

TRUST BOARD

Minutes of a meeting held at Devon House, Heartlands Hospital

on 2 May 2006

PRESENT:	Mr C Wilkinson (<i>Chairman</i>)	
	Mrs A East	Dame Jill Ellison
	Mrs B Fenton	Mr M Goldman
	Ms A Gynane	Mr P Hensel
	Dr R Hopkinson	Mr A Okuyiga
	Prof J Perry	Dr H Rayner
	Mr B Spittle	
APOLOGIES:	Mrs D Friend	
IN ATTENDANCE:	Mr I Cunliffe	Mr M Pye
	Mrs L Dunn	Mrs L Cartwright
	Mr A Stokes	
Part Meeting only:	Mr K Dickinson	Mr A Gurney
	Dr S Woolley	

The Chairman welcomed Mr I Cunliffe, Acting Medical Director of Surgery, to his first Trust Board Meeting.

06.5.1 ISSUES RAISED BY NON-EXECUTIVE DIRECTORS

There were no items raised for discussion.

06.5.2 MINUTES OF THE MEETINGS HELD ON 27 & 28 MARCH 2006

The Minutes of the meeting held on 27 March 2006 were approved as a correct record. The Minutes of the meeting held on 28 March 2006 were approved as a correct record subject to an amendment to item 06.3.5(c), the first sentence of which should read "The Trust Board approved the draft terms of reference for the Nominations Committee." The Minutes were signed by the Chairman.

06.5.3 MATTERS ARISING FROM THE MINUTES

(a) Nominations Committee - Previous Minute No. 06.3.5(c)

Ms Gynane is reviewing the position with regard to incumbent Executive Directors and will report back to the Board.

(b) Cancer Clinician's Report – Previous Minute No. 06.3.3(d)

Mr Goldman reported that the new professor at UHB has asked the Cancer Network to undertake a formal review of the siting of UGI Cancer services. However, it was noted that the Trust has presented its view that it would not countenance any changes which could impact unfavourably on patient care and current high standards.

Other action points would be dealt with later in the year as appropriate.

Action

AG

MRP

06.5.4 CHIEF EXECUTIVE'S REPORT

Mr Goldman summarised his report (Enclosure 3 to the Agenda). Principal items of discussion took place around:

(a) *Pan Birmingham Decontamination Project*

Mr Gurney presented his paper (Appendix 1 to Enclosure 3) and potential risk areas of the project were discussed. This project had been approved in principle by the Board approximately two years ago and legal documentation was now nearing completion. This was a 15 year (plus five year extension) agreement and concern lay around the residual risk to HEFT if it were required, under the terms of the Agreement, to take over the running of the Yardley Green site. Following review and discussion, it appeared that there was no unacceptable level of risk involved and, therefore, the Board approved the signing of the co-operation agreement (substantially in the form presented to the Board) and Pan Birmingham business case by the Chief Executive.

(b) *Surgery Review*

Mr Goldman summarised Mr Poynton's review of the Surgical Business Unit (Appendix 2 to Enclosure 3). It was noted that the 26 recommendations raised in this report are being addressed, including the roles and responsibilities of the Medical Directors. The Board approved the recommendations and the supporting Action Plan and confirmed that there were no additional actions to be incorporated. It was agreed that the new Operations Committee should monitor the progress of this report ongoing.

(c) *Healthcare Standards*

Dr Hopkinson summarised the "Standards for Better Health" report and draft Healthcare Commission declaration (Appendix 3 to Enclosure 3). Although fully compliant with 40 standards with a further 2 standards having been met during the course of the year, there was one standard (Medical Devices - C4b) where insufficient assurance could be achieved and one standard (Environment and Cleaning Contracts – C21) where a "not met" declaration was proposed. It was noted that the Medical Director (Governance) had taken a conservative view on the self declaration and was in the process of seeking clarification from the Healthcare Commission on the detail of certain aspects of the declaration wording. The Trust's response to the Healthcare Commission highlights work in progress, output levels, evidence of communicating with relevant groups (e.g. Disabled Patients Committee) and a positive action plan towards full compliancy. The Board approved submission of the final declaration to the Healthcare Commission, noting that this would be placed on the Trust's website not later than 12 May 2006.

(d) *Committee Structure*

The Board considered the report (Appendix 4 to Enclosure 3) proposing a new committee structure based on the review undertaken by Aston Business School as further amended by the Executive team. The degree of involvement required from NEDs and effective stakeholder/patient involvement were also discussed. The structure (illustrated as Attachment 5a) was approved as a basis, subject to defining membership at a later stage. Certain inconsistencies (e.g. the fact that the Finance Committee reports direct to the Board whereas the HR Committee does not) will also be subject to review at a later date.

Concern was expressed over the potential for delays in key risks/risk register reporting and it was agreed that this may have to be assessed over a period of time before determining if quarterly meetings were satisfactory for the proposed Governance & Risk Committee. It was agreed that Dr Woolley and the NEDs will meet separately to discuss this further. However, Dr Woolley confirmed that she would continue to produce a monthly report. It was considered that the new reporting structure would enable items to reach the Trust Board one month sooner than the current system allows.

SW

The general view was that NEDs will Chair, and be involved in, first line Committees, but nothing else unless specifically required or requested to do so. However, NEDs were invited to put their comments forward for consideration when memberships are being defined. In this respect it was agreed that this topic be discussed at the NED Private meeting to be held on 8 May 2006. A summary of their discussions will be fed back to Mr Goldman.

CW

Appropriate draft Terms of Reference for Trust Board committees would be made available as soon as practicable.

MRP

(e) Performance Monitoring

Mrs Fenton summarised the Performance Report for March (Appendix 5 to Enclosure 3) confirming that all year-end targets had been met and strong performance had continued across the Trust. An annual report would be presented to the next meeting. It was noted that the MRSA year to date figure should read 72 (not 77) and that this category will have to show a 20% reduction next year.

BF

(f) Good Hope Hospital

Mr Goldman summarised developments in respect of GHH which more recently centred around the Trust's relationship and progress with the SHA and determining GHH's end of year position.

The documentation for the full tender of the Management Contract for the period commencing 1 June 2006 will be submitted by 9 May. It was agreed that the HEFT approach should take a "commercial" pricing stance and not commit to further arrangements until HEFT can have a much stronger element of control over the finance functions of GHH.

During May it should become clearer to what extent there is external support for further involvement with GHH and this will have a significant bearing on whether the Trust should proceed with any form of merger by absorption. It was noted that the Chairman, Mrs Fenton and Mr Goldman had arranged to meet the Secretary of State's advisor which may also help to determine the outcome of the arrangements.

(g) Consultant Contract

Dr Hopkinson presented his paper on "Managing the Consultant Contract" and Ms Gynane summarised her paper (Appendix 6 to Enclosure 3). The Board expressed concern that the new contract does not necessarily, in isolation, provide anything additional to the old contract in that success would still be dependent upon management control. Timetabling, quality and quantity control, the KPI framework and the production of a "performance matrix" would maximise the benefits of the new contract. Dr Hopkinson, Ms Gynane and Dr Rayner agreed to look at these possibilities.

RH/HR/
AG

The Chairman emphasised the importance of getting the best from our workforce on behalf of stakeholders/patients and the requirement to put a system in place which confirms that this is happening. Due to the significant volume of work involved in pursuing these elements of the project, the Board requested feedback from Ms Gynane in October. In the meantime, Dr Hopkinson invited from Board members any “measurement” ideas for inclusion in the study.

06.5.5 REPORT FROM OPERATIONAL BOARD

Mr Goldman summarised his report (Enclosure 4 to the Agenda). The report was taken as read, although principle items of discussion took place as indicated below.

(a) Human Resource Director’s Report

It was noted and agreed that it would be clinically inappropriate to completely rule out use of agency staff, although the Trust should aspire to recruit and retain its own staff as much as possible.

(b) Finance Director’s Report

Mr Stokes outlined the Budget Setting Policy and the Budget Setting Envelope, both of which were reviewed and approved.

There was a need to consider how to invest financial surpluses to best long term advantage.

The changes to the bank mandate noted in the report were approved.

(c) Site Strategy Report

It was noted that the Medical Records Business Case is to be re-visited in order to consider possible solutions which may be found from the latest IT developments.

(d) Nursing Director’s Report

It was confirmed that a 97% improvement in NAAR standards has been reached, but that this figure has levelled off as expected now that targeted areas have been improved.

(e) Medical Director’s Report (Medicine)

It was noted that the Redcoats trial is going well. It is anticipated that the results will impact favourably on other data because of the positive feedback being encouraged by the Redcoats from patients and relatives.

(f) Medical Director – Governance Report

The contents of the Corporate Governance Committee Report were noted, in particular:

- Successful retention of CNST level 2 compliance
- Key Risk Report

06.5.6 COMPANY SECRETARY'S REPORT
(Enclosure 5 to the Agenda)

(a) Approval of Audited Accounts

It was noted that the Audit Committee will meet on the morning of 14 June 2006 in order for it to consider and then make final recommendation to the Board for approval of the audited accounts. The Board approved the formation of a Committee (comprising the Chairman, the Chief Executive Officer, the Chief Finance Officer and the Chair of the Audit Committee) to receive and, if considered appropriate, approve the audited accounts on behalf of the full Board on the afternoon of 14 June 2006.

(b) Use of PwC – Good Hope Hospital

Mr Pye reported that as part of the GHH acquisition procedures, approval will be required from the GCC for any PwC non-audit expenditure in excess of the cap previously established by the GCC. It was proposed and approved that the Governors be asked, at their next meeting on 15 May 2006, for the cap to be raised and for confirmation of their approval to HEFT's proposed use of PwC in respect of GHH. PwC have so far offered a level of insurance cover of £2m but Mrs Fenton agreed to attempt to negotiate an increase with PwC and also approach another firm for comparative quotations.

MP

BF

06.5.7 DATE AND TIME OF NEXT MEETING

The next meeting will be held on 30 May 2006 at the earlier time of 2.00 p.m. (or as soon as possible following the Chairman's Forum which will commence at 1.00 p.m., also an earlier time than usual).

Remaining meetings for 2006:

27 June

1 August

29 August

3 October (AGM)

31 October

28 November

19 December

Clive Wilkinson

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Chairman