



TRUST BOARD

Minutes of a meeting held at Devon House, Heartlands Hospital

at 1.30pm on Wednesday 3rd June 2009

PRESENT:

Mr C Wilkinson	(Chairman)	
Mr D Bucknall		Dr H Rayner
Ms M Coalter		Mr R Samuda
Mr I Cunliffe		Mr A Stokes
Ms A East		Ms M Sunderland
Mr M Goldman		Dr S Woolley
Prof C Ham		
Mr R Harris		
Mr P Hensel		

IN ATTENDANCE:

- Mrs C Lea
- Mrs B Fenton
- Ms D Tomkinson
- Ms L Jennings (Minutes)

Action

09.87 1. APOLOGIES

Apologies had been received from Ms E Ryabov

09.88 2. DECLARATIONS OF INTEREST

The previously circulated declarations of interest were accepted by the Board.

09.89 3. MINUTES

The minutes of the meeting held on 27th April 2009 were agreed by the Board as an accurate record and signed by the Chairman.

The minutes of the meeting held on 5th May 2009 were amended for clarity:

Minute 09.66 "Ms Slingo believed that, taken on their own, the high number of Rule 43's did not demonstrate a patient safety issue"

Minute 09.80 "Mr Goldman confirmed that pay controls had been reined in centrally".

With these amendments the minutes were agreed by the Board as an accurate record and signed by the Chairman.

09.90 4. MATTERS ARISING

4.1 Nursing establishment review

Ms Sunderland confirmed that the first draft had now been received. There were some discrepancies in the review which need to be worked through, however, some wards had been identified as being under established and four or five wards were over established. The skill mix also needed to be considered.

Recommendations from the review would come back to the Board in due course. Ms Sunderland confirmed that the review had established that under established areas did not pose a significant risk to the organisation. The Board accepted that there was no absolute guidance as to safe levels of nursing and so it would be a judgment call on whether the wards were adequately staffed.

MS

The tool which had been used was a recognised tool tested in over 300 hospitals, further work with the national nursing review group would build in an acuity tool to help with the establishment review.

4.2 Coroner's inquest - list of recommendations

This would be circulated by Dr Woolley this week. The revision of the SUI policy would include a communication to staff on the lessons learnt.

SW

09.91 5. CHAIRMAN'S REPORT

The Chairman had recently attended the Hospital Chairs' Group and would circulate the paper from the last meeting where Barbara Young from the CQC had given a presentation. He would also circulate a paper on the amount of regulation faced by NHS trusts and the proposal for a gateway service.

CW

It was noted that the Trust was still awaiting the Rule 43 letter from Coroner on the Sian Jones case. Mr Goldman confirmed that this would be followed up with the Coroner.

STRATEGY AND PLANNING

09.92 6.1 Annual Corporate Business Plan

Mrs Fenton outlined the key aspects of the Plan. The delivery of the plan would be reviewed quarterly by the Executive Committee which would then feed through to the Board.

Mr Harris asked how, given the recent Board discussions on finance and patient quality, the business plan would be rolled out through the organisation and how updates on progress would be communicated. Ms Dunn and her team had this in hand as well as communicating with external stakeholders as well. It was recognised that it was very important for ownership of the plan to be taken up by the whole organisation. Ms Coalter also confirmed that annual appraisals would pick up delivery of business plan targets (quality, performance, finance).

The Board was informed that leaders who had been on the new appraisal system for two years would be assessed for incremental awards from 2010 onwards. The new appraisal system which was being introduced for all staff would lead to assessment of incremental awards from 2011.

Mr Harris highlighted the issue of patient quality within the plan. It spoke a lot about measuring patient quality but there was not enough about the necessary actions to improve patient quality. Mrs Fenton confirmed that this year the Trust was focussing on getting more feedback to provide clarity on what actions should be taken to deliver better patient quality for the future.

Mr Harris asked for more explanation on the change in the Trust's approach to productivity. Mrs Fenton informed the Board that the usual directorate focus was included but that in addition new corporate groups were being introduced to assess productivity across areas within the Trust. This would add in more vigour and a cross dimensional aspect.

Prof Ham acknowledged that whilst this was a good plan for 2009/10, he was

interested to know about the plan for the following 3-5 years. Mrs Fenton agreed that the plan didn't address these issues and that this gap would be addressed in due course. In addition it would need to address the changing economic climate over that time period.

Mr Wilkinson outlined that demand management would also be crucial as the reductions in public spending could not be managed through efficiencies alone. It would need more work with partners such as the PCTs to find areas where different ways of working could be identified.

Mr Wilkinson also queried the amount of capital within the plan. Mr Stokes confirmed that the MIDRU and GHH modular block had been key capital items last year but other planned work hadn't been scheduled to impact capital until 2010.

The Board approved the Corporate Business Plan for 2009/10

6.2 Organisational Turnaround Programme

Mr Goldman set out the main points from his presentation which demonstrated the need for a turnaround programme and identified the actions that had already been implemented.

Mr Goldman confirmed that Dr Rayner would be stepping down as Medical Director on Friday 5th June and that Mr Cunliffe had been appointed as the remaining Medical Director. He was also recommending that Ms Ryabov's contract be extended by a further six months as the shortlisting for the COO position had not generated a pool of sufficiently high quality candidates. He had discussed this recommendation with Mr Wilkinson and now required Board approval. Alternately the Appointments Committee would need to be convened to consider the recommendations.

The Non-Executive Directors confirmed that they would be happy for the recommendation to be considered by the Board and that no additional meeting of the Appointments Committee would be required.

Mr Goldman confirmed that Ms Ryabov had had significant previous experience and had been through turnaround before. The Trust had used its own internal headhunter – Nicola Bullen (who had been recruited from Rockpools) to assist with the recruitment process. It was noted that most COOs with sufficient experience to apply would be looking for a CEO as their next step instead. The recommendation to extend Ms Ryabov's contract would be on the understanding that a further open interview process would be set up in November 2009. Mr Goldman confirmed that Matthew Kerswell, who had been a CEO in Kent and was now CEO at Salisbury FT had carried out an independent assessment of each candidate before shortlisting. Ms Coalter confirmed that Ms Ryabov's contract would be structured so as to protect the Trust from any unfair dismissal claims.

Subject to Mr Goldman reaching agreement with Ms Ryabov on the matter the Board approved the extension of her contract by six months and confirmed the appointment of Mr Cunliffe as the remaining Medical Director.

The turnaround programme would be shared with Monitor in July and the effects should be reflected in other board reports such the performance and finance reports. Mr Goldman suggested that the delivery of turnaround should be evaluated from these existing reports. This was agreed by the Board.

Prof Ham set out that the restructuring would be an important part of the turnaround but that it would not be fully implemented until Autumn. Mr Goldman, whilst encouraged by the calibre of the candidates applying for posts created by the restructure, agreed that it would be beneficial to have the COO in post in the interim to drive through turnaround plan in the short term. The full benefit, however, wouldn't really occur until Spring of next year. It would be crucial to ensure that all new appointments had been well trained to fully understand their new roles and how to access the necessary information to help them to be the most effective.

Mr Harris questioned whether there had been any difficulties getting commitment from people lower down the organisation. Mr Goldman acknowledged that it was always difficult but a full scale communication exercise had started last week. One part of managing the restructure was to ensure people managing existing budgets fully understood their current responsibilities. The communication included education, training and regular pod casts. Ms Coalter was ensuring that the union side was kept well informed.

Plan B for the turnaround would have to include taking costs out gently following an evaluation of CIPs and pay restraints. Any short fall would have to look at reducing headcount and other measures such as reducing hours, sabbaticals and ensuring incremental pay awards were not automatic.

It was almost certain that some of plan B would have to be used. Prof Ham requested that benchmarking should be a key part of plan A. The Board noted that a benchmarking paper would be presented to the July board. Mr Goldman confirmed that financial controls at this stage needed to take effect immediately but without damaging organisation. The key issue was one of implementing the controls.

ER

Mr Bucknall requested an update on controlling agency levels. Ms Coalter confirmed that this was now under corporate control, centralised systems now had controls in place so that bookings would not be accepted unless certain criteria were met.

Prof Ham requested a concise briefing paper for Non-Executive use that set out a simple narrative about turnaround. This was agreed.

MG

Mrs Fenton confirmed that the transformation team has been working closely to implement transformation within the 5 new groups. Each group would have a dedicated forum and be supported by the lean academy. Transformation would be integrated into the new structure.

The Board approved the turnaround programme and requested ongoing evaluation through the existing performance and finance reports.

PERFORMANCE

09.93

7. Performance Balanced Scorecard.

The Board considered the previously circulated scorecard which illustrated red indicators for the national targets of delayed transfers of care and reduction in pregnant smokers.

Ms East questioned whether these indicators had similar significance for Monitor as the A&E 4 hour national target. It was agreed that the delayed transfer was very important, as it would impact on the organisation's ability to achieve the A&E target.

The Board noted that Mr Goldman and Mr Wilkinson had met with Sue Anderson (City Council) and Peter Hay (Social Services) and had agreed to establish an ongoing dialogue. Mr Wilkinson had also had a good meeting with the Chair of Solihull Care Trust. Mrs Fenton confirmed that discharges were being managed on a case by case basis. Northern Ireland hospitals had established a process which within 48 hours of doctor saying a patient was fit to leave they were discharged. This was the aim for the Trust.

Mr Stokes also confirmed that the financial levers had been put in place and the PCTs would be charged more if patients were left in hospital beyond discharge decision.

Mr Samuda had questioned the ambulance waiting time to unload and the Trust figures did not tally with the ambulance data. Mr Goldman had agreed to supply a real time audit of the Trust's times against the Ambulance Trust times.

MG

Indicators that were identified as needing close monitoring were HSMR, A&E 4 hour, cancelled operations, and audiology data completeness. Mr Goldman informed the Board that the end of May year to date position for A&E was green. However the 98% target had not been achieved in the month of May.

Prof Ham queried the HSMR indicator as it showed Good Hope as 23% higher than expected. Dr Woolley agreed that the HSMR for January was higher but over the last 3 years it had been steadily reducing on annual basis. Prof Ham suggested that as this was a measure of patient safety, the increase was of concern. A peak over the winter period was not unusual but nevertheless Dr Keogh would be investigating the data further to understand what caused the spike in winter. The Trust needed to be clear as to the cause for the increase in HSMR. It may be clinical coding issues but this needed to be clarified and/or excluded. Another issue might be length of stay. Dr Woolley agreed and confirmed that the figures would be investigated in the context of broader mortality data. A review would be reported to the Governance and Risk Committee and brought back to Board in due course.

SW

BUSINESS PLAN 09/10 PRIORITIES

We Provide The Highest Quality Patient Care

09.94 8. Infection Prevention And Control Report (Dr I Gupta)

Di Tomlinson joined the meeting in Dr Gupta's absence to present the monthly report.

MRSA

There had been a total of 3 cases of MRSA bacteraemia at HEFT against the trajectory of 3 for the month. The Trust trajectory for 2009-10 was 46 cases. To date there had been 1 case in May. RCAs for each case had been completed.

C.Diff

There had been 32 cases with 20 of these presenting as post 48 hour cases. HEFT trajectory for the month is 28 post 48 hour cases. The breakdown throughout the Trust was as follows:

- BHH 7 post 48 hour cases
- GHH 10 post 48 hour cases
- Solihull 3 post 48 hour cases

Mr Goldman outlined the decision to close ward 17 to improve reduction of C.Diff which may jeopardise the 4 hour wait figures but this decision had been taken in

the interests of patient safety.

Ms Tomlinson was confident that the improvements at Ward 17 would see a reduction in C.Diff at Good Hope.

Norovirus

There had been only one ward closed in April due to outbreaks of diarrhoea and vomiting. There had been no confirmation of norovirus. A review was currently being conducted regarding outbreaks throughout the winter and this would be presented in July 2009.

IG

Para Flu

There had been 9 further cases of Parainfluenza virus since April taking the total to 25 cases in this current outbreak on Ward 19 at Heartlands. A further outbreak meeting had been held to review the situation and the situation was being closely monitored by the Infection Prevention and Control Team.

Case of Probable Hospital-Acquired Legionnaires' Disease Legionnaires

A severely immuno-compromised patient had developed Legionnaires' Disease whilst an inpatient on Ward 12 (Heartlands). The patient had subsequently made a good recovery from his pneumonia. An incident meeting had been held and established the source of the infection as the flexible hoses. A replacement programme had been introduced based on a risk assessment. This would be addressed through the Legionella Committee. All the new builds and refurbishments would have copper piping installed. The Board was assured that the management of this incident was in line with guidance from the Legionella Reference Unit.

Swine flu

There was nothing further to report from Mr Bleetman's update at the last Board meeting. The Trust continued to be well organised with good vaccine stock levels and good equipment.

Mr Goldman raised the ongoing concerns around ophthalmology where a further 2 cases of infection had been identified. Advice from Warwick University had been taken and followed through.

09.95 9. Patient Care Strategy

The strategy included a HEFT Nursing & Midwifery Board which would shape the professional agenda, focussing on key priorities and overseeing the work of four sub groups, Education and Workforce, Quality & Standards, Safety, and Professional Practice. In addition, the Professional Nursing Governance Forum and Matrons Business Meetings would ensure that the 'day to day business' of nursing and midwifery ran smoothly and to the highest standards. The key priorities would be Quality Standards, Safety, Education and Workforce, and Professional practice.

Implementation of the standards of care and patient satisfaction matrix was underway and was on track to ensure that by Christmas the Trust would be able to monitor the standard of nursing care and patients' feedback on a monthly basis. With regard to world class care/wards the Trust had been approached by the RCN to create a national pilot in defining world class care/

The other significant aspect of the strategy was for the Trust to establish its own school of nursing. This would create a nursing faculty in conjunction with Human Resources. An article in the Nursing Times had started a national debate on

their internet site. The general consensus was that this was the right direction of travel and the SHA were now started a dialogue about the implications and opportunities. Discussions had also taken place with both University Deans as there could be financial implications for the universities. As a commissioner of their services concerns about quality of the training had been raised consistently without significant progress. Ms Sunderland would keep the Board advised as to the progress being made.

Mr Wilkinson asked whether the standards of care and patient satisfaction data would be available on the website. Ms Sunderland confirmed that it would be and it would also form part of the monthly performance report. There would also be an amalgamated score per group with the new structure. The information would also be published ward by ward internally.

Ms Hafeez recommended that further work be carried out on the cost of providing training through a school of nursing and to ensure that the fee per student would meet the costs.

Prof Ham asked whether it would be possible to join with other Trusts to make this change in nurse training. Ms Sunderland had already met with the Chief Nurse at UHB, who have similar concerns; however, there wasn't the drive at the moment to take it further. The main issue would be to stay in control of the quality of the training. The school would need to meet the NMC standards and an academic partner to award and accredit programme. Birmingham University and the Open University had already expressed an interest in doing that. Ms Hafeez also suggested that the Open College Network might also be interested.

Mr Harris queried how the new committee structure would impose the high standards of nursing care throughout the trust. Ms Sunderland confirmed that the restructuring would help as the matrons would be accountable to Head Nurses and Group Operational Directors. The committees would ensure that nurses from all levels within the organisation would be included. As the largest professional staff group it was crucial to the success of the Trust that the message of safety and quality was communicated and acted upon. The details of the performance report would also be shared with commissioners as part of CQUINN. Mr Stokes confirmed that the contract with the commissioners only required delivering the result of the feedback at this stage.

09.96 10. Update on action taken with staff in SUIS

This had been covered under matters arising.

We Are the Local Provider of Choice

09.97 11. Ultragenda update

It was agreed to defer this item to the July meeting.

IC/ER

We Are Financially Secure

09.98 12. Monthly Finance Report (AS)

The report included the latest FT Bulletin from Monitor which set the scenario from 2011 onwards. It seemed likely that £60-65m of savings would be required over the next 3 years of funding. The trust would be required to prepare and submit plans for 2011/12 (and 2012/13) which incorporated downside sensitivities. Monitor wanted to be satisfied that the board had understood the risks to its authorisation and had the skills in place to take mitigating action. The plans had to be submitted by 31 July 2009 and so an additional Board meeting would be required instead of the Trust Board Committee on 31 July 2009. Due to April's financial position, an assessment of performance against Monitor

CL/AS

ratings score had been made which, as more than two items score as a “1”, the maximum rating the Trust could score would be 1. The Board noted that as the Trust’s risk score decreases the level of involvement from Monitor would increase with the potential for monthly reporting, monitoring and service line reporting to Monitor. If improvements were not made then Monitor could intervene under section 52 of the National Health Service Act.

The Board was informed that as this was not a quarter end no reporting to Monitor was required, but it needed to be aware that without a significant improvement in the monthly financial performance in the next two months, there would be serious financial reporting consequences.

As part of the turnaround programme the Executive Directors had agreed the following actions with immediate effect:

- Review all offers of employment that have been made
- Review all offers in the pipeline (i.e. not yet made)
- Introduce formal vacancy control process
- Restrict Medical Locum coverage to out of hours only (subject to Medical Director veto) and only then against a vacancy with a valid EVAS number
- Restrict Nursing bank & agency request to out of hours only (subject to Chief Nurse veto) and only then against a vacancy with a valid EVAS number
- Capture and review over establishment data and details of all temporary staffing expenditure.

Mr Stokes confirmed that in terms of the permanent pay bill it would be July/August before improvements could be seen unless there is a greater level of attrition. Length of stay also needed to be improved to manage attrition more easily.

The Board noted that even within month one the Trust had over performed against the start point contracts by £1.7m. This would not be sustainable across the health economy. It was clear that Plan B in the turnaround programme also needed to include reduced hours and unpaid leave. It would be vital to really drive out the CIP plans at directorate levels.

Ms Hafeez commented that at the last Finance Committee it was clear that the top level staff knew the facts but that the message had not gone out to the divisions. Mr Goldman confirmed that Mr Hackwell was in charge of the turnaround programme and that the message was now getting out to the directorates. Mr Cunliffe confirmed that the requests for new vacancies were beginning to drop.

Mr Harris made it clear whilst managing the costs that the care to patients must not be undermined. Mr Goldman acknowledged that this was a very difficult balance and that at times a difficult call would have to be made. Eventually the question would have to be considered as to whether it was possible to deliver within cash available. One example of reducing costs where the decision impacted on patient care – the catering service at Heartlands provided patients with 2 hot meals a day. It had been agreed to provide 1 hot meal a day as long as the nutritional value of meals remained the same. Safety had not been jeopardised but had to make a choice on quality. The Board agreed that given the seriousness of the financial situation these were the right kinds of decisions to take.

AS

Mr Stokes then presented an update on SLR which offered the Board a directorate analysis of the year end surplus for 2008/09. SLR was not yet fully embedded at directorate level. A further quarterly update will be brought to the Board.

Mr Stokes confirmed that an additional benefit of the restructure would be that finance will be embedded into each of the new groups. Further discussion with the groups would be required to identify financial incentives to improve discharge levels, productivity, etc. and a greater understanding of the issues they faced, e.g. different tariffs and that may be why some make a loss.

Mr Samuda highlighted that the Audit Committee had thought it was time to pause and look again at the budgets for directorate. There was a need to incentivise people to stay within their budgets. Mrs Fenton agreed and thought that work was needed to help the directorates become more efficient rather than for them to compete against each other. SLR and budgets were looking at how much the directorates were spending. To achieve continuous improvement then the Trust needed to be 3.5% more efficient overall to be sustainable as a Trust.

Mr Harris agreed that overall the SLR was helpful in that it provided detailed management information but the information had to be carefully rolled out so not as to confuse or demotivate.

Mr Stokes was asked to bring a further paper back to the Board in August outlining how the directorates would measure their work against the SLR.

AS

09.99 13. Annual Report and Accounts

The Annual Report and Accounts had been dealt with in some detail at the Audit Committee earlier that day. It had received a clean bill of health from the external auditors, with just 4 or 5 minor changes and no significant amendments to the accounts. There had been some minor amendments to the wording of the report which the Audit Committee had considered and agreed. A copy of these amendments was tabled at the Board meeting. Mr Samuda confirmed that the whole process had gone very smoothly whilst taking 3 weeks out of timetable.

The Board approved the Annual Report and Accounts and the Letter of Representation.

09.100 14. A&E Refurbishment

The report set out the £1,553k investment required to refurbish the BHH Emergency Department over the Autumn and Winter of 2009/10 for handover February 2010. The investment was intended as an interim solution to manage current and future demand in advance of the Long Term solution X Site project (completion 2016) and would be used to increase CDU beds and Majors cubicles, relocate Resus and Bereavement room & reprovide linen storage. There would also be an increase in pay costs by 2 shifts or £100kpa to staff the additional CDU beds. The additional CDU beds were expected to generate sufficient income from inter alia Orthopaedic procedures and Chest Pain to deliver an overall positive to neutral effect on Trust surplus. Failure to invest at this time would have a detrimental effect on patient processing performance including the ambulance turnaround time and Four Hour Waiting target. The investment had been approved by the Executive Director's Committee and required Board approval.

The Board were reassured that while the build was implemented every effort would be made not to impact the 98% 4 hour wait target, although the possibility

of a serious outbreak of flu during the winter could not be eliminated.

The Board approved the investment business case.

Mr Bucknall then outlined to the Board the progress being made with the cross-site strategy. The opportunities presented by the present economic climate would go some way towards accelerating turnaround. The project was now underway and was due to be completed in December 2010. The main issue for the Board to note was that the work was being done on a Procure 21 contract. These contracts required strong partner relationships and were monitored through benchmarking timelines and quality. It would be much faster and would save up to 10 weeks on construction times. The Procure 21 contract sets a maximum price and any savings made are split between the employer and the contractor. Looking ahead it would be important to ensure that the transformation team were included. The contract would also look to increase the amount of local sourcing which benefit the local community.

GENERAL BUSINESS

09.101 15. COMPANY SECRETARY'S REPORT (CL)

Ms Lea confirmed that she had nothing further to add to her previously circulated report. The draft minutes of the Sub-Committees were noted.

Mr Samuda highlighted a recommendation from the Audit Committee which was being taken forward which related to executive to sign off on internal audit reviews. This was best practice and happened in private sector. It would add to the assurance the Audit Committee received that action plans were being followed through.

09.102 16. ANY OTHER BUSINESS

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

Mr Harris raised the issue of the current level of pressure on the executive team and advised the team to stay calm and resist the urge to make snapshot decisions. Ms East in agreeing with this observation suggested that the team look at any ancillary issues which cut be but on a back burner for a while. Mr Bucknall agreed that it was time to concentrate on core business. Mr Goldman thanked the non-executives for their support.

Mr Wilkinson then raised one final item which was to thank Dr Rayner for his work with the Board during his time in office. He had made an outstanding contribution, particularly in relation to Working Together for Health.

09.103 17. DATE OF NEXT MEETING

Tuesday 7th July 2009

..... Chairman