

Board of Directors

Minutes of the meeting of the Board of Directors
Held at 14.00 hrs on Tuesday, 27th March 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
	Caroline Hewitt (CH)	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)	Chief Financial Officer
Non Voting Directors:	Roland Sinker (RS) (part of meeting)	Director of Strategic Development
	Jane Walters (JW)	Director of Corporate Affairs
In Attendance:	Andy Leather (AL) (agenda item 2.6)	Clinical Director and Director, King's International Development Unit
	Sally Lingard (SL)	Head of Corporate Communications
	Rita Chakraborty (RC)	Assistant Board Secretary

Item	Subject	Action
07/36	Apologies Ahmad Toumadj. Roland Sinker would be leaving the meeting early.	
07/37	Declarations of Interest CH is Chair designate of Lambeth PCT.	
07/38	Chair's Action Since the last meeting, the Chair had signed tender adjudications for pathology and transport, and a contract for drug eluting stents, on behalf of the Board. The Board endorsed the Chair's Actions.	
07/39	Minutes of the meeting held on 27th February 2007 The minutes of the meeting held on 27 th February 2007 were agreed as a correct record of the meeting subject to the following amendment: <i>p.4, para 8 – insert 'who' after 'Chair'</i>	

07/40 Matters Arising

07/24 – ST had not included a tracker diagram within the Finance Report as only 1 adjustment had been made to the original £12m surplus forecast during the year, a revised surplus of £4.3m from month 4, therefore the diagram would depict a straight line from this point onwards.

Action: Include tracker diagram in April Finance Report	ST
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07/25 – the Chair had signed two mandates relating to BACS/BACSTEL-IP.

07/30 – The final declaration on Standards for Better Health will be presented at the April Board meeting.

07/41 Chair & Non-Executives' Report

Under MP's activities, Patricia Moberly's name was incorrectly spelt and this would be amended.

CH reported that during the event, 'Does your Board have the X Factor?' hosted by the King's Fund, the KCH Board had been commended as an excellent example of a Board in true discussion.

Action: CH to forward to JW/RC slides from The King's Fund event, 'Does your Board have the X Factor?' for circulation to Board members.	CH
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The Board noted the Chair and Non-Executives' Report.

07/42 Chief Executive's Report

MLL presented his report (Enc. 3) highlighting the following:

Finance

I & E position at Month 10 is a surplus of £2.69m, an adverse variance of £323k from month 9. The Trust was on target to achieve a £4.3m surplus at year end.

Performance

Concerns remain about the infection control target, the cancer wait 62 day target and the completion of appraisals.

Strategy

The Neurosciences First Choice project formally begins in April and, with support from the Trust's strategy department and external consultants, the care group management and clinical teams will develop a robust strategy by the end of June.

This will be a challenging process for the department. However, with strong leadership from the clinical director and general manager, the recent appointments in neurosurgery, and care group-wide involvement in the project team, the key elements are in place.

Events

- Media

The Board recognised that the MS drug, Tysabri, could generate further media interest as clinical trials progress. The Trust should be mindful of public perceptions when issuing any statement concerning its effectiveness and the categorisation of patient conditions. As events may not occur in chronological order, and there is confusion in the wider public as to the distinct roles of Acute Trusts and PCTs, CH encouraged King's to work with local PCTs on the timing and content of public statements.

Correction: the expert on palliative care interviewed by BBC4 was Dr Polly Edmonds (not Edwards, as shown).

- Awards

MLL informed the meeting that, in addition to her recent award as Sexual Health Nurse of the Year, Jo Delaforce last week at King's launched a national Forensic Nurses Association, of which she is also the Chair.

Research and Development

Trust staff were exploring the reasons why a recent joint bid with GSTT into diabetes research secured funding whilst a joint bid for stroke research was unsuccessful. There was a possibility of re-submitting the stroke bid with an additional neurosciences component. AM pointed out that King's was involved in 7 out of 25 national research bids – an impressive achievement.

Although the Trust's R & D total reduction and re-allocation for 2007/8 was £1.5m less than the previous year, additional funding had been secured for the Biomedical and Patient Safety and Quality Research Centres. Although the impact on 2008/9 funding remained unclear, the long-term effect would be a 50% reduction in levy funds.

Consultant Appointments

It was pointed out that most appointments are to replace existing staff rather than new positions and future updates will specify this for each post. AM commented that attracting high calibre candidates was essential if the Trust was to become an academic medical centre.

Action: Future consultant appointments to specify whether post is recurring or new.
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RC

The Board noted the Chief Executive's Report.

07/43 It was resolved that the public should be excluded from the meeting whilst the next item of 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.

Item: Becoming an Academic Medical Centre

07/44 The meeting was re-opened to the public.

THET/Response to the Crisp Report

Andy Leather, Clinical Director, Director of the International Development Unit and Trustee of the Tropical Health and Education Trust (THET), presented a report (Enc. 6) and tabled the following documents:

- *Global Health Partnerships: the UK contribution to health in developing countries (summary and recommendations)* - Nigel Crisp
- *Working together to rebuild health care in post-conflict Somaliland* – Andrew Leather et al, The Lancet, July 20 2006
- *King's International Development Unit: Supporting work in Somaliland and beyond*

Dr Leather's report focussed on 3 areas arising from the Crisp Report and the experience of THET.

Improving global health

There was scope for the UK to play a prominent role in global health partnerships. The Departments for International Development (DfID) and Health (DH) were encouraging NHS involvement and the Crisp Report had commended the King's/THET collaboration. King's was well placed to lead the way and to articulate best practice in international health.

Role of IDU

In the past year, the IDU had used funding from King's to establish an office in the Weston Education Centre, employ a co-ordinator and organise events that had attracted attendees from across the country.

Following the announcement of the IDU's role in the management of a national healthcare programme in Somaliland, a consortium including the IDU, WHO, UNICEF and EU representatives were bidding for £2.4m funding from DfID. The prospects were promising. In order to fulfil its objectives, the IDU now needed to establish sub-groups to focus on a diverse range of activities from research and monitoring to communication and fund-raising.

The need for proper evaluation

During the next year, the IDU will measure the impact of its work abroad and on King's staff. This research will include a strong academic component. An IDU annual report will be published shortly also.

The Board discussion included the following observations:

- Dr Leather's time was an invaluable additional resource to the IDU;
- The IDU's impact assessment of the project in Somaliland would be useful to DfID in a wider context and could be eligible for ESRC funding;
- The King's/THET project in Somaliland was in tune with DfID's shift from indirect support via NGOs to direct government funding in developing countries; and
- A BSc in International Health would boost KCL's reputation.

The Board noted the report and thanked Dr Leather for the excellent work of the IDU and for his personal commitment and contribution.

Action:

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| • Identify appropriate level of effort according to available funding and alternative staff resources. | AL |
| • BoD to evaluate at a later stage. | BoD |

07/45 Annual Report 2006/7

SL presented the report (Enc. 8). 2006/7 was a transition year and the Trust's Annual Report would reflect both pre- and post- authorisation reporting obligations. SL outlined the key communication objectives, the overall theme of innovation, the design solution and the timetable. Design boards were presented showing the front page, internal page layout and depiction of financial information. Draft copy would be circulated to the Board for comments. The final version would be presented to the Board on 5 June before submission to Monitor along with the full audited accounts.

The Board made the following suggestions for the content and presentation of the Annual Report:

- Include information on staff development, e.g. MBA programme;
- Highlight the THET programme as a strong example of innovation;
- Jo Delaforce's work in Sexual Health and with the Forensic Nurse's Association;
- As a separate Equality and Diversity Report will not be published, these issues need to be fully covered within the Annual Report, and
- Check the readability of coloured backgrounds

The Board noted the update on the Annual Report 2006/7.

07/46 Finance Report (Month 10)

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

The most recent figures at month 11 indicate a £3.3m surplus with a year-end prediction of £4.0m - £4.3m, which is within the tolerance for a Monitor risk rating of 3 (2 under the shadow guidelines). The cash position was good with all SLA payments received as well as most payments for over-performance in Quarters 1 and 2.

Preparations for the 2007/8 plan, including SLA discussions were progressing well. CIPs would be set at a 6.5% reduction on 2006/7 fully costed and established budget levels. Taking into account vacancy levels, the real impact of CIPs would be closer to 3%. A surplus of £7.3m was projected.

The Board made the following observations:

- Further work was needed to estimate the impact of the 18 week target on CIPs and the likely PCT response;
- The admission of mental health patients from SLAM was usually for treatment of a medical condition rather than a result of a lack of an available bed for repatriation.

07/47 Performance Report (Month 10)

JD presented the Performance Report for Month 10 (Enc. 5). The following key points were noted:

- Average elective length of stay is improving;
- Cancer 2 week and 31 day targets continue to be achieved;
- Infection control is still a cause for concern;
- The Trust was off target again in month 10 on the 62 day cancer target.

Many organisations are breaching the infection control targets. The Trust is likely to declare amber for Governance in Q4 as case numbers remain high (71 to date). A concerted effort is being made to eradicate infection once detected but the lack of single rooms and the age of existing buildings are limiting factors. Short-term measures have been introduced but must be balanced with pressure to deliver on 18-weeks and day surgery targets.

The Trust is in dialogue with the DH regarding the classification of 62-day breaches. The term 'active monitoring' has been suggested for cases where immediate treatment is not required but the patient is being monitored. This distinction would reduce somewhat the number of breaches. However, JD did not recommend re-classifying cases unless the DH accepts the Trust's suggestion.

The Board noted the Performance Report for Month 10.

07/48 Draft Trust Annual Plan 2007-8

JD spoke to the paper (Enc. 7). The draft plan was the Trust's first annual plan to be presented to Monitor. It also formed the basis of a business plan for Care Groups with targets to be incorporated. As part of this process, Care Groups had been made aware of the more stringent assessment of business cases.

The draft plan had been presented to the Board of Governors at their meeting on 13 March, and would form the basis of the community meetings with Foundation Trust members held during the last 2 weeks in March. The draft plan had also been presented to staff at a Director's Roadshow on 22 February. The views of Governors, staff and members would feed into the final plan to be presented to the Board in May for approval, prior to submission to Monitor.

The Board noted the Draft Trust Annual Plan 2007-8.

07/49 Minutes of Committee Meetings (confirmed)

- Finance Committee – 6th February
 - JW clarified that the quorum for a Board committee was 1 NED and, for Board meetings, 1 NED and 1 ED. A list of committee quorums will be circulated at the May meeting.
 - The Pathology buy back/lease back issue will be discussed at the next committee meeting.
- Performance Committee – 1st and 8th February
- Governance Committee – 18th January

The Board noted the confirmed minutes.

Action: 30 January Audit Committee confirmed minutes to be included with April agenda	RC
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07/50 Finance & Investment Committee Terms of Reference

The Board considered the terms of reference for a joint Finance and Investment Committee in Part 1 of the meeting.

In view of the differing membership of the 2 parts of the meeting, and the need for a separation of responsibilities for Trust staff who also hold directorships in King's commercial companies, the Board recommended the establishment of separate Finance and Investment Committees.

The Board AGREED the following:

- the establishment of separate Finance and Investment Committees with separate ToRs;
- to ensure the quorum of both ToRs specifies the presence of 1 Non-Executive Director;
- that the Non-Executive member of the Investment Committee should not also chair the Audit Committee;

- to add an additional purpose of the Finance Committee - ‘To advise the Board on finance issues’, and
- to amend the first purpose of the Investment Committee to read ‘To advise the Board of Directors on the Trust’s investment strategy and policy’.

Actions:

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| 1. Draft separate terms of reference for Finance and Investment Committees. | RC |
| 2. Submit terms of reference to 10 April Finance Committee for consideration and to 24 April Board of Directors for approval. | RC |
| 3. Arrange Investment Committee meetings to follow on after Finance Committee meetings. | RC |

07/51 AOB

Membership events

The Chair thanked Board members for their contribution and support at recent membership events. Attendance had been high with wide-ranging questions and positive feedback from members. The final 2 events would be held later that day and on the following Thursday.

Caroline Hewitt’s departure

On behalf of the Board, the Chair thanked CH for her contribution in recent years and reminded members of the farewell dinner arranged on 17th April. CH thanked the Board for their support and good wishes. She had very much enjoyed her time at King’s.

07/52 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.

07/53 Date of Next Meeting:

Tuesday 24 April at 2.00 pm in the Dulwich Committee Room.