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BEDFORD HOSPITAL TRUST BOARD

Minutes of the 129th Bedford Hospital Trust Board Meeting
held at 10.30am on Wednesday 31 May 2006
in the Committee Room, Bedford Hospital

PART 1

Present: Mrs H Nellis, Chairman
Mrs J O'Callaghan Chief Executive
Mr A Warren, Director of Finance and Performance
Ms J Halliday, Director of Nursing and Patient Services
Mr E Neale, Medical Director
Mr T Husain, Clinical Director, Surgery and Anaesthetics
Dr V Mayor, Non-Executive Director
Mr B Portch Non-Executive Director
Mr K Lewis Non-Executive Director
Mr B Herdan Vice Chair
Mrs L Hunt, Chief Operating Officer
Mrs A Clarke, Clinical Director, Diagnostics and Therapeutics

In attendance: Mr J Biggs, Patients' Forum
Mrs Gill Franklin, Deputy Human Resource Manager (for Human Resource Director)

Apologies for absence Mr J Bassill Non-Executive Director
Mrs A Buck Director of Human Resources

DECLARATIONS OF INTEREST

No declarations of interest were made

076/06	TO APPROVE THE MINUTES OF THE TRUST BOARD MEETING HELD ON 26 APRIL 2006 These were agreed as a correct record with the following amendments: 062/06 – amend the 4 th paragraph of the Chairman's report to read " this Trust was taking a strategic approach and only small number of posts had been identified for removal from the establishment at this stage but this approach was dependent on the Trust delivering the Turnaround Plan. 069/06 and 070/06 – amend Hilary Jones' title to Divisional General Manager.	ACTION AD
077/06	MATTERS ARISING 061/06 Benchmarking The Medical Director reported that the Clinical Tutor and Director of Human Resources were meeting to discuss this prior to EMG review. In relation to future benchmarking arrangements, the Trust was negotiating with possible providers for this service as the current contract expired in the Autumn.	AB

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069/06 Safeguarding Children

Dr Mayor would discuss with Divisional General Manager.

VM

063/06- HR report

The Medical Director advised that a paper on benefits realisation from the new consultant contract would be presented to a future meeting of the Board once work plans had been agreed.

EN

026/06

The Director of Finance and Performance reported that a simple model was now available on the Department of Health website and this would be used for the next Control of Infection report.

078/06

CHAIRMAN'S REPORT

The Chairman reported on a number of positive items,

- The Trust had achieved the first year of the financial recovery plan.
- The quality of service offered had been recognised by the Trust being included in the CHKS Top 40 Hospitals for the 4th successive year.
- She had attended the annual reception of volunteers and paid tribute to the wide range of services provided.
- International Nurses Day had been well supported.
- The Patients Panel Annual workshop had taken place and gone well. Links with patients would develop further with the move towards Foundation Trust status.
- She had attended the Annual General meeting of the Bedford Hospitals Charity. Over £250,000 had been raised in the previous year and the current main project was to fund an Aseptic Suite. On behalf the Trust she expressed gratitude to the charity and all its many supporters for their contribution to the hospital.
- Senior staff from the Trust's twin hospital in Hambantota, Sri Lanka, had visited the Trust and spent a lot of time in the Accident and Emergency department and Acute Assessment Unit.
- On a different note, she drew attention to the death of Mr James Hadfield, the Trust's first Medical Director.
- On the national front the priority remained for NHS finances to be brought into balance during the current financial year. At the same time the need to provide high quality services remained. The Trust had not yet agreed its Service Level Agreements for 2006/7 and she had met the Chairs of the local PCTs to discuss this.

079/06

REPORT FROM THE CHIEF EXECUTIVE

- The Chief Executive presented her report and in addition drew attention to the Strategic Workshop which had taken place on 17th May. An outline of the summary of discussions was tabled. Work was in hand on developing various points raised and work on others would start later.
- Senior Managers were carrying out a service by service review. A number of areas had already been surveyed and others were planned to be covered. To date duplication and possible economies had been identified in Human Resources, and IM&T. Overall the programme was proving very positive.

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- A briefing had been issued to all staff on the position with regard to the WRVS shop. The current situation represented two years of negotiation with the WRVS and a move from gifting to a commercial rent. The valuable link with the WRVS would remain. The current shop was however required for other hospital uses.
- She formally reported the appointment of the Lisa Hunt as Chief Operating Officer and welcomed her to the role where she was already having a significant impact.

The Chairman of the Patients' Forum queried the impact on patients of the demand management measures introduced by the Trust. The Chairman responded that patients had available to them alternative choices and currently the Trust was spending more money on providing services than it received for providing them.

080/06

TO RECEIVE THE BALANCED SCORECARD

Director of Finance and Performance presented the report. He drew attention to two outpatient breaches, an increase in cancelled operations and one breach of the 28 day readmission date requirement. Both outpatients had now been seen. He then reported on the top 19 risks from 2005/6 Risk Register. Generally there had been a positive movement and, in only one case, X-ray equipment, had there been a deterioration. A case for replacing the equipment concerned was currently under discussion. The report also drew attention to the two key risks identified so far for 2006/7. A Director raised the issue of the increasing number of Accident and Emergency department attendances and the fact there were no targets given for emergency readmissions. The Medical Director advised that readmission rates were reviewed when they fell outside the benchmarking condition specific norm and practice in some areas had changed as a result of the reviews. He reminded the Board that a paper on emergency medical readmissions had been considered at the March meeting He would however look further at establishing targets. A Non-Executive Director welcomed the reduced sickness levels. The Chairman of the Patients' Forum queried the MRSA figures and was advised that figures for the current quarter were not yet available. The Trust however had started from a very low baseline and some variation was to be expected. In relation to the availability of diagnostic services, the Director of Clinical Operations reported that she had had meetings on this issue and some areas for pathway redesign had been identified. A paper on the whole issue of achieving 18 week targets will be presented to a future meeting of the Board. She stressed that the work taking place involved PCTs. The Deputy Director of Human Resources advised that 19 staff had not been paid in May because of problems with the payroll provider rather than with the electronic staff record itself. A meeting with the provider was planned. The current contract had been extended by 12 months to March 2007 and a review of the options would take place shortly as the introduction of the electronic staff record presented new opportunities.

EN

LH

Items from the Finance Committee

The Director of Finance and Performance reported that the Finance Committee had reviewed its arrangements and concluded that its role of assuring the Board in relation to the financial management of the Trust

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still remained. The committee would therefore continue to meet with some fine tuning of the arrangements eg future meetings would be linked to Turnaround Board meetings rather than to Trust Board meetings. The committee had also considered the reasons for the movement in figures reported in month 12 and month 13 statements and the systems in place to minimise discrepancies in future. It had also noted that the Trust had achieved the year 1 turnaround plan although not the higher level of savings required by the Strategic Health Authority.

The committee had noted that financial performance in the current year was on track but appreciated the scale of the task of delivering the savings programme. A report on the capacity to deal with the turnaround plan reporting had been requested. In the light of the current position of Service Level Agreements and following further discussions with Bedford PCT who had made available an extra £1million, the revised aim for the year was to achieve a the surplus of £3 million not the £4 million originally planned. The Chief Executive and the Chairman had talked to Strategic Health Authority colleagues and they had accepted that a £9 million saving plan for the year was unrealistic. The target therefore remained £7 million. The Chairman advised that the new Strategic Health Authority had introduced new rules for achieving savings with three stages of intervention.

The cash plan showed a healthy position but the Trust would likely need to borrow in the second half of the year and had submit its proposals for this to the Department of Health and also developed a contingency plan.

Financial Performance Report to 30th April 2006

The Director of Finance and Performance summarised the position by saying that not all planned savings had been achieved. The aim was however to continue to live within budget and to continue to deliver the planned savings. The Divisional Clinical Director, Surgery and Anaesthetics, stressed the difficulties in meeting targets as there was still a need to carry out extra clinics and operating lists in order to meet activity targets. He was planning an awayday with consultant staff in the Directorate to get their engagement. The Medical Director confirmed that overall consultants understood the situation and the need to save funds but believed that they were clinically operating as efficiently as possible. While some were prepared to accept change, a greater understanding and commitment was needed. The Divisional Clinical Director, Diagnostics and Therapeutics, reported on good progress on controlling drug costs but explained there was less control over the introduction of new tests. The Director of Nursing and Patient Services confirmed that nurses were making their contribution towards service redesign. The Chief Executive reported on a visit by the Regional Turnaround Director who had accepted the honesty of the EMG and the challenging position faced by the Trust. She stressed that if existing plans failed to deliver new ones would have to be developed which did. Overall there was a sizing issue as targets for the SLA for the current year were likely to represent significant reductions in activity, particularly in Outpatients. To date there was no indication that demand management was taking place other than where instigated by the Trust eg closing services to new referrals for a short period. An activity flow plan from Bedford PCT had

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just been received; the one from Heartlands PCT was still outstanding. The main reductions in activity were likely to flow in the second half of the year. The Medical Director stressed the merits of the dialogue now taking place with the General Practitioners through the practice based commissioning approach. This presented opportunities as GPs were becoming more aware of differences in their referral patterns and ways of managing referrals. The dialogue was ongoing but it would take time to produce results. The Chief Executive again stressed the importance of delivering savings and providing only the services which the Trust was funded to provide. The Director of Clinical Operations pointed out that 6000 outpatient attendances would be saved through ceasing low priority treatments.

The Director of Finance and Performance reported that he expected to be in a position to have an SLA for signature before the next meeting of the Board and it was agreed that, as in previous years, a group would be convened to review the detail before the document was actually signed.

AW

The Board noted the position and the progress to date on agreeing SLAs for the year.

The Chairman of the Patients Forum queried how demand could be controlled by the PCTs. The Director Finance and Performance advised that Accident & Emergency department patients were paid for and so were emergency admissions. However to prevent artificial distortions, activity plus or minus more than 3.2% of the previous year's figures would be funded at only 50% of tariff costs.

HR Report

The Deputy Director of Human Resources presented the HR Report. Although sickness absence had been reduced, sickness was still costing the Trust about £200,000 a month. Future reports would include a quarterly report on diversity, a précis of results of exit interviews and details on appraisals. The current report highlighted high use of bank staff in Surgery & Anaesthetics particularly in the call centre and an action plan to address the issue had been prepared. Bandings for junior doctors were being reviewed in Surgery. The stability indicator had been affected by the number of fixed term contracts coming to an end in corporate divisions and by turnover in the portering staff. The reasons for this were being reviewed. Vacancies overall had reduced.

AB

081/06

INTEGRATED GOVERNANCE

The Director of Nursing and Patient Services introduced a paper on this issue. She drew attention to the new guidance available from the centre and the context of the Trust's previous proposals to review arrangements for managing Clinical Governance. A key feature was an enhancement of the Audit Committee which would have a scrutiny and assurance role, with direct management accountability for issues being through the management route of the EMG. She stressed that a number of the proposals were evolutionary and it would take time to implement them. After discussion of a number of issues including the role of the Governance and Strategy Group the proposals were agreed in principle subject to the addition of the Finance Committee and clarifying that allied

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healthcare professions were included under the Clinical Leadership Group. A report back on progress would be made in 6 months time and any opportunities should be taken to further reduce the number of committees in the structure.

JH

082/06 ADOPTION OF THE ANNUAL ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2006, SUBJECT TO AUDIT

The Director of Finance and Performance explained that the Auditors required the Trust Board formally to approve the accounts prior to audit. There had been a special meeting of the Audit Committee at the beginning of May to discuss the accounts in detail and in particular the changes between the figures reported for Month 12 and those included in the annual accounts. A further meeting of the Audit committee had been scheduled for beginning of July to consider any issues arising from the audit prior the audited accounts being adopted by the Trust Board in July. The Board formally approved the accounts for year ending 31 March 2006 subject to audit.

083/06 FREQUENCY OF THE TRUST BOARD MEETING

The Chairman reported that in view of the limited amount of time that Non-Executive members had for Board duties and the need for Board development activities it was proposed that in future the Board would meet in public every other month. The Chairman of the Patients Forum felt this was regrettable as the existing pattern adopted by this Board was better than that adopted by a number of other local Trust Boards and he felt it important that the public had access to the issues which were discussed. The Chairman stressed that all appropriate decisions would continue to be made in public and that other methods of communicating with the public were being developed, particularly in the context of Foundation Trust status.

It was agreed that the next public meeting of the Board would be in June and the subsequent public meeting would be in September.

084/06 TURNAROUND PLAN

The Director of Finance and Performance reported that this had been discussed by the Finance Committee in April and subsequently with the regional Turnaround Director. The Board formally approved the plan, noting that it would be monitored by the Finance Committee internally and by the Strategic Health Authority and Turnaround Director and Department of Health externally.

085/06 STAFF SURVEY 2005

Rosa Lombardi Learning and Development Manager in attendance for this item.

Mrs Lombardi presented a report on the key issues arising from the 2005 Staff Survey. The 2004 Survey had an action plan produced to improve performance in relation to appraisals, flexible working opportunities, working extra hours and work pressure. The 2005 Survey indicated good progress being made in all these areas. The Trust was now in the top 20% in relation to appraisals and PDPs, above average in working extra hours and work pressures and average for flexible working opportunities,

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although in fact 71% of staff responding had taken advantage of these. Overall the Trust was in the top 20% of Acute Trusts nationally in a number of areas including work/life balance, appraisals and PDPs, training opportunities and Health and Safety training for managers, positive feelings about the organisation, awareness of procedures for reporting errors and effective action being taken in relation to violence and harassment. The Trust was in the lowest 20% of Acute Trusts in relation to work related stress, work pressures, and staff intention to leave jobs.

The areas identified for action from the survey were stress, pressure of hours and violence. The next stage was to have discussions within divisions about how progress could be made in respect of these key issues. In relation to aggression a new Train the Trainers programme was being developed using e-learning.

Overall, the Board felt that the survey represented some excellent results which showed that the Trust was a good place to work. It was agreed however that there were a number of issues which were not covered by the survey which would be helpful to be covered including awareness of the need for change, financial awareness, need to work in partnerships, views on customer care and choice. One possibility would be to include questions in the next annual survey. Another was to carry out local surveys either on a one off or an ongoing basis. Further consideration would be given to this issue. Mrs Lombardi was thanked for her presentation.

AB

086/06 OBJECTIVES AND COMMITTEE MEMBERSHIP FOR NON EXECUTIVE DIRECTORS 2006/7

The Chairman introduced her paper, stressing the need to make best use of Non-Executive Director skills. After discussion it was agreed that a revised document should be prepared which emphasised the corporate nature of the Board, made the assurance role of the Non Executive Directors be more measurable and included the key objectives for all Board members including the Chairman.

HN
JO'C

087/06 CUSTOMER CARE

The Director of Nursing and Patient Services presented her updated report which had been modified to include e-learning, a roll out which proposed 10% of staff trained per year and new emphasis on mentoring. Funding for the proposals had been approved by the Charitable Funds Committee. The proposals were approved

JH

088/06 BUSINESS PLAN UPDATE

Chief Executive reported that she was working on a revised consolidated business plan and circulated a list of contents. The full plan would be presented to the next meeting of the Board. She stressed that an integrated business plan was a requirement for Foundation Trusts.

JO'C

089/06 COMMITTEE REPORTS

Clinical Governance

A report from the Clinical Governance Committee was received.

Audit Report

Mr Portch on behalf of Mr Bassill reported briefly on the meeting of the

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Audit Committee held the previous week. The Head of Internal Audit had given the Trust a satisfactory rating in his annual assessment and there were no issues that might need to be considered arising from internal audit work in relation to the Trust's statement of internal controls. He reported on the assurances given from the recent audit reports. All areas in the annual counter fraud plan had been completed and the external and internal audit plans for 2006/7 had been approved.

090/06 DATE AND TIME OF THE NEXT MEETING

It was noted that the next meeting of the Trust Board would take place on Wednesday 28 June 2006 at 10.30am in the Committee Room.

091/06 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.