TRUST BOARD

Minutes of a meeting held at Devon House, Heartlands Hospital

at 1.00pm on Tuesday 1st September 2009

PRESENT:

Mr C Wilkinson *(Chairman)*
Mr I Cunliffe
Ms A East
Prof C Ham
Mr R Harris
Ms E Ryabov
Mr R Samuda
Mr A Stokes
Ms M Sunderland
Dr S Woolley

IN ATTENDANCE:

Mr J Butler (item 6 only)
Ms K Jervis (item 7 only)
Mr J Sellars (item 13 only)
Mrs C Lea
Ms L Jennings (Minutes)

Action

09.139 1. APOLOGIES

Apologies had been received from Mr Bucknall, Mr Hensel, Ms Hafeez, Ms Coalter, Ms Fenton and Mr Goldman.

09.140 2. DECLARATIONS OF INTEREST

The declaration of interests was accepted by the Board.

09.141 3. MINUTES

Following changes for accuracy on pages 3, 5 and 7 the minutes of the meeting held on 4 August 2009 were agreed as a correct record.

09.142 4. MATTERS ARISING

There were no matters arising.

09.143 5. CHAIRMAN'S REPORT

A letter responding to DoH proposals to de-authorise NHS foundation trusts was circulated to the meeting. The deadline for submission had been before the Board meeting and the response had been submitted with Mr Wilkinson's agreement. The Board endorsed the response that had been made on behalf of the Board.

Mr Wilkinson reported that he had recently held two meetings with the local PCTs. The first meeting had been with BEN PCT and Birmingham Mental Health Trust with the purpose of obtaining general agreement on the methodology for cooperation between all organisations to get better outcomes for patients. As a result the respective CEO's had been asked to meet to put forward a way forward that included WTFH.

The second meeting had been with Solihull Care Trust where the main discussion had centred on the £9m forecast of overperformance. The meeting had been attended by their Acting CEO (Sally Burton, CEO had been seconded to head an investigation at Mid-Staffs), Chairman and Finance Director. Mr Wilkinson had agreed that the Trust would cooperate with them fully to reduce numbers including working with a company called ATOS, however, it had been agreed that the tariff would remain same. ATOS had identified 5 priority areas that could reduce demand; specific GPS referring more, nursing homes, frequent patients, zero length of stay and LoS for chronic conditions. The discussion had also included Mixed Sex Wards and Mr Wilkinson had offered the Trust's Chief Nurse's assistance. Ms Sunderland would be attending their next Board meeting.

STRATEGY AND PLANNING

09.144 6.1 Forward Look – BMJ Discussion paper (MG)

The Board considered the BMJ discussion paper which set out how healthcare could learn from different sectors and organisations in the delivery of care. Mr Butler, Deputy CEO of HEFT Consulting attended for this item.

Dr Woolley questioned how the Trust could best capture all types of best practice and models of working and would like to see that as a core part of the HEFT Academy's work. Mr Butler confirmed that this was a piece of work suited to the Academy and that he had been interested to see how the Trust could tease out the relevant messages for a health setting from the paper. Procurement, Estates, HR, Catering were all areas which could benefit as it was important to remove the blur between clinical care and support services. It was important to recognise that LEAN was one approach and that different parts of health care provision required different processes.

PERFORMANCE

09.145 7. Pandemic Flu Update (tabled)

Before Ms Ryabov presented the performance report she circulated a pandemic flu update which had been brought forward because of predictions relating to the swine flu outbreak. Board members were asked to take away and read the paper. Ms Jervis, the emergency planning officer was welcomed to the meeting.

The DoH had set out a worst case scenario for the pandemic with 30% of population assumed to be affected and 12% of the work force being off with flu. The Trust had identified a possible financial impact of £800,000 expected cost per month but this could escalate £1.5m per month. All Trusts had been asked to provide evidence of plans to the SHA and the Trust would be responding. The biggest concern was that of critical care capacity and in the worst case scenario the Trust would not have enough ventilation capacity.

In accordance with regional and national demands capacity had been doubled and the SHA had been made aware of the ventilation problems. Plans were in place to move equipment, beds and staff around to accommodate this doubling of capacity. Extra training was being provided to nurses with previous experience of Critical Care to help with staffing levels.

Mr Wilkinson questioned whether the Trust would receive tariff payments in the normal way for the additional patients. Mr Stokes acknowledged that this had not yet been confirmed. Mr Cunlife asked whether support mechanisms for staff had been built as they would have to cope with difficult and emotional conditions.

Ms Jervis confirmed that more than one clinician would be required to make ventilator decisions and there would be an expert panel to feed in to the decision process.

Mr Harris was concerned that if the pandemic took effect as outlined, it would be very fast moving and one that no one would have encountered before. There would be a lack of experience and he asked what kind of structures would be in place to improve information flows between people, so that decisions could be made after easy access to relevant information.

Ms Ryabov confirmed that the Trust would be in major incident mode and that would be augmented with flu pandemic team. The necessary committees have been set up already and have already met once. The Flu committee had been set up for three years and this fed into the other committees, therefore, expert knowledge was being fed through.

Mr Harris questioned whether the mechanisms for clinical decisions on admitting patients with flu and not those with other symptoms were in place. Did everyone understand the ground rules? Ms Jervis highlighted that there were no ground rules at present since there had been no clarity on National admission criteria. Ms Ryabov confirmed that during the pandemic the criteria for admission would change and thresholds would change as the criteria for how ill a patient is changes.

The Board accepted the update and asked the Executive Team to keep them advised as to developments. ER

09.146 7b. Performance Balanced Scorecard – National and Local Targets

With regard to performance A&E remained the main challenge but the Trust had maintained 98% on schedule for quarter 2. Performance over the bank holiday weekends had been good. Mr Wilkinson questioned whether this was due to patient flow or lower patient numbers. Ms Ryabov confirmed that they had supported staff leading up to and through weekend. Ownership and responsibility had become much clearer for the staff involved.

The 18 weeks target had seen its best performance this month and the Trust had received a note of congratulations from BEN PCT.

Processes for Delayed transfer of Care had now been identified and were being properly recorded. As a result the numbers were beginning to reduce. Mr Wilkinson questioned the level of co-operation from the PCTs in moving patients out of hospital when fit. Ms Ryabov expressed some concerns about the level of commitment to the work being undertaken with Tricordant. Ms Ryabov was following this up with the personnel concerned.

The Board noted that BEN PCT would take over ownership of one ward at Heartlands and one at Good Hope during September. These wards would then take the longest staying patients into the wards whoever they are. It had been agreed that once transferred to these wards the patients had been discharged from the Trust and admitted into community units, the cost of the wards would therefore be transferred from the Trust to the PCT.

Smoking and pregnancy

The Trust was now referring all smokers to the stop smoking service and was expecting that it would help to increase the number of non smokers. Ms Ryabov confirmed that the PCT has a responsibility to do more to support the maternity

unit and its patients.

Breast feeding
There had been some issues around data quality which had been addressed. A community support centre had now been opened.

Cleaning areas – the Trust was concentrating on high risk areas such as at Solihull – Endoscopy, Cath Lab and Day Unit. The risks were related to environment rather than equipment and dirt. Overall compliance was reasonably good.

Ms East highlighted that she had previously asked about the high risk areas and had been reassured that they were fine. This now seemed to have changed. Ms Ryabov agreed to bring a paper back to the Board next month that would give more detail on what the issues are, where they are and the consequences. ER

PROMS – This had started in May but some of the patients coming for treatment would not have filled in the questionnaire. Ms Ryabov was acting to remove inconsistencies in reporting.. Mr Wilkinson highlighted that PROMS performance was about reporting the number of questionnaires that have been completed. Mr Cunliffe confirmed that the first data would be available after 6 months and so action could be taken to address any issues raised.

MRSA – The Board noted the alert on MRSA and questioned whether the progress that had been made had started to slip. Ms Sunderland confirmed that in July there had been 4 cases against a trajectory of 3, however in August there had only been had 1 bacteraemia against a trajectory of 3. Root cause analysis had been undertaken and issues around practice were being addressed.

BUSINESS PLAN 09/10 PRIORITIES
We Provide The Highest Quality Patient Care

09.147 8. Emergency Access Programme Board Action Plan Update (ER)
Ms Ryabov confirmed the progress being made and that Monitor were being kept up to date with progress.

Mr Harris asked if there was any exposure or risk areas that were vulnerable. Ms Ryabov confirmed that the some key areas have not progressed yet such as creating space on the Heartlands site for medical patients and on the Good Hope site for surgical and orthopaedic patients. The other area of concern related to mental health patients who needed a better response from the mental health team who had been invited to be part of the Trust's emergency access team. The ambulance service had also agreed to be part of the team.

09.148 9.1 Assurance Framework & Risk Register (SW)
Dr Woolley explained that her previously circulated paper presented the results of the review of the Strategic risks for 2008/09 undertaken by the Executive Directors. The Executive Directors had identified new risks to achieving this year's strategy and annual plan. The Governance and Risk Committee had agreed and approved the revised Assurance Framework for 2009/10 with eleven strategic risks at its meeting in August 2009.

The Assurance Framework would be formally reviewed and monitored by the Executive Directors Committee and Governance and Risk Committee on behalf of the Trust Board on a quarterly basis and any appropriate issues would be taken to the Board. The Board was assured that the appropriate mitigation was

in place and the recommendations made in the paper were endorsed.

09.149 9.2 Health Select Committee Summary – Discussion Paper (SW)

Dr Woolley turned to her second previously circulated paper and informed the Board that MPs had carried out a national review of patient safety arrangements and then produced the report based on the research they had done together with the outcomes. Dr Woolley assured the Board that the Trust's safety strategy was consistent with the recommendations outlined in the report, particularly in terms of improving the safety culture. There was a clear recommendation that patient safety should be discussed at every Board meeting and should be on the first part of the Agenda. Another key recommendation was that Boards should meet in public. A discussion followed with the key points being made:

The Trust did look at patient safety at every Board meeting. It was generally felt that its particular position on the Agenda was not so vital. With regards to holding the meeting in public, it was generally felt that public meetings inhibited discussion. The Board Minutes were placed on the internet and so were available to the public. It was suggested that this should be publicised more. Ms Lea confirmed that the subject of open Board meetings had been circulating recently and her peers had expressed mixed views. The Trust's stance was that the Board fed into the Governors Consultative Committee and that was held in public; and the governors worked well with their constituents. It was also pointed out that the Trust published a substantial amount of information on the web. Prof Ham, whilst agreeing that it would inhibit valuable debate if all Trust Boards were held in public, pointed out that the paper was only stating that no Board should always meet behind closed doors and that public ones should be held on a regular basis.

The Chairman suggested that the Trust should publish not only the minutes of the Trust Board, but also the Agenda and the minutes and agendas of all the sub committees as well. This was agreed by the Board and Ms Lea agreed to make the necessary arrangements. Ms Lea also agreed to liaise with the web manager to ensure that the Trust's information was easy to find. CL

It was also noted that the Trust Board was ahead of the game as it already had a Director of Governance on the Trust Board. CL

The Trust had 100,000 members who theoretically own the Trust. Ms Lea confirmed that there was currently a Governors' working group which was working on ways of relating more effectively to members. Ms Lea said plans were under way to support the governors more actively in relating to their constituents and members and each governor was going to be given a list of local meetings that took place in their area, the governors would be given support and could act as advocates to the Trust. Ms Lea confirmed this work was under way but warned of the time commitments that would be involved in supporting 44 governors in this way. Prof Ham raised the point that the Trust could publicise via the web how it was discharging its accountability to the public through the Governors public meetings and information available on the web. The Board agreed to this suggestion and that the negatives outweighed the positives in terms of making the Board meetings public. CL

09.150 10. Update on Recording Patient Satisfaction and Ward Based Quality of Care Indicators (MS)

Ms Sunderland presented her paper which set the progress made on recording patient satisfaction. The Nursing Care Indicators demonstrated particular concerns at Good Hope, however the Board was asked to consider that the

same issues were being seen at many Trusts across the country. However the indicators were also beginning to demonstrate huge improvements in some areas and the Trust would meet the CQUINN targets. The indicators would be up and running in Quarter 4 to enable full reporting to commence in 2010/11. The Board would receive monthly information from February 2010 onwards. MS

It was clear that documentation was improving and the indicators would be developed to enable awards for the most improved ward or best ward of the month. Patient experience results should begin to correlate with improving nursing care. Prof Ham questioned how the Trust can be sure that actual patient care will improve given the low numbers of responses. Ms Sunderland agreed and said that further thought was needed about how more patients could be encouraged to give their feedback rather than just using patient feedback devices. Prof Ham said it would be important to know what level of response would be statistically significant enough to demonstrate reliance on the data. Dr Woolley added that it would be important to take the information in the round which considers other patient surveys, complaints, and PALS enquiries.

09.151 11. Nursing Establishment Review

The review had established that there was significant under establishment in Medicine (particularly in elderly care) and some over establishment predominantly in surgery. The Board had asked for the review in the light of the Mid Staffs report. Ms Sunderland was asking the Board to agree to immediate action in the red risk areas by utilising the over establishment in the green risk areas. In addition the Board should endorse stage 2 and 3 of the review which would consider specialised nurse posts. Ms Sunderland reported that other Chief Nurses across the area were looking to benchmark with each other in this area.

Prof Ham questioned whether it was sufficient to just look at the nursing establishment. However it was agreed that to carry out the exercise Trust wide across all disciplines would make it too complex. At this stage the review was considering the basic delivery of care 24/7 on every ward and by improving the nursing establishment this would improve. The review was based on the RCN standards which were a very conservative estimate.

Mr Harris questioned whether the ratios were appropriate to all wards based on the dependency of the patients. Ms Sunderland acknowledged this but the review offered a minimum baseline from which to offer care.

Ms Ryabov agreed that specialised nursing work needed to be better understood and that stage 2 and 3 would show how to make better use of the range of nurses. It was also important to improve bed occupancy rates.

The Board agreed the recommendations of the review and asked Ms Sunderland to report back at the February Board meeting. MS

We Are The Local Employer of Choice

09.152 12. HR Committee (MC)

The report from the HR Committee was received by the Board.

We Grow The Business For Our Own and The Region's Prosperity

09.153 13. Carbon Footprint Annual Report (JS)

Mr Sellars attended for this item. The Trust had worked with the Carbon Trust on the plan and the Board was asked to agree its recommendations which when

completed would deliver a 25% reduction in the Trust's carbon footprint.

The 25% reduction could be achieved sensibly using good commercial arguments and following the 5 year plan in the report. The Board would be required to produce a further plan in 2013 to reduce omissions by another 25%.

Mr Harris asked whether implementing the plan would cost the Trust money. Mr Sellars confirmed that it would, however this would be off set by grants and the requirement to handle the back log of maintenance. Mr Stokes offered to provide the business case for the Solihull steam plant to illustrate this.

Mr Wilkinson confirmed that energy would have to be managed more efficiently on a ward by ward basis and should be well publicised. Ms Ryabov suggested it would be worth linking in with Trusts which had been successful in this. Medway had introduced Energy Champions and a lot of communication and poster campaigns.

The Board agreed with the recommendations in the Report.

We Are Financially Secure

09.154 14.1 Monthly Finance Report (AS)

The report set out the following key issues:

- Income and expenditure surplus in July of £1.1m.
- Further overperformance of £3.2m in July.
- Income and expenditure position was £1.8m surplus year to date and ahead of Monitor plan.
- The Trust's financial position against operational budgets had overspent in month by £1.4m and £4.2m year to date.
- Likely forecast of £10.2m for 2009/10.
- Significant further improvement required to achieve year end Monitor position or better.
- Executive Sponsorship and Finance Leads identified to support failing Directorates.
- IFRS submission to Monitor on 4th September, see appendix 1.
- Charitable Funds Annual Report and Accounts for TB Approval, see appendix 2.

Mr Stokes drew the Board's attention that the Medicine Business Unit had seen overall pay costs reduce in the month of July, whilst the Surgery Business Unit had seen little change in the month. The CIP group had started to have an impact and Bank and agency controls remained in place. The Vacancy control panel was also starting to have an impact.

Mr Stokes reported that it was clear that expenditure was beginning to drop but this needed to continue. It was important not to let the continued overperformance mask the financial position of the Trust.

09.155 14.2 SLR Update (AS)

Mr Stokes presented his report on SLR. The regular changes to and volatility of tariff however have meant that SLR has not been able to deliver all that it promised. As a result a trigger tool had been developed which used run rate more than any other tool. The Trust would continue with SLR and would benefit from the new information it delivered but it would not give the entire picture. Users group would be used to focus on identifying the drivers that have the most

impact.

Mr Samuda asked whether this was consistent with other Trusts. Ms Ryabov replied that it depends at it was relative to how costs were apportioned and whether tariff was correct. SLR would be used to identify income per spell and relative costs for that spell to identify where the Trust could make rectification. SLR was a good tool and it helps to identify the contribution at a directorate level. The Driver Trees would also help to add to the picture. It was mission critical to ensure that output was measured against expenditure and consultant job plans would have to link in to that.

Mr Harris questioned how this would be factored into reporting mechanisms. Mr Stokes confirmed that the actual results would be reported quarterly, however, including it into budgets when tariff remains unstable would make the budgets difficult to use.

09.156 14.3 Financial Challenges and Preparedness Report (AS)

Mr Stokes introduced his previously circulated paper, and explained that this paper reflected what he was recommending to formally report to Monitor on the Trust's consideration of the implications of a slowdown in growth of healthcare funding from 2011.

Particular attention was drawn to the Savings Opportunity Map on page 3 of his paper, which provided a summary of the three key stages an organisation could follow to realise the full savings potential from within its organization, i.e., Turnaround, Maximise and Integrate. These stages would be focused on over the next 4 years with a focus in stage one on "turnaround", a focus in stage two on "maximising" productivity and generating efficiencies and a focus in stage three on "integrating" with the local health economy to redesign patient pathways, vertically and horizontally integrate and restructure to release economies of scale.

Mr Stokes then drew the Board's attention to the key assumptions laid out on page 8, summarised below:

Income, the Trust had based its financial plan on a reduction of 10% of income representing a £46m worth of activity reduction over the next 4 years. However, a close eye would be kept on activity so that the Trust could respond in a timely and appropriate manner to any change.

The Trust had planned for the CIP to rise from 3% in 2009/10 to 4.5% in 2010/2011 and to 5.5% thereafter, representing an increase in savings target from £13m to £24m per year, in addition to removing the cost relating to the reduction in activity. The Trust planned to meet the increased CIP targets through a benchmarking programme to improve the Trust's productivity and the programme of site rationalisation in the "maximise" phase; and the delivery of economies of scale from the "integrate" phase. A more detailed plan to achieve this goal was in the process of being formulated.

Capital Expenditure, the Trust has planned to continue to spend just over 2% of clinical income on the maintenance of facilities and equipment, which amounted to £12m each year.

Site Development, the Trust expected to have spent £70m on site development over the next 4 years, investing in a new ward block and a new outpatient facility, upgrading theatres and upgrading A&E.

Mr Stokes then turned to the high level of I&E and cash flow projections and outlined that the outcome of these figures would deliver a likely I&E surplus of £6.6m in 2010/11 and £1.6m in 2011/12 and deficit of £6.1m in 2012/13. This would result in a cash position of c £50m by the end of 2012/13.

A discussion took place around this issue and the impact of the PCTs taking out more than 10%. It was acknowledged that if that happened the Trust would have to consider structural changes and it was also acknowledged that Monitor would have to be given sufficient assurance that the Trust could deliver what was necessary. In the interests of openness and transparency the Trust had included best, likely and worst scenarios and detailed I&E, Balance sheet and Cash flow statements would be included in the submission to Monitor on 30th September. The Trust would then respond on a yearly basis.

Concern was raised about the lack of control the Trust had over PCT decisions on activity etc as plans would obviously be affected by these outside influences. Mr Stokes agreed there was a great need to work closely with the PCTS which the Finance Directors are already working on. The CEOs and Chairs had already had discussions on it as well. It was also acknowledged that there would be more certainty after the next general election. The Board did agree that it was right to continue with Phase 1 of the site strategy.

It was agreed that the worst case scenario of structural change should be shared with the PCTs and a request for their plans to be shared made prior to the submission to Monitor.

It was agreed that the Trust would consult with its partners and include the results of those discussions in the submission to Monitor on 30th September 2009. Mr Stokes would send a copy to the Board of the revised submission, which would reflect the amended narrative. AS

09.157 14.4 IFRS 31.03.09 Unaudited Accounts (AS)

The Board considered the unaudited closing balance sheet from 2008/09. This would be followed by audited balance sheet in due course. The balance sheet had been considered by the Audit Committee earlier that day and the Committee had recommended that the Board accept the balance sheet as set out.

The Board approved the balance sheet and authorised Adrian Stokes (in Mark Goldman's absence) to sign the statements in the Monitor submission.

09.158 14.5 Charitable Funds Year End Accounts (AS)

The Charitable Funds year end accounts had also been considered earlier by the Audit Committee and were recommended for approval. The external auditors had confirmed a clean audit. The report and accounts had also been agreed by the Donated Funds Committee.

The Board approved the report and accounts and authorised Mr Wilkinson to sign the accounts and the letter of recommendation.

There was then a discussion regarding the investment strategy of the donated funds and on the number of separate funds that were held. Ms East and Mr Harris requested that the Donated Funds Committee should take independent investment advice and reconsider its investment strategy as it seemed to have a large exposure to equities. Mr Wilkinson responded that the asset allocation had been reviewed regularly but that he would take the suggestion to the next Committee. Any Non-Executive Director who had an interest was welcome to sit

on the Committee. With regard to the number of funds this was largely dictated by the donor's wishes and every effort was made to keep these to minimum.

It was agreed that other non-executive directors could join the Donated Funds Committee if they wished and that independent investment advice should be sought.

GENERAL BUSINESS

09.159 15. COMPANY SECRETARY'S REPORT (CL)

The Board noted the draft minutes of the Trust's sub-committees and accepted that there were no additional issues to be raised by the Committee Chairs.

.

09.160 16. ANY OTHER BUSINESS

Mr Stokes circulated an article from the Sutton Coldfield media.

09.161 17. DATE OF NEXT MEETING

Tuesday 6th October

……. Chairman