

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 29th September 2009 in the Dulwich Committee Room, King's College Hospital

Members	<p>Michael Parker (MP) Robert Foster (RF) Rita Donaghy (RD) Maxine James (MJ) Prof Alan McGregor (AM) Sir Jonathan Michael (JM) Dr Martin West (MW) Tim Smart (TS) Angela Huxham (AH)</p> <p>Michael Marrinan (MM) Roland Sinker (RS) Simon Taylor (ST) Dr Geraldine Walters (GW)</p>	<p>Chair Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Chief Executive Executive Director of Workforce Development Acting Medical Director Executive Director of Operations Chief Financial Officer Executive Director of Nursing & Midwifery Acting Deputy Director of Strategy Director of Capital, Facilities & Estates Director of Corporate Affairs</p>
Non-voting Directors	<p>Tony Johnston (TJ) Ahmad Toumadj (AT) Jane Walters (JW)</p>	
In attendance:	<p>Rita Chakraborty Susan Cozzolino</p> <p>David Dawson Sally Lingard</p> <p>Louise Morton Paula Townsend Jenny Yao</p>	<p>Assistant Board Secretary (minutes) Change Leader / Communications Manager Head of Change Leaders Team Associate Director, Communications & Marketing Lead Nurse for Safeguarding Children Deputy Director of Nursing Assistant Director of Quality Improvement</p>

Item	Subject	Action
09/118	<p>Welcome and Apologies Welcome – Jonathan Michael, Geraldine Walters, Mike Marrinan Apologies – Zoe Lelliott</p>	

09/119 Declarations of Interest

None.

09/120 Chair's Action

- Tender ratification document F/208/09 – contract for of the supply of cardiac stents
- Tender ratification document J/020/08 – supply radiology consumables
- Tender of Clinical Research Facility
- Board statement on re-stated accounts 2008-09 under IFRS regulations
- Appointment of Acting Medical Director

The Board ratified the Chair's actions.

09/121 Minutes of the meeting held on 28th July 2009

The minutes of the meeting held on 28th July 2009 were approved subject to the following amendment:

09/110 – Annual Workforce Report 2008-09

- 21% of Trust staff were not members of the NHS pension scheme – a high figure compared with other trusts. The cost to the Trust of them joining the scheme would be £8m.

09/122 Matters Arising

None

09/123 Chair/NEDs Report

The Chair/NEDs Report was noted.

09/124 Chief Executive's Report

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

Care Quality Commission inspection

Following their recent unannounced visit, the CQC had confirmed that the Trust had addressed all issues identified in previous visits, that there were no remaining areas of concern, and that the Trust had provided assurance that all areas for improvement had been actioned. The report had been published on CQC's website.

Emergency Department redevelopment

The Trust had received positive comments from stakeholders on the proposed redesign of the Emergency Department.

Lambeth Overview and Scrutiny Committee

The Trust had received positive feedback on its plans at a recent meeting of the Lambeth Overview and Scrutiny Committee. Ahmad Toumadj and his team were congratulated on sharing the Trust's estates strategy with Lambeth's Planning Department. A member of the OSC had offered the committee's support were the Trust to build a helipad site on the Denmark Hill campus at some time in the future.

Director of Strategy

Interviews for the substantive post of Director of Strategy will be held on 18 November. The process was being managed by Saxton Bamfylde recruitment consultants. The role description would be circulated to the Remuneration & Appointments Committee.

Medical Director

Following Prof John Moxham's appointment as King's Health Partners Director of Clinical Strategy, it was anticipated that an advert would be placed for the position of Medical Director in December with an appointment in April 2010. The process will be overseen by the Remuneration and Appointments Committee.

Performance

The Trust was achieving all key targets but this masked a great deal of additional activity and increase in patient flows.

Over-performance was resulting in significant extra costs and an adverse effect on surplus. An estimated £17m additional income was likely this financial year due to over-performance; however, the Trust was incurring significant additional costs associated with this activity.

At present, two bed meetings were taking place every day to manage the constant changes in patient flows. The impact of winter pressures and swine flu also presented additional pressures.

The Trust was working with Southwark PCT to address the challenges. The Executive team had all actions in hand. It was noted that most trusts were experiencing similar pressures.

Sodexo

Standards of laundry and catering were still below expected levels. The process for market testing the HpC contract had begun. Tenders had been received and short listing would occur soon. Martin West, Chair of the Audit Committee, was a member of the panel overseeing this process; other members included representatives from nursing and infection control.

The Board noted the Chief Executive's Report and CEO Brief.

Director of Strategy role description to be circulated to the Remuneration & Appointments Committee.

09/125

Finance Report – month 5

Simon Taylor presented the Finance Report for month 5. The trust had achieved a risk rating of '3', which was on target. However, the I&E position was £1.15m below annual target.

As already highlighted, extra activity was being delivered at a loss instead of an expected positive margin of 6-7%. Marginal activity should be generating a margin of 20-30%.

The 'waterfall' graph demonstrated the significant level of activity coming through the Emergency Department and the cost pressures – clinical consumables, locum and agency pay and patient transport.

Divisions had submitted recovery plans, which were being tested; these were believed to be sufficiently rigorous to bring the Trust back on track to a target surplus of £6m.

There were several reasons for negative margins. Bed shortages were resulting in outliers and, secondly, there was the cost of cancelling elective activity, particularly high margin specialist tertiary work, to free up beds for emergency admissions.

The rationale for extra staff was queried. Some wards were more effective than others at managing annual leave and sickness. The regular performance meetings were tackling the areas with higher agency costs. In addition, some roles were difficult to recruit to, particularly in emergency care, hence the use of costly agency and locum staff.

The rising cost of patient transport reflected the additional unplanned activity, which was outside levels agreed in the existing contract.

The recurring impact of certain services was not yet reflected in the business plan; for example, the expected contribution from the new Medical Admissions Unit and expanded trauma and stroke services.

There was little detail so far on the proposals from Southwark PCT to reduce expenditure by £6m.

The Board noted the Finance Report month 5.

09/126 Downside Planning

Simon Taylor presented a downside planning forecast for 2010/11 – 2013/14 which had been requested by Monitor.

Three sets of assumptions were presented using base case, Monitor's forecasts and NHS London's revised levels.

All three scenarios suggested increasing pressure on the tariff with small, if any uplift, and increased costs.

The Trust was exploring the possibilities for efficiencies through KHP cross-working.

The introduction of a Medical Admissions Unit was regarded as key to tackling the growth in emergency admissions to acute medicine. This required adequate staffing, clear admissions policies and appropriate support from other services.

Monitor was seeking to assure itself that existing FTs were equipped to deal with the impending financial challenges.

The Board noted the report on downside planning.

09/127 Performance Report - month 4

Roland Sinker presented the report.

In Month 4, the Trust had achieved three out of four key areas of performance – emergency 4 hour wait, 18 weeks referral to treatment, and infection control - but was off target for average length of stay (ALOS).

Divisional plans to reduce ALOS would be closely scrutinised at the regular performance meetings. The Trust was benchmarking performance against similar organisations.

The system-wide sustainability project with Southwark PCT consisted of 10-15 initiatives. It was noted that the additional activity experienced in recent months had not been forecast because the PCT had issued lower planned activity levels, which King's reflected in its own planning figures.

If measures applied in month 6 are effective, costs should fall in months 7 and 8. Much depended also on Southwark's effectiveness with demand management.

The Trust was in a difficult situation with its surplus halved from £13m to £6m since last year. Whereas profit in the commercial sense represented earnings distributed after capital and revenue investment, the surpluses generated by foundation trusts were essential to their reinvestment plans.

In terms of the CQC action plan, the directors' Go-See visits had been well received by staff and patients. The Board thanked Jenny Yao and Roland Sinker for their efforts.

[Alan McGregor left the meeting]

The Board noted the Performance Report Month 4.

09/128 Update on Flu Resilience

Roland Sinker presented a report on the Trust's Pandemic Influenza Preparedness Plan and Winter Resilience Plan 2009, which had been circulated to the Board.

Staff inoculation was due to begin in October 2009.

The DH had adjusted infection forecasts following evidence from Australia on the impact of swine flu during their recent winter season.

Staffing and staff vaccination plans were being drawn up.

The Board noted the Trust's current plans for flu resilience, which would evolve on the basis of NHS updates.

The Board approved the Trust's Influenza Pandemic Plan and of the Winter Resilience Plan and issuing of the following statement on the Trust website:

"King's College Hospital NHS Foundation Trust has received detailed guidance from the Department of Health and from NHS London relating to influenza preparedness and winter resilience planning. Our response is set out in detail in the Trust's Influenza Preparedness Plan and Winter Resilience Plan 2009/10. The Trust confirms that it is able to manage a surge in activity that is consistent with current planning guidance".

09/129

Safeguarding Children and Young People Annual Report 2008-09

Geraldine Walters, Paula Townsend and Louise Morton presented the Safeguarding Children Annual Report 2008-09.

The report provided an overview of safeguarding activity during the year to July 2009 and progress against national recommendations and requirements.

It was noted that:

- designated safeguarding professionals were now in place
- a clear reporting structure to the Board of Directors had been established
- Level 1 training was a core component of the corporate induction for all new staff with Level 2 and 3 training provided by the safeguarding team. A review of training and the subsequent plan meant that the trust was compliant with CQC requirements
- Key areas – emergency department, women’s services and other clinics – were briefed in safeguarding issues, had received training and were involved in case reviews

Rita Donaghy queried whether information sharing across London had improved since last year. In response, it was clarified that the triage assessment process for involving GPs, hospitals and social services was much improved; however, there was still no pan-London system for trusts to share information. GPs were regarded by NHS London as the main link with the health visitor as a backup resource.

Robert Foster commented that the arrangements for liaising with GPs were unsatisfactory and required improvement.

The Board noted the annual report safeguarding children. A Board statement confirming compliance with DoH guidance will be brought to the October meeting for approval.

09/130

King’s Values

Jane Walters, Angela Huxham, David Dawson and Susan Cozzolino presented a report on the process and outcomes of a project to identify and express King’s values.

Research had shown that a shared set of values impact on performance, patient experience, patient safety and staff morale.

The ‘listening’ phase had involved over 200 staff from all levels and staff groups. The ‘test and engage’ phase had included staff, patients, volunteers and governors.

7 strong themes were tested and consolidated into 5 core King's values, which sought to avoid clichés and represented the Trust's unique qualities:

- Understanding you
- Inspiring confidence in our care
- Working together
- Always aiming higher
- Making a difference in our community

The crucial step was to come with staff 'living our values'. Vision and leadership were critical to this.

It was noted that, following the success of sessions where patients were able to share their experiences directly with staff, similar events would be held on a quarterly basis to focus on quality issues.

[Maxine James left the meeting]

Jonathan Michael commented that NHS values, such as 'integrity' were not explicitly referenced in these statements and queried how King's own values linked with those of the wider KHP community.

Jane Walters explained that KHP had also developed a statement of values, which were congruent with the KCH values. GSTT had also undertaken a similar programme recently, and the NHS constitution encouraged all trusts to do so. The outcomes of the King's project reflected the views of its stakeholders.

Mike Marrinan encouraged cross-checking against the findings of 'How Are We Doing?' surveys, complaints and PALS information. Secondly, staff must be consistent in what information they relay to patients, and how this is done.

Tim Smart welcomed the outcome of the project as refreshing and recognised that some values expressed were aspirations. The challenge was to find ways that staff could relate, to 'live', the values. Senior staff must lead by example.

There were clear opportunities for reflecting these values in behaviours and actions:

- Linking quality and behavioural change
- Improving team working and responding to capacity needs
- Incorporating values into the appraisals process
- Setting out King's values at the recruitment stage

The Board noted and congratulated staff on a successful process for developing King's Values.

09/131 Confirmed Minutes of Committee Meetings

The Board noted the following confirmed minutes:

- Finance – 21 July 2009
- Performance – 09 July 2009
- Audit – 04 June 2009

09/132 Audit Committee Annual Report 2008-09

The Board noted the annual report of the Audit Committee.

09/133 AOB

Sir Anthony Merrifield, Chair of KCH charity, had been invited to attend future meetings of the Board of Directors.

09/134 Date of Next Meeting:

Tues 27 October, 3.00 pm - Dulwich Room.