Confirmed

Bedford Hospital NHS
NHS Trust

BEDFORD HOSPITAL TRUST BOARD

Notes of the 133rd Meeting of the Bedford Hospital Trust Board
held at 9.30am on Wednesday 31 January 2007
in the Committee Room, Bedford Hospital

Present:
Mrs H Nellis, Chairman
Mrs J O'Callaghan, Chief Executive
Mrs L Hunt, Chief Operating Officer
Mr A Warren; Director of Finance and Performance
Ms J Halliday, Director of Nursing and Patient Services
Mr E Neale, Medical Director
Mrs A Buck, Director of Human Resources
Mrs A Clarke, Divisional Clinical Director for Diagnostics & Therapeutics
Mr Tazi Husain, Divisional Clinical Director Surgery & Anaesthetics
Mr G Budden, Divisional Clinical Director for Women & Children's Services
Mr K Lewis, Non-Executive Director
Mr J Bassill, Non-Executive Director
Dr V Mayor, Non-Executive Director
Mr B Portch, Non-Executive Director

Apologies:
Mr B Herdan, Non-Executive Director
Dr J Saunders, Divisional Clinical Director for Medicine and A&E

In attendance:
Mr A Dickinson Trust Board Secretary
Mr J Biggs, Chair, Patients Forum

01/07 MINUTES OF THE MEETING HELD ON 29 NOVEMBER 2006

These were agreed as a correct record with the following amendments
- to the heading of the minutes as the 132nd meeting
- the addition of Mr Husain to those present
- amending 151/06 to PPI Forums

02/07 MATTERS ARISING

085/06 Staff Survey

The Medical Director explained that links with both the PCT and GPs had been difficult during the period of recent PCT reorganisation. There was, however, full acceptance of the need for good dialogue and he was working with the PCT Medical Director on this issue. He would report to the February Board on the structure that had been put in place to ensure good planning between GPs and the hospital. A representative from the local medical committee, speaking from public gallery, confirmed that GPs were happy to work with the Trust. The Chief Executive referred to the useful meeting the previous week with the PCT, GPs and Horizon.

141/06 Finance Report

The Medical Director reported that it was now clearer where blockages were taking place. The individuals concerned now had less support from their peers and ways of working round them were being devised. It was hard work but ongoing. There was now good evidence on the basis of what was happening elsewhere to show that some traditional clinical practices were outdated. The Chief Executive confirmed that there was still a lot of

resistance to change. Progress needed to be made both technically and clinically. There was zero tolerance to all inappropriate behaviour as this was not in line with the values of the organisation. All staff needed to be accountable. She did however draw attention to some good engagement with clinicians and a lot of excellent work.
The position with regard to items on the action log was noted. A report would be made to the next Board on developments in the procurement hub.

03/07 **CHAIRMAN'S REPORT**

The Chairman reported formally that she would be retiring from her post with effect from 5th April 2007. She has found being Chairman of the Trust Board an immensely rewarding experience. She had seen dramatic changes in the last five years, including much better services for patients and a much more business-like approach to running services. PCT commissioning and the hospital's ability to be flexible and agile remained key challenges. She felt this was an appropriate time for a change of leadership as the hospital entered the next phase of its development.
She had met the Secretary of State and the NHS Chief Executive and the key points arising were
the need for a step change in commissioning,
the key importance for clinical leadership,
the need for best value for money,
a fair, transparent and responsible financial framework
a move away from top down targets to local accountability.
the need for GPs to deliver the new needs based agenda
appreciation for clinical staff
The NHS Chief Executive had stressed the importance of care in the community, the development of more patient pathways and the key role of Foundation Trusts in delivering the overall programme. The NHS must push on with reforms. More independent treatment centres would be announced, to give more choice for patients and to improve competition. The main targets would be the 18 week wait, infection control and health inequalities. Boards had a key role in explaining to the local population what was happening.
She had also attended the following meetings:
A Strategic Health Authority stakeholders meeting on the acute services review, which had indicated with the work done on the future of Bedford hospital was in line with current planning
Bedford Borough Council with the Chief Executive where there had been good questions and discussion.
the PPI Forum,
Bedford Hospitals Charity, which continued to work with the Board to ensure strategic compatibility.
Local MPs and the Speaker of Borough Council had visited the hospital on Christmas Day. This was much appreciated. She expressed appreciation to Ray Rankmore who was stepping down as Turnaround Director, to be replaced by Julie Halliday, and to John Biggs who would shortly be resigning as Chairman of PPI Forum. His help and support over many years had been much appreciated. She also thanked the Infection Control Team for their work during the recent period of infection.

04/07 **CHIEF EXECUTIVE'S REPORT**

The Chief Executive drew attention to the welcome finance trend of an increasing surplus. There was pressure to find additional savings to further improve the end of year position. The Trust however did not have large number of major turnaround schemes likely to deliver quickly. There had been a high level of activity and regrettably a few target breaches especially in orthopaedics. The EMG had had a presentation from the Audit Commission on productivity and needed to drill down into the areas identified as having improvement potential. She drew attention to the provision of facilities for patients with infections on Harpur ward, which had been a good team effort. Earmarked funding for controlling infection measures would help to maintain an improvement in this area. She informed the Board that it had not been possible to appoint a Consultant Haematologist at the advisory

appointments committee the previous week and further thought needed to be given to the future of this service and to the hospital working in collaboration with other hospitals. There had been positive feedback from the Department of Health on the Research and Development annual report, with the assessment moving from “weak” to “moderate” and indicating a number of strong areas. There was a turnaround project looking at providing electronic discharge information to GPs. There were successful examples elsewhere but there was likely to be a capital cost. The Chairman’s resignation had been received by staff with dismay. All appreciated her contribution and appropriate arrangements would be made to mark her retirement.
The Chief Executive’s report was received.

05/07 **BALANCED SCORECARD**

The Director of Finance and Performance presented the scorecard which included data for the third quarter and for the month of December and Department of Health matrices for the first half year. Some of these were not available and this was being queried. The ones available did not show much improvement but they were and would continue to be a quarter in arrears and the issues indicated were already being addressed. The Healthcare Commission’s threshold for breaches for the year was not yet known. If however the standards applied in 2005/6 continued, the Trust would be considered to have met its targets. There had been no change in the Trust’s ability to re-admit within 28 days patients cancelled on day of operation, although numbers involved were very small. He advised that there were a number of reasons for the cancellations and lack of theatres capacity on the day was a determining factor. There was also a question of behaviour, as additional waiting lists work would not receive extra payment until there was full flexibility ie the Trust at this stage would rather breach than spend additional money. A Non Executive Director stressed the importance of addressing productivity. The Medical Director advised that theatre turn round was better and the Trust was now working close to capacity. Concern was expressed about the waiting time for audiology. The Director confirmed that this was being reviewed. All diagnostic services were now being brought within the waiting time framework and this was revealing areas where times were much too long.

Finance Report

The Trust remained in surplus and was maintaining the trend. This had been helped by an increase in PCT income. A larger surplus than previous anticipated was now expected if PCTs paid for additional work carried out, but the Trust would still not meet the Strategic Health Authority’s control target of £4.5 million. The timetable was to complete SLAs by 28th February but to date all previous target dates had been missed by the PCT. Quarter three was showing no reduction in activity and the PCT had paid for excess activity in the first two quarters of the year. On turnaround, the position remained that 80% of programmes were delivering against plans. To date £5 million had been identified for 2007/8 which was not enough, as costs were likely to increase by 5% and income by only 2½%. For this Trust, savings of £2.3 million were needed to stand still. The risks identified in the report had reduced because there was now more certainty, but there was still a range of outcomes because of the uncertainty about PCT income and redundancy costs He then outlined some of the estimated cost increases in particular areas eg drugs, staff pay. He confirmed that business planning for next year had started and financial predictions had been developed in relation to costs, but activity data was needed before they could be completed. The PPI Forum Chairman asked about penalties for not meeting targets and the Chairman of the Trust Board replied that there were different levels of intervention in place. She also stressed that the Board expected the SLAs to be agreed on time and that a business plan for 2007/08 would be ready by the March Board. It was essential that assumptions underpinning commissioning were fully understood by both the PCT and Hospital Boards. She was assured that clinicians would have an opportunity to see the SLAs before the Trust agreed to sign them off. The Board would need to ensure that the Trust continued to respond to the need to match capacity with demand.

Human Resources Report

The Director of Human Resources presented her report, including predictions of staff numbers because of staff turnover and turnaround. Overall there had been a reduction of 100 staff to date. Redeployment options for displaced staff were being explored and there were a number of vacancies, given an 11% turnover. Extra staff had been used because of the infection issues and the need to open additional beds. Pressures were anticipated in February and March because of the amount of annual leave to be taken and there was also an increase in the level of staff sickness.
The Director of Clinical Operations advised that CapPlan system had predicted two drops in activity and over the Christmas period this had been accurate and staff shifts had been able to be cancelled. The forecast for New Year had not been as accurate. Overall it indicated the options for being more flexible in terms of opening and closing areas. The Chairman reminded the Board that they had asked the HR Director to explore the benefit of an "annualised hours" approach to give greater flexibility. The Medical Director advised that there was a backlog of consultant leave for historic reasons but this should be worked through over the next 12 months. The Director of Human Resources confirmed that the Human Resources strategy had been discussed at the Human Resources Performance Group and work on it was continuing. The report was received.

06/07 **FUTURE OPTIONS FOR OPHTHALMOLOGY SERVICES**

Mr ffolliot Fisher, Consultant Ophthalmologist and Mr S Morgan Director of Operational Support Services and Business Development in attendance.
The Director of Finance and Performance introduced the paper, explaining that a lot of work had gone into developing proposals to deal with the issues of a small unit which was incurring a considerable loss. The clear way forward was to establish appropriate partnership arrangements to ensure that patients wanted to come to Bedford Hospital because of its reputation. A view had been taken that the reputation of Moorfields Hospital was such that this would be likely to attract patients. Moorfields had already developed a number of satellite units, although Bedford would be the first outside London, and their Board had approved the proposals. The local PCT was happy with the principles. Elderly patients needed locally accessible services and there were financial and service benefits from the proposals as outlined in the paper. Existing staff would transfer on existing terms and the Consultants would have honorary contracts with Bedford Hospital. The aim was to complete detailed negotiations in time for the arrangements to be in place by 1st April 2007 or as soon afterwards as possible. Mr Fisher explained that currently patients with macular degeneration had to travel to London to Moorfields for treatment. This was an increasing area of workload and the proposals would mean this service could be provided in Bedford. He felt it was a positive move. There were other gaps in service at present which also could be filled eg paediatric ophthalmology, and a specialist glaucoma service. It was important however to have a core of staff permanently based in Bedford, to give continuity. Quality would be maintained through links with Moorfields quality systems and to their IT systems, although paper records would remain in the Bedford Hospital notes. It was noted that out of hours arrangements currently based at Luton would continue in the short term although these would need to be reviewed over time. There were already discussions in place about larger catchment areas. A meeting was already set up to pursue detailed implementation including discussions with staff and a communications plan. The Director of Operational Support Services confirmed that to date there had a good, transparent relationship with Moorfields. A Non Executive Director considered that the proposals would benefit patients but letters would need to make it clear that they were expected to attend Bedford, not London. An extensive communications plan would be needed. The Director of Human Resources confirmed that there would be a joint consultation with the staff and Mr Fisher advised that staff had been involved in the discussions to date. In response

to questions, the Director of Finance and Performance explained that the costings were fully absorbed and outlined how the market forces factor applied. The proposals allowed for a review of the split of profit after 3 years of operation. The Chairman stressed the importance of achieving a high quality service in line with the Trust's objectives. The detail would be included in the agreement. The Chairman of the PPI Forum confirmed that proposals appeared beneficial to the patient. The proposals were approved in principle for more detailed work to be undertaken and a report to be made back to the next meeting of the Board. The work should include discussions with the commissioners about expansion of service.

07/07 **ANNUAL HEALTH CHECK – PROGRESS REPORT**

The Director of Finance and Performance introduced his paper setting out the arrangements to try to make sure the Trust achieved a better score in the 2006/7 assessment of the new national targets than it had in 2005/6. A lead had been identified for each area. The Chief Executive confirmed the matter had been discussed at the Governance Committee and various actions agreed. On smoking, it was noted there was a new health promoting hospital initiative which appeared to offer exciting potential. The Governance Committee would escalate matters to the EMG. The Board asked for further update before the data had to be submitted to the Healthcare Commission.

08/07 **APPOINTMENT OF PATIENT TRANSPORT SERVICE PROVIDER**

Mr S Morgan Director of Operational Support Services and Business Development in attendance.

The Director of Operational Support Services presented the paper drawing attention to the historical issues of cost, poor service and limited flexibility that there had been with the patient transport service, which had led to the decision being taken to market test the service. He stressed that the emergency ambulance service was not affected by the proposals. A full process had been undertaken and two preferred providers had been involved in extensive dialogue in terms of value for money and quality. Overall, the proposals represented a saving of at least £1 million across the consortium and gave the benefits of more flexibility, better quality and better vehicles. The matter was however contentious and a number of concerns had been raised. The Board had been provided with copies of the views of the Ambulance PPI Forum. There was a particular issue with PCTs in West Hertfordshire in relation to inter hospital transfers. The Director of Operational Support Services confirmed that the preferred provider was a national company which provided a wide range of services very successfully. Their customers included Hammersmith Hospital. He read an email received from the company's Managing Director confirming that he would take personal responsibility for the content. He had spoken to other customers and they appeared to offer good training, a customer focussed ethos and new vehicles. The Director of Finance and Performance advised that the proposals excluded neonatal transfers which were covered by the emergency ambulance service. The Director of Operational Support Services confirmed there were good controls in place to make sure those using patient transport service needed it. He also advised that if West Hertfordshire did not participate in the contract, there would be an overall increase to the other participants of approximately 10%. This would however still produce a significant saving. The proposals had been put in place before the procurement hub was in place and the hub was now looking at this approach for the rest of the East of England. Several Directors expressed concern about the possible impact on the East of England ambulance service but were advised that emergency ambulance service and patient transport service should be considered as separate entities and economies of scale should ensue from the recent amalgamation. The preferred provider would be available to assist the emergency ambulance service in case of major incidents. The Chairman of the PPI Forum commented that in the past the ambulance service had always maintained that the PTS service was run at a loss. His main concern was that transport was not denied to those who required it. There was also some concern about the extent of the change.

The proposal was supported unanimously and the aim was that implementation should take place as soon as possible after allowing for appropriate transfer arrangements to be put in

place.

09/07 GENDER EQUALITY SCHEME

The Director of Human Resources introduced the proposals, stressing the need for an impact assessment to take place as had been done for other aspects of discrimination.
The Board agreed to support the development of a Trust wide scheme to comply with equality legislation by 29th April 2007.

10/07 FUTURE DIRECTION OF BEDFORD HOSPITAL

The Chief Executive gave an oral update. Consultation had ended that day. To date relatively few comments had been received although they were all valuable. Those commenting included GPs. It should therefore be possible to pull together revised documentation fairly quickly to provide the baseline for the service development plan for Foundation Trust application. She had discussed the proposals at the Overview and Scrutiny Committee who had urged the need for a simple document to be made available to the public. She stressed that the proposals were currently at the pre consultation stage and that formal consultation would take place subsequently. She also confirmed that all staff had had the opportunity to contribute to the proposals. The position was noted.

11/07 FOUNDATION TRUST UPDATE

The Director of Nursing and Patient Services presented an update report following feedback from the Strategic Health Authority provider development unit. The Trust should aim to achieve Foundation Trust status in April 2008 which would mean starting the consultation process in June 2007. There was general support for the Trust proceeding with an application, but it was felt that to start consultation in June 2007 would be too early and that it would be inappropriate to consult during the holiday period. It was agreed therefore that the Trust should opt to take part in wave 8, starting consultation in September 2007 It was important to ensure the Trust continued to deliver on its financial turnaround, had in place a medium term financial plan related to delivery of the strategy, and clear support from the PCTs. The EMG was asked to prepare a resourced action plan for the next meeting of the Trust Board.

12/07 REPORT FROM THE AUDIT COMMITTEE

The Chair of the Audit Committee presented the report from the meeting held on 21st November 2006. The main item had been discussion of the annual audit letter, which was on the agenda later in the meeting. The report was received.

13/07 CHARITABLE FUNDS COMMITTEE

The minutes of the Charitable Funds Committee meeting held on 26th September 2006 were noted.

14/07 ANNUAL AUDIT LETTER 2005/6

The Director of Finance and Performance explained that this related to 2005/6 and was now somewhat historic. It had been discussed in draft with the Chief Executive and himself and subsequently by the Audit Committee. There were no surprises and the Auditors had indicated there was nothing so significant that they needed to attend the Board meeting.
The Board noted the key messages in relation to accounting issues, financial standing, value for money, the auditors' local evaluation and the acute hospital portfolio. The Board was assured that actions were in place to ensure continuous improvement in the relevant areas. The letter was received.

15/07 ANNUAL CONTROL OF INFECTION REPORT 2005/6

The Medical Director presented the report stressing that it related to 2005/6. He drew attention to changes in trends and surveillance both nationally and locally and the Trust position in relation to MRSA, *clostridium difficile* and bacteraemia and the audits carried out by the Infection Control Team. Subsequent to the period covered in the report, a cohort area for infectious cases had been set up in Harpur ward. This was working very well and

its establishment was a credit to all concerned. There was continuing use of alcohol gel and hand washing and the control and infection team was continuing to press national initiatives. The Trust had reached the national minimum target for a Trust of this size for use of alcohol gel and the maximum level during the November outbreak. The Chairman stressed the importance of investing appropriately in infection control measures as this would improve quality and save money in the medium term. The £300,000 to be made available by the Strategic Health Authority would help to reduce cross infection risk and enable to Trust to meet its targets. The Medical Director confirmed that he was looking at the staffing of the infection control team. He was also seeking to improve liaison with the independent sector and generally improve the level of communication. Hand hygiene was being promoted and he believed the situation was improving. The Clinical Directors confirmed there was much more awareness. The Medical Director confirmed that the Infection Control Team was included in discussions on turnaround changes and bed management, but on occasions their advice was overridden because of the need to balance priorities. The report was received.

16/07 **CONTROL OF INFECTION QUARTERLY REPORT JULY-DECEMBER 2006**

The report was received.

17/07 **MATERNITY SERVICES QUARTLEY REPORT AND ACTION PLANS JANUARY-MARCH 2006, APRIL-JUNE 2006, JULY-SEPTEMBER 2006**

The Clinical Director, Women and Children's Services introduced the report and added orally information from the final quarter of the year. Overall there had been 14 unexpected deaths including one maternal death elsewhere. He confirmed that every neonatal death was discussed in the unit. There had been one serious untoward incident at the end of October. There were regular risk management meetings in both obstetrics and paediatrics. The Medical Director explained that it was a requirement of CNST that these reports came to the Board. He also confirmed that maternity services had had their CNST level1 Accreditation renewed in December and were now working towards level 2. The Division was congratulated on its achievement and the reports were noted.

18/07 **SAFEGUARDING CHILDREN QUARTERLY REPORT ENDING DECEMBER 2006**

The Clinical Director Women and Children's Services presented the report and explained the plans to appoint to the post of Safeguarding Nurse for Child Protection. He drew attention to the new Safeguarding Children procedures introduced by the local Safeguarding Children's Board. The report was received.

19/07 **UDPATE ON THE ESTATES STRATEGY**

The Director of Finance and Performance introduced the report, explaining that the Estates Strategy would need to be updated following agreement of the Trust service strategy. In relation to the surplus accommodation currently available he confirmed that this was available for use when additional beds were required and also used for storage. There were certain areas to be demolished. It was agreed that the strategy should be updated once a clear service strategy was in place.

20/07 **COMMUNICATION STRATEGY UPDATE**

The Chief Executive confirmed that meetings had been set up with all local councils. The job description for the communications lead had been updated but the post would not be filled before 1st April. The assistant was currently managing well and could call upon outside help. Discussions were take place with Dr Foster and CHKS about marketing. The Board expressed strongly the need to have a professional communications lead in place during this period of fundamental change. The Trust has moved from being proactive to reactive regarding communications, which was not helpful. It was agreed that the advertisement would be placed shortly to ensure the post would be filled early in 2007/08.

21/07 **18 WEEK TARGETS UPDATE**

The Chief Executive reported the Trust was currently on programme. The 20 week wait

target had been achieved in 95% of areas although the Strategic Health Authority wanted 100%. However in a number of areas the commissioners had commissioned for 26 weeks and discussions on funding for the additional work were in progress with the PCT. The main difficulty was envisaged as being with diagnostic services and the 13 week target. She confirmed the Trust would not do additional work without additional funding.

22/07 HAMBANTOTA LINK UPDATE

The Chairman explained the link was now 18 months old. Good links had been established and a needs assessment visit had taken place. Hambantota had made good progress in that period and was now funded nationally and agreement had been reached that a new hospital should be built. Nurse training was due to start shortly in the hospital. Hambantota however was still keen to maintain the link. The Chief Executive confirmed that it had been a valuable link but there was a need to formalise the ad hoc structure for the link. It was agreed the EMG would review how to maintain the link and details of existing agreements should be circulated.

23/07 PATIENT SERVICES REPORT

The Trust Board Secretary introduced the report and drew attention to the reduced proportion of complaints responded to within the timescale, the case referred to the Health Service Ombudsman, the first for a number of years, and those complaints where the Healthcare Commission had requested the Trust take action. This had now been completed. The Chief Executive confirmed that she was becoming more involved in the process to reduce delays. The report was received.

24/07 SAFETY FIRST

Sue Blackley, Deputy Director of Clinical Governance in attendance.
The Deputy Director of Clinical Governance explained the background to the report which was to put patient safety at the top of the agenda and to ensure that incidents were reported properly. The Chairman commented that this replicated the stance of the Trust Board to ensure that quality and safety were at the top of the Board's priorities. She confirmed the Trust met the requirement of having a Patient Safety Committee and the action plan had been discussed at its last meeting. It was agreed the Board should receive a further update after discussion by the clinical leads.

ADJOURNEMENT/ EXCLUSION

At this stage the Board adjourned the meeting for the annual meeting of the Bedford Hospital Trust Board as Charitable Trustees. Following that meeting the Board reconvened and resolved under Standing Order 3.17.1 that representatives of the press and other members of the public be excluded from the remainder of the meeting, having regard for the confidential nature of the matters to be transacted, publicity on which would be prejudicial to the public interest.