

## EXTRA-ORDINARY TRUST BOARD

### Minutes of a meeting held at Devon House, Heartlands Hospital at 10.00 a.m. on Wednesday 26<sup>th</sup> January 2011

**PRESENT:**

Mr Clive Wilkinson (Chair)	Lord P Hunt
Mr D Bucknall	Dr M Newbold
Ms M Coalter	Mr R Samuda
Ms A East	Dr S Smith
Mr R Harris	Ms M Sunderland
Mr P Hensel	Dr S Woolley

**IN ATTENDANCE:**

- Ms L Dunn
- Mr A Stokes
- Mr S Hackwell
- Mrs A Hudson (Minutes)

		Action
<b>11.49</b>	<p><b>1. APOLOGIES</b> None all members present</p>	
<b>11.50</b>	<p><b>2. Q3 Return – 201011 MONITOR RETURN</b> The meeting took place earlier in the day in the presence of Clive Wilkinson (Chair), Mark Newbold, Adrian Stokes, Anna East and Lynn Steven (minute taker). The minutes from this meeting will be produced separately, however Mr Stokes updated the meeting as follows:</p> <ul style="list-style-type: none"> <li>• The Trust has a red rating in relation to the A&amp;E target and has submitted an Action Plan along with the Monitor return.</li> <li>• Mr Newbold advised that there has been an increase of 4% in A&amp;E attendances, patients arriving by ambulance via GP referral has significantly risen along with a rise in patient acuity being seen.</li> <li>• The Trust also included a letter from Dr Newbold and Andrew Donald, Chief Executive, SHA which was a response to a letter that they had received from Mr Phil Milligan. Dr Newbold agreed to circulate this to NEDs for information.</li> <li>• Dr Woolley advised that the Trust were due to sign off the final items on the CQC Registration and that series of planned reviews by the CQC were due to take place over the next few months.</li> </ul> <p><b>2a OTHER DISCUSSION ITEMS</b></p> <ul style="list-style-type: none"> <li>• <b>Dispatches.</b> Dr Newbold advised that the Trust were to be featured in the upcoming TV programme Dispatches due to be aired on the 14<sup>th</sup> February. The programme is looking at patient nutrition in hospitals and has relatives of patients from HEFT appearing recounting their experience of relatives leaving hospital malnourished. The Trust are aware of the three cases showcased, two of which were related to Heartlands and one for Good Hope. Two are from 2008 and one is from 2010. Dr Newbold has a recorded an interview with the programme answering questions raised.</li> </ul>	MN

	<ul style="list-style-type: none"> <li>• Ms Sunderland advised the Board the Trust now has in place several feeding initiatives used to highlight those patients who need assistance with feeding or at risk of malnutrition. With effect from the 7<sup>th</sup> February the Trust will also be rolling out the 'red jug and glass' initiative which works in the same vane as the red tray initiative but highlights the need for assistance with drinking.</li> <li>• Ms Sunderland told the meeting that nutrition is also measured as part of the nursing metrics and improvements are being seen. Areas highlighted in the Dispatches programme have both been reviewed and are under new leadership and are high performing wards on the nursing metrics.</li> <li>• <b>Press article regarding redundancies.</b> Dr Newbold advised the Trust Board of the background behind the 1,600 staff redundancies as reported on news programmes over the last week. The figure of a notional 400 jobs annually for 4 years was obtained by the BBC from the workforce planning documentation, that all for all NHS Trust had to complete and collated by PCTs and SHAs on efficiency targets for the next 4 years and was submitted last summer. The figures supplied by the Trust had been presented to staff side and had been in the public domain for many months. It was unknown as to why this Trust was singled out, but suspected it related to the Trust's size and high media profile. Following the approach last week Dr Newbold undertook interviews to answer questions.</li> <li>• <b>Ellen Ryabov.</b> Ms Coalter advised the Board that Ms Ryabov will cease her employment with the Trust with effect from Monday 31<sup>st</sup> January 2011. An agreed announcement will be made on Friday 26<sup>th</sup> January 2011.</li> <li>• <b>Paperless Committee papers.</b> Due to a technical issue some of the Trust Board papers for today's meeting were not available to download. However these problems are being resolved and it is anticipated that future meetings will now be paperless. Once this Board are happy with a paperless meeting, this will be rolled out to all sub-committees of the Trust Board.</li> </ul>	
11.02	<p><b>3. BUSINESS CASE – TRANSFER OF SOLIHULL COMMUNITY HEALTH SERVICE</b></p> <p>The Chairman commenced the discussion by clarifying that the Trust Board were not expected to make a decision at this meeting about whether the Trust formally agrees to the transfer, but rather to discuss the progress that the Trust has made to date and to endorse this work and the planned actions going forward.</p> <p>The Trust Board are asked to consider and agree to commence the recruitment of an Executive Lead for Solihull.</p> <p>Any future meetings to discuss this issue will be held as extra-ordinary Trust Board meetings. Suggested dates for the next meeting will be circulated in due course.</p> <p>Mr Hackwell advised that KPMG were still undertaking the external due diligence and this was due to finish at the end of February 2011. Their findings will be presented to the March extra-ordinary meeting. The Trust has made considerable progress in understanding the nature of the business that will be transferring to HEFT and has been able to set out a clear approach to how these services should be managed from the 1<sup>st</sup> April, 2011 following the signing of the Business Transfer Agreement. Mr Hackwell confirmed that the Trust Board will still be able to opt out of the proposal.</p>	<p>AH</p> <p>SH</p>

The central component to HEFT's vision for running community services was that this would herald the start of partnership with key stakeholder providers in Solihull to help design and drive the changes to health and social care that are to take place. The two main reason underpinning the business rationale are:

1. By operating the two key levers of secondary and community care the Trust would be in a much stronger position to ensure the best care for patients is provided and that any changes that takes place in re-allocating resources is done so in a managed way and thereby reduce the risk of destabilising HEFT or other organisations.
2. By leading the development of a Partnership Board involving all local providers of care, there is a much higher chance that improvements and changes to services for patients will be supported, sustainable and effective. The Partnership or Provider Board is likely to consist of HEFT, Sirius LLP (South Solihull primary care) and Solis LLP (North Solihull primary care), Solihull MBC, Birmingham & Solihull Mental Health NHS Foundation Trust, Coventry and Warwickshire Partnership NHS Trust plus voluntary sector and patient representatives.

Mr Hackwell advised the Board that the transfer of Solihull Community Services should be regarded as an acquisition. Although a significant amount of work has already been undertaken around the new working arrangements following the transfer of Solihull Community Services to HEFT there is still work in progress to ensure that the transfer arrangements will minimise day one operational disruption, have an effective governance system in place and ensure there is flexibility for the subsequent redesign work to take place. In order to ensure that the transfer does not destabilise or confuse service delivery there needs to be in place on day one and in the following days and months appropriate management arrangements. Given the challenging tasks ahead, should the proposed transfer take place on 1<sup>st</sup> April, it will be important to ensure an Executive Lead is in place as soon as possible after this date. It is proposed that an additional Executive Lead is recruited to the post in order to carry out these management arrangements. The Board were asked to agree to the start the recruitment process for an additional Executive Director.

***The Trust Board agreed to the recruitment of an additional Executive Director but asked for details on salary, duties, responsibilities etc and assurance that should the transfer not take place the recruitment of the post would not go ahead.***

Ms Sunderland presented the results of the Clinical Services review which has been undertaken as part of the due diligence by external consultants to provide an overview of the services. The overall conclusions by the review were:

- The level of risk inherent in taking on this set of community services is manageable;
- There are a number of issues requiring attention but none of these are deemed to constitute a significant risk to the organisation;
- If Lyndon House were to be taken on, then this would be a major risk. HEFT have formally written to SCT stating that the Trust will not be accepting the transfer of this service and it has been agreed that Coventry and Warwickshire Partnership Trust will run the service.

Ms Sunderland went on to say that there are some pockets of excellence in

clinical practice and the workforce is generally stable, however there are some issues with skill mix, lone working and the need for a robust system for clinical accountability. Some services have elements of short term funding CAMHS (April 2011) and Weight Management (Lottery Funding) and these will need to be addressed. There have been three external reviews of service in the following areas:

- Health Visiting (2009);
- Community Nursing (2010);
- Podiatric surgery;

all of which have action plans in place to make improvements to the services. The next steps in relation to clinical services will be to build relationships with senior teams across HEFT & Solihull Community Services to formalise the structure for professional accountability, formalise the structure for management of 'stand-alone' services; clarify arrangements around interface with Public Health Consultant following transfer to Local Authority and put in place interim arrangements for the staff in Integrated Team.

Mr Stokes presented the financial position and plan. He advised that there were two streams of work being undertaken; a formal external due diligence by KPMG and an internal due diligence being undertaken by the HEFT. The key points to note were:

- Over the past 3 years SCT has seen a high income and expenditure compound Annual Growth Rate of 27%. This has been primarily driven by the integration of social care services previously provided by Solihull MBC. There has also been seen a significant allocation which reflects a move to increase investment in community services.
- SCT put in place a mid-year financial recovery plan in 2009/10. Many of the cost pressures causing this were funded recurrently through the SCT allocation in 2010/11.
- Overall the Care Trust is at risk of not achieving a breakeven position for 2010/11. To contribute to its achievement Solihull Community Services have agreed to achieve a small surplus of £500,000 for this financial year.

Mr Stokes said that he was content that HEFT would not be financially disadvantaged by going ahead with the merger. He went on to add that the internal audit had already picked up the risks highlighted by KPMG. The next steps in relation to financial plan was for KPMG to complete the external due diligence, review the requirements of the service contract and mitigate any financial risks using the business transfer agreement. A discussion around the risks associated with the merger was held and it was agreed that the biggest risk for HEFT could be not going ahead with the merger and letting another business take control.

The Board went onto discuss Primary Care integration and the need to ensure that GPs are signed up and supportive of the transfer of community service and the intensity for treating more patients in the community. It was felt overall that there was a lot of support from GPs although some concern was expressed about their ability to adopt new models of care. HEFT will be working with all integrated staff around culture and behaviours to improve relations with GPs.

	<p>The Trust Board heard that work building GP relationships and the Service Partnership is already underway to strengthen relations. The Board felt that a commitment from GPs on the drive for change and how they judged what success will look like was required.</p> <p>Mrs East asked how secure, in light of budgets being cut, will services be for HEFT. Mr Stokes responded that PCT service commissions hadn't given any indication they will cut/reduce any services or take money out of community services. The contract for community services would be for three years with a twelve month notice period. This was in line with other Transfer of Community Service arrangements. It was agreed that clarity was required on how these services will continue and what happens at the end of the period if HEFT decides it doesn't want to carry on with these services and what the cost of unravelling these would be.</p> <p>The Board went on to discuss commitment to change and it was agreed that assurance was required that HEFT staff, community services staff and GPs understood the need for change service transformation following the transfer of Solihull Community Services to HEFT. Mr Bucknall raised the point that culture changes was a big challenge, Ms Coalter assured the meeting that a lot of work had been undertaken around respect and understanding of community services culture and leadership and plans are in place to ensure that this change happens together. The process will be managed by the operational management team lead by the new appointed Executive Lead.</p> <p>The Trust Board were satisfied with progress to date and agreed that work towards a positive outcome should continue. In order for the Trust Board to make its final decision regards to Solihull Transfer of Community Services the final presentation to the next meeting was to include:</p> <ul style="list-style-type: none"> <li>• External Due Diligence findings</li> <li>• Proposed budget 2011/12</li> <li>• Legal contract</li> <li>• Commitment to change: <ul style="list-style-type: none"> <li>○ GPs support and how they judge success</li> <li>○ HEFT staff</li> <li>○ Community services staff</li> </ul> </li> <li>• Estate obligations</li> <li>• Consequences of not doing the Transfer of Solihull Community Health Services</li> <li>• Integration Plan.</li> </ul>	<p>AS</p> <p>SH</p>
11.03	<p><b>4. CORPORATE STRATEGY</b></p> <p>Mr Hackwell presented a report on the Trust's Corporate Strategy following the Board meeting held in December 2010 and the Trust Board were asked to consider the next steps in the development of the Trust's three year corporate strategy and the key issues surrounding it. The report set out the main financial and policy changes currently affecting the NHS and the Trust resulting in an increase in demand and expectations, combined with a reduced financial envelope with which to meet these. This inevitably will lead to changes in the business model and productivity, scope of services, means of delivery and with</p>	

	<p>whom the Trust works. The Board considered and debated the following:</p> <ul style="list-style-type: none"> <li>• What is our purpose/mission?</li> <li>• What makes us distinctive?</li> <li>• What is the Trust’s vision for the forthcoming years?</li> <li>• What are the strategic priorities for the next 3 years.</li> <li>• How to engage in the ongoing development and review of the strategic priorities</li> </ul> <p>The Board agreed that the following statements as set out in Mr Hackwell’s paper were what made our Trust distinctive:</p> <ol style="list-style-type: none"> <li>1. The quality of our nursing staff</li> <li>2. An open organisation (especially round safety)</li> <li>3. Leading the way in measuring the experience of out patients</li> <li>4. A positive national brand in the NHS – seen as can do and innovative organisation</li> <li>5. Employee involvement in the running of the organization</li> <li>6. (some) beacon clinical services</li> <li>7. “HEFT University” a place for high quality education and translational research.</li> </ol> <p>It was suggested that “Relationship with General Practitioners” and “Health Promotion” should be to be added to the list.</p> <p>A debate around what the private sector will be doing whilst the NHS is going through these changes took place and whether the HEFT should be looking to engage with outside organisations in order to work with them eg. joint venture working. It was agreed that cooperation with the private sector should not be ruled out, as there is a lot of cross learning from private sector eg. efficiencies in how services are run that can be taken on board.</p> <p>Heart of Community – it was agreed that each of the hospitals under the HEFT umbrella should have its own localised identity and Dr Newbold confirmed that work is underway to achieve this with local management teams now in place. It could be that over time each hospital will be a self managed entity, with local governing boards, agendas, promoted in the local community, but reporting to the Trust Board. However, one size did not fit all and an evolutionary approach was needed.</p> <p>It was agreed that improved working relationship with GPs was required and that the Trust and GPs should be sharing risks. Dr Newbold advised that much work was underway to improve our relationships with GP and promote working together.</p> <p>HEFT University - The Faculty of Education has undertaken work on the HEFT University and initial feedback on the courses running has been very positive. Ms Sunderland advised that an update paper on the Faculty of Education is due to be presented to Executive Directors and then in turn presented to Trust Board. An update to be bought to a future meeting.</p>	<p>SH</p> <p>SH</p>
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	<p>The Board considered how employee involvement in the running of the organisation could be further enhanced. Ms Coalter advised that the last Executive Directors meeting had also discussed this and suggestions around the use of staff Governor roles and involving staff in the hospital journey were talked about and how staff affect safety and their responsibility in their day to day roles and whether the Trust ought to have an open policy on information relating to patient safety the good news as well as the bad news. Dr Newbold agreed that it was a good idea but did add a note of caution around the media only picking and highlighting only those incidents which were negative.</p> <p>The Trust Board agreed to consider options on the creation of a sub-committee or working group which would focus on the ongoing development of the Trust's Corporate Strategy. Mr Hackwell was asked to prepare a paper on this.</p>	SH
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Chairman