Jones referred to the PwC report on the outcome of the internal audit and the internal control report in May 2008 which had concluded that on the whole the Trust had an effective control environment. Comment had been made in particular on the strength of the financial reporting arrangements. Overall the report gave a positive conclusion to the interim audit.

In the final audit a similar focus had been taken around the merger with Good Hope, with increased disclosure around financial instruments and estate revaluation.

The report gave an unqualified audit opinion. The accounts gave a true and fair view of the state of finances within the Trust. The actual net impact of audit adjustment was not significant. The report on the final outcome of the audit was issued to the Audit Committee in June 2008.

Financial Standing

The financial position was strong. A significant surplus had been reported and a sustained performance had been maintained following the merger with Good Hope Hospital. The proposed reinvestment of the surplus into improved services was acknowledged.

2008/09

The future audit would focus on:

- capital programme investment and accounting for the assets
- international financial reporting standards to be implemented in 2009/10
- payroll

Mr Jones confirmed that the Audit Report provided an unqualified opinion on the financial statements.

Questions were invited.

Q: Did you during the audit process and reporting process make any positive recommendations about issues that the Trust needed to address in the next 12 months?

A: Yes. If there were issues identified in the interim and final audits which could improve or strengthen arrangements, then recommendations were made to that effect. The auditors always agreed a response with the Finance Department prior to submission to the Audit Committee, given the nature of the audit was mostly finance related, and an action plan was developed to respond to those recommendations. Recommendations for improvement were made and the Trust responded positively and then progress was reviewed against them and the agreed action plan was part of the routine audit process.

Q: At the time of submission of the plans some Governors were not in office and did not have the information. Since plans were made changes have occurred. What

leeway is there for such events as starting contracts; what penalty systems are there?

A: A 10% contingency has been built into the capital build programme of £20m over a 10 year period. The position will be monitored carefully around interest rates, cost of borrowing, and in particular the tariff situation. Over the next few months notification will be received of the 2009/10 tariff and a review will be undertaken at that point.

Q: The Trust has done well out of the interest rate for this year, does this mean that next year it will not look so healthy given the current economic position?

A: No. Interestingly, what happened in the market 3-4 months ago, banks and organisations were offering good interest rates. However 2009/10 will need to be monitored carefully.

4.2 Annual Report and Accounts 2007/08

The meeting formally received and approved the Annual Report and Accounts for 2007/08.

08.37 5 PERFORMANCE 2007/08 PRESENTATION & UPDATE ON HALF YEAR POSITION 2008/09

Mrs Beccy Fenton, Deputy Chief Executive & Chief Executive of HEFT Consultancy, gave a presentation on the Trust's annual performance and on the major targets for 2008/09. The Trust had a comprehensive performance management framework which was aligned to the Trust's mission statement and six corporate objectives. Therefore local and national targets were assessed against these objectives.

Highlights

2007/08 was the first full financial year following the merger with Good Hope Hospital and the Trust achieved all of its financial targets. It had also met all of the other national targets, with the exception of MRSA and C. Diff where it had only achieved an 18% reduction on MRSA and 23% reduction in C.dff rates.

Other achievements included:

- Maximum waiting times for outpatients from 11 weeks to 5 weeks
- Maximum waiting times for inpatients from 20 weeks to 11 weeks
- Maximum waiting times for diagnostic tests from 13 weeks to 5 weeks
- More than 98% of patients seen, treated and admitted or discharged within 4 hours
- Achieved Level 3 CSNT across all 3 sites in obstetrics
- Started building an £11m Medical Innovation Development and Research Unit
- Commenced the replacement programme for Patient Administration System

The Trust had achieved a 100% success rate in

- Patients admitted for elective coronary artery revascularisation within 3 months
- Patients seen in rapid access chest pain clinics within 2 weeks
- Patients readmitted within 28 days of a cancelled operation
- Cancer targets
  - 2 weeks for urgent referral for suspected cancer
  - 31 days from diagnosis to treatment of cancer
  - 62 days from urgent referral to treatment

Considerable work had been undertaken to improve the MRSA and C Diff infection rates and progress was being made. The Trust was currently under the 2008/09 trajectory for both HCAI and was working to deliver a zero tolerance approach.

Healthcare standards
In conclusion the Trust was predicting for 2007/08 it would receive a Healthcare Commission annual health check rating of excellent for use of human resources and good for quality of services. An announcement was expected at the end of September/October.

Questions were invited:

Q: Films in Radiology, are these on a big screen?
A: Yes

Q: When you say diagnosis, what is the correct date for cancer treatment?
A: It is 31 days from diagnosis to treatment. New cancer targets will be introduced in December 2008 and may help to avoid confusion around dates.

Q: How many day case wards does the Trust have and will there be more in the future?
A: We do not have day case wards, we have day case units. People go straight to the day case unit and remain there after surgery before returning home on the same day. We have one day case unit on each site. On the Heartlands site we have approximately 20 trolley/chairs for people to use prior to surgery and for recovery prior to discharge. At Good Hope and Solihull we have approximately 10. The graph shown identified the increase in day case numbers.

Q: Congratulations to the Trust on the targets achieved which were very remarkable. However the MRSA target had still not been reached despite an 18% reduction. Have you quantified how the 18% was achieved, and if that could be magnified and reduced year on year, perhaps one day there would be an eradication of MRSA. One of the biggest worries in the community about coming into hospital for examination or operation is the fear of MRSA. The Trust needed to go all out to reassure the community as a whole that MRSA was being tackled vigorously.

A: Mr Goldman on behalf of the Board, stated that it was an issue that was being addressed comprehensively and relentlessly pursued by the executive team. An improvement had been made, but not sufficient to meet the target. It had been shown that for 2008/09 the Trust was on target. To keep the target in perspective it should be understood that during the month of August there were 2 cases of MRSA bacteraemia across all sites and one of these had been acquired in the community and was brought into hospital to be treated. A significant improvement had been made and the effort to do this had been enormous. The decisive factor to make this improvement was the full involvement of the hospital staff and collaboration of patients and visitors. Mr Goldman believed that the changes made would provide reassurance to patients for the future.

A key part of the process had been the introduction of full screening of patients coming into hospital which would be mandatory from 2009. However, as previously stated by Mr Stokes, the Trust had already invested £700k in order to implement the screening process. Help and support had been given by the Health Protection Laboratory (HPA). The challenge for the Trust was to keep reducing the figures. It also needed to be borne in mind the other hospital acquired infection issues, for example C.diff which in some respects was troubling more patients now than MRSA. Again figures were reducing and tight controls were in place to monitor procedures around handwashing and prescribing the right antibiotics.

Q: What about the people who come in through A&E who need urgent attention?

A: This is a difficult area. In some cases they would be flagged up through the IT system if they had been recorded as a previous patient with the infection and would be presumed MRSA positive until otherwise cleared.

Q: What about staff screening?

A: The Trust acts on the advice from the HPA, who have a laboratory on the Heartlands site, and it is their opinion that it is transmission that matters. Therefore provided staff accord with Trust policy and procedures, whether or not they are MRSA carriers is not an issue.

Q: If a patient with MRSA or C.diff is discharged back into the community is the information routinely passed to community staff?

A: Yes. Over the course of the last year the Trust's involvement with the community regarding control of infection has become much more established, particularly with BEN PCT, Solihull PCT and more recently with Stafford. Their representatives attend meetings and exchange information. There is also information passed between the Control of Infection Teams around patients who are going back into the community.

Q: The MRSA procedures are impressive. As a representative on the Infection Control Committee it should be noted that all suggestions are acknowledged and investments made with no cut back whatsoever.

A: Very pleased to hear your comment. There is still more to be done and monitoring will continue to maintain current levels. For your information the Solihull Overview & Scrutiny Committee have also looked at control of infection and although they came up with 12 recommended points, the majority had already been implemented before receipt of the document.

Q: Having been an inpatient I was impressed with the cleaning processes on the ward, both steam and chemical processes, particularly cleaning of mattresses. One failure was the "yellow sticker" system.

A: Very pleased to hear endorsement. The Trust is as vigilant as it can be. Assurances provided to the Board by the Director of Infection Prevention & Control, (DIPC) also cover a number of other potential problems, eg legionella, which need to be monitored.

Q: My constituency has an approximately 39% ethnic minority, is there any relationship between new immigrants and MRSA?

A: There is a relationship but not with any of the bacteraemias mentioned. The only relationship that exists is with tuberculosis.

Q: Why have you not continued with the "bug buster" theme to highlight the problem as it was very effective? Also the handgel points are not always in a very prominent position on entrance to the hospital.

A: It was one of many initiatives to raise the profile with visitors and reduce numbers and was very effective. Similar initiatives will be used to highlight the situation. If hand gels were placed at the entrance to wards, it would not necessarily be in line with best practice. It is going into the wards that when hand gel must be used not in the communal areas, but the Executive Team will give consideration to this if it does help to maintain vigilance.

Q: One of the Trust's biggest resources is the staff, what is the new policy and does it work from the top down and being seen as working from the top as well as from the bottom in order to provide a 24 hour service?

A: A new policy has been introduced which makes the process much more simple and easy to follow. This has been supported by training for managers to provide skills and knowledge for all level across the organisation. Performance was monitored to ensure the policy was consistently applied.

As well as managing staff absence, the Trust has also been investing in the health and well being of the workforce. One issue within any given workforce was stress related absence. The Trust had invested in some 24 hour telephone counselling for staff. Therefore the Trust was being proactive in preventing illness and already a reduction in absence in this area had been noted.

The Trust does undertake health checks for staff, especially those working shifts and supported by the onsite Occupational Health service.

Q: Are there targets for average waiting times?

A: The DoH are now looking at the 18 week pathway, that is looking at the outpatient time, diagnostic tests and then procedure. There is a target for of 85% for people who are admitted and of 95% for those not admitted. The Trust was on target to achieve the targets. The chart identified an inpatient maximum of 11 weeks and 5 weeks maximum for outpatients. The 98% average for all people attending A&E, allows for 2% of people who have clinical needs where to move them would be detrimental to their care.

The Trust did not have an average wait target and but would look into this.

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08.38 6 RESULTS OF MONITOR SURVEY

A copy of the findings had been circulated. Claire Lea, Company Secretary, informed the meeting that those Governors who were in office prior to the last set of elections would be the cohort of governors who took part in the survey. It was intended to undertake a survey annually thereby giving opportunity to record views.

As it was the first survey of its kind, essentially it had been considered that the Governors Consultative Council was operating well but there were areas that could be improved upon. Recommendations had been made in order to improve the experience of being a governor and improve the relationship between the Board and Governors and also the governors with their constituencies.

Questions were invited.

Q: Disappointed that it had been a long time since the last Governors meeting to follow through actions.

A: The Information for Governors working group had been established to look at how the governors were operating. The Group needed to look at the recommendations and continue discussions with the Governors for future improvements.

Q: Some observations about the results. The recommendations suggest that there are some things needed to be continued, e.g. information to people. Some of the results give rather surprising results. It could have been the way in which the questions were posed.

A: Discussion had been held with Monitor regarding the circulation and it was their decision that the survey be forwarded to all governors. The Trust was the only organisation to receive specific data feedback in order to provide an opportunity to reflect on performance. The Trust did not have any input to the survey questions or distribution.

Q: HEFT as a whole is very ambitious, do we have similar ambitions to be in the top 4 in terms of relationship with governors?

A: Yes of course we do. We need to look at any benchmarking exercise for governors across Foundation Trusts and when the National Governors Forum is fully operational it could be done.

Q: Recommendation 4: agendas and papers to be received within 3 working days as per the Constitution, governors would prefer earlier to give opportunity to read through.

A: the Trust does try to circulate papers earlier, i.e. 5 working days, but the difficulty in getting papers out earlier is the provision of up to date information. The Trust will continually strive to get papers out earlier.

Q: Recommendation 6: It is good to get financial information in advance and would like to have performance and corporate business plans as well in order to make them more meaningful.
Recommendation 9: provision of a Governors website and library of answers to questions raised and relevant for future use.

A: The process had started to ensure questions from governors were widely publicised and responses were published in each quarterly newsletter. Mrs Lea would work with the Communications Department to investigate incorporating this into the website.

Q: Following discussion at the Hyatt meeting with Monitor, when can we expect to have meetings with the Executive Team and Board, these would be very useful to exchange information?

A: We are trying to improve relationship between the Governors and the Board to ensure the issues the Board are considering are also issues coming forward to the Governors and therefore there will be more Executives attending the Governors Council to talk about their specific areas of expertise. At the same time the Trust needs to help the Governors work through the information received, but not an operational level. The Governors Council is in place to hold the Trust Board to account in the way it runs the organisation.

Q: Is there a Governors induction day?

A: Yes, we have been running a new Governors Programme since July. 2 out of 3 training sessions have been held attended by 14/16 governors, both new and previous governors. The sessions help to build relationship and give an understanding how the organisation works. It is intended to continue with these days on a quarterly basis.

Q: As a new governor it would be useful to have a one day induction course as well as training courses.

A: We need to look at expectations and how a governor contributes to what the Trust needs and the statutory role and how it links into the corporate role of the organisation. It is also about the constituents' expectations and what they perceive is the role of the governor.

Q: Is the newsletter going to be the channel for Governors to communicate with constituents?

A: The newsletter at the moment is one form of communication between the Trust and the Governors. The Communication Department is undertaking some work to advise how the Governors can liaise with their constituents and progress was being made.

The Chairman stressed that the proposal to holding a surgery was not appropriate. The link between constituents and how a governor performed his/her role was a very complex area. The recommendations outlined would help to develop the role of a governor.

Q: When first appointed as a governor some years ago, we were informed we would be given guidance as to what the role was and also where to divert people to for assistance. This has not happened and would be very useful although the Company Secretary had been very supportive and helpful.

A: Perhaps it would be useful to have a booklet giving guidance.

Q: I have used the PALS service on a number of occasions and very supportive, but one needs to be mindful of confidentiality of information.

A: We will look into this and perhaps as a matter of reference the PALS service to confirm the matter has been dealt with.

The recommendations as detailed in the report were agreed and would be used as a programme of work for the Governors Council over the next twelve months. The Company Secretary was asked to report back on progress in due course.

08.39 7 WELCOME TO NEW GOVERNORS

At this point of the meeting, the Chairman informed the meeting that since the last meeting new governors had been appointed and welcomed them to the Council:

Councillor Margaret Sutton from Birmingham City Council
Councillor Jim Ryan from Solihull Metropolitan Borough Council
Liz Steventon – Public Governor for Central Solihull

Governors successfully re-elected were
Sheila Blomer - Public Governor for Central Solihull
Frances Linn - Public Governor for Central Solihull

08.40 8 BOARD APPRAISAL

8.1 Chairman's Appraisal of Non-Executive Directors

The Chairman's report on the performance appraisal of the non-executive directors had been previously circulated. He was pleased to see many of the NEDs in attendance.

The Chairman stated that since the hospital became a Foundation Trust a new group of NEDs had been appointed and was delighted with the appointments made by the Governors Appointments Committee. He considered they were a first class team and were all very experienced people. The Board had a very extensive agenda and the NEDs contributed from their own expertise and experience. No questions were asked and the Chairman's report on the appraisal of the non-executive directors was accepted.

8.2 Deputy Chairman's Appraisal of the Chairman

The Chairman left the meeting for discussion on this item.
The Deputy Chairman's appraisal report on the Chairman had been circulated with the meeting papers. The Deputy Chairman had spoken with non-executive director colleagues and the Chief Executive and the outcome was reflected in her report.

No questions were asked and the report was accepted.

The Chairman rejoined the meeting.

08.41 9 MEMBERSHIP OF THE GCC COMMITTEES & WORKGROUPS

A document identifying Governor membership on various committees had been circulated. Since the document had been issued the following vacancies had been filled:

Information for Governors:	Mike Cooper Richard Hughes
Healthcare Standards:	Bridget Sprotson
Audit Appointments Committee:	Richard Hughes

Liz Steventon agreed at the meeting to fill the remaining vacancy on the Healthcare Standards Working Group.

The meeting agreed to the Governors' membership of the statutory and voluntary committees.

08.42 10 UPDATE ON NATIONAL GOVERNORS' FORUM

Mrs Val Egan had represented the Council at the National Governors Forum and her report on attendance at the event had been circulated. Presentations from the event were available to Governors upon request. The next meeting was scheduled for 8 October in Leeds. No questions were asked and the report was received.

08.43 11 ANY OTHER BUSINESS

11.1 Courses and Training for Governors

Q: Last year when questioned about training and courses, the response given was that there was no specific money available for Governors to attend courses.

A: There was funding available for governor training and a positive outcome from the Governors' Forum was that there would be regional training established. The budget could not be used for courses that did not relate to the role of governor, so if a request was for specific medical issues the allocation could not be used for that purpose.

Governors were elected to represent all members of their constituency and it was acknowledged that they would bring interests and concerns of particular groups. It would be inappropriate to fund specific interests of specific governors. A wide range of healthcare seminars would be run to which all governors would be invited to attend.

11.2 Carbon Footprint

Q: It was noted that an appointment had been made to manage the reduction in the Trust's carbon print. It was important any cost savings that were generated by this appointment should more than outweigh the cost of employing someone. Would this be the case?

A: We will ascertain the answer and feedback.

Action: AS

The Chairman closed the meeting thanking everyone for their contribution towards making the past year a success, with particular thanks to the Non-Executive Directors, and looking forward to the coming year being an equally successful for the Trust.

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Chairman