

King's College Hospital NHS Foundation Trust Board of Directors - PUBLIC

Minutes of the meeting of the Board of Directors held at 14:00 on Tuesday, 30 September 2014 in the Trust Headquarter, PRUH

Members:

Prof Sir George Alberti (GA)	Trust Chair
Graham Meek (GM)	Non-Executive Director
Marc Meryon (MM1)	Non-Executive Director
Ghulam Mufti (GM1)	Non-Executive Director
Sue Slipman (SS)	Non-Executive Director
Chris Stooke (CS)	Non-Executive Director
Faith Boardman (FB)	Non-Executive Director
Tim Smart (TS)	Chief Executive
David Dawson (DD) – Non-voting	Acting Director of Strategy
Angela Huxham (AH)	Director of Workforce Development
Dr. Michael Marrinan (MM)	Medical Director
Roland Sinker (RS)	Chief Operating Officer
Simon Taylor (ST)	Chief Financial Officer
Dr. Geraldine Walters (GW)	Director of Nursing & Midwifery
Jane Walters (JW) – <i>Non-voting Director</i>	Director of Corporate Affairs

In attendance:

Ann Traynor (AT)	KCH Charity Representative
Tamara Cowan (TC)	Board Secretary (Minutes)
Various Members incl.	Governors and Staff

Apologies:

<u>Item</u>	<u>Subject</u>	<u>Action</u>
14/121	<u>Apologies</u> Apologies for absence were noted.	
14/122	<u>Declarations of Interest</u> MM1 declared that he does adhoc work for BMI.	
14/123	<u>Chair's Action</u> There were no Chair's actions to report.	
14/124	<u>Minutes of Previous Meeting</u> The minutes of the meeting held on 30 July 2014 was approved.	
14/125	<u>Matters Arising/Action Tracking</u> The matters arising were noted.	

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14/126	<u>Update from Board Committee Chairs</u>	
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Audit Committee

CS reported that since the last Board meeting there had been no Audit Committee meetings and no material internal or external audit matters to report to the Board.

Board Integration Committee (BIC)

CS reported that the new Transformation Integration Director, John Hampton (JH) was focusing on reviewing and developing plans to deliver the integration plans and cost savings.

Finance & Performance Committee

GM reported that the Committee met for an extra-ordinary private meeting in August to discuss the financial and operational performance issues facing the Trust. The Committee also met earlier today and was brought up to date with the performance of the Trust. More details about the operational and financial performance of the Trust will be provided under agenda items 2.4 and 2.5.

The Trust continues to experience high levels of activity on the Denmark Hill site, which feeds into the Trust's performance challenges.

There is evidence that changes made by the Trust at the Princess Royal University Hospital (PRUH) site are resulting in performance improvements.

Financial pressures continue and the Trust has a number of recovery plans in train.

Quality & Governance Committee

GA reported that the last meeting of the Committee was very positive. The patient story made a big impact on the Committee and the Trust has made good progress in using the key elements of the patient story as part of its learning.

Strategy Committee

SS reported that the Committee met on 11 September. In addition to horizon, scanning and considering the strategic matrix the Committee also considered the future IT strategy. The IT strategy outlines plans for a new systems, linking of patient records with tracking across sites, new patient technologies and external technology framework.

The Committee is also minded of the performance challenges facing the Trust and the implications for deliverability of the strategy.

Education & Workforce Development Committee

MM1 reported that the Committee has not met since the last Board meeting.

14/127	<u>Update on Council of Governors' Activities</u>	
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The Board noted the following update on the Council's activities:

- The Summer 2014 governor elections closed on 12 September.
 - 11 of the current governors have been re-elected;

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	<ul style="list-style-type: none"> ○ 8 members of the current Council have either not been re-elected or chose not to stand again; ○ 7 new governors across all the constituencies will join the Council. <ul style="list-style-type: none"> ● The new governors will have their first inductions on the 12 November followed by a bespoke full day training course on 27 November delivered by the FTN GovernWell team; ● The governor sub-committees of Strategy and Patient & Safety Experience met on 31 July 2014. The joint Board and Council meeting, also held on this day, discussed the current challenges facing the Trust – financially and operationally; ● In August the governors also attended a workshop where they had a tour of the A&E department, heard from external speaker Jonty Heaversedge, in his role as Chair of the Southwark Clinical Commissioning Group, and other presenters; and ● The Council met on 25 September and Governors participated in the Annual Members Meeting which followed. 	

14/128 **Chief Executive's Report**

The Board noted the Chief Executive's report presented by TS.

The following key points were noted:

- The new commissioning structures established under the 2012 Health and Social Care Act are facing significant challenges in terms of system wide coordination;
- This is putting pressure on individual providers including on the Trust to take on leadership role;
- The Trust is still spending too much money on temporary staffing;
- The Trust is working hard to improve its outsourced HR services and has identified a transition model which would improve the service delivery and save the Trust money;
- There is a wider system issue with lack of qualified nursing staff available in the market in the long run;
- The operational deficit of £26.5m is the highest in the Trust's history. Although the Trust remains confident that the business case for the acquisition can be delivered, it is spending significantly in excess of budget to establish required levels of nursing as well as addressing significant historic issues with the emergency pathway;
- The Trust needs to improve throughput at Orpington Hospital to drive delivery of the business case objectives;
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- No other Trust has acquired any hospital failing to the degree of the former South London Health Care Trust sites;
- The challenges facing the Trust are not isolated, with Lewisham and Bart's Health experiencing similar issues; and
- Although the problems with repatriating patients back to their local hospitals remain, there is also an underlying systemic problem related to commissioners commissioning the right levels of services.

The Trust is currently working with commissioners to commission more rehabilitation services which may result in less pressure on local hospitals. South East Kent and outer South East London hospitals are trying to work with commissioners to agree what type and number of beds need commissioning.

A few years ago, the Trust would have had circa 20 patients on average waiting to be repatriated. This rate has doubled, and now on a daily basis the Trust has between 30-40 on patients waiting to be repatriated. The main areas of concern are stroke, neurosurgery and trauma.

This issue is systemic and reinforces the need for the Trust to work collaboratively with other stakeholders and to demonstrate system leadership.

The Trust needs to balance the focus on the internal challenges and priorities and the challenges facing the wider health system. The Trust needs to play its part in system leadership but this has to be within the bounds of management capacity.

14/129	<u>Finance Report</u>	
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The Board received the month 05 finance report presented by ST which was discussed at length at the Finance & Performance Committee, held earlier.

The following key points were noted:

- The Trust's financial performance in month 05 continues to be very challenging with the current deficit related to the activity levels both at the Denmark Hill (DH) and PRUH sites;
- The current deficit run-rate is £4m, of which a majority is related to the Princess Royal University Hospital (PRUH) site;
- The Trust is doing all it can to reduce the deficit and is working with commissioners to agree additional funding;
- The Trust is following up funding streams from local commissioners and the Trust Development Authority related to the acquisition. It is hoped that these discussions will be successfully concluded in the coming weeks;
- If the Trust does not obtain additional funding it will have to look carefully at other measures to address the current situation;

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- Monitor are fully aware and informed of the challenges facing the Trust and also to the wider system challenges. At the PRUH ED performance has been a long standing issue. The Trust has had to invest a significant amount of money to address the ED pathway and ensure there are appropriate nurse staffing levels.

At the Denmark Hill (DH) site challenges around capacity underpin issues with ED and RTT targets.

Overall, the Trust has to consider how it manages the significant growth in referrals and driving efficiencies.

14/130	<u>Performance Report</u>	
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The Board received the month 05 performance report presented by RS which was discussed at length at the Finance & Performance Committee held earlier.

The following key points were noted:

Princess Royal University Hospital (PRUH) site

- The Stroke Assessment Unit is improving all the time and this is a testament to the nursing team;
- ED/non-elective length of stay has dropped by 1 day as a result of significant movements. This demonstrates the underlying improvements in ED;
- There has been a steady improvement in patient experience at the Bromley sites, both for Friends and family and 'how are we doing?' survey, with scores in some cases exceeding that of the DH site;
- There has been a significant improvement in the robustness of clinical governance systems at the Bromley sites, evidenced in part through significantly higher levels of reporting of incidents;
- The ED performance in August was ahead of trajectory hitting 95% over sustained periods and the work of the staff can be attributed to this improvement. This was only 70% before the Trust took over;
- The Trust is sharing its learning from the acquisition with the health system more widely;
- There is a particular focus on improving discharge;
- The Trust has detailed plans for improving cancer, urology and gynaecology pathways and services and is working with local stakeholders to improve the current performance;
- The underutilisation of theatres has been a longstanding issue at the site and the Trust is currently working hard to unpick some of the key issues and behaviours which are driving this position;

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- The staff vacancy rates have improved and the Trust is on track to recruit circa 500 additional Band 5 nurses by December 2014. The UK nurse recruitment market is running dry hence the Trust is running targeted programmes in an effort to get more people recruited;
- There is a gap in pay rates between outer and inner London which results in a disparity in the pay rates between the Trust sites. The vacancy rates at the PRUH were larger than the Trust had anticipated when it finally took control of the site;
- The Trust has explored options for closing the pay gap but given the financial implications these cannot be full considered until there is significant improvement in the Trust's financial position;
- There has been significant progress on quality and the ED performance which demonstrates what can be achieved however to continue this good work the Trust needs solutions to its financial challenges for which additional funding is the key;

Denmark Hill (DH) site

- ED performance has held steady in the face of rising activity levels with consistently more days over 95%;
- Capacity constraints are the significant driver of the challenges at the site;
- The Trust has agreed benchmark/target for referral to treatment (RTT) with commissioners;
- The Trust is in active dialogue with commissioners about service models;
- Diagnostic waiting times and health care acquired infections are also areas of concern; and
- The Trust is working with commissioners to identify solutions to the Trust's capacity challenges. However unless the Trust can solve some of its financial challenges it will not be able to put in additional capacity.

14/131 Quality & Safety Focus

14/131.1 Quarterly Patient Outcomes Report

The Board noted and considered the quarterly patient outcomes report which was discussed in detail at the last Quality Governance Committee.

The following key issues and points were noted:

- The Trust is required to admit stroke patients to a stroke unit within 4 hours. This has been achieved at the Denmark Hill (DH) site which has the second highest performance rates in London. However, during the period the percentage of patients admitted to the stroke unit at the Princess Royal University Hospital (PRUH) site with in this period was lower than there national requirement;

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	<ul style="list-style-type: none"> • The Trust has had an outlier alert related to deaths after surgery which is being investigated; • The November 2013 review of palliative care coding identified that the DH site has 'higher than expected' use of palliative care codes'. This is in contrast with the previous review therefore a follow-up review was initiated and will conclude this autumn; and • There is an elevated risk of hip fractures. The Trust has made this a quality priority for 2014/15 and the implementation of key actions should lead to improvements. 	

14/131.2 Staff Survey

The Board noted and considered the report on the staff survey 2013/14 which were discussed in detail at the recent Education and Workforce Training Committee.

The following key issues and points were noted:

- The official staff survey results relate only to the Denmark Hill (DH) site because this predated the acquisition. Therefore the Trust commissioned an additional survey for the sites acquired in October 2013;
- The survey provided good comparative data and highlighted significant differences between sites;
- A majority of the key findings at the DH site were above the national average;
- The 'King's In Conversation' work contributed to the engagement and cultural shift in the enlarged organisation;
- The Trust will be required to complete the staff friends and family test four times per year. The recent results are encouraging; and
- Staff engagement across the sites is similar. There is no NHS wide benchmarks for staff engagement.

14/131.3 GMC Survey Results

The Board noted and received the GMC 2014 Medical and Dental postgraduate training survey results which was discussed in detail at the recent Education and Workforce Training Committee held in July.

The following key points were raised:

- The survey helps the Trust to understand the experience of medical trainees and what improvements are required;
- The survey is used as a tool to determine quality of training by education commissioners; and

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- If the Trust loses funding for medical trainees it will have to pay for junior doctor support.

14/131.4 Education and Training Strategy

The Board noted and received the Education, Training and Organisation Development Review which was discussed in detail at the recent Education and Workforce Training Committee held in July.

The following key points were noted:

- The Trust received circa £58m from the Department of Health for Education and development;
- There are significant ongoing changes in the healthcare education landscape;
- The Trust has a strong apprenticeship training programme;
- The Trust would like to provide more training facilities but this is hindered by the current financial challenges facing the Trust. This is recognised as a risk to ongoing funding streams; and
- The Trust has been awarded a 'gold star' rating for investors in people.

It was agreed that GM1 and AH would meet and discuss the post-graduate medical and dental education (MADEL) funding.

14/131.5 Monthly Nurse Staffing Levels Report

The Board noted and received the monthly report on nurse staffing levels.

The Board noted the aggregated figures on page 5 of the report and agreed that there should be some annotation with the figures in future reports. The Board also noted that the low numbers of nurses on the Boddington Ward at Orpington was related to the fact that the ward is not being used to its full capacity.

The Board agreed that the nursing staff level data should be publicised in line with guidance.

14/131.6 Annual DIPC Report

The Board noted and discussed the content of the annual report from the Director of Infection Prevention and Control. The report covers the period and includes the acquired sites data from 1 October 2013.

The following key points were raised and noted:

- The emergence of carbapenem-resistant enterobacteriaceae (CRE) has placed additional demands on the Trust and as a result there has been more screening of patients in Renal; and
- The number of VRE cases identified increased due to re-introduction of admission screening in Liver which picked up colonisation.

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	<p>It was agreed that given the density and complexity of the report's contents a session at a Board Seminar would be allocated for further discussion.</p> <p>The Board received the Annual DIPC report.</p>	
14/132	<p><u>King's Health Partners' (KHP) Update</u></p> <p>The Board welcomed Prof. Robert Lechler (RL) to the meeting. RL provided a verbal update on the activities of KHP.</p> <p>The following key points were noted:</p> <ul style="list-style-type: none"> • The partners are looking at ways to make collective assets work to improve both patient services and staff experience; • The partners insist on clinical and academic excellence and strive to be thriving clinical academic development sites; • Given the day-to-day pressures facing this Trust and the other partner organisations it is more important than ever that the partners work together to match these challenges with KHP aspirations; • The Board is keen to see a Clinical Academic Site Strategy (CASS) which demonstrates appreciation of the individual organisations and the wider healthcare strategic issues; and • System leadership should be a key element of KHP's ambition to be an Academic Health Sciences Centre delivering the best outcomes. 	
14/133	<p><u>FOR INFORMATION</u></p>	
14/133.1	<p><u>Chair's and Non-Executive Directors' (NED) Activity Report</u></p> <p>The Board noted the Chair's and NEDs activity report for the period.</p>	
14/133.2	<p><u>Confirmed Board Committee Minutes</u></p> <p>The Board noted the confirmed minutes of the Finance & Performance Committee (27/06/2014).</p>	
14/134	<p><u>Any Other Business</u></p> <p>There were no matters of any other business raised for discussion.</p> <p><u>King's College Hospital Charity</u></p> <p>The following update pertaining to the Trust's Charity was noted:</p> <ul style="list-style-type: none"> • Following on from the update provided at the September Board meeting charity representatives have met with TS/JW who requested a simplified process for accessing charitable funds; • The Charity recognises the time, money and effort that the Trust puts into developing business plans for funding; 	

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- The Charity will support the development of the Cancer and Blood Cancer Centre and given the financial challenges facing the Trust will also pay for the resources to develop the business case;
- There is now a weekly charity presence at the Princess Royal University Hospital (PRUH) site; and
- All Board members are invited to attend the Charity's show case event which will be held in November.

The Board commended the Charity's efforts and hard work to simplify the process the Trust has to go through to access charitable funds.

Industrial Action

It was noted that NHS trade unions had balloted members to strike based on national pay disputes. Relevant staff members will participate in the half day action next week.

David Dawson

The Board thanked David Dawson for stepping up as Acting Director of Strategy and his hard work. It was noted that Dr Trudi Kemp would join the Trust on 01 October as the permanent Director of Strategic Development.

14/135	<u>Date of Next Meeting</u>
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Tuesday, 28 October, PRUH Trust Headquarters