

**King's College Hospital NHS Foundation Trust Board of Directors**

Minutes of the meeting of the Board of Directors  
 Held at 14.00 hrs on Tuesday, 24<sup>th</sup> April 2007 in the Dulwich Committee Room, King's College Hospital

<b>Present:</b>	Michael Parker (MP) Rita Donaghy (RD) Robert Foster (RF) Alan McGregor (AM) Malcolm Lowe-Lauri (MLL) Jacqueline Docherty (JD) Michael Griffin (MG) Professor John Moxham (JM) Simon Taylor (ST)	Chair Non-Executive Director Non-Executive Director Non Executive Director Chief Executive Executive Director of Nursing and Operations Executive Director of Human Resources Executive Medical Director Chief Financial Officer
<b>In Attendance:</b>	Ahmad Toumadj (AT) Jane Walters (JW) Roland Sinker (RS) Judith Seddon (JS) Rita Chakraborty (RC)	Director of Facilities Director of Corporate Affairs Director of Strategic Development Head of Governance Assistant Board Secretary
<b>Members of the Public:</b>	Hedi Argent Rebecca Twigg Martin West	King's Public Governor

<b>Item</b>	<b>Subject</b>	<b>Action</b>
<b>07/54</b>	<b>Apologies</b> Maxine James	
<b>07/55</b>	<b>Declarations of Interest</b> None.	
<b>07/56</b>	<b>Chair's Action</b> None.	

#### **07/57 Minutes of the meeting held on 27 March 2007**

The minutes of the meeting held on 27 March 2007 were agreed as a correct record of the meeting subject to the following amendments:

- 07/42 (*Events*) – change spelling to ‘Edmonds’.
- 07/42 (*Research and Development*) - change last sentence to ‘...total reduction and reallocation’.
- 07/44 (*THET/Response to the Crisp Report*) p5 – add actions – ‘identify the appropriate level of effort according to the funding available and identify alternative staff resources. The Board will evaluate changes at a later stage.’
- 07/47 (*Performance Report*) para 2 – remove ‘...in the atmosphere’ and change ‘pilots’ to ‘measures’.
- 07/50 (*Finance & Investment Committee Terms of Reference*) – add action – ‘List of committee quorums to be provided with May agenda’.

#### **07/58 Matters Arising**

07/40 – Tracker diagram was included with April Finance Report.

07/41 – MP/RC to request slides ‘Does your Board have the X Factor?’ from Caroline Hewitt.

#### **07/59 Chair & Non-Executive’s Report**

- MP’s meeting with Kenneth Lo was to discuss R&D and health issues in Singapore and associated opportunities for King’s particularly in diagnostic reporting, liver and neurosciences.
- MP’s meeting with Anna Walker had also been attended by Gayle Adams from the RCN and the discussion had focussed on the Healthcare Commission standards. MLL commented on the need to ensure that any observations are followed through with the H.C.C.
- Correction – MP did not chair, but attended, the 12 March Performance Committee.

#### **07/60 Chief Executive’s Report**

##### Finance

I & E position at month 11 is a surplus of £3.29m, a minor adverse variance of £257k from the planned month 11 surplus target of £3.55m. A year end surplus of £4.3m is predicted in line with the financial plan. The Trust’s cash position is improving as SLA over-performance income is recovered and the borrowing facility should not be required towards the year end.

##### Performance

As the Board receives Performance Committee papers, including the Performance Report, the key elements have been consolidated into the CEO Report.

##### Achievements

- New to follow-up ratio: ahead of target at month 11 with particular improvements in Renal and Gynaecology.
- Target achievement of Cancer wait 2 weeks and 31 days
- Variance to budget: 3 risk rating and marginally off planned surplus.
- Coding completeness: continue to achieve ensuring income position is maximised prior to accounts closure.
- Sickness and absence: achieved Trust target of 3.5%

### Key issues

- Average length of stay: elective was slightly off target and there was a significant move in non-elective due mainly to Neurosciences. An issue with data entry had been identified as the main cause and was being addressed.
- Emergency re-admission: off target for the year to date but in-month improvement
- Infection control (MRSA): additional 6 cases in February took the Trust over the full year target of 59. 5 further cases are predicted in March.
- Infection control (VRE): additional 12 cases reported in month.
- Cancer 62 day wait: 2 breaches in month

### Membership Community Events

All the events were well attended. Any outstanding queries had been responded to and a digest of issues raised will be circulated to both Boards. One of the suggestions was to shorten Trust presentations in the future.

<b>Action: Circulate to both Boards digest of issues from the membership community events.</b>	<b>SL</b>
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### Media and events

The Board agreed that it would be helpful, where possible, for Directors and Governors to receive advance information on key events, documentaries and media coverage.

<b>Action: Circulate to both Boards, where possible, advance information on key events, documentaries and media coverage.</b>	<b>SL</b>
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### Chief Executive's Brief

The update on the closure of SLAM's emergency clinic provided more clarity on the likely impact for King's. A small change was expected in the number of mental health patients using the Trust's Emergency Department. JM commented that members at a recent Lambeth Health Scrutiny Committee were anxious that a re-design of facilities did not deter mental health patients. JD noted that some patients present inappropriately at SLAM or KCH instead of being treated by community mental health teams.

Further clarification was provided on a variety of related issues:

- Windows will open only 4 inches in areas where mental health patients are treated to ensure greater safety.
- SLAM staff will forward relevant information on patients presenting at KCH.
- SLAM will continue to accept patients where emergency medical treatment is not required.
- The Trust should audit the impact and extent of operational changes.
- There was confusion externally about where responsibilities lie for current and future provision.

**Action: Raise issue of Trust's IT links with SLAM to ensure swift access to patient records. JM**

**07/61 Finance Report (month 11) and Monitor Q4 2006/07 Return**

ST presented this report. As Appendix 3 indicated, the Trust was reasonably confident of a year-end surplus of £4.4m against a planned surplus of £4.3m. I & E was a positive variance of 0.5% and the cash position was better than anticipated (£1.1m actual versus £700k plan) as a result of tight creditor management. Concerns remained around the timing of PCT payments, which were lagging 4 – 6 months' behind in some cases.

The Trust's shadow rating had risen from 2 to 3 largely due to the improvement in the surplus position.

The Trust would be declaring 'Amber' for Governance as 2 targets had not been met, as in Quarter 3, the 62-day cancer wait and MRSA year-on-year reduction. MLL was hopeful that the former would be tackled effectively in the near future. However, with an MRSA target of 49 for 2007/8 compared with 59 in the current year, this would be difficult to achieve.

**Action: Clarify with Monitor whether:**

- **2006/07 'amber' governance rating will roll forward to Q1 2007/08. JW**
- **A 'green' rating is achievable if the Trust declares non-compliance on its MRSA target.**

**The Board:**

- 1. Noted the content of the report.**
- 2. Approved the signing of Governance Declaration 2 by the Chairman or Chief Executive stating that the Trust is not compliant with two of the required targets but is taking appropriate action, as explained in the declaration, to achieve compliance.**

**07/62 Briefing on Waste Management**

AT presented the report. King's had responded proactively to the Environment Agency's recommendations following their full audit of the Trust's waste management system. Since May 2006, the Trust had worked with its contractor and sub-contractors to ensure full compliance with the legislation. A further audit by the EA on 4 December 2006 resulted in their verbal confirmation that the Trust was no longer in breach of legislation. Despite several requests, the Trust had not received any written confirmation of this.

Subsequent guidance had been issued by the DoH on how to comply with the Hazardous Waste Regulations 2005. King's was compliant with the regulations and in the process of implementing the more stringent guidance. The Trust had also launched a waste campaign called 'Waste Matters' as part of staff training and promotion of waste management.

The estimated cost of compliance was £250k, partly as a result of the tighter new regulations. The Trust was in discussions with HpC about payment of costs. HpC investors were aware that Sodexo had terminated its waste contract with their sub-contractors, Polka Crest.

There was heightened monitoring across Facilities, Infection Control and by Nursing staff. Waste management was also recorded on the Trust Risk Register and would be tracked for improvement. In addition to staff awareness, JD suggested that clear messages should be placed on wards quantifying the cost to the Trust of inappropriate waste disposal.

<b>ACTION: Clear messages should be placed on wards quantifying the cost to the Trust of inappropriate waste disposal</b>	<b>AT</b>
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**The Board noted the report on waste management.**

**07/63 SEL Reconfiguration**

MLL gave a verbal update. There were few developments to report. The 4 outer-London Trusts were looking at options to present for public consultation in the summer. The level of savings proposed by London SHA would not be achieved by merging Trusts with large PFI contracts.

King's, along with GSTT, would continue to provide help, as required, to the outer London Trusts. The two Trusts would also continue with their separate discussions on future developments.

**The Board noted the verbal update.**

**07/64 Standards for Better Health Declaration**

JS presented this item. The Board was required to complete and submit its declaration of performance against the Healthcare Commission's Core Standards by 1 May 2007. In addition, the Board was required to report progress against the two developmental areas – Safety and Clinical and Cost Effectiveness.

The Board had first considered the 2006/07 declaration at its February 27 meeting. At that stage, 4 areas had been identified where reasonable assurance could not be given of meeting the core standards without significant lapses. Further discussions at the Audit Committee held on 15 March and Governance Committee on 20 March resulted in an endorsement of compliance with the exception of one standard – C4e Waste Management.

As discussed in the earlier item presented by AT, the EA had revisited the Trust in December 2006 and had satisfied itself of full compliance with legislation. The Audit Committee recommended that the Board should further consider whether the period of non-compliance with standard C4e constituted an in-year significant lapse.

There had been good progress on both developmental standards. However, JS commented that some of the data sources used by the HC for benchmarking were 2-3 years out of date.

The Trust had requested and received third party commentary on its declaration from King's Governors, who participated in the PEAT inspection, PPI forum and appropriate Overview and Scrutiny Committees. As a foundation trust, King's was not required to seek comments from its SHA.

**The Board agreed that:**

- 1. In respect of core standard C4e: Waste Management, the action plans developed and implemented in-year had ensured compliance by 31 March 2007. However, in view of the evidence that there had been a significant lapse in-year, the Trust would make a declaration of “not met” against this core standard.**
- 2. In light of the recommendations of the Governance & Audit Committees, the Board has received reasonable assurance that there have been no significant lapses in meeting the remaining cores standards and that the Trust was compliant against those standards.**
- 3. In line with the Declaration made in 2006, the Chairman and Chief Executive would act as the authorised signatories on behalf of the Board and their names would be included on the electronic submission.**

**The Board noted that:**

- 4. The Trust was required to report on progress against the Developmental Standards D1: Safety and Clinical & Cost Effectiveness, although this would not be included in the overall Health Check score in 2007.**
- 5. In light of the considerations in respect of Core standard C4e, to agree that good progress has been made against both of the developmental standards noting that work would continue during the year to build on this further.**

[JS left the meeting]

## **07/65 Trust Budget 2007/08**

ST presented the report. The major changes to note were £3m PbR transition benefit that will move into next year; removal of the over-activity estimate; the continued reduction in central levies for education and training, and the Trust's capital charges. Top slicing of central funds had resulted in reallocation of £300m by SHAs to PCTs.

The Trust's target surplus for 2007/08 was £7.3m. This assumed a fully costed establishment. However, the actual vacancy rate was 7% and this had been further split between 4% backfill and an expected vacancy rate of 3% across the year. A CIP target of 3.5% would be required to achieve this level of surplus.

JD suggested that care groups may only be able to estimate notional savings given uncertainty around the impact of the 18-week treatment target. In terms of likely pinch points for recruitment, paediatrics and liver were facing some challenges but overall, rates were high.

The Board agreed that continued CIP targets would help to ensure a lean organisation. Staff should be clear that only by increasing surpluses can the Trust to ensure continued investment in services and facilities. There was understanding at the Consultants' Committee about the implications of this year's 3.5% CIP. They were viewed as challenging but realistic.

**The Board noted the report on the 2007/08 Budget.**

## **07/66 Terms of Reference – Finance Committee and Investments Committee**

**The Board approved terms of reference for the Finance Committee and the Investment Committee.**

## **07/67 SEL Council & Project Board minutes**

**The Board noted the minutes.**

## **07/68 Confirmed Minutes of Committee Meetings**

**The Board noted the following confirmed minutes:**

- Audit - 30 January 2007
- Governance – 18 January 2007
- Finance – 6 March 2007
- Performance – 8 March 2007 – the committee had considered strategies from Child Health and Liver care groups
- Equality and Diversity - 28 February 2007  
Monica Kalyan had joined the Trust as Equality and Diversity Manager; following discussions at the committee meeting earlier that morning, the Board would be receiving more frequent R & D information in the future.

**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.**

**Date of Next Meeting:**

Tuesday 22 May 2007 at 2.00 pm in the Dulwich Committee Room.