

**Minutes of Public Board Meeting**

**Thursday 18 December 2008**

**Post Graduate Medical Centre, St Albans City Hospital**

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**Board of Directors in attendance**

Thomas Hanahoe	Chair
Robin Douglas	Senior Independent Director
Colin Gordon	Non-Executive Director
Katherine Charter	Non-Executive Director
Stuart Lacey	Non-Executive Director
Jan Filochowski	Chief Executive
Graham Ramsay	Director of Patient Safety & Medical Director
Nick Evans	Director of Partnerships
Gary Etheridge	Director of Nursing
Margaret Ashworth	Director Finance

**In attendance**

Russell Harrison	Director of Delivery
Sarah Childerstone	Director of Workforce
David McNeil	Director of Corporate Affairs and Board Secretary

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<b>Agenda Item</b>	<b>Comment</b>	<b>Action</b>
	<b><u>OPENING ITEMS</u></b>	
181/08	<b>Chair's Opening Remarks</b>  TH opened the meeting and welcomed members of the public. He explained a few proposed changes to the Board as it recruits a new Non Executive Director with Financial expertise. Once the new appointment has been agreed, KC will become Vice Chairman and MH the Senior Independent Director. Until that time, RD remains both the Vice Chairman and the SID.	
182/08	<b>Apologies</b>  MH, SW, LM	

183/08	<p><b>Declarations of Interest</b></p> <p>Additions to the declarations were noted.</p> <p>Additional changes mentioned at the meeting were:</p> <ul style="list-style-type: none"> <li>• RD is Chair of the Health and Social Care Advisory Service</li> <li>• CG is Chair of Hollister PLC</li> </ul>	
184/08	<p><b>Minutes of the previous meeting</b></p> <p>The minutes of the meeting on the 23 October were approved.</p>	
185/08	<p><b>Matters Arising and Action Log</b></p> <ul style="list-style-type: none"> <li>• The Quality Care Commission (QCC) takes over the responsibilities of the HCC in 2009. The Chief Executive, Cynthia Bowers, visited the Trust to see for herself the major improvements the Trust has made in controlling C Diff and MRSA infection. She also visited the new AAU.</li> <li>• MA reported that, following a discussion at the Audit Committee, there were no barriers to the Trust achieving a rating of "Good" in its use of resources.</li> </ul> <p>All other matters were covered on the agenda</p>	
186/08	<p><b>Chief Executive's Report</b></p> <p>JF said that the papers before the Board today showed continued signs of improvement, allowing the Trust to look ahead with confidence. However, he alerted the Board to the pressures that the Trust is currently facing as it heads into winter. This is not just in West Herts. Hospitals nationally are facing up to what could be one of the worst winters for many years. Despite the pressures, the Trust has been coping satisfactorily, but it is taking a lot of management focus as the volume of work puts pressure on A&amp;E.</p> <p>TH expressed the Board's appreciation of the effective work of all staff at this very busy time and in particular to RH who is at the forefront of managing these pressures.</p> <p>JF said that the 'credit crunch' was likely to have an impact on the NHS but that no patient services should be affected. There may be some pressure on allocations next year. The Government is supporting early implementation of capital expenditure schemes where they can demonstrate a positive affect on the local community. The Health Campus in Watford is the only health related scheme in the East of England that is</p>	

	being considered and if successful it could mean that the new link road at Watford to the M1 will be brought forward.	
	<b><u>Operational performance</u></b>	
18708	<p><b>Performance</b></p> <p>JF said that there were areas of concern but overall performance remained good. With respect to the 4 hour wait target, A&amp;E is expected to achieve over the 98% for the year, despite current pressures. On the 18 weeks target the Trust is significantly over achieving with respect to those patients that do not need admitting and remains close to achieving the 18-week target for those patients needing to be admitted.</p> <p>The Board said that it was good to see that these difficult and challenging targets were being managed successfully and expected to see this trend continue.</p> <p>JF took the Board through the current position against various health check targets, pointing out that the predictions were erring on the side of prudence, particularly around patient experience and staff surveys.</p> <p>Cancelled Operations was an area where the Trust failed last year but has been improving significantly this year and the Trust, for the last three months, has been within the tolerance levels allowed. However, the full year position means that we are unlikely to meet this target. The related target of rebooked appointments within 28 days continues to improve but is still not satisfactory and will likely remain so this year.</p> <p>Overall the prediction for this year is that the rating from the health check will be Good/Good.</p> <p>TH asked if there had been any points of learning that the Exec could take from the last twelve months work. JF responded that a whole health economy approach, particularly around difficult areas like delayed discharges, is required if the patients are going to experience the desired level of seamless care that the Trust aspires too. JF added, that he had asked fellow Directors to look at areas that were not on the current focused list of targets – such as Choose and Book, Stroke and Appraisals. This would be a theme for the new year and other ‘targets’ would be provided to the Board as they were developed.</p>	

	<p>The Board discussed the prudent approach being taken by the Trust, particularly around the patient experience and agreed this was a realistic position to adopt. The Board had been asked by the SHA to report on the likely rating for next year. After deliberations, the Board agreed they would support the proposition that a Good/Good rating was achievable.</p> <p><u>Self Certification</u></p> <p>The Board noted and approved the return that had been sent to the SHA for October.</p>	
188/08	<p><b>Financial Report</b></p> <p>MA presented a paper to the Board outlining current performance on revenue and capital and progress towards achieving the forecast surplus.</p> <p>MA reported that the achieved surplus at month 8 was £1.2m. It would be challenging but still expected the Trust to reach the £4.4m end of year position. Key areas are the cost of outsourcing and the use of bank/agency staff. Action is being taken with key groups of staff to keep their budgets in control.</p> <p>MA added that the financial risk rating was at 3, which is very good and meant that all the Trust's statutory duties will be achieved.</p> <p>The speed by which payments to suppliers were made had improved and special attention was being made to ensuring all local contractors were paid promptly.</p> <p>The cash flow is being well managed and the Capital is likely to reach the limit this year but at best will be a £1m under-spend to carry forward.</p> <p>SL asked if the planned delay of the opening of the AAU would have a financial impact on the Trust. MA responded that these had already been taken into account and would not affect the £4.4m end of year position.</p> <p>RD asked if there was enough support from the divisions to deliver the savings. MA said that it was difficult for them but there were regular meetings and all knew what to expect and were giving as much support as required to meet the demanding targets.</p> <p>The Board discussed the financial position and were content that, despite winter pressures, the Trust was still focused on achieving the challenging savings</p>	

	programmes.	
189/08	<p><b>Strategic Finance Committee</b></p> <p>MA presented the Board with terms of reference for the proposed Finance committee, which had recently being reviewed and approved by the FT Project Board.</p> <p>The Board approved the ToR and SL agreed to Chair the committee.</p>	
190/08	<p><b>Infection Control</b></p> <p>GR updated the Board regarding the Trust's infection control data and assured them that the figures were continuing to show significant improvement. There had been some concern on C Diff cases – in September the Trust had 1 case, 1 in October and 7 in November. The Trust had instigated its Route Cause Analysis (RCA) procedure and had found that a patient had failed to be identified and isolated which meant the C diff organism was transferred to 4 other patients. Whilst this was disappointing, it did show that the Trust procedures now caught these incidences whereas a year ago they would have been missed.</p> <p>For MRSA there had been two cases in November, which meant 11 so far this year and therefore the level of incidence was still well within the Trust's trajectory for the year.</p> <p>These are still very small numbers compared to a year ago. Some of the reasons for these slight increases has been the additional pressure of winter and staff sickness. Although challenging, the Trust is confident it will be able to keep these figures to a minimum. GE added that the Trust was also now doing more independent checking to ensure that cleaning levels remained satisfactory.</p> <p>The Board noted the recent slight increase but was content the overall performance was well within target and with the significant progress made by the Trust in recent months. TH added that the Board was proud to be able to say that the Trust runs clean hospitals, and according to the figures, some of the cleanest in the country</p>	
165/08	<p><b>AAU Progress Report</b></p> <p>GR informed the Board on progress with the centralisation of acute and emergency services at WGH.</p>	

	<p>Construction is progressing well and, with the exception of CED, which will be finished in February, all clinical areas will be completed by the end of December.</p> <p>Hospital at Night will be implemented before the summer of 2009.</p> <p>A detailed risk section included in the paper gave a breakdown of the number of risks and the review dates and showed how risks were escalated. The Board looked at the risks above a score of 12. It was noted that although the risk score for staffing had been reduced in most areas, the use of Bank and Agency remained a concern. GE said that there were around 100 nurses being interviewed for various positions in the Trust. JF asked how confident the Trust was that staff from HHGH were going to move across to WGH and whether the induction programmes were in place at WGH. SC responded that all staff are offered orientation tours, clinical skills programmes and the usual mandatory training courses – which includes senior consultants. SC continued that, although there were some issues around recording which consultants had received orientation training, she was confident that both through the clinical champions and the virtual tour available on the Medical Education Centre web site, all staff would received orientation and where necessary the skills training.</p> <p>NEDs had recently visited the AAU and were impressed with what they had seen.</p> <p>The Board agreed that this had been a most helpful paper. KC asked if the Trust could provide a 'count down' plan as it moved to full opening. GR agreed to produce a transitional plan with milestones.</p>	GR
192/08	<p><b>Benefits Realisation</b></p> <p>GR presented a paper outlining some of the benefits that would be realised as the DaHF project moved through the final stages. There will be a post project evaluation after 100 days, Operations Review after a year and final Benefits Realisation before 2 years. RH added that there would also be a Capital Expenditure review with 12 months.</p> <p>KC asked about obtaining patient feedback, to which GR said that the current use on most wards of the Patient Experience Trackers (PET) would allow the Trust to compare experiences before and after the changes.</p>	

	<p>SL said that he felt uncomfortable delaying a review of the project for 12 months especially around the original business cases proposals around workforce. GR said that this would be looked at, along with all the financial parameters as part of the 100 day review.</p> <p>The Board noted the report and the attached action plan</p>	
193/08	<p><b>Service Line Reporting</b></p> <p>RH provided the Board with an update report on Service Line Reporting and Service Line Management. The Board discussed the transition to financial autonomy at service level.</p> <p>CG said that whilst supporting the overall direction of SLR he was concerned that the Trust did not get into a position where earned autonomy meant little control. He also said that Capital should not be allocated on past performance and should remain firmly on the section's plans for the future. RD agreed and said that he had some reservations over what 'local decisions' might look like.</p> <p>KC added that ensuring good outcomes and patient experience did not come through strongly enough.</p> <p>JF responded that these were very helpful comments. Earned Autonomy can of course also be withdrawn and that therefore autonomies will be measured against standards and performance.</p> <p>TH asked what would be the role of the proposed Performance Committee with respect to the application of this autonomy. JF said that this was currently being considered. There were also discussions about the extent of central reductions of Divisions' income, about their ability to retain surpluses and the procedures by which Divisions' budgets would be developed. RH indicated that these were issues currently being addressed.</p> <p>The Board agreed to the principles of earned autonomy for Strategic Business Units (SBU) and approved the proposals a service will undertake before becoming a SBU.</p>	
	<b><u>Strategic Issues</u></b>	

194/08	<p><b>Standards for Better Health</b></p> <p>GR presented a paper to the Board that set out the current assessment of the Trust's level of compliance against all standards covered by Standards for Better Health.</p> <p>The Trust is required to make a declaration of its compliant against 24 core standards to the Quality Care Commission. The Board was alerted to the fact that for the 2007/08 year the Trust was compliance against all standards except 4 - C4c Decontamination; C20a Health and Safety C20b single sex accommodation and C 23 Public Health.</p> <p>Appendix B in the paper gave the expected declarations for 2008/09. The Board discussed each in turn– drawing particular attention to C4c, C10a, C14c, C20a, C20b and C 23. GR said that the Trust remained on a trajectory to receive a Good rating for this year.</p> <p>The Board thanked GR for the paper which gave assurance that the Trust was performing well against targets. The Board said that in future it would be willing to accept exception reports rather than all of the targets. However, the Board also wanted to be made aware of areas outside the targets where the Trust was underperforming, e.g. Choose and Book.</p>	
195/08	<p><b>Reconfiguration Of the Hemel Hempstead Site</b></p> <p>JF presented a paper to the Board on proposals for the reconfiguration of estate to facilitate the agreed service model on the HHGH site. This reconfiguration is on an interim basis until the development by the PCT of a Local General Hospital. HHGH will keep all of the services that were earlier promised plus the Day Centre and the GP led Health Centre. RH said that clinical staff had been involved in discussion around the moves.</p> <p>The Board welcomed the detail and the clarity of the report. The Board approved the proposals for Option 1e and the preferred procurement route of Procure 21. It also approved the principle of funding the project using Operational Capital Funds subject to a full and detailed OBC.</p>	
196/08	<p><b>Releasing Time to Care</b></p>	

	<p>GE presented a paper on how the initiative will be implemented across the Trust.</p> <p>The Board discussed the content of the report and thanked GE for a positive approach. There were some concerns over the time commitment for each member of staff as shown in the report and asked that communications were developed to ensure it also led to an improved patient experience.</p>	
197/08	<p><b>Foundation Trust Application</b></p> <p>DM presented a paper to the Board updating members of the progress of the Trust's application to become a Foundation Trust and to propose an amended timetable for the production of an OBC for the new acute hospital at WGH.</p> <p>The Board noted the progress that had been made and approved the amended timeline for the OBC.</p> <p>The Board was grateful for the clarification of the dates and asked to be informed as early as possible when the Monitor date was finalised.</p> <p>Members also expressed concern over the tight deadline (first Board to Board planned for January) and the amount of work required to get the Board sufficiently briefed for the challenge of the B2B process. DM said that as a first step, he would be presenting each member of the Board with a briefing pack that would start the process of understanding the IBP and LTFM.</p> <p>TH said that he appreciated the work that had been done thus far and that the Board should continue to expect a substantial contribution would be needed to ensure success.</p>	
	<p><b><u>Committee Reports</u></b></p>	
198/08	<p><b>Audit Committee</b></p> <p>The Chair, CG, gave a verbal report of the Audit Committee held on the 17 November and 15 December.</p> <p>Main issues were the continued support of Directors in dealing with audit reports of limited assurance and the need to refresh the Assurance Framework. CG also noted that the progress on ALE was showing that the Trust was likely to get an improved</p>	

	rating for the current year.	
199/08	<p><b>Charitable Funds Committee</b></p> <p>RD as Chair of the Charitable Funds Committee gave a verbal report of the meeting held 15 December. The main issue was the need to consolidate some of the smaller funds wherever possible. There was some pressure national to consolidate the Charitable Funds into the normal Trust financial regime, but this was being resisted at present. The Trust's investment brokers will attend the February meeting.</p>	
	<b><u>Items for Noting</u></b>	
200/08	<p><b>Quality Indicators and Nursing Metrics</b></p> <p>GE presented a paper informing the Board on progress to date in implementing Quality Indicators and the development of Nursing Metrics.</p> <p>The Board noted the paper</p>	
201/08	<p><b>NHS Operating Framework</b></p> <p>The Board received a short paper from DM outlining the recently published Operating Framework.</p> <p>The Board noted the paper</p>	
202/08	<p><b>Claims, Litigation, Incident and Pals Report</b></p> <p>GR presented a report on the process for the co-ordinated approach to the analysis of incidents, complaints and claims.</p> <p>The annual Complaints Report will be presented at the January Board</p> <p>The Board noted the paper.</p>	<b>GE</b>
203/08	<p><b>Risk Management Annual Report</b></p> <p>GR presented a paper that provided an overview of the work of the risk department.</p>	

	<p>work of the risk department.</p> <p>Page 9 of the report mentioned the urgent need for a CNST coordinator. The Board asked that a business case be prepared and presented to the Board for a decision</p> <p>The Board welcomed the report but emphasised that the paper was too long and asked that in future it be accompanied by a summary paper of no more than 2 sides of A4. The Board also asked for a paper that detailed the risk process at the January Board.</p>	<p><b>GR</b></p> <p><b>GR</b></p>
	<b><u>CONCLUDING ITEMS</u></b>	
204/08	<p><b>Urgent Business</b></p> <p>None was received</p>	
2059/08	<p><b>Questions for the Public</b> (<i>Relevant to the business of the meeting</i>)</p> <p>Q: What plans do you have if you don't get approval of the PFI? A: JF said that nothing is certain but at the moment the Trust has good reason to believe that the funding will be approved. The Trust has contingency plans to mitigate such risks.</p> <p>Q: Will HHGH retain its Chapel? A: NE said that it would remain</p> <p>Q: Will there be an isolation ward at HH? A: GR said there would be no need as affected patients would either go in a side ward or be transferred to WGH.</p> <p>Q: Was the recent C Diff cases due to staff shortages? A: GR replied that this was not the case, although he acknowledged that staff pressures could give rise to C Diff increases.</p> <p>Q: If the AAU is short of staff, will this increase the likelihood of C Diff? A: GR said that there were plenty of staff who wanted to work in the AAU – this was not a problem. There may be an increased risk during the transition phase and this is being carefully monitored.</p>	

	Other questions were asked that were outside of the business of the meeting and the questioners were encouraged to write to the Trust if they had continued concerns.	
206/08	<b>Date of next meeting</b>  The next full board will be on 22 January in the Medical Education Centre at Watford General Hospital with a start time of 11.00	

**David McNeil**  
Trust Board Secretary  
December 2008

**Signed.....Dated.....**

***Professor Thomas Hanahoe, Chair***