

TRUST BOARD MEETING

11th JUNE 2008

BOARD ROOM, PRAED STREET, PADDINGTON

Present: Lord Tugendhat, Chair
Professor Stephen Smith, Chief Executive / Principal
Baroness Hanham, Non-Executive Director
Ms Ellen Schroder, Non-Executive Director
Mr Crispin Simon, Non-Executive Director
Sir Richard Sykes, Non-Executive Director
Sir Thomas Legg, Non-Executive Director
Mr Jeremy Isaacs, Non-Executive Director
The Honourable Angad Paul (Co-opted Member of the Trust Board)
Ms Claire Perry, Managing Director
Mr Steve Morris, Finance Director
Professor David Taube, Medical Director
Dr Kathryn Jones, Nurse Director (Acting)

In Attendance: Dr Alison Holmes, Director of Infection Prevention and Control
Ms Anne Mottram, Associate Director, Governance
Ms Kirsty Anderson, Private Secretary
Mrs Christine El-Derby, Senior Corporate Business
Manager, (Minutes)

1. GENERAL BUSINESS

1.1 Apologies

There were no apologies.

1.2 Minutes of the Meeting held on 27th February 2008.

The minutes of the 23rd April 2008 were approved as a correct record of the meeting.

1.4 Matters Arising

1.4.1 Women's Cancer Centre

An essential element of the work of the Academic Health Science Centre (AHSC) was to develop a comprehensive service strategy. This would emerge from the Clinical Programme Groups which were formed as part of the structure of the AHSC. The developing strategy would take into

account all existing capital and service priorities and would need to be clear about the research and teaching vision which would all then translate into site specific capital priorities.

The Women's Cancer Centre scheme had been viewed as a top priority by the former Hammersmith Hospitals NHS Trust and was fully supported by the Charity Trustees.

Meetings had been held with the Trustees and agreement had been reached that the priority of the Women's Cancer Centre would be clarified alongside all other capital proposals. It was clear that that for this project to succeed this would need to be classified as a high priority area and as such would require commitment in time and top team capacity.

The Managing Director had prepared a statement to this effect which was available to Board members and was distributed to the members of the public present.

2. STRATEGY

2.1 Chief Executive's Report

The Trust Board had discussed the Chief Executive's Report in the earlier private session. The public had access to the report in the papers and could raise questions or concerns at the 'Questions for the Public' section at the end of the meeting.

The Trust Board noted the Chief Executive's / Principal's Report.

2.2 AHSC Vision

The document described the AHSC Vision and Mission and set out its ambitions and objectives. It provided the foundations for the development of the AHSC's corporate strategy, business planning process and broader communications with stakeholders.

The document highlighted the AHSC successes to date, in particular achieving the largest merger in the NHS and at the same time managing to achieve a strong operational performance. Imperial College London had recently won an £8.9m research excellence award from the British Heart Foundation for cardiovascular research and from this Imperial College was to provide a Cardiovascular Research Centre on the Hammersmith site.

Other areas of interfaculty collaboration were the Institute of Biomedical Engineering which created innovative tools for surgical and medical applications, the Institute of Systems and Synthetic Biology which provided modelling techniques to biological problems and the Hamlyn Centre for Robotic Surgery which developed advanced robotic technologies for specific use in medicine. ICHT was dedicated to becoming the greatest research institution in the world ultimately achieving improved outcomes to patients.

The Board commended the Vision Document. A Non-Executive Director said that it would be a regular source of reference.

Another Non-Executive Director said that the goals of the AHSC needed to be incorporated into the staff evaluation process with specific targets. The Chief Executive / Principal replied that a key feature would be to align the aspirations of the new organisation with individual's appraisals and relevant tools to do this were being identified. In the broader context another area was the Patient Experience and likewise processes were being developed to improve how the Trust interacted with its patients.

A Non-Executive Director said that financial rewards should be considered and were highly effective mechanism to achieving success. The Managing Director responded saying that performance and remuneration links were a difficult concept within the NHS environment and remained a challenge. Careful consideration needed to be given as to how we motivate staff with monetary rewards. It was more about agreeing what was achievable and the effective monitoring of the goals and targets.

The Chief Executive / Principal said that it was important to ensure that the Trust was paid for all service provision to its patients and Service Level Reporting would make the monitoring of targets much more understandable within the Clinical Programme Groups.

The Chairman asked a Non-Executive Director who had suggested some additions to the document if they were content with the final version. This was confirmed.

The Trust Board APPROVED the Vision Document.

3. PERFORMANCE

3.1 Annual Accounts

The Annual Accounts presented to the Board followed NHS merger guidance and reflected the full financial year on the basis of a merged Trust with re-stated opening balances. The Trust met its financial targets for the year.

The Trust reported a provisional year end surplus of £10m which met with the control total set by the Strategic Health Authority, however due to a technical change in interpretation of the rules by the Healthcare Commission the control the year end surplus was now £12.7m. The Trust was not disadvantaged and the Strategic Health Authority accepted that this as a technical issue out of their control.

The Accounts were reviewed at the Audit Committee on 2nd June 2008. The Auditors reported that they expected to provide an unqualified opinion and that they did not anticipate any material issues however testing was continuing in a small number of areas.

The following areas were highlighted.

Foreword page - A paragraph was included about the separation of monies received from the Department of Health and the Department of Innovation Universities and Skills.

Page 1 – Due to ambiguous guidance a minor change relating to the Taxpayers equity had been proposed by the Auditors.

Page 9 – Pension costs – comment incorporated notional deficit against notional assets. From April 2008 employees would pay contributions according to a tiered scale from 5% up to 8.5% of their pensionable pay.

To a question raised by another Non-Executive Director the Finance Director clarified that the NHS Pensions Authority were responsible for Pension Liabilities.

Page 28 – At the suggestion of the Auditors transactions with Imperial College were included in the Related Party Transactions.

The Non-Executive Director Chair of the Audit Committee asked that if any comments or issues were raised with the finalisation of the Accounts that they should be forwarded to her.

A Non-Executive Director asked that consideration be given to including a note about the non-recurring costs of the merger. The same Non-Executive Director commented that Ravenscourt Park Hospital (RPH) had not been mentioned in the Accounts. The Finance Director responded saying that the liability for RPH had been passed to the sub-lease. This was considered a low risk and did not merit inclusion in the Accounts. The Auditors had made no comment on this.

The Trust Board APPROVED the Accounts. The Chief Executive / Principal would sign the associated certificates on behalf of the Trust Board.

3.2 Performance Report – (by exception)

All existing national targets on the scorecard were green with the exception of two amber areas which were the patient experience and admitted patients with data completeness. There was one area of red – 8 cases above the monthly trajectory for MRSA blood stream infections. The Director of Infection Prevention and Control would elaborate on this. Following a review of last year's performance a change was expected re cancelled operations. The Managing Director would update the Board.

In addition to the existing targets, new national targets for 2008 / 2009 were being set. Once the methodology for data collection had been published the scorecard would be populated.

The Trust Board noted the Performance Exception Report.

3.3 Infection Control Report

MRSA - There were 8 cases above the monthly trajectory for MRSA blood stream infections in April 2008. 4 cases were reported in May and 1 case so far in June. Each case was being reviewed with the relevant CPG director, including a root cause analysis and an action plan initiated.

The annual ceiling number of cases had been agreed with the PCT at 81 for 2008 / 2009 which represented maintaining a reduction of over 55% of the 2003 / 2004 incidence. Discussions were taking place within the Clinical Programme Groups to set further reduction targets. The weekly reporting of cases to the Strategic Health Authority continued.

C-difficile – 20 cases were reported in April 2008. The ceiling was 40 cases per month. The agreed trajectory needed to be submitted by 30th June to the Department of Health. Every positive specimen had to be reported.

KPI Framework – Trust wide standardised data sets were almost complete for MRSA and C.difficile. Process related databases would follow, firstly addressing hand hygiene and bed management compliance monthly. Targets would be allocated. Each CPG now had named clinical leads for infection prevention and an assigned senior infection control nurse.

The Hygiene code inspection report for Imperial College Healthcare NHS Trust, following the Healthcare Commission's visit to St Mary's Hospital in January, was now in the public domain. The Trust had scored very well with only one amber area that related to the environment of a ward which was being addressed.

To a question raised by a Non-Executive regarding the C.Difficile graph the Director of Infection Prevention and Control clarified that peaks did not represent outbreaks.

A Non-Executive Director queried whether, whilst addressing MRSA and C.Difficile, were there other types of bacteraemia that the Trust should be considering. The Director of Infection Prevention and Control responded saying that this was absolutely correct and the Trust was looking at other bacteraemia, The Medical Director reinforced this message saying that there were many more dangers other than MRSA and C.Difficile. He also said that the issue of outcomes needed to be considered in this context.

In relation to processes and protocols the Director of Infection Prevention and Control said that the processes in place for MRSA and C.Difficile would translate to all bacteraemia. The Maidstone Report demonstrated the importance for moving forward with standardised datasets and aspirational targets.

The Trust Board noted the Infection Control Report.

4. GOVERNANCE

4.1 Audit Committee Annual Report

The Annual Report outlined the activities of the Audit Committee's predecessor Trusts for the period 1st April 2007 to 30th September 2007 and for the new organisation Imperial College Healthcare NHS Trust from 1st October 2007 to 31st March 2008. It detailed the areas reviewed by the Committee, the skills and competency requirements of its members and the training provided. It also included members' register of attendance and presented an assessment of the committee's impact.

A one page summary of the work programme for next year would be included with the next Executive Summary presented to the Board.

The Trust Board noted the Audit Committee Annual Report.

4.2 Audit Committee Summary of Minutes of 2nd June

Post Merger Review Report

The external auditors Deloitte had reviewed the post merger integration programme and their overall opinion was that the progress made so far represented a considerable achievement for such a large and complex undertaking. There was still work to be done which included the integration of the corporate functions. Executives' kept-in interim posts slowed progress because key decisions were deferred however this was the best course of action and continuity was maintained.

Deloitte's report was extremely encouraging and the process of integration would continue.

A Non-Executive Director asked a question regarding Audit and Pensions. He asked how the Trust could utilise the enhanced life expectancy by lobbying to best effect. Another Non-Executive Director replied saying that discussions were taking place with the Business School.

Auditors Local Evaluation (ALE)

Deloitte commended the Trust for achieving a score of three in all areas assessed particularly during the merger. Financial Standing and Financial Reporting were still being finalised.

Losses and Special Payments

A quarter of the losses related to private patients but represented only 0.85% of private patient income. Half the losses related to overseas patients and equated to 1.6% (not 16% as stated in the Executive Summary) of overseas patient income which falls within 1% to 2% bad debt. The Trust continued to work to minimise losses.

The Trust Board noted the Executive Summary

4.3 Assurance Framework

The Assurance Framework outlined the risk assessment on the objectives of the Business Plan. It identified controls, assurances and any gaps in managing the associated risks and action plans were implemented with designated leads and timescales to work on each gap in control or assurance. Key risks identified were achieving NHS Targets – 18-week target, CRS and data quality, access to capital and achieving level 4 for the Auditors Local Evaluation. Reducing MRSA and other healthcare associated infections was also a key risk area and achieving the highest level accreditation in the NHSLA Risk Management Standards to minimise insurance premiums.

Areas highlighted included improvements needing to be made in the area of patient satisfaction and the Director of Nursing would lead this work when appointed.

The Managing Director informed the Board that a Non-Executive Director would be recruited to take forward the Trust's Equality and Diversity agenda.

A Non-Executive Director said that there appeared to be numerous areas of exposure in relation to targets, clarifications and lack of benchmarking data, in particular targets were subject to change and not set at the beginning of the year – some targets were not known until all submissions were received. The Managing Director replied that this was the normal operating position for Trusts.

To a question from another Non-Executive Director the Director of Finance clarified that tariffs had been set for this year. The tariffs for next year would be based on agreed outcomes and patient experience. It was important to improve on incentivising efficiency.

A Non-Executive questioned the risks around the implementation date for CRS. The Managing Director updated the Board.

Care Records Service (CRS)

The CRS project had been planned to go live on 14th July 2008 however there were significant uncertainties whether this was achievable. The Royal Free had delayed implementation by three weeks. Imperial College Healthcare was next in line for implementation on the St Mary's campus. Negotiations were taking place to determine within the Framework the delay issue. A decision needed to be made whether to defer to August or December 2008. August was in the middle of the holiday season when many staff had planned annual leave and December was essentially a busy time of the year. Implementation at the Hammersmith campus would take place early 2009.

To a question raised by a Non-Executive Director regarding functionality the Managing Director clarified that software was being tested on a daily basis.

The Trust Board APPROVED the Assurance Framework.

5. ANY OTHER BUSINESS ALREADY NOTIFIED

There was no other business.

6. DATE OF NEXT MEETING

- Wednesday, 23rd July 2008, Time and Venue to be confirmed.
- Wednesday, 23rd July 2008, Annual General Meeting – Time and Venue to be confirmed.

There would be no August Trust Board meeting.

7. QUESTIONS FROM THE PUBLIC

7.1 A member of the Public asked if the Trust was a Foundation Trust would it have any impact on the pensions' arrangements. The Finance Director responded saying that being a Foundation Trust would have no impact on pension arrangements.

The same Member of the Public asked if there would be a contingent liability note for Ravenscourt Park Hospital in the Accounts.

The Finance Director responded saying that the need for a contingent liability would depend on circumstances at the time of the advice of the Auditors'.

7.2 A Member of the Public asked what happened when research was undertaken in other academic institutions that could benefit the Trust. The Chief Executive / Principal responded saying that Imperial College had links with all organisations at the cutting edge of global research allowing innovation to translate into the Trust much quicker. If research was undertaken elsewhere and all the appropriate clinical trials undertaken etc it would be introduced.

The meeting concluded at 11.50am.

Signed as a correct record of the public part of the Imperial College Healthcare NHS Trust Board Meeting held on 11th June 2008.

Chairman:

Date: