West Hertfordshire Hospitals NHS
NHS Trust

Trust Board
Minutes of Meeting
Thursday 10 January 2008
Post Graduate Centre
St Albans City Hospital

Present

Board of Directors

Thomas Hanahoe	Chairman
Robin Douglas	Non Executive Director
Katherine Charter	Non Executive Director
Colin Gordon	Non Executive Director
Mahdi Hasan	Non Executive Director
Stuart Lacey	Non Executive Director
Jan Filochowski	Chief Executive
Graham Ramsay	Medical Director
Gary Etheridge	Director of Nursing
Ross Dunworth	Interim Director of Finance
Nick Evans	Director of Business Development

Board Members – Non Voting

Lindsay MacIntyre	Director of Service Re-design
Sarah Childerstone	Director of Workforce
Alfa S'Aadu	Deputy Medical Director

Officers In Attendance

Mark Jarvis	Trust Secretary

		Action:
Item 1	**Chairman's Opening Remarks:** TH welcomed everyone to the meeting and wished them a happy New Year. He welcomed Stuart Lacey to his first meeting as a newly appointed Non Executive Director. He noted that this would be Ross Dunworth's last meeting and thanked him on behalf of the Board and colleagues in the Trust for the contribution he had made whilst Interim Finance Director. TH said that he had been pleased to see the Governance declaration recently submitted to the SHA. He felt that it showed how the Trust was performing in the key areas and clearly identified the actions being taken in respect of any non-compliant issues.	
Item 2	**Apologies** Apologies were received from Russell Harrison and David McNeil.	

Item 3	**Declarations of Interest** No interests were declared other than those previously reported to the Board	
Item 4	**Minutes of the Previous Meeting** These were agreed and signed.	
Item 5	**Matters arising from the Minutes** There were no matters arising.	
Item 6	**Chief Executive Report** JF reported that there was now a much more precise picture with regard to the year-end financial position. He said that in respect of performance, the Trust continued to move forward. He also reported that Ken Sharp would be taking over as Interim Finance Director. JF advised the Board that the Trust had been awarded Associate Teaching Hospital status. He recommended that the Trust did not change its current logo to incorporate this. Following a general discussion on the benefits of the status ***it was agreed that GR and MJ would look at the option of incorporating the reference as a footer on the Trust letter head***	GR/MJ
Item 7	**Performance Report** JF introduce the paper. He said that good, general progress was being made but that there was particularly good outcomes being achieved in respect of infection control. He said that A&E had done reasonably well over the Christmas and New Year period although there had been a surge in activity during the very early part of January. He confirmed that, because of poor performance earlier in the year, the Trust would not be able to achieve a year-end position of 98% compliance with the A&E target although he anticipated that it would be above 97%. JF highlighted that the biggest issue remained elective surgery and the associated problems with the opening of the St Albans City Hospital elective treatment centre. However, he advised the Board that improvements were beginning to be seen with the bookings and capacity management issues resulting in a halving of the cancellation rates in recent weeks. JF anticipated further reduction in the cancellation rate over time. JF advised the Board that in order to ensure achievement of the 18 week position some over booking would take place in order that available capacity was used to its maximum. He also confirmed that the Trust would continue to commission work from the private sector during January and February in order to ensure the delivery of at least 70% against the 18 week target by the end of March. JF confirmed that he expected the Trust to achieve the Government target for 18 weeks set for December 2008.	

	NE highlighted that in respect of the overall position, taking account of national targets and Standards for Better Health compliance, things remained finely balanced in so far as achieving a fair or weak rating for the year. He said that some targets would be dependent upon the year-end position, whilst some targets had already been missed. JF emphasised that the Trust was still not making progress with reducing the number of delayed transfers of care. He said that, although this was an acute hospital target, it was reliant on other partners to achieve. He said that locally this was primarily an issue with the lack of intermediate care beds. GR commented that in respect of Standards for Better Health it was probable that the Trust would still be non compliant in some areas by the year end. He said that in respect of privacy and dignity the Trust would not be able to fully comply with the requirement to have single sex accommodation as it was not possible to achieve this all of the time in respect of infection control cases. He also said that issues would remain with respect to the management of decontamination, in particular instrument sterilisation. He said that last year latitude had been given as action was being taken to develop, with partner Trusts, a single supplier provision for instrument sterilisation services. However, this had not progressed as quickly as had been anticipated and, therefore, the Trust would be non compliant in a number of aspects of provision. During discussion the following points were made: • RD indicated that there needed to be a clear short term plan indicating how the Trust was going to influence and put pressure on effective stakeholder involvement. He also suggested that the Trust needed to sharpen its collective level of influence • MH said that the Executive needed to be able to judge their recent performance following the changes made since JF's appointment. • CG highlighted that he felt the performance report was complicated to understand. He wondered if it would be possible to produce a report, which highlighted the exceptions only, with a section indicating the overall "direction of travel". • KC asked that congratulations be passed to all staff involved in delivering the improvements in performance. She suggested that the Board should have an update on the action plan that was agreed following the last national in patient survey and that there should be a regular update to the Board on patient service issues. ***<u>It was agreed that an item should be brought to the Board on patient services in order to update on overall progress in these areas.</u>***	GR
Item 8	**Infection Control – In Month Performance Monitoring**	

	GR introduced the report. He noted one correction to the figures for MRSA bacteraemias, which should have been recorded as 29 and not 31 for the year, as stated in the report. He said that there had been 5 bacteraemias in November, which was disappointing, but only 1 in December, which was currently being discussed with the Department of Health as the person was not admitted. He said that there had been a significant drop in the number of CDiff cases and that as a consequence Letchmore ward had now become an MRSA isolation ward rather than CDiff. Any suspected CDiff cases at Watford would be isolated into side rooms and if identified as positive, transferred to the isolation ward at HHGH. GR reported that hand washing was not good enough, achieving only 83% in the most recent audit. He also highlighted that there had been an improvement in the environmental cleaning, with a reduction in the failure rates for clinical area inspections. TH said that he had recently been to see the SHA Chairman who had noted the improvement in the overall infection control position and asked that his congratulations be passed on to all those concerned. MH recounted his experience on a recent visit to the Trust. He observed good availability of alcohol gel and high levels of compliance with hand washing amongst the nursing staff. He said that he was disappointed not to see the same level of compliance amongst the doctors and felt that more needed to be done to ensure that they were setting the right example for others. RD said that it was important for the Trust to keep on top of the developing science in respect of infection control. GR said that this was happening, and his attendance at the SHA group on infection control ensured that he remained up to date. JF pointed out that both he and Robin Wiggins were involved at a national level with infection control and would be able to bring back into the Trust anything relevant from those meetings. He also said that it was possible that up to 5 of the bacteraemias that had been reported had been double counted and RW was discussing this with the Department of Health. CG raised concern at the level of tolerance allowed within the cleaning contract, suggesting that 12% was too high. GR advised the Board that the contract was currently being reviewed.	
Item 9	**Financial Report** **Month 8 Position.** RoD advised the Board that at month 8 the Trust was reporting a surplus of £1.6m and that there was confidence in achieving at least £2m surplus at year-end. He acknowledged that this was less than the expected £5m surplus agreed at the beginning of the year but	

	reminded the Board that the impact of the elective surgical activity being placed into the private sector and delivering the 18 week target had reduced the ability to deliver this level of surplus. He confirmed that the PCT would not now be imposing a fine on the Trust for non-achievement of the 18 week target. RoD confirmed that the EFL/Cash position was acceptable and that improvements were continuing to be made in respect of the Better Payments Code. He said that agreement had now been reached with Medicinq Osborne regarding the payment schedule which would mean that the Trust will declare a £4m over spend on capital but that this had been discussed with the SHA and approval given. RoD reported that the Trust would deliver approximately £5.5m of cash releasing savings and not the previously agreed £16m target. He said that much of the shortfall was within the surgical division but felt that the improvements being made now would deliver savings next year. He also said that a loss of £1.8m had been factored in to the figures, reflecting the likely cost to the Trust of failing to meet the expected reduction in follow-up appointments. During discussion the following points were raised: • MH sought confirmation that there were adequate controls in place for invoicing and that there were no unnecessary layers of process that could reduce efficiency. RoD confirmed that all arrangements were robust. • KC sought clarification in respect of appendix 1b in relation to the unadjusted and adjusted run rate position. RoD explained that because there are non recurrent elements relating to the cash position they are taken into account on a monthly basis (unadjusted), however the overall position is reported in the adjusted position which either shows the non recurrent monies spread across past months or removed completely. He said the adjusted position provided a clearer picture of the agency staff/use of private sector position and that as agency usage reduced and fewer cases were referred to the private sector the run rate would improve. • KC sought clarification of the required run rate for next year in order to achieve anticipated plans. RoD suggested that this would need to be in the region of £350k positive each month. • CG sought clarification as to whether the failure to achieve the year end position would have consequences on the level that the Trust would have to deliver next year in order to meet its loan agreements, and whether this would adversely affect achievement of Foundation Trust status. RoD confirmed that there would have to be an increase in the amount paid back next year of approximately	

	£1m. In terms of FT status he said that Monitor will be looking for evidence of a track record of improvement and a plan for the future. • CG raised concern that section 1.3 of the paper gave the impression that there was insufficient control in respect of bank and agency usage and overtime payments. RoD said that the high usage of bank and agency staff within surgery accounted for most of the expenditure, primarily within theatres. He said that there was also a high level of spend within clinical support because of difficulties recruiting to some specialist posts. SCh confirmed that managers were now actively recruiting to funded posts, which should see a reduction in the use of bank and agency staff. **It was agreed that future finance reports would include manpower data.** • CG asked to see an assessment of the outcomes of projects where there had been an expectation of achieving savings as well as a breakdown of the specific issues within the surgical division. JF said that he felt that there had been a number of savings targets set that were unrealistic and therefore unachievable, which had created counter productive activities in trying to achieve them. He said that some of the control processes had been relaxed as these too were counter productive in some areas and proven to be unhelpful. • RD felt that the Trust needed to make more realistic assessments of the income potential for some of the more marginal aspects of the Trust's activities e.g. tablet packing unit, design team. This was generally accepted. • RoD advised the Board that they would need to ensure transparency with respect to the future business strategy for the Trust and ensure that there was a firm grip on the data quality issues. **Reserves Policy** Following discussion it was agreed that the proposed policy should be reviewed by the incoming Interim Director of Finance and brought back to the Board at a later date.	SCh
Item 10	**West Hertfordshire Hospitals Trust Operational Plan** JF introduced the paper. He said that there had been a deadline to submit the plan to the SHA by 4 January, which had been met. He advised the Board that the document had not changed significantly from the one discussed at the part 2 meeting on 19 December. There was general agreement that the document was good, with the right number of objectives and a good forward plan for 2008/09. CG raised a concern about the reference to having to delay capital expenditure in this year on backlog maintenance and sought reassurance that patient services would not be affected. RoD said that this referred to the	

	previous agreement to use some of the Trust's capital to fund the Delivering a Health Future business case and had therefore been factored into the overall capital programme for the rest of the year.	
Item 11	**Delivering a Health Future** LMc presented a progress report to the Board (copy attached). Whilst there was general support for the progress being made, the following points were raised in discussion: • SL sought reassurance that there would be an effective communications plan to support the work and that there should already be a detailed project management plan in place. LMc advised that a detailed project management plan would be available for the next meeting. • KC sought assurance that there were plans in place to deal with the significant issues associated with behavioural change as she thought these would be more difficult to achieve than establishing the new building. Both GR and LMc acknowledged that this would be a significant area of risk, which needed to be managed appropriately. They felt that whilst some of the behavioural changes would be imposed (as a result of the different way of working), other change would rely on strong clinical leadership. • RD suggested that simulations of the new service model would be a way to bring staff on board with the changes and help effect a positive outcome. LMc confirmed that a series of such events were already planned. • MH emphasised the importance of having a comprehensive project planning approach, which covered all aspects adequately. He expressed considerable concern about the lack of robust plans as this created a significant risk that the project would not be delivered as expected. He felt that a detailed and comprehensive project plan needed to be in place by the February Board meeting. He offered his input as a way of cross checking that everything was in place. LMc confirmed that almost everything was now in place but welcomed the support offered by MH. • JF expressed concern at the timing of the opening of the AAU and said that the Board needed to be aware of that potential impact on achievement of the 18 week target in particular should there be any delay in either the construction timetable or the bedding down of new working arrangements. In general, the concerns expressed by MH were acknowledged by all Board members. It was felt that the Board needed substantial reassurance that the fundamental changes that would need to be made to clinical practice and delivery and the workforce re-design had been fully identified and appropriate plans put in place to deliver the	LMc

	required outcome.	
Item 12	**Acute Services Review** GR introduced the paper. He reminded colleagues that an earlier version had been discussed at the 19 December meeting and that comments made had been taken into account. He recommended that the Board gave approval to contributing 25% of the costs of the Project Manager. ***This was agreed.***	
Item 13	**Self Certification** MJ introduce the paper. He advised the Board that the SHA now required Trusts to submit a monthly self certification report, in line with Monitor requirements. He said that the report for December had been signed off by JF and TH in view of the deadlines. He advised the Board that, in order to meet the deadlines for future reports to the SHA, and to ensure that they were signed off by the Board, the dates for future Board meetings would need to be changed. Following discussion the revised dates set out in the paper were agreed, although consideration would be give to further, alternative dates in order maximise CG's attendance.	
Item 14	**Foundation Trust Process** The Board noted this item	
Item 15	**Risk Management** The Board noted this item	
Item 16	**Complaints** The Board noted this item	
!tem 17	**Emergency Business** There were no items of emergency business.	
Item 18	**Questions from the Public** **Delivering a Healthy Future** A number of questions were raised in respect of the presentation given by LMc concerning of the lack of a critical path analysis, the lack of any reference to transport issues, discharge arrangements and access to step down/intermediate care facilities, the need to take account of population growth and the need to ensure that information was available on the Trust web site. LMc said that there was a critical path analysis for the construction work but that the service re-design critical path was still being developed. She advised the Board that with respect to step down/intermediate care the PCT had identified this as a priority for investment as part of the Acute Services Review outcome. She said that detailed work had been undertaken in respect of population issues. ***It was agreed that more general information on the plans for***	

	and progress of the AAU should be published on the Trust web site.	LMc
	Hemel Hempstead Post Graduate Medical Centre A question was asked as to why the Trust was planning to close the PGMC at Hemel Hempstead and why unsuitable buildings at Watford were being refurbished. TH confirmed that there were no changes to the plans for Watford and buildings were not being refurbished as an alternative to the building of a new hospital on the site. He said that current refurbishment work was needed in order to facilitate relocation of some services in order to accommodate the development of the AAU.	
Item 19	**Date of Next Meeting** The next meeting was confirmed as Thursday 21 February 2008 at 10am. Venue to be advised.	
	Special Resolution The Chairman resolved that representatives of the media and other members of the public be excluded from the remainder of the meeting, having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest.	