

Confirmed

BEDFORD HOSPITAL TRUST BOARD

**Minutes of the 158th Meeting of the Bedford Hospital Trust Board
held at 10am on Wednesday 25th May 2011
in the Committee Room, Bedford Hospital**

Part 1

Present:	Mr R Rankmore, Chairman Mrs L Hunt, Deputy Chief Executive Mr K Lewis, Non Executive Director Mr D Gear, Non Executive Director Mr P Hutt, Non Executive Director Mr G Johns, Vice Chairman Mr D Richards, Interim Director of Finance Miss E Jones, Director of Nursing & Patient Services
In attendance:	Mr A Dickinson, Trust Board Secretary Mr N Benjamin, Director of Organisational Development Dr J McNamara, Deputy Medical Director Mr R Valks, Financial Controller
Apologies:	Mr I Pickering, Non Executive Director Mr J Harrison, Chief Executive Mr E J Neale, Medical Director Mr M Coleman, Chairman, Bedford LINKs Mr A Dennis, Chairman, Bedfordshire LINKs

The Chairman welcomed Dr McNamara and Mr Valks to the meeting.

38/11 DECLARATIONS OF INTEREST

There were no new Declarations of Interest.

39/11 MINUTES OF THE PART ONE MEETING HELD ON 30th MARCH 2011

These were agreed as a correct record for signature by the Chairman with the following amendment.

In the introduction add first *public* meeting.

40/11 MATTERS ARISING/ACTION LOG

20/11 Declarations of Interest – Medical Director to provide rationale to the Trust Board Secretary as to why his post created no conflict of interest.

22/11 Item 73 Estates strategy – to be added to action log.

74. GP engagement strategy – the Deputy Chief Executive confirmed that the seconded Director of Strategy and Service Development was engaging actively with stakeholders and developing the strategy process, targeting key areas e.g. St Neots.

80. Patient Story - Diabetes Audit Report – the Director of Nursing & Patient Services would check the current position.

92. Safeguarding – on agenda.

93. Finance Committee Terms of Reference – these were being discussed by the chairman of the committee and the interim Director of Finance. To be considered at the Finance Committee and the Trust Board in June.

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41/11 **PATIENT EXPERIENCE –SAFEGUARDING**

Sheila Hartnett, Matron Medicine, In attendance for this item

The Director of Nursing & Patient Services explained the purpose of this particular story was to provide the Board with assurance that its adult safeguarding processes were working effectively and that lessons had been learned following the warning notice issued by the Care Quality Commission. She also advised that the Care Quality Commission had revisited the Trust the previous week to review progress and it had been confirmed orally that it had been lifted.

The Matron explained that this was an issue of safeguarding risk which had been avoided. It had involved a female patient admitted for detoxification who had previously been involved in a sexual assault case. She had become aware that there were others associated with the case also in/visiting the hospital and had become concerned. The decision had been made therefore with her agreement to move her to another ward and she had been encouraged not to leave that. The matter had been escalated to the local authority Safeguarding of Vulnerable Adults team who had confirmed that they were very satisfied with the practice which had been adopted and that they considered that the patient's safety had been put first and that a potential safeguarding issue had been avoided.

The Director of Nursing & Patient Services highlighted that this instance differed from the previous one which had led to the warning notice, in that there was increased awareness and there was reporting to the safeguarding authority out of hours. Responding to a question from the Chairman she confirmed, that while there was a human factor, systems and processes were such that there should be consistency of approach. She also advised that all Senior Managers on call had been trained in safeguarding issues. This was an area which required constant focus as issues of this nature were a daily occurrence. The Matron was thanked for her presentation and left the meeting.

42/11 **PATHOLOGY RATIONALISATION UPDATE**

The Interim Director of Finance updated the Board on the current position. The Strategic Health Authority was pressing ahead with its proposals and had adopted the normal procurement process of inviting pre-qualification bids. These would be reduced in stages, the final tenders being invited by early December 2011 and the tender being awarded in January 2012 to start from the 1st April 2012. The minimum scale of operation required was 4-5 times the level of activity currently carried out in Bedford and discussions were therefore in progress with West Hertfordshire and the Luton and Dunstable Hospital and also with Peterborough and Hinchingsbrooke Hospitals. It was likely therefore that the Trust would be involved in two initial submissions. Another requirement was that the Strategic Health Authority did not want any contracts directly with the private sector. The initial contract period was three years and the Interim Director considered that there was tension between this short contract period and the level of financial savings which were anticipated. The actual contracting authorities would initially be PCTs; the contract would be novated to GP commissioning consortia once they were established. Mr Johns asked about the implications for the current arrangements in Bedford. The Interim Director advised that there would inevitably be some consolidation and the aim was to encourage consolidation in Bedford. It was important however not to destabilise existing services. The Chairman believed that this would require a strong bid from the Trust and urged that the Interim Director spoke also to Milton Keynes and Kettering. Learning from the experience of the provider arm tender, the Trust needed to be absolutely certain that it had tendered appropriately. The Trust Board should therefore review progress with the pre-contract questionnaire submission to ensure it was robust and comprehensive at the special meeting arranged for the 8th June.

43/11 **OPERATIONAL REPORT**

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Introducing this item, the Deputy Chief Executive advised that there had been a meeting with the Strategic Health Authority to sign off the annual plan. The Trust had been pushed considerably on its financial situation and in particular the proposal to save £12m in the year. The Trust was however a positive outlier in relation to performance, as it had been successful in having a green governance rating for twelve months. The Strategic Health Authority had no concerns about its plans and acknowledged that change was already happening. She had attended an Acute Services review meeting and confirmed that progress was being made on the issue of viability and sub specialty challenges and a further half-day workshop was planned. In relation to QIPP integrated care pathways, proposals for COPD and Diabetes had been submitted jointly with the Luton and Dunstable Hospital and following agreement to the proposals at the last EMB, heart failure was now approved for submission.

Finance

The Interim Director of Finance summarised the financial situation. Although a deficit had been planned, the actual position was a larger one than anticipated because of reduced income and slippage on CIPs. The latter could however be offset by non-recurring savings. The Cost Improvement Programme was developing daily and the reasons for the scale of savings had been explained in detail to the Strategic Health Authority and were not out of line with those in other trusts. The Strategic Health Authority had asked for CIPs to be risk rated and the risk rated total now identified was £6.2m i.e. approximately half of the requirement. It was important that performance and quality issues were not sacrificed to achieve this. The Chairman advised that there had already been robust discussion at the Finance Committee on this item and this would continue at future meetings. Mr Lewis queried the nature of external support referred to in the report and the Interim Director advised that this would be looking at the issue from a range of dimensions. Mr Hutt welcomed the varied approach which he believed should include benchmarking, change implementation, improved data and external thinking. He asked about the level of clinical engagement in the process. The Deputy Medical Director advised that this had been increased by the creation of the Clinical Business Units but there was tension and some remaining lack of understanding of the reasons for the size of the programme. The Interim Director of Finance stressed the importance of reducing lengths of stay and therefore the number of beds required. The Deputy Chief Executive advised that the Trust had a good record of implementing changes and improvements and that bed realignment was high on the agenda with quality being maintained. She stressed that plans would always allow for extra capacity if needed. The Director of Patient and Nursing Services confirmed she was, with the Medical Director, reviewing all cost improvements for their impact on quality and would not sign off any which did impact on it. The Trust must avoid the Mid Staffordshire situation. The Deputy Medical Director advised that the professional advisory bodies would help to improve understanding and the Director of Organisational Development believed that by engaging staff more, so that they understood the issues, greater receptivity would occur. The new communication strategy therefore would focus on new ways of working. The Chairman stressed the importance of all changes being strategically oriented and ensuring that patient safety and quality were retained. It was important that all managers, in particular the Associate Medical Directors, emphasised this message across the Trust. Their contribution of the Associate Medical Directors was already impressive. Mr Johns stressed the need for speed in conveying the appropriate messages. The Deputy Chief Executive advised there would be a weekly briefing on cost improvements shared positively with the media. There was also a need to manage PCT/Strategic Health Authority expectations e.g. in relation to achieving the removal of the 18-week backlog in quarter one.

Performance

Mr Hutt, as Cancer Lead, expressed disappointment at the failure to achieve the cancer targets in the month. The Deputy Chief Executive advised that the Strategic Health Authority measured targets on a quarterly basis and that as the numbers were very small, the Trust anticipated achieving a green rating for the quarter as the issues in April

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were largely to do with the holiday period and patient choice. Work was in hand to address the existing capacity problem in endoscopy. The Chairman queried whether the Trust Board was receiving accurate data and whether it was all fully checked. The Director of Organisational Development advised that there were still issues with different cut-off periods for data and different timescales but work was in hand to improve this. The Deputy Chief Executive advised that in relation to national targets all data was validated, except where indicated otherwise. Work was continuing to integrate information better and to present it for the same time period.

Patient Safety

The Director of Nursing & Patient Services had advised that this was in a new format. As the Trust had set itself the aim of no patient harm and some incidents were inevitable, this explained the number of reds on the report. Mr Hutt queried the score on high impact interventions and was advised that the main issue was with documentation, and this was a major focus for activity during the year. The Director advised that the MRSA screening figure was currently unvalidated. The Root Cause Analysis into the one case of MRSA bacteraemia was continuing but to date no obvious failings had been identified. On hand hygiene she advised that the Trust scored better than most other Trusts and repeat offenders were followed up.

Patient Experience

The Board welcomed the improvement in the scores although noting the number of forms returned was small. The main issue was contact arrangements if problems occurred after discharge.

Human Resources

The Director of Organisational Development confirmed that the aim was to link appraisals to the achievement of the Trust's objectives. There was work in progress on sickness levels, although these compared favourably with many other NHS organisations. The Director of Nursing & Patient Services stressed the importance of relating staff use to activity. This was an area where Clinical Business Unit management needed to improve. The process would be facilitated by the changes introduced into the coding to identify the reasons for additional staffing. Mr Gear expressed concern about issues with activity recording. The Interim Director of Finance advised that this was an issue with Women & Children's Services which was being resolved. Responding to Mr Johns, he confirmed that Clinical Business Units had been issued with budgets broken down into cost centres, which included apportioned costs. He agreed to make a sample available to the Finance Committee. The Deputy Chief Executive stressed the importance of linking activity to expenditure on pay. She believed that a lot of locum staff costs were not linked to activity.

44/11 ANNUAL OBJECTIVES

The Deputy Chief Executive tabled an updated set of objectives which incorporated comments received from Board members and invited further comments by the end of the week. The aim was to make them available to Clinical Business Units the following week for action/inclusion in staff objectives.

45/11 QUALITY ACCOUNTS FOR 2010/11

The Director of Nursing & Patient Services advised that lessons had been learnt since the previous year and this year's account was an improvement in previous years. Internal Audit had signed off the process for compilation. Mr Johns agreed that it was a much better document but suggested that it should include reaction to the comment from Bedford LINK. The Director of Nursing & Patient Services confirmed that she had discussed their comments with them and met them and they were happy with the priorities proposed. It was agreed that this should be reflected in the report. Mr Gear sought assurance that the data in the report had been quality assured and he also advised that External Audit was signing off the process by the 30th June, the date the report was due to be submitted to the Department of Health. Mr Hutt agreed that the

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report was a much better one but accepted that the objectives for the year were tough. Overall the Board was comfortable with the approach taken in the report but asked that a final version reflecting the agreed comments be submitted for formal approval of the Trust Board prior to submission. The Director of Nursing & Patient Services paid tribute to the Deputy Director of Clinical Governance for her work on the report.

46/11 **PROGRESS FOR ADOPTION OF THE ANNUAL REPORT AND ACCOUNTS**

The Interim Director of Finance advised that at the Audit Committee the previous day, the External Auditors had confirmed that no major concerns had arisen from their work on the annual accounts to date. He thanked the Financial Controller for his efforts in preparing the draft accounts. The Trust Board agreed the Auditor's formal Annual Governance Report on the result of the audit should be reported to the Audit Committee on the 3rd June and there should be a Board meeting on the 8th June to allow the Board formally to adopt the finalised accounts. He would make available the final version of the accounts before that meeting together with the list of changes and asked for any comments on the accounts to be sent to him as soon as possible.

47/11 **GOVERNANCE RETURN AND NON-FINANCIAL RATINGS**

The Interim Director of Finance explained that a revised template had been expected from the Strategic Health Authority but had not been received. He therefore tabled a version based on the 2010/11 template. With regard to the finance ratings, because the Trust was in deficit, the rating would be red until it moved into surplus in November. Because of this and the performance issues in relation to the cancer 2-week wait and MRSA screening he considered that it was appropriate that Declaration 2 be completed. The Director of Nursing & Patient Services advised that an extant Care Quality Commission warning notice might in future also attract a red rating. The Board **resolved** that with an amendment to strengthen the actions set out in relation to MRSA screening, the Chairman be authorised to sign Declaration 2 for submission to the Strategic Health Authority.

48/11 **STAFF OPINION SURVEY FEEDBACK**

The Director of Organisational Development drew attention to key elements in his report:-the low response rate and the potential impact on the 2012 survey results of the financial position. He advised that he was working on themes identified from last year's survey in preparing for this year's survey i.e. communication which needed to be embedded and consistent, appraisals, engagement and risk management. He stressed the importance given by regulators to survey results. Mr Hutt expressed disappointment at the level of response and regretted the lack of comparison with other trusts that had been provided in previous years. He stressed that if management was good, survey results would improve. He also stressed the importance going forward of education and training being resourced properly. The Director of Organisational Development agreed to report back on national themes. He confirmed that work was in progress to ensure that good value was obtained from expenditure on training. The key area was to ensure a consistent approach to the training of non-professional staff. Because budgets did not normally allow back fill for staff attending training, greater emphasis was being placed on taking training to the work place. The Chairman felt that the budget position was unsatisfactory and the Interim Director of Finance agreed to review this. The Director of Organisational Development advised that there might be a short-term issue in terms of back fill for junior doctors to ensure that they undertook the necessary safeguarding training. Mr Johns advised that the Charitable Funds Committee had the previous day approved £30k expenditure to improve the intranet which would assist in improving staff communications a further way of staff engagement. The Board noted the proposals but stressed the importance of increasing the response rate from 51%.

49/11 **SAFEGUARDING**

The Director of Nursing & Patient Services explained that she was due to present the annual reports at the next meeting, but in view of the Care Quality Commission concerns, she felt it appropriate to make an oral report to this meeting. She advised that

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the Care Quality Commission had visited the previous week and looked arrangements for safeguarding children and arrangements on three adult wards. The team had confirmed that external feedback on the Trust's commitment and engagement on safeguarding had been positive but had identified that the arrangements for children were more effective than they were for adults. This was not uncommon as there had been focus on safeguarding children for a much longer period. Although areas had been identified where there was less than satisfactory compliance, the team had recognised that a lot had been done, especially in terms of training. While a lot had been done, more was needed and a plan was in place to achieve this. A safeguarding of vulnerable adults liaison post was currently being advertised. The team had identified that senior staff and junior staff all had good knowledge of issues and had commended the effort made to improve. She advised that, under the safeguarding committee, a subgroup for vulnerable adults would be established, comparable to the one for children.

The Board welcomed the programme and the progress made but asked that the efforts be continued in this important area.

50/11 REPORT FROM THE AUDIT COMMITTEE

In the absence of the Chairman of the Audit Committee Mr Johns gave an oral report on the meeting which had taken place the previous day. The four main points were that External Auditor has expressed satisfaction with the work they had done to date on the year end accounts. The value-for-money judgement would be influenced by the national situation and while our position was challenging, many Trusts faced greater challenge. The report on electronic discharge summaries had named and shamed individuals and this approach was welcomed by the Committee. The main area of concern was that a number of responses to draft Internal Audit reports were still outstanding and without these the Head of Internal Audit could not finalise his opinion which would in turn have an impact on the Statement of Internal Controls. The committee had asked that all outstanding reports be completed that week. The Deputy Chief Executive confirmed that this would be done although she felt that the current process for handling reports lacked some of the dialogue which had previously been a key part of the process. The Chairman and Mr Gear stressed the importance of there being clinical involvement at the Audit and Finance Committees.

51/11 REPORT FROM THE FINANCE COMMITTEE

Recognising that a number of the issues had been discussed earlier in the meeting, Mr Gear drew attention to the importance of cost improvement issue and the scale of the requirement and the absolute requirement of quality not being affected. It was important that the Board and the Committee had clear roles and responsibilities in this respect, so there was no overlap but a high level scrutiny. This was why a review of the Terms of Reference was proposed and this would include core membership of the committee. Mr Hutt welcomed the introduction of the Finance Committee year planner and suggested that a comparable document was prepared for Board business. Mr Gear drew attention to inconsistency in the way return of assets was shown, whether forecast or actual. The Interim Director of Finance agreed to pursue this.

52/11 EXCLUSION OF THE PRESS AND PUBLIC

The Board **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 to the confidential nature of the matters to be transacted, publicity on which would be prejudicial for public interest.

No members of the press or public were present for the meeting.

53/11 DATE, TIME AND PLACE OF NEXT MEETING

It was agreed that the next public meeting of the Trust Board would take place on Wednesday 27 July 2011 starting at 10am in the Committee Room.