

Board of Directors

Minutes of the meeting of the Board of Directors

Held at 14.00 hrs on Tuesday, 27th February 2007 in the Dulwich Committee Room, King's College Hospital

Present:	Michael Parker (MP)	Chair
	Rita Donaghy (RD)	Non-Executive Director
	Robert Foster (RF)	Non-Executive Director
	Maxine James (MJ)	Non Executive Director
	Alan McGregor (AM)	Non Executive Director
	Malcolm Lowe-Lauri (MLL)	Chief Executive
	Jacqueline Docherty (JD)	Executive Director of Nursing and Operations
	Michael Griffin (MG)	Executive Director of Human Resources
	Professor John Moxham (JM)	Executive Medical Director
	Simon Taylor (ST)	Executive Director of Finance and Information Systems
Non Voting Directors	Roland Sinkler(RS)	Director of Strategic Development
	Jane Walters (JW)	Director of Corporate Affairs
In Attendance:	Judith Seddon (JS)	Head of Governance
	Zoe Lelliott (ZL)	Head of Strategic Development
	Julie Wilson (JMW)	Acting as Assistant Board Secretary
	Sally Lingard	Head of Corporate Communications

Item	Subject	Action
07/17	Apologies Caroline Hewitt (CH) Ahmad Toumadj (AT)	
07/18	Declarations of Interest None	
07/19	Chair's Action None	
07/20	Minutes of the meeting held on 30 January 2007 The minutes of the meeting held on 30 January 2007 were agreed as a correct record of the meeting subject to the following amendment: 07/12 The reference to be deleted.	

07/21 Matters Arising

07/05

Andy Leather was requested to present to the Board as soon as convenient on THET and the Crisp Report.

Action: JMW to speak to Andy Leather to arrange a date to present to the Board

MP had distributed copies of a relevant Lancet article to Board members.

07/22 Chair & Non-Executives' Report

The Chair drew the meeting's attention to the inclusion in his Report (Enclosure 2) of meetings with overseas Ambassadors and High Commissioners, and asked that Non-Executives also included any such meetings in their reports. MJ tabled her report:

30 January – Attended Board workshop on single equalities. Attended Board meeting.

31 January – Attended joint GSTT/KCH meeting on organisational characteristics

13 February – Attended Kings Fund communication workshop run by Olivier Mythodrama

23 February – Attended Consultants training on interviewing

27 February – Chaired EQD Committee; Attended NEDS meeting; Attended Board meeting

The Board noted the Chair and Non-Executives' Report and the Report tabled by MJ.

07/23 Chief Executive's Report

MLL presented his report (Enclosure 3) highlighting the following:

Finance

I & E position at Month 9 is a surplus of £2.2m, a £428k favourable movement from month 8, and an adverse variance of £543k from the planned month 9 surplus of £2.7m.

Performance

MLL drew attention to key performance issues in his Report. Successes included performance in the New to Follow Up Ratio, the Cancer 14 Day and 31 Day Targets, Ethnic Coding, Outpatient DNA Rates and Sickness & Absence. Performance challenges remained in elective average length of stay, Infection Control (MRSA), Infection Control (CDT), the Cancer Wait 62 Day target and the completion of appraisals

Strategy

Strategy is considered under 07/31 below.

Events

MLL highlighted the success of the visit to the Trust that took place on 19 February by Prime Minister Tony Blair and Health Secretary Patricia Hewitt. In addition to their tour of the Trust's new blood sciences laboratory, the Prime Minister and the Health Secretary had a round table discussion with staff on trust initiatives to improve efficiency and help with achievement of the 18 week target. We have since received encouraging feedback from the Prime Minister's Office about the visit.

SL said that information about Prime Minister's visit had already been posted to the Trust's website and would shortly be added to the Intranet. Copies of all press and media coverage would be circulated to members of the Board of Directors and Board of Governors.

Action:

SL to circulate to the Board all information to do with the visit by the Prime Minister to the Trust on 19 February, including press coverage, DVD.

The Secretary of State for Health had also discussed the planned closure of the SLAM Emergency Clinic and the trust's plans to develop alternative provision for mental health patients on the Denmark Hill site. MLL informed Board members of the opposition of some local MPs to the closure of the Emergency Clinic, and a possible decision to seek a Judicial Review of the Secretary of State's decision.

The meeting noted that the Dispatches documentary on NHS Finances referred to in Enclosure 3 had been broadcast on 26 February.

07/24 Finance Report (month 9)

ST presented the Finance Report (Enclosure 4) which the Board carefully considered.

ST drew the attention of the Meeting to the improvement in M9 over M8, and informed the Board that the draft for M10 showed further improvement.

A telephone conference call between MLL, JD, ST and Monitor had taken place on 26 February, during which the Trust's liquidity position was discussed. Monitor had requested regular reports on cash flows; however, Monitor was satisfied with the Trust's progress against plan.

The main liquidity issue facing the Trust related to potential non-payment by some PCTs for activity undertaken. ST outlined action taken to recover payment, which included regular telephone chasing. The SHA held a performance management role over the PCT, and could be referred to in matters of non-payment by the PCT. However, as an FT, the Trust could also invoke legal action as an ultimate sanction.

Work continued on preparation of the 2007/08 SLA agreements with Southwark and Lambeth. Proposals had also been sent to other PCTs about proposed activity levels. ST would present a first draft of the 2007/08 budget to the Finance Committee at their meeting on 6 March.

In response to questions from members of the Board, ST was reasonably confident that the Trust would achieve the CIP target at year end based on performance to date.

AM asked if the Trust would have available for its use any surplus declared at the end of the year. ST responded that the planned surplus would help the Trust to improve its cash balances, improve the timeframe and consistency of payments to creditors and help gain early payment discounts.

In reply to a question from the Chair who asked about the effect of the reduction in public dividend capital, ST confirmed this had already been taken into account.

RF noted that Critical Care, General Medicine and Surgery were underperforming against their planned CIPs. JD informed the meeting that Critical Care and Surgery had had particular cost pressures during the year arising from decontamination which had impacted adversely on their ability to achieve this target. Demand management would affect Critical Care.

MLL commended the overall good performance of Care Groups in achieving CIPs.

Action: ST to include a tracker diagram with the Finance Report presented to the meeting of the Board of Directors on 27/03/07

**07/25 Transfer of Bank Accounts from Paymaster General to NatWest
(BACS/BACSTEL-IP Services)**

ST reported that, as previously agreed with the Board, as part of the process of moving to Foundation Trust status the Trust had transferred its bank accounts to Natwest and asked the Board to consider and if thought appropriate to authorise the Chair to sign (two) mandates in connection with the transfer as follows:

(i) DIRECT SUBMITTER

“BACS/BACSTEL-IP SERVICES

Having read and considered the printed documents comprising:

- (a) the BACS/BACSTEL-IP Services Application (as appropriate);
- (b) BACS/BACSTEL-IP Services Customer Terms and Conditions; and
- (c) the Business Customer Agreement for the Trust Assured Service, together with the “Terms and Conditions”, it was resolved:

1. that the Terms and Conditions be hereby approved and adopted by the Organisation on the terms on which the Organisation shall use the BACS/BACSTEL-IP Services; and
2. that

SIMON DIXON
JOANNE MACDONALD

be and is/are hereby authorised to (1) to sign on behalf of the Organisation the BACS/BACSTEL-IP Services Application Form(s) for the BACS/BACSTEL-IP Services (“the Agreement”), a copy of which was produced to the Meeting; and (2) to deliver the Agreement to the Bank together with the Excerpt Board Minute; and (3) from time to time at their discretion to add to or remove from the arrangements covered by the Agreement such accounts of the Organisation as they shall determine; and (4) from time to time to appoint such persons as they shall determine as Primary Security Contacts in addition to or substitution for the persons referred to in resolution 3 below and also at their discretion to terminate any appointment as a Primary Security Contact; and (5) from time to time and in accordance with and subject to such directions as the Organisation may from time to time stipulate and agree on behalf of the Organisation to enter into and to bind the Organisation to such variations of the Agreement or the terms of the BACS/BACSTEL-IP Services or other contracts or documents relating to the BACS/BACSTEL-IP Services as they shall consider appropriate and in the interests of the Organisation **provided that** the Bank shall be entitled to assume that any such act performed by the persons hereby authorised complies with all the requirements of the Board and this paragraph (4); and

3. that the Organisation permits

NICOLA HOEKSEMA
JOSEPHINE OLUKOYA

(the “Primary Security Contacts”) to operate on the Organisation’s Account(s) kept with the Bank to access and to use the BACS/BACSTEL-IP Services: and

4. that the persons named as Primary Security Contacts under or pursuant to these resolutions are each authorised to receive on behalf of the Organisation the security devices referred to in the Terms and Conditions, and
5. that these resolutions do not in any way limit or affect the existing authorities to the Bank for operations on the Organisation’s account(s).”

(ii) INDIRECT SUBMITTER

“ BACS/BACSTEL-IP SERVICES

Having read and considered the printed documents comprising:

- (a) the BACS/BACSTEL-IP Services Application (as appropriate);
- (b) BACS/BACSTEL-IP Services Customer Terms and Conditions; and
- (c) the Business Customer Agreement for the Trust Assured Service, together with the “Terms and Conditions”, it was resolved:

1. that the Terms and Conditions be hereby approved and adopted by the Organisation on the terms on which the Organisation shall use the BACS/BACSTEL-IP Services; and

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shall be entitled to assume that any such act performed by the persons hereby authorised complies with all the requirements of the Board and this paragraph (4); and

3. that the Organisation permits

FIONA MCKAY
ROSS MACDONALD

(the “Primary Security Contacts”) to operate on the Organisation’s Account(s) kept with the Bank to access and to use the BACS/BACSTEL-IP Services: and

4. that the persons named as Primary Security Contacts under or pursuant to these resolutions are each authorised to receive on behalf of the Organisation the security devices referred to in the Terms and Conditions, and

5. that these resolutions do not in any way limit or affect the existing authorities to the Bank for operations on the Organisation’s account(s).”

The meeting resolved to authorise the Chair to sign the (two) mandates relating to BACS/BACSTEL-IP

Chair’s Action: To sign the (two) mandates relating to BACS/BACSTEL-IP

07/26 Performance Reports (Months 8 & 9)

JD presented the Performance Reports for months 8 and 9. The following key points were noted:

- Non elective length of stay was reducing.
- Cancer 2 week and 31 day targets continued to be achieved
- The trust continued to perform above the MRSA target and was unlikely to achieve the target at year end
- The Trust was off target again in month 9 on the 62 day cancer target.

The Board had been informed that the Quarter 3 submission to Monitor had raised both the MRSA and 62 day cancer target position, as the result of which the trust was likely to receive an amber risk rating. In relation to MRSA, MLL noted that the absolute numbers were small, so any variation in numbers led to a large variation in percentages.

The meeting discussed the Trust's 62 day cancer breaches, particularly its use of 'watchful waiting'. Increased tracking of patients at risk of breaching had been introduced in high risk areas, such as urology. The situation would continue to be closely monitored.

07/27 Membership Community Events

JW spoke to the paper (Enclosure 11). The events which were member meetings, not public meetings, had been arranged following discussion with the governors and would be held in constituency locations. The purpose of the meetings was to both provide an opportunity for Governors to meet members, and to brief members on the trust's strategy and forward plan. JW thanked Board members who had kindly agreed to either Chair meetings or make presentations. Planned member attendance at all meetings was being monitored, and targeted marketing would be undertaken, depending on uptake.

The Chair also offered his thanks for all who had offered to attend the events.

07/28 Centre for Patient Safety & Service Quality

MLL spoke to the paper (Enclosure 6) which was the successful presentation made to the international panel in November 2006. Following discussion at previous Board meetings, the presentation gave further detail of the plans and work programme relating to the PSQ, particularly during its first year. The centre would be funded for 4½ years from 1st April 2007 and the first half of the research fund money would be made available to KCH in April 2007. Pfizer had agreed to fund part of the bid. The intention was to locate the centre in the WEC (Weston Education Centre). KCH wanted to use the centre to grow other income and partnership opportunities.

The Board noted the report.

07/29 Trust Compliance Process & Schedule

ST spoke to the paper (Enclosure 7). Following discussion at the previous Board meeting, the report outlined:

- The timetable for submission of regular and annual returns to Monitor
- The content of the submissions
- A proposed process for Board and Board Committee scrutiny of the submissions

It was agreed by the Board that the Finance Committee would review quarterly submissions, including the governance elements, prior to consideration by the Board. This would necessitate changes to the dates of planned Finance Committees in July and October. The annual accounts and annual report would be signed off at a special meeting of the Board to be held on 5 June, following the Audit Committee on that day.

The Board noted the timetable and content of submissions to Monitor, and **agreed the process for Board scrutiny of all returns.**

Action: JMW to notify Board members of associated changes to Finance and Board dates

07/30 Standards for Better Health

JS spoke to the paper (Enclosure 8) outlining the background to and process for the 2007 Declaration of compliance against Standards for Better Health Core Standards. She highlighted:

- The process undertaken by Directors to review evidence to support King's compliance. The schedule of assurance had been circulated separately to Board members
- Key developments in 2006/07 providing Board members with additional assurance in a number of areas
- Potential issues for the 2007 declaration. There were 4 standards where issues had been identified. 3 of these were known to Board members, and had been the subject of discussion at previous Board meetings. Further information had been obtained into the other potential area of breach, which related to NICE technology appraisals. This was no longer an area of potential breach.
- The 3 areas where issues of compliance during the year remained were Core standards C4a infection control, C4c decontamination and C4e waste management
- Planned developments to SbH monitoring in 2007/08
- The Trust process and timetable for the 2007/08 declaration, with final sign off by the Board at its meeting on 24 April 2007.

Following discussion, the Board:

Noted the process of review of compliance with the Core standards and timetable

Noted that 3 elements within the core standards (C4a, C4c, C4e) had been identified for consideration

Noted that the draft submission would be considered by the Governance Committee on 15 March and the Audit Committee on 20 March

Asked for information about the process followed by other trusts in their SbH declaration

**Action:
JS to include information about the process followed at other trusts in her next report to the Board**

07/31 Trust Strategy Summary (Enclosure 9)

ZL spoke to the paper (Enclosure 9), and tabled an additional paper. The process for strategy development had involved all Care Groups in detailed strategy work, which had been synthesised to produce the final trust strategy document. The key elements of the strategy were described as follows:

- King's overarching vision

- The external context, including intensifying competition, financial pressures and reconfiguration plans
- Positive developments in the establishment of 3 major NHS R&D centres in partnership with KCL
- Care group projected activity and financial contribution
- Key strategic themes and objectives
- Implementation and monitoring of strategy
- Trust Strategy development annual cycle

AM said that the Trust had been unique in its bottom up approach to strategy development, which had generated great enthusiasm and aspiration among staff, which would need to be skilfully managed.

The Board agreed that the key to success of the strategy was the cross cutting themes.

The Chair summarised the support of the Board for the strategy and requested regular updates as the process evolved.

07/32 Response to Consultation on the Future of Regulation of Health & Adult Social Care

MLL spoke to the paper (Enclosure 10). The Foundation Trust Network had prepared a response to the Dept of Health Consultation Paper, which the meeting considered. RF thought that the attempt to involve the OFT would be difficult, and might not work, and also the involvement of a new body along the lines of the Bank of England model would be difficult.

The meeting agreed that the Trust should endorse the FTN approach, subject to these concerns.

<p>Action: JMW to write to FTN and NHS to inform them of Board's response to Consultation document</p>

07/33 Minutes of Committee Meetings (confirmed)

Performance – 1st February 2007

Noted

Minutes of Committee Meetings (unconfirmed)

Equality & Diversity – 19th December 2006

Finance Committee – 9th January 2007

The minutes had been confirmed. Noted.

07/34 It was resolved that the public should be excluded from the meeting whilst the remaining business was under consideration as publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted.

07/35 **Date of Next Meeting:**
Tuesday 27 March at 2.00 pm in the Dulwich Committee Room.