

## 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,  
27 July 2010 in the Dulwich Committee Room, King's College Hospital

<b>Members</b>	<p>Michael Parker (MP) Robert Foster (RF) Maxine James (MJ) Prof. Alan McGregor (AM) Dr Martin West (MW) vacancy vacancy Tim Smart (TS) Michael Marrinan (MM) Roland Sinker (RS) Simon Taylor (ST) Angela Huxham (AH) Geraldine Walters (GW)</p>	<p>Non-Executive Director (Chair) Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Chief Executive Executive Medical Director Executive Director of Operations Chief Financial Officer Executive Director of Workforce Development Executive Directors of Nursing &amp; Midwifery</p>
<b>Non-voting Directors</b>	<p>Ahmad Toumadj (AT) Jane Walters (JW) Jacob West (JW1)</p>	<p>Director of Capital, Facilities &amp; Estates Director of Corporate Affairs Director of Strategy</p>
<b>In attendance:</b>	<p>Ria Vavakis (RV) Vivian Bazalgette (VB) Sally Lingard (SL)</p> <p>Marc Meryon (MM1) Robert Lechler (RL)</p>	<p>(Minutes) Trustee, KCH charity Associate Director Communications &amp; Marketing Non-Executive Director elect Executive Director, King's Health Partners (item 010/130)</p>
<b>Staff/ Public</b>	<p>Anna Blackmore (AB) Humera Manzoor Michelle Pearce Pida Ripley Jan Thomas Judith Seddon</p> <p>Angela Savage</p>	<p>PwC PhD student Public Governor Patient Governor Patient Governor Associate Director of Governance (items 010/132 and 133) Patient Complaints Manager (item 010/129)</p>

Item	Subject	Action
010/118	<b>Welcome and Apologies</b> Apologies – none.	
010/119	<b>Declarations of Interest</b> None.	
010/120	<b>Chair’s Action</b> None.	
010/121	<b>Minutes</b>	

The minutes of the meeting held on 29 June 2010 were approved subject to the following amendments:

Members

Delete reference to Robert Foster as Chair. Add Michael Parker as Chair.

010/107

Amend fourth paragraph on page 5 to read ‘TS informed the Board that there was an injunction against KCH by a non-UK, non-EU patient because the Trust had declined to put him on its waiting list in line with the recommendations of the Buggins report into the transplantation of livers into non UK citizens. The recommendations of the report have not yet been implemented by the government’.

010/108

Amend second paragraph to read ‘The Trust was on target for all national targets. ALOS was marginally off target.’

010/111

- Amend third paragraph to read ‘One of the main areas was communication between patients and staff. There was another issue in relation to feeding’.
- Replace second sentence of fourth paragraph with ‘Medirest are not contractually obliged to refill hand gel dispensers outside wards’.
- Delete sentence beginning ‘MW noted...’.

010/116

Delete second sentence of paragraph 2.

**010/122 Matters Arising**

010/85

Complete. The Strategy Committee meeting will be held on 28 October 2010.

010/106

Complete.

010/107

Ineligible patients – RS reported that three ineligible patients had been treated in the past year. Areas of action included:

- Implementing the overseas patient team (which works out of ED).
- Business intelligence information (where GP details/postcode information absent).
- Liaison with West Middlesex University Hospital NHS Trust (which has experience in this area because of its proximity to Heathrow)

Rolling twelve month cashflow – this will be included in the next report.

010/108

GW noted that Peter Fry's team would be dealing with CQUIN now that Jenny Yao has left the Trust.

010/112

MM noted that an informal meeting had been held with a consultant who had not been adhering to the policy. The consultant has now agreed to comply with the policy and to promote it.

**010/123 Chair and NEDs Report**

The Chair and NEDs Report was noted.

**010/124 Chief Executive's Report**

TS presented the Chief Executive's Report and outlined the following:

- There has been an increased level of publicity regarding hand hygiene in all main hospital entrances.

- The Trust has had discussions with Monitor surrounding the annual plan review process. Monitor has completed the first stage of the process which involved an initial desk check of the annual plan. In respect of those trusts where Monitor has some concerns with deliverability of the annual plan, it has appointed external firms to advise it. PwC has been appointed to advise Monitor in respect of this Trust and will be conducting interviews with Directors as well as attending today's Board meeting. PwC will then present a report to Monitor indicating whether its concerns have been satisfactorily answered.
- At the end of the first quarter, the Trust is approximately £2m behind its break-even plan. The Board of Directors will be discussing a mid-course correction plan following the conclusion of this meeting.

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

#### **010/125 Finance Report - month 3**

ST presented the month 3 finance report.

At month 3, the Trust is in deficit by £1.975m against a breakeven plan. This is an unfavourable movement of £650k since month 2. Underachievement of income and non-pay overspends are being off-set by underspends on pay.

Increased income of £6m from reduction in ALOS had been planned. To date, this increased income has not been realised which is generating an adverse movement against plan.

Additionally, a number of risks have materialised which were not accounted for in the annual plan, namely:

- the decision to halt private patient liver work (potential loss £3m);
- R&D (Project Diamond) payment by NHS London (potential loss £5.5m);
- VAT increase.

A total of approximately £16m is at risk.

The overall financial risk rating for the Trust is 3. ST confirmed that there is no reason to believe that the risk rating will drop below 3 if early corrective action is taken.

### Project Diamond

RF queried whether the Project Diamond income had been cut from the new government's budget or whether it was just on hold. ST noted that at the time of preparation of the annual plan, there was a reasonable expectation that the funds would be received, however, there would now appear to be some threat to that position.

### Additional information in finance report:

- Capital Expenditure - **MW requested a greater level of information on the extent to which expenditure on capital works deviates from amounts budgeted for those works.**
- Balance Sheet – **MP requested that a full year balance sheet be included in the finance report.**

### Average Length of Stay (ALOS)

It was queried whether ALOS reduction would be at odds with government plans to penalise hospitals whose patients go home too early. TS noted that ALOS reductions were aimed at bringing the Trust's ALOS performance to the best quartile in comparator organisations. It was aimed at ensuring that the Trust's processes were as efficient as possible so that patients were discharged when they ought to be discharged.

### Debt collection

ST noted that an increased emphasis would be put on debt collection. The Trust policy was to make a provision in the accounts for any debts outstanding for more than six months. Some of the debts in respect of overperformance relate to real disputes (for example, the Hillingdon debt relates to a dispute over payment for treatment of children in paediatric intensive care which has yet to be resolved).

The Board noted the contents of the Finance Report for month 3.

## **010/126 Performance Report - month 2**

RS presented the performance report for month 2 and drew attention to the following:

- The performance process mapped across to the new structure well in most areas. Future reports would be tracked across the six new divisions.
- New KPIs were introduced to scorecards this month (e.g. single sex accommodation, red shifts, emergency MRSA screening). These would be reviewed at month 3 meetings with divisions.

- The implications of the revised operating framework were being reviewed and relevant plans would be pulled together.
- The Trust financial position remains a concern. Financial controls introduced in Q3 and Q4 of 2009/10, remain in place. Budgets have now been aligned to the new structure. At month 2, Trust finances were £1.5 million off target, as noted at the Board of Directors meeting in June. There is rigorous challenge on finances at monthly performance reviews with the Divisions.
- The Trust has continued to deliver against the 18 week targets in month 2. The revised operating framework states that 18 weeks is no longer a Department of Health target, however the NHS constitution (which states all patients have a right to treatment in 18 weeks) remains in force, and 18 week delivery is enshrined in contracts with PCTs. The implications are currently being considered.
- The emergency '4 hour wait' was marginally off 98% target for 'all types' in month 2. A performance improvement plan has been introduced. The revised operating framework states that the threshold for this indicator reduces from 98% to 95% immediately. The Trust is reviewing the cost/quality strategic implications of the reduction.
- The Trust is likely to miss its MRSA target for the year. A recovery plan was sent to Monitor approximately six weeks ago which has been acknowledged.
- *C-difficile* is ahead of national expected limit, but marginally off the local stretch limit. An action plan is being implemented to address.
- Average length of stay is part of KCH's transformation programme project. Project team and workstreams have been set up and key deliverables noted. Divisions have now been allocated income/savings targets attributed to reducing length of stay.
- Other indicators: emergency MRSA screening improved significantly in month 2, due to improved mechanisms for tracking data. Coding completeness did not achieve its target due to issues with staffing in the coding team (coders completing qualifications). It is expected that this will improve in future months. Timely response to complaints did not achieve the Trust internal benchmark due to division focus on restructure.
- RS noted that an admission/discharge facility was being developed which would free up ward staff to focus on discharge of patients first thing in the morning. Patients would be discharged from a single area.

The Board noted the contents of the Performance Report for month 2.

### **010/127 Patient Experience Report – month 3**

TS and JW presented the monthly Patient Experience Report, highlighting the following areas:

#### Complaints

- The number of complaints increased in June following around 10 months of a downward trend, although the number of complaints is still lower than last year. The increase is spread across inpatient areas.

#### How are we doing? (HRWD)

- The HRWD score improved from May and achieved the benchmark for the first time since March 2010. Both *Patient Engagement* and *Environment* scores increased, with the food score its highest for a year (probably due to the roll-out of the 'steamplicity' food system).
- All Divisions exceeded the benchmark for 'help with feeding', which is at its highest level since its inclusion in the survey a year ago (81%).
- HWRD response rate improved to 49%, one point below benchmark.

#### Same sex accommodation

- Patient satisfaction scores improved considerably from May, with only half as many patients (7%) reporting they had been in a mixed sex area when first admitted, indicating greater staff awareness of the issue, and the result of recent ward improvements.

#### Focus on communication

- A major workstream of the Trust's new Transformation Programme aims to achieve a step change in patient experience, focusing in particular on staff/patient interaction and communication.
- As part of the action plan arising from the 2009 National Inpatient Survey, a number of other measures are being introduced immediately to enhance communication on the wards:
  - Hourly ward rounds are being piloted, with nursing staff visiting each patient every hour.
  - Staff briefings have been held, and a special training session for all ward receptionists.

- A new ward checklist has been introduced to aid communication around discharge and medicines management.

The Board noted the contents of the Patient Experience Report.

#### **010/128 Infection control annual report 2009/10**

GW presented the report. GW highlighted that it was unlikely that the Trust would meet its 2010/11 MRSA target. At the end of the first quarter, the Trust already had seven (possibly eight) cases against a target of nine cases.

In respect of the comparison of infection rates with other participating trusts in the UK for certain specified procedures, MP queried whether it was possible to compare more specifically against the Trust's peers. **GW agreed to check whether that information was readily available from the Department of Health.**

It was noted that campylobacter did not fall into the category of a hospital acquired infection and therefore was not discussed in the report.

The Board noted the contents of the Infection Control Annual Report 2009/10.

#### **010/129 Complaints annual report 2009/10**

JW presented the report. The following issues were highlighted:

- Complaints were a valuable source of information which were monitored monthly by GW, MM, JW and RS as well as being reported quarterly through the Governance Committee, and monthly through the Patient Experience Report to the Board.
- The number of complaints has fallen by approximately 24% between 2008/9 and 2009/10. 2009/10 saw the lowest level of complaints recorded since 2000/01. This is in part attributable to the new triage system which was introduced in October 2009 to resolve concerns as they arise.
- While inpatient complaints remained at similar levels to the previous year, outpatient complaints have fallen by around 200. This suggests that the trust is resolving these concerns as they arise, eg outpatient appointments.
- The main cause of complaint remains clinical care and treatment, although other causes include staff attitude, communication and transport.

- The Trust has made a number of changes and improvements in response to patient complaints.
- In 2009/10 the Trust was informed of 19 complaints which had progressed to the Ombudsman, the second stage of the complaints process. Of these, five complaints were referred back for further local resolution, 13 complaints were not considered for further investigation and one case remains open.

#### Constructive criticism

RF queried the manner in which the Trust responded to constructive criticism. He queried whether enough feedback was obtained from patients after their discharge about their condition. JW noted that the national Patient Reported Outcome Measures (PROMS) programme, which currently focused on four areas of treatment, was being rolled out much more widely. This would be used to measure how much better patients felt as a result of their procedure.

#### **010/130 KHP update**

RL gave a verbal update. The following issues were highlighted:

- The partners agreement has been signed by all partners. The KHP private company is close to being set up.
- Appointments to the medicine CAG will be made in September.
- CAG performance indicators and the accreditation process are close to being finalised.
- A group is forming to consider site strategy and making optimal use of the KHP sites. Ideas will be coming to the joint executive meeting.
- The KHP Director of Research is likely to be appointed this week.
- Recruitment for a Chair in Stroke Medicine is taking place.
- There is a shortlist of three candidates for the post of Director of the Liver Programme.
- London AHSCs are continuing to work together. The positron consortium is close to finalising agreement for a PET on the Hammersmith site.
- An exchange programme with John Hopkins Medicine is now in place with funding for five staff exchanges per annum.
- Lord Howe, the Health Under-Secretary, has AHSCs within his brief. The three London AHSCs have invited Lord Howe to meet with them. KHP has separately written to Andrew Lansley to discuss its ambitions.

The Board noted the update on King's Health Partners.

## **FOR DECISION**

### **010/131 Monitor submission Q1 2010/11**

RS tabled the governance declaration.

The Trust would be declaring compliance with all targets except for "Screening all elective in-patients for MRSA". A small number of cases had not been screened but this data was subject to validation. This would attract a score of 0.5, which equated to a 'Green' risk rating as it fell within the range of 0.0 – 0.9.

TS requested the Board's approval for the signing of the governance declaration 2 for submission to Monitor for the previous quarter (April-June 2010).

The Board APPROVED its signing by the Chief Executive.

### **010/132 BAF Policy and Risk Management Strategy**

JS presented the BAF Policy and Risk Management Strategy, both of which had been recommended for approval by the Audit Committee earlier that day.

JS noted that the Trust would be assessed on its Risk Management Strategy as part of the ARMS process on 27 and 28 September 2010. Following that assessment, the Trust would need to integrate the new governance structure agreed by the Board of Directors in May. The new Board governance structure would be implemented from October 2010. Compliance with the Risk Management Strategy would be monitored via the Governance Committee, with exception reports provided to the Audit Committee and Board.

MW as Chair of the Audit Committee confirmed that the committee did not consider that there were any issues which needed to be drawn to the attention of the Board of Directors, and commended both documents to the Board.

The Board APPROVED the BAF Policy and Risk Management Strategy.

**010/133 Constitutional change**

MP presented the report.

MP noted that the report contained a recommendation regarding the appointment of an additional non-executive director to the Board. Given the Trust's tight financial constraints, he suggested that recruitment of an additional non-executive director should be deferred until the Trust's financial position has improved.

The Board APPROVED the following:

1. A change to paragraph 8.22.5 of the current Trust constitution in relation to the composition of the Nominations Committee to read:

*'The Nominations Committee shall comprise not more than 6 persons, and these shall include the Chair (who shall preside as Chairman of the Committee), and 5 Governors, a majority of whom shall be drawn from the patient or public constituencies'.*

2. The making of a recommendation to the Board of Governors at its next meeting in November 2010 to approve changes to the Trust's constitution as outlined in recommendation 1 above.
3. Subject to the approval of three quarters of the Board of Governors, the making of a request to Monitor to approve the changes to the Trust's constitution.

**FOR INFORMATION**

**010/134** The Board noted the following confirmed committee minutes:

- Performance – 13 May 2010

**010/135 AOB**

South London Healthcare Trust

TS noted that there had been recent press speculation about the South London Healthcare Trust, in particular, Queen Mary's Hospital, Sidcup and whether it would be forced to close its E&D department if there was a shortage of doctors following the upcoming change in the junior doctor rota. TS noted that the Trust will be collaborating with Queen Mary's Sidcup to ensure that patients are looked after; however, care of the patients at KCH was the priority.

Chair of Trust

It was noted that Michael Parker had made a statement to the Board of Governors at its meeting on 22 July 2010 that he would not be seeking extension of his term of office which is due to conclude in November 2011.

**010/136**

**Date of Next Meeting:**

**Tues 28 September 2010, 3.00 pm - Dulwich Room.**