

Confirmed

BEDFORD HOSPITAL TRUST BOARD

**Minutes of the 134th Meeting of the Bedford Hospital Trust Board
held at 9.30 am on Wednesday 28 March 2007
in the Committee Room, Bedford Hospital**

- Present:** Mrs H Nellis, Chairman
Mrs J O'Callaghan, Chief Executive
Mr A Warren, Director of Finance and Performance
Ms J Halliday, Director, Nursing and Patient Services
Mrs L Hunt, Chief Operating Officer
Mr E J Neale, Medical Director
Mr B Herdan, Vice Chair (part)
Mr J V Bassill, Non-Executive Director
Mr B Portch, Non-Executive Director
Mr K Lewis, Non-Executive Director
Mrs A M Buck, Human Resource Director
Mrs A Clarke, Clinical Director, Diagnostics and Therapeutics
Mr G C Budden, Clinical Director, Women & Children
Mr I Husain, Clinical Director, Surgery & Anaesthetics (part)
Dr V Mayor, Non-Executive Director
- In attendance:** Mr Alan Dickinson, Trust Board Secretary
Mr J Biggs, Chair, Patients' Forum
- Apologies:** Dr J Saunders, Clinical Director, Medicine and A&E

25/07 MINUTES OF THE MEETING HELD ON 31 JANUARY 2007

These were agreed as a correct record.

26/07 MATTERS ARISING - ACTION LOG

148/06 Intelligent Board Reporting.

This would be for discussion in April following a report by the Appointments Commission.

06/07 Ophthalmology Services

This was scheduled for discussion at the April meeting

All other items were on the agenda or scheduled for future consideration.

27/07 CHAIRMAN'S REPORT

The Chairman presented her report and paid tribute to Mr Husain, Clinical Director Surgery and Anaesthetics, whose appointment term had come to an end. He had made a fantastic contribution and she was grateful for his tenacity. She also paid tribute to Anne Clark, Clinical Director of Diagnostics and Therapeutics, the first non doctor to hold such a post in the Trust who was retiring and had also made considerable achievements. She thanked John Biggs, Chairman of the Patient and Public Involvement Forum who had always been supportive of the hospital over a long period of progress. This was her last meeting as Chairman and she thanked all involved for their support and for the good wishes she had received. During her term of office the Trust had faced big challenges but progress had been made in a range of areas such as waiting times, quality and hotel services. She felt she was passing on a very different organisation and one which was much more open in its relationships with the community. She paid particular tribute to the Board both collectively and individually.

The Chairman also referred to the strong links established with educational sector and the partnerships with the public and private sector. She felt its agreed strategy

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would make the hospital fit for the new national health service. Financial health was well on the way to being restored, and patients remained at the forefront. There had been significant improvements in waiting times, quality and hotel services, and improved and new facilities (including 20 additional car parking spaces) recognised by a range of awards. She paid tribute to the contribution of all staff. There were however still areas which needed development including improved commissioning links with the PCT, the development of new relationships through the Foundation Trust process, and further investment in buildings and services

The Chief Executive responded with a formal appreciation of the Chairman's contribution over the five years she had served in that role. She had been very visible and well known for her strong commitment to the hospital and to patients.

28/07

CHIEF EXECUTIVE'S REPORT

The Chief Executive presented her report. She drew attention to the exceptional job that had been achieved in terms of both financial performance and in achieving the 20 week target for inpatients, within the 97% tolerance. There had however been some inpatient breaches and a major issue had arisen of junior doctors hours which indicated that legal requirements were not being met. This would need careful monitoring and could have a potentially huge impact. Progress with agreeing the SLA had been slow and if an agreement had not been reached by the end of the month, the matter would be going to arbitration. An issue had arisen over disputed invoices and while the original total in dispute had now been reduced to £3 million, this issue needed resolution before the SLA could be signed. All agreed that was essential. The overall situation was felt to be disappointing and a pattern which could not continue. The recent announcement that the NHS would no longer have to do resource allocation budgeting (RAB) should help longer term planning for the Trust, but it still needed to pay off its deficit.

A Non Executive Director queried the areas of dispute with the PCT. It was explained these were centred around low priority treatments, zero admissions, and a proposed empty bed day charge because the Trust's length of stay in certain areas was below tariff levels. There was no dispute about the fact that the work had been done. The Trust had good information on its activity and was able to put forward strong arguments. Zero admissions were related to the functioning of the AAU where stays were limited to 12 hours. The alternative would be to admit, which would be more costly to the PCT. The Chief Executive confirmed she had had discussions direct with her opposite number at the PCT to try to resolve the matter and the Chairman had raised issues with the Strategic Health Authority. The Chairman felt strongly that SLAs were binding and in response to the question from the non executive director she confirmed that the PCT had asked for additional work to be invoiced. Patient level data was needed to check some of the current areas of dispute and the onus was on the PCT to provide this. The Director of Finance and Performance advised that the Trust had not attempted to raise issues of undercharging although these had been flagged up for inclusion in the SLA for 2007/8 and the Chief Operating Office advised that because of the limited availability of intermediate care the Trust was on average accommodating three patients per day who should be able to be discharged to intermediate care. A Non Executive Director considered that the Trust had to be tough. If it was not, the quality of commissioning would not improve. The Chief Executive confirmed that the Trust provides only what the PCT wanted, but there were risks if activity was set at the wrong level.

The Board agreed that its approach should be that

- the SLA 2007/8 should not be signed until disputes in 2006/7 had been resolved.,
- there should be a update on the current situation at the financial committee in May
- once the SLA was signed, that there should be a joint review with PCT of the process and learning on both sides for the next year
- the Trust needed to improve its skills in contract negotiation management.

The Chief Executive confirmed that the proposed 2007/8 SLA was more rigorous than the current one. For example, the PCT would not pay for the costs of hospital

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acquired infection, but there was nothing in the contract about outcomes. The Board wanted assurance that systems for monitoring the contract were adequate, noting that there were monthly meetings with the PCT at which the issues now raised had never been discussed. The financial situation at the PCT had however changed dramatically. A Non Executive Director stressed the importance of partnership and risk sharing and felt that if appropriate there should be key indicators excess bed days as a result of hospital acquired infection and the number of low priority treatments that had not come through the assessment service. It was agreed that a paper should be presented to the May Board, setting out the early warning arrangements and possible indicators.

The Chairman of PPI Forum asked for an explanation of special measures and the Chief Executive responded.

29/07 **QUESTIONS FROM MEMBERS OF THE PUBLIC**

A member of the public raised the issue of car parking charges about which he had given prior notice. He referred to the difficulty of people living in rural areas had in accessing public transport and the costs to older people of parking if they had to attend the hospital regularly for treatment or as visitors. He suggested inclusion of an appropriate section on appointment letters to allow free car parking for older people. The Chief Executive advised that the Trust had a car parking policy, that it spent £500,000 a year on transporting patients to the hospital, car parking was provided as a service and did not make disproportionate profits and that there were arrangements in place for patients with special needs eg cancer patients. Car parking did incur costs and if these were not met by users they would have to be met from the budget for patient services. She accepted that the Trust could improve publicity on the special arrangements and suggested that the patient panel had a role in reviewing this. The Chairman advised that she knew that car parking was a major concern to patients. Indeed the matter had been raised at a meeting she had attended the previous evening at Oakley Parish Council. The member of the public was thanked for his question.

30/07 **BALANCED SCORECARD**

The Director of Finance and Performance presented the scorecard which was in same format as previously and had not yet been adapted to include the additional targets. The report indicated the previous situation was continuing in most areas. The number of 26 week breaches that had occurred was now known to have put the Trust outside the tolerance to maintain the excellent rating from the Healthcare Commission achieved in the previous year. The tolerance was 0.03%. The 16 breaches to date were well outside that level, even though most of the patients involved were admitted within three or four days of the target. The Medical Director explained that the position was a result of a deliberate message to clinical staff that the Trust was not longer prepared to buy its way out of this situation and it had to be managed effectively. He stressed however that considerable effort had gone in by a considerable number of staff to hit the 97% requirement for the 20 week target. The Board expressed its appreciation to staff involved. The Chief Operating Officer confirmed that the scorecard would be modified in future to the revised targets in relation to outpatient, inpatient and diagnostic services of 20, 11 and 13 weeks respectively. The position was continuing to improve and the Trust had delivered over and above these targets. The 18 week inpatient wait was scheduled to come into operation by December 2008 but the activity plans under discussion with the PCT envisaged it being achieved by March 2008. The Chairman noted that although the number of breaches was very small and the patients had all been treated within a few days of the target time, it was essential for the Trust not to take its eye off the ball regarding performance against targets. The position was noted.

Finance Report

The Director of Finance and Performance reported that at the end of Month 11 the

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Trust had achieved a surplus of £882,000 following seven consecutive months when income had exceeded expenditure. He confirmed that this figure excluded the over performance which had billed to the PCT and the additional work which the PCT had agreed to fund to reduce the 26 week target in the SLA to 20 weeks. His best case prediction for the end of the year was approximately £4 million surplus and worse case £1 million surplus, with the expectation that the likely outturn would be surplus of £2.6 million. There were no cash problems. However in relation to the SLA for 2007/8 the PCT had issued three activity plans, each with different values with the PCT coming closer to the baseline figure first put forward by the Trust in February. Their offer was .£86 million against our estimate of £88 million. There was some debate about extending waiting times when these were currently better than the target. The Medical Director was unhappy with this prospect. In addition to the issues of activity and finance levels the Director of Finance and Performance advised that there was also outstanding issues with the actual wording of the SLA and although the PCT had responded on some of the areas, it was unlikely the Trust would be able to sign the document by the end of the month. It was also questioned whether the PCT would be able to afford to buy the activity required.

Human Resources Report

The Director of Human Resources presented her report and drew attention to the reduced headcount, the review of vacancies and the increase in extra staff used because of bed pressures. There was also some delay in realising the staff reductions because of delay in achieving changes in bed numbers. The areas currently being focussed on were closer monitoring of junior doctors hours, improved management of sickness absence to it down to the revised target and initial work on responding to the SHA workforce diagnostic meeting. In relation to annualised hours, she confirmed that the system would be voluntary for existing staff and a trial was beginning in nursing. The Medical Director confirmed that in relation to junior doctors hours rotas were compliant; the issue was that the diaries completed by junior doctors indicated they were working over the hours specified in the rotas. All concerned had been instructed that rotas must be adhered to. The report was received.

31/07

STANDARDS FOR BETTER HEALTH

Core Standards

The Deputy Director introduced her paper. When the declaration had been previously considered by the Board, the Board had felt it was not compliant in relation to Standard C 11B Training. Evidence of the training undertaken had been reviewed by the EMG in relation to what was an acceptable percentage of staff attending and determined at 70%. Evidence was available from KSF reviews, the manpower system and a review of who were priority staff for training. As a result of the review, the EMG was now satisfied that the Trust was compliant with this standard. The Director of Human Resources confirmed the 70% standard was in use in other Trusts. On the basis of the evidence available, including that from the Human Resources performance sub group, the Board agreed the Trust was now compliant with the standard.

Three other standards had been identified where compliance was at risk. The first of these was C4a infection control. The Medical Director advised that whilst the number of infections reported regularly on the balanced scorecard was increasing and above the target nevertheless the Trust had systems in place to deal with infection control. There was a paper on the agenda to discuss the information required by the Board on this issue and overall he felt the Trust could therefore confirm itself compliant with this standard. The second area was C4a medical devices training. This had been reviewed by the medical devices group. There was now a new trainer in post, more use was being made of companies' training and better records had been kept of attendance at training, particularly training provided by manufacturers at ward level. In relation to C4c, decontamination, the Trust had declared itself compliant the previous year. The inspection guide available from the Healthcare Commission

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which had not been available last year required there to be a suitable CSSD. Whilst the Trust department had its service quality standards checked, it did not meet the physical requirements. The Trust was however part of the decontamination cluster which was developing proposals for the new centralised facility. The Department of Health's view was that Trusts which were involved in decontamination clusters were compliant with the standard. It was also noted that when inspected by the Department of Health, local facilities had been classified as amber not as red. It was noted that there had been delay in the proposed cluster going ahead and there was some doubt as to whether the existing cluster would continue as such. It was noted that there was no common view amongst other Trusts as to how to respond to the decontamination standard, that the inspection guide did not define suitable and that the Trust met current standards although not the standards due to come into operation during 2007/8.

On the basis of the assurances given on all these three issues, the Board agreed that it could declare itself compliant on these three standards. The Board also agreed the statement on measures to meet the hygiene code.

The final version of the declaration would need to include comments from our partners and internal auditors before signing off. Arrangements for the actual signature process would need to be clarified with directors. The Board asked for an update on the decontamination cluster at its June meeting.

Hygiene Code

The Medical Director presented his paper requesting guidance on the Board's requirements for information on infection control being presented to the Board. After discussion it was agreed that existing arrangements, of inclusion of infection control issues in the balanced scorecard, and quarterly and annual reports on the control of infection, together with the risk register were adequate to give the Board the necessary assurance in this area. It was noted that the reports would continue to develop.

Developmental Standards

In relation to developmental standards the Deputy Director explained the self assessment process had been used under which safety had been assessed as good and clinical and cost effectiveness as fair. The former had been reviewed initially by the risk review group who has applied the NPSA's Seven Steps to Patient Safety Assessment tool recommended by the HC and clinical and cost effectiveness criteria had been assessed by a working group. Their views had then been reviewed by the clinical governance leads group. The clinical and cost effectiveness domain had also been reviewed by the cancer lead. On the basis that appropriate evidence was available to support the proposed responses, these were agreed by the Board.

Annual health check

These elements provided only part of the information to be taken into account in the final annual health check. The Director of Finance and Performance advised that overall he believed the Trust's position was better than in the previous year although performance against national targets had deteriorated. The Chairman wanted evidence that the patient experience had actually improved. The Director of Nursing and Patient Services advised that the patient survey results indicated an improved perception in a number of areas. The report would be submitted to the May Board. A Non Executive Director queried whether the process added value. The Medical Director confirmed that in his opinion it did, as it did force management to review all areas on a systematic basis. The Board thanked the Deputy Director of Clinical Governance for her efforts in preparing the draft declarations.

32/07

ANNUAL BUSINESS PLAN 2007/8

The Chief Executive introduced the draft business plan. She explained that the format had been based on the integrated business plan template put forward for use by Foundation Trusts. That was based on a five year plan, although this current plan

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was a one year plan only. She invited comments on the document. The Chairman felt that more should be included on how the community should be engaged and asked if the “golden thread” of corporate objectives would flow from individual directors and managers throughout the organisation. The Chief Executive confirmed that this approach had applied during 2006/7 and would be continued and improved in 2007/8. It was agreed that the plan should be challenging but not impossible and the current draft appeared to set sensible targets. Members were invited to submit comments on the draft to the Director of Nursing and Patient Services by 10th April.

33/07 EAST OF ENGLAND NHS PROCUREMENT HUB

The Director of Finance and Performance explained that work in developing the concept of the hub had been continuing. Savings had been achieved on the initial proposal because of the agreement to base the hub with the Strategic Health Authority in Cambridge. The proposals offered a 3 to1 return for the Trust. The Trust was now being asked to commit itself formally to joining the hub for a three year period. Costs would be linked to the number of members of the hub and savings achieved. In response to questions he explained how this would work and confirmed that there would be specific savings to this Trust which might vary from year to year depending on the product groups being targeted. It would be possible for the hub to benchmark itself against other hubs although the aim was to give geographical synergy. A Non Executive Director confirmed he had had discussions with the Chief Executive of the hub and had been satisfied with the approach. The Board resolved that.

a The Bedford Hospital NHS Trust arranges for the exercise of certain of its supplies procurement functions through the East of England NHS Collaborative Procurement Hub (the “Agency” as provided by the Agency’s Articles of Agreement (the “Articles”)

b The Bedford Hospital NHS Trust becomes a Stakeholder member of the Agency by becoming a signatory to the Articles

c The Bedford Hospital NHS Trust nominates Ken Lewis to serve(if elected) as a non-executive Stakeholder Member on the Board of the Agency

d The Bedford Hospital NHS Trust enters into a Service Level Agreement with West Suffolk Hospitals NHS Trust as Host Trust of the Agency and commits to invest in the Agency for the financial year 2007/8 as detailed in Schedule 4 to the Articles towards the delivery of supplies and purchasing services on the basis of the terms set out in the Service Level Agreement , and

e the Chief Executive be authorised to sign the Articles of Agreement and the Service Level Agreement on behalf of the Trust.

34/07 ASSURANCE FRAMEWORK

The Director of Nursing and Patient Services introduced the framework, explaining this was the last version the Board would see for 2006/7. The Chairman of the Audit Committee confirmed that the assurance framework had been discussed in detail at the audit committee where the suggestion had been made that all risks within an extreme score should receive a particular scrutiny, not just those scoring 16 plus. The Board confirmed the assurance framework and the extent and strength of the assurances it gave.

35/07 FOUNDATION TRUST APPLICATION PROJECT ARRANGEMENTS

The Director of Nursing and Patient Services tabled a revised version of her project plan following discussion at the first project team meeting earlier in the week which had been attended by a SHA representative. The project team would continue to meet weekly and would submit a project plan to the next meeting. It was noted that work on the Foundation Trust plan would involve a considerable workload for the Director of Nursing and Patient Services and it was agreed she should be seconded to work on this and turnaround and that the Deputy Director of Nursing and Patient Services should act up for a 12 month period and attend the Board meeting. In discussion, directors stressed the importance of monitoring the assumptions and constraints, balancing the work with existing activity and constraints, developing

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understanding of the market and engaging the community further with the hospital. It was agreed that marketing needed to follow market assessment and it was noted that discussions were already taking place with the neighbouring Trusts. The Chief Executive stressed the importance of making progress with the application. To take these proposals forward however would need investment in the Chief Information Officer and Director of Corporate Services posts.

The Board agreed the proposals and to meet as a project board after every Board meeting and to devote time at its development days to Foundation Trust issues.

36/07 FUTURE DIRECTION OF BEDFORD HOSPITAL

The Chief Executive reported that further work was taking place to identify areas of growth and retraction and a summary document should be available for the next meeting of the Board. Key proposals arising from the process had formed the basis for the integrated business plan and indicated what could be achieved, what would change and what the risks were. She confirmed that the process would be consistent with the principles agreed. Already, significant changes were taking place in pathology, ophthalmology, with developing the concept the private patients unit and in relation to GP commissioners. The position was noted.

37/07 BEDFORDSHIRE PCT STRATEGY

The Chief Executive tabled a draft letter to the Chief Executive of the Bedfordshire PCT, setting out the Trust's comments on the draft strategy. Directors were asked to let the Chief Executive have any comments the following day. Immediate reaction was there should be more emphasis on the PCT and hospital working together, having an agreed philosophy of values and principles, being clearer on pace of change which was feasible and stressing that investment should not take place in new facilities when there were under-used facilities already in existence.

38/07 REPORT FROM THE AUDIT COMMITTEE

The Chairman of the Audit Committee presented his report from the meeting held on 14th March 2007. The Trust Chairman stressed the importance of the Board understanding the revised role and function of the Audit Committee. It was no longer appropriate for Mr Portch as Chairman of the Audit Committee to continue to chair the finance committee and her suggestion was that the finance committee evolved into an executive chaired committee, with non executive director membership. The Director of Finance and Performance provided further information about the proposed changes in accounting procedures. It had however yet to be confirmed whether the figures involved would be material or not. The Board received the report and agreed the revised terms of reference for the Audit Committee and the changes in accounting procedures.

39/07 HR PERFORMANCE SUB COMMITTEE

The Director of Human Resources presented the notes of the meeting which had primarily been to look at evidence of compliance in relation to training for the Standards of Better Health declaration and the organizational development plan, which was a separate item on the agenda. The report was received.

40/07 PROGRESS AGAINST OBJECTIVES 2006/7

The Director of Finance and Performance presented the report. He confirmed that good progress had been made in meeting the objectives set at the beginning of the year. Where progress had not been made, there were good reasons for this. A Non executive director asked if unachieved objectives were be carried forward into the following year. The Director of Finance and Performance confirmed that some of this would take place through changes in budget for 2007/8 and he would ensure this point was taken into account in the 2007/8 plan. The Chairman congratulated staff on their performance against the objectives during the year.

41/07 SUPERVISOR OF MIDWIVES ANNUAL REPORT

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The Clinical Director of Women and Children's Services introduced the report. He confirmed that there was currently an adequate numbers of supervisors in post and that a further supervisor was being trained. The Chairman confirmed there had been excellent feedback from the Strategic Health Authority on the report which indicated that the service functioned well, had done a good job and was very positive. The Board congratulated the supervisors on the report and the excellent work they did.

42/07 MATERNITY SERVICES QUARTERLY REPORT & ACTION PLAN OCT-DEC 06

The Clinical Director Women and Children's Services presented the report and stressed that action plans were in place to deal with issues raised and appropriate learning had been achieved. The report was received.

43/07 ORGANISATIONAL DEVELOPMENT PLAN UPDATE

The Director of Human Resources presented the update and briefly outlined progress in each of the areas of values and behaviour, involvement and empowerment, management capacity and capability, service transformation and communication. The Board recognized the importance of improving leadership and welcomed the establishment of a gifted and talented management academy. The Director confirmed that the work was monitored by the HR Performance Group. A Non Executive Director stressed the importance of Non Executive Directors having a profile within the Trust and championing customers. Directors were invited to pass any comments to the Director of Human Resources. A further report would be presented to the July Board.

44/07 HAMBANTOTA LINK

The Chairman reported that a meeting of the Steering Group had taken place the previous week and steps were in place to purchase the equipment requested by Hambantota The Chief Executive confirmed that she would consider how to for continue the link.

45/07 DATE AND TIME OF NEXT MEETING

The next public meeting of the Trust Board will take place at 9.30am on Wednesday 30th May 2007 in the Committee Room, Bedford Hospital, South Wing.

46/07 EXCLUSION OF PRESS AND PUBLIC

The Board resolved under Standing Order 3.1 that representatives of the press and other members of the public be excluded from the remainder of the meeting having regard to the confidential nature of the matters to be transacted, publicity on which would be prejudicial to the public interest.