

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

Minutes of the meeting of the Board of Directors held at 15.00 hrs on Tuesday 28<sup>th</sup> April 2009 in the Dulwich Committee Room, King's College Hospital

<b>Members</b>	Michael Parker (MP) Robert Foster (RF) Rita Donaghy (RD) Maxine James (MJ) Prof Alan McGregor (AM) Dr Martin West (MW) vacancy Tim Smart (TS) Marion Lorman (ML) Prof John Moxham (JM) Simon Taylor (ST) John Watson (John W) Dr Angela Grainger (AG)	Chair Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Chief Executive Acting Director, Human Resources Executive Medical Director Chief Financial Officer Acting Director of Operations Assistant Director of Nursing Education & Research
<b>Non-voting Directors</b>	Zoe Lelliott (ZL) Ahmad Toumadj (AT) Jane Walters (Jane W)	Acting Director of Strategy Director of Capital, Facilities & Estates Director of Corporate Affairs
<b>In attendance:</b>	Rita Chakraborty Sally Lingard  Peter Fry Jacqueline John Jenny Yao  Mansour Jumaa	Assistant Board Secretary (minutes) Associate Director, Communications & Marketing Acting Director of Performance Senior Finance Manager Assistant Director, Quality Improvement  Member of public + 1 member of public

<b>Item</b>	<b>Subject</b>	<b>Action</b>
<b>09/38</b>	<b>Welcome and Apologies</b> Apologies – Paula Townsend.	
<b>09/39</b>	<b>Declarations of Interest</b> None.	

**09/40**

**Chair's Action**

None.

**09/41**

**Minutes of the meetings held on 31 March 2009**

The minutes of the meeting held on 31 March 2009 were approved subject to the following amendment:

09/28 Performance Report Month 10 – amend second action to:  
*“Performance Committee to receive additional information on trendlines and a 12 month running graph for infection control.”*

**09/42**

**Matters Arising**

08/135 – Board discussion of the Board Assurance Framework would be 14 July.

09/28 – Peter Fry circulated data on average length of stay since January 2008. There had been a downward trend prior to December 2008 at which point emergency admissions rose considerably. The subsequent pressure on beds, which continued until March, meant that emergency and cancer cases had to be prioritised over more routine (and shorter length of stay patients) until the pressure eased.

**09/43**

**Chair/NEDs Report**

Maxine James gave the following verbal update:

19 March – Local Government Association Conference on local equality strategy

26 March – Mike Griffin's farewell event

02 April – Finance and Investment Committees

21 April – long listing for Directors of Nursing and Operations

The Chair/NEDs Report was noted.

**09/44**

**Chief Executive's Report**

Tim Smart presented the Chief Executive's Report. The following issues were highlighted:

- Despite an excellent year for the Trust, the financial situation would be extremely tight going forward both due to constraints on public expenditure and, in particular, Southwark PCT's finances. A compromise had been reached to close the £6m gap; therefore, the Trust had decided to withdraw from the dispute resolution process.
- Strategic planning would include a programme of work in collaboration with Southwark PCT to manage demand for non-acute services away from the Trust.

- NHS Choices website would shortly publish standardised mortality rates (SMRs) for all trusts from July 2007 to June 2008. This would be followed by monthly updates. 2 figures had been calculated using different methodologies – 98.5 and 100.6 - but only one figure will appear in the published results (100 is the benchmark).

This data could become a key factor in patient choice. Complex procedures lead to higher SMRs and the published figure was not risk adjusted to reflect this. The British Medical Association had voiced concerns about data accuracy. However, SMRs will be introduced as a quality measure across the NHS, therefore it was agreed that the Board of Directors should receive more detailed information on the methodology.

The Board noted the Chief Executive's Report.

#### **09/45 Finance Report - month 11**

Simon Taylor (ST) introduced the report. The overall risk rating at month 11 was 5 against a target plan of 4. The Trust had recorded a surplus of £16.573m, which was £4.160m above plan.

As more recent year end figures were included in the Q4 submission to Monitor, ST suggested moving onto this item.

The Board noted the Finance Report, month 11.

#### **09/46 Q4 Submission to Monitor**

Tim Smart and Simon Taylor presented the report.

The year end surplus of £17.5m was £4.5m above plan and equated to an overall risk rating of 4.5 (rounded to 5 by Monitor). There were some deferred projects which had reduced the total capital expenditure but these would be carried out in 2009/10.

This year's excellent performance had enabled the Trust to arrive at an agreement with Southwark PCT over the funding gap.

TS thanked ST, the Finance Team, and wider Trust staff for their efforts in achieving such good results.

The Trust would be declaring green for governance as all targets had been met during the quarter.

The Board noted the report, approved the signing of Declaration 1 for Governance and delegated sign off to Tim Smart.

**09/47**

**Draft Budget 2009-10**

Simon Taylor introduced this item. This year's planning had proved particularly challenging given a number of national and local factors:

- A new tariff system (HRG4)
- Changes to the market forces factor resulting in less money for London
- Structural changes
- Delays in reaching agreement with commissioners

The settlement with Southwark PCT had reduced the target surplus to £9.5m (£4m lower than original). However, it was hoped that the Trust would exceed this.

Some Cost Improvement Plans were still to be confirmed. Projections were based on the current situation as opposed to 2008-09 figures plus an additional margin. There were concerns about the General Medicine division given the nature of emergency services and the limited scope for efficiency savings. However, the Trust did not anticipate a recurrence of the 16% surge in GP referrals seen last winter.

It was queried whether the CIP set for Corporate Departments was realistic. It was acknowledged that certain large payments were fixed, eg insurance premiums for clinical negligence, and represented a large proportion of the total budget. The final CIPs would be allocated in a transparent way.

The Trust was due to receive £4.3m from Project Diamond in place of Culyer funding. This was contingent on reaching agreement with Southwark PCT, and a piece of work on activity costing levels and performance for large London teaching hospitals.

The Board noted the report on the draft budget 2009-10.

**09/48**

**First Choice – King's Values**

David Dawson introduced the item.

Research from a variety of sectors had shown that organisational values bring many benefits. Improved morale and staff engagement impact on recruitment, retention and productivity; this has a positive effect on patients and the wider community.

The process would incorporate the Trust's work on quality and patient experience, strategy, the NHS constitution and values, King's brand and the aim of creating a consistent, patient-centred culture.

During May, interviews would be held with Board members, and focus groups held involving staff in all roles and levels to hear from staff about their perceptions of existing King's values, and what motivates them to work at King's.

The Board made the following comments:

- Most care is delivered in multi-functional groups, therefore group behaviours are important
- This process must capture equality and diversity issues
- Opportunities would be explored for linking with appraisals. This could be accommodated within the behaviours/competencies section of the Knowledge and Skills Framework
- The focus groups could help to finalise a strapline for King's strategy

The Board noted the report on King's values, and looked forward to participating in forthcoming work.

## **09/49 Update on Progress for Trauma and Stroke Centre developments**

Zoe Lelliott presented this report on the current response of King's Health Partners to Healthcare for London's proposals for designation as both acute stroke and major trauma centres. The consultation process will end on 8<sup>th</sup> May.

### Major Trauma Centre

King's was supportive of the 3 options, all of which included the Trust as a major trauma centre. However, the trust favoured options 1 and 2, which propose a four network solution for capacity reasons

Ongoing issues included:

- Developing protocols for the full patient pathway including rehabilitation and continuing care following treatment at King's
- Senior clinical appointments have been made at King's and additional staff are being sought at GSTT given the significant role they will have in helping to deliver this service

Development of the service had been challenging given:

- a lack of clarity regarding what constitutes a major trauma
- a lack of understanding of the numbers of major trauma cases in London
- the extent to which a trauma system for London will have to cope with cases from outside the M25 area
- a lack of clarity concerning financial reimbursement for major trauma care

### Stroke Centres

Healthcare for London were consulting on options that include the allocation of Hyper Acute Stroke Units (HASUs), Stroke Unit and Transient Ischaemic Attack services. The Trust supported designation as a centre for all 3 services and suggested a “1 unit; 2 doors” approach in conjunction with St Thomas’. Other stroke units would be supported across SE London, notably in Bromley.

The Trust:

- was planning to recruit appropriately skilled staff in necessary numbers to support the expansion of HASU beds
- had an established Stroke Steering Group across the KHP
- was working with the South East London Stroke Network to develop protocols of care to ensure efficient pathway management

The Board noted the Update on Progress for Trauma and Stroke Centre developments.

**09/50**

### **Staff Pay Awards 2009-10**

Marion Lorman introduced this update.

The cost of living awards were part of a 3 year deal with a ‘headline’ uplift of 2.4% in 2009-10 for nurses, clinical staff and all staff affected by ‘Agenda for Change’. Medical and dental staff would receive 1.5% uplift with London weighting remaining at 2005 rates.

Pay reforms associated with Agenda for Change were almost complete apart from arrangements relating to On Call, which were likely to be implemented by April 2010.

New pension scheme arrangements took effect from 1<sup>st</sup> April. A 3-tiered scheme determines contribution levels (5% - 8.5%). Staff would have an opportunity to switch to the new Pensions Choice scheme and a series of meetings and advice events were planned commencing in the summer.

The overall impact of pay awards was an additional £6.7m (2.2%).

There had been difficulties recruiting doctors into some areas creating problems for workforce planning. In some cases, vacancies remained unfilled because the Trust had not been able to identify a suitable candidate through the interview process. A scheme had been introduced to employ doctors from Egypt on 2 year contracts with structured training provided.

It was hoped that the reputation of the AHSC would help the Trust attract a sufficient supply of skilled staff in the future.

The Board noted the report on staff pay awards 2009-10.

**09/51**

**Standards for Better Health submission**

Judith Seddon introduced the report and, in addition, tabled the following documents:

- General Statement of Compliance
- Governors' Commentary

The Governance Committee had considered the final version of the trust's submission on 21 April and were satisfied that there was full compliance against all core standards with no evidence of significant lapses. Some third party commentaries were still outstanding.

The Auditors had confirmed a rating of Substantial Assurance in the report issued on 5 March 2009 which reviewed the Trust's processes for assessing compliance with the core standards. The report was formally considered by the Audit Committee in March 2009.

The Board of Directors received and approved the recommendations of the Governance Committee and the considerations of the Audit Committee and confirmed:

- i) That the Board of Directors had received reasonable assurance that there have been no significant lapses in – year (2008/09) and that the Trust was compliant with all the core standards.
- ii) In light of i) above that the General Statement of Compliance (tabled), and information provided for each standard, were a true representation of the Trust's compliance.
- iii) That the third party commentaries received would be submitted verbatim within the Trust's Declaration.
- iv) That the electronic sign off of the Declaration would be undertaken by recording on the Care Quality Commission's online form the names of the Board of Directors.

**09/52**

**Learning from Healthcare Commission Reports**

John Watson presented the report.

During March 2009, the Healthcare Commission published its reports concerning Mid Staffordshire and Birmingham Children's Hospital NHS Foundation Trusts. This report highlighted key learning points and the actions being taken to ensure patients receive high quality care and a good experience at King's.

Overall, the report observations had been used as a checklist for King's internal review.

A comparison of mortality rates was a useful indicator where there were similarities between the case mixes, such as University Hospitals Birmingham and King’s tertiary services; however, it was noted that they serve different populations in terms of acute care. King’s was discussing SMR methodology with University Hospitals Birmingham.

Martin West had received a more detailed response from Jenny Yao and this would be attached to the existing Board report and re-circulated to Board members.

The Board noted the update on Learning from Healthcare Commission Reports.

**The response from Jenny Yao to Martin West to be attached to the existing Board report and re-circulated to Board members.** Rita C

**09/53**

**Draft Annual Plan 2009-10**

Peter Fry introduced the draft annual plan.

The final version would be presented on 26 May incorporating feedback from the Governors and community events.

Now that the Trust had completed negotiations with Southwark PCT, the detailed projections for finance, activity and performance could be completed.

Trust staff would be meeting shortly with representatives from the Care Quality Commission to discuss the future monitoring framework.

As in previous years, Jane Walters would circulate a schedule of assurance in advance of the Board meeting and will provide any additional information required, to provide assurance to Board members ahead of the process of self-certification required to be undertaken as part of the Annual Plan approval process at the Board meeting on 26 May.

It was confirmed that the Emergency Department consultation had closed 2 weeks earlier. The responses were being collated and a further update would be provided to the Board.

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| <ul style="list-style-type: none"> <li>• <b>Circulate a glossary of NHS acronyms</b></li> <li>• <b>Amend HR slide (point 3 – “...representative ethnicity and [add] gender of senior staff.”</b></li> <li>• <b>Circulate schedule of assurance.</b></li> </ul> | <p><b>P Fry</b></p> <p><b>P Fry</b></p> <p><b>Jane W</b></p> |
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**09/54**

**AOB**

Pandemic Flu

The Board received a verbal update on preparedness from John Watson. The trust had activated its plans in line with its Emergency Preparedness

The Trust had plans in place for cohorting any infected patients, and had ensured there were sufficient stocks of drugs and consumables. Staff were being briefed on what to do if themselves infected and on treating affected patients. The Trust was in close contact with all local agencies, and the Health Protection Agency.

Equality legislation

The Trust was considering fully the new equality legislation and would update the Board on the key implications in due course.

**09/55**

**Date of Next Meeting: Tues 26<sup>th</sup> May, 3.00 pm - Dulwich Room.**