

BOARD OF DIRECTORS

Minutes of the Meeting of 27 March 2008
Board Room, Trust HQ, QEMC

- Present:
- Sir Albert Bore, (Chairman)
 - Ms Julie Moore, (Chief Executive)
 - Professor David Bailey, Non-Executive Director (“DB”)
 - Mr Stewart Dobson, Non-Executive Director (“SD”)
 - Mrs Kay Fawcett, Chief Nurse (“CN”)
 - Mr Tim Jones, Chief Operating Officer (“COO”)
 - Mr Tony Huq, Non-Executive Director (“TH”)
 - Mr David Ritchie, Non-Executive Director (“DR”)
 - Dr David Rosser, Medical Director (“MD”)
 - Rt Revd Mark Santer, Vice Chair (“MSa”)
 - Mr Mike Sexton, Director of Finance (“FD”)
 - Professor Michael Sheppard, Non-Executive Director (“MS”)
- In Attendance:
- Ms Fiona Alexander, Director of Communications (“DComs”)
 - Mr David Burbridge, Director of Corporate Affairs (“DCA”)
 - Ms Morag Jackson, New Hospital Project Director (“NHPD”)
 - Dr Sam Chittenden Director of Strategic Developments (“DSD”)
 - Ms Dee Brown – Staff Side Chair

D08/55 Welcome and Apologies for Absence

The Chairman welcomed everyone present to the meeting. Apologies were received from Mrs Caroline Wigley, Director of Organisation Development (“DOD”) Mr Mike Sharon, Director of Planning and Performance and Claire Robinson, Non-Executive Director (“CR”).

D08/56 Quorum

The Chairman noted that:

- a) a quorum of the Board was present and
- b) the Directors had been given formal written notice of this meeting in accordance with the Trust’s Standing Orders.

Minutes of the previous meeting

The minutes of the previous meeting were accepted as a true record as amended and initialled by the Chairman.

D08/57 Matters Arising

None

D08/58 Actions List

The Actions List was reviewed and updated.

ACTION: DCA

D08/59 Chairman's Report

The Chairman reported that he had discussed the issue of the Choosing Health Group at the recent meeting of the Board of Governors. The Governors had agreed to the cessation of the Choosing Health Group Committee as it now stood and had welcomed the opportunity to participate in the Patient Care Task & Finish Group. The Chairman has now written to all Public and Patient Governors seeking nominations. Depending on the response it is envisaged that between 4 and 6 Governors will join the Task & Finish Group.

D08/60 Emerging Issues Review

None for discussion at this meeting.

D08/61 BNHP Update

The New Hospital Project Director reported that progress on the New Hospital Project was continuing. The Project was still ahead of schedule and there were no significant issues. The Mental Health Trust had taken over its buildings on 14 March 2008 and was aiming to move patients in on 14 May. The meeting referred to in paragraphs 2.1.1 of the Report was now in the process of being set up. With regard to paragraph 2.3.2 the Mental Health Trust had now moved into E Block and had submitted a New Planning Application for Moseley Hall. However even if this planning application is successful they will need at least 18 months before moving out of E Block and it was agreed that the Chief Executive should write a letter to the Mental Health Trust emphasising the need for their co-operation in the event that there was an early handover of the New Hospital to the Trust. As regards paragraphs 7 the NHPD confirmed that she had now received the letter confirming the delay claim had been withdrawn. Finally with regard to paragraph 10 she reported that she had had a good meeting with Birmingham City Council yesterday and that the next draft of the Special Planning Guidance should reflect that meeting. The Chairman reported that they had also picked up the issue of the access road with the City Council.

Resolved to:

- i) accept the progress reported in the New Hospital Project Director's Report;**
- ii) authorise the Chairman and Chief Executive to meet with Consort Healthcare and Balfour Beatty to agree the cessation of Trust works in retained estate subject to an appropriate risk mitigation strategy being put in place;**
- iii) approve the funding of the design fees for the**

advanced works up the value of £172,000 as outlined in section 2.1.3; and

- iv) approve variation 038-Patient Entertainment as outlined in Section 4.2.

D08/62 Hard Shell Ward Variation Completion

The NHPD presented her paper regarding the hard shell ward variation and reported that the capital payment scheme had now been agreed with the Department of Health and Consort and they were currently awaiting the relevant amendments to the Deed of Safeguard. The Director of Finance commented that the capital payment proposal by the Trust did present a considerable saving over the life of the asset as well as over the period envisaged in the report.

Resolved:

- i) **THAT the New Hospital Project Director and the Director of Corporate Affairs be and are severally authorised to approve the final form of the Deed of Variation and the amended Deed of Safeguard, without limitation save that such authority may only be exercised to the extent that the content of those documents is materially as described in the paper considered by the Board at the time of making this resolution, and to do all such acts and things as may be required in order to give effect to the purposes of the resolutions contained herein including the finalising and delivery of all such notices, confirmations, applications, letters, transfers, appointments, certificates, powers of attorney, deeds, forms, notice of drawing, notice of withdrawal or notice of utilisation and any other documents as required; and**
- ii) **THAT any two or more Statutory Directors of the Trust or a Statutory Director and the Foundation Secretary, be and are authorised to sign, execute, using the Trust seal, and deliver the Deed of Variation and Deed of Safeguard**
- iii) **THAT the use of £3.2 million Trust capital expenditure in 2008/09 be approved; and**
- iv) **THAT the additional Unitary Payment over the term of the PFI Contract be approved.**

D08/63 Business Partnership with Xchanging

The Director of Finance presented this paper in the absence of the Director of Organisation Development. He reported that concerns remained, although it was apparent that Xchanging were committed to a certain degree to improving the quality. For example, they had

appointed a new Sales Manager. He had held a separate meeting with Xchanging's Group Finance Director and their Commercial Director and it was apparent from this meeting that they did not have a lot of detailed work to underpin the figures in their new proposed Business Plan. There was some discussion about Xchanging's possible responses to the present situation and there was some concern expressed that they were now trying to reduce the Trust's Financial Gain from that originally envisaged whilst the risk to the Trust of its reputational damage still remained high. The Board agreed that the Trust needed to be able to take urgent proactive action if necessary and therefore the Investment Committee should endeavour to review the options and report back at the next Board Meeting. It was agreed that, in the meantime, the Chief Executive should have power to take any steps she considered necessary. The Board agreed that additional investment from the Trust should not be put into the partnership as it currently stood and neither should any additional activities be transferred to the partnership.

Resolved to:

- i) support the continued stabilisation and business improvement process to maintain the integrity of the business;**
- ii) decide that no further Phase 2 activities are transferred to the Partnership;**
- iii) note the current position and authorise the Investment Committee to discuss the strategic options and for the Investment Committee to report back at the next meeting; and**
- iv) the CEO has delegated authority to take action in the event that circumstances change as a result of Xchanging actions.**

D08/64 Report from the Chairman of the Audit Committee

Stuart Dobson, Chair of the Audit Committee reported that at its meeting on the 13 March 2008. The Committee had spent some time reviewing its own performance over the previous year with a view to identifying any areas for improvement. As a result of this meeting the Committee had agreed to meet with the external and internal auditors before its next meeting in May. It now had a twelve month annual cycle of business to allow them to look ahead at the business over the financial year and had also asked for the arrangements for the review of Clinical Governance issues to be reviewed.

The Committee had questioned the relevance of the evidence submitted in relation to one of the core standards but this was the next item on the agenda so he would not go into detail on that. The internal auditors had reported back on their further work that they had

undertaken in relation to some earlier recommendations they made regarding the payroll bureaux. Good progress had been made on many of these recommendations however some still remained outstanding and they had identified one or two new recommendations. The Committee had considered the draft audit plan and had, subject to some minor tweaking and timing issues approved it. They had received a useful report from the FD following his discussions with the Chief Operating Officer of Monitor regarding the risks to the New Hospital Project and had expressed particular concern regarding the dramatic increase in the level of missing notes being reported.

D08/65 Core Standards Declaration 2007/2008

The Director of Corporate Affairs presented a paper regarding the Core Standards Declaration. He explained that the evidence for the Privacy and Dignity Core Standard had been thoroughly reviewed following the meeting of the Audit Committee and had where appropriate been updated or the commentary had been annotated to show the relevance of evidence that may appear at first glance to be out of date. The responsible Executive Team members had reviewed the updated evidence and considered that the Core Standard had been met. The Board considered the evidence as shown in the paper and adopted both recommendations.

Resolved to:

- i) **receive the updated evidence report for Core Standard C13a (Staff treat patients with dignity and respect); and**
- ii) **approve the recommendation of full compliance with 43 relevant parts of the Core Standards for 2007/08.**

D08/66 Outline Medium Term Plan

The Board considered the outline draft Medium Term Plan that was presented. It was agreed that some of the objectives could be made more objective and that any members of the Board should forward comments to the DCA.

D08/67 Operations Divisional Restructure

The Chief Operating Officer presented the paper regarding the restructuring of the operation division. He emphasised that this was a transitory structure and that there would be a need to further review the structure once the move into the New Hospital had been completed. The costs set out in the paper were clarified and that it was envisaged that £120,000 would be needed to staff up the necessary divisional team. They were also envisaging that they would be between £15-20k of other one-off costs. It was considered that bringing together all the outward facing patient services made sense although it was emphasised that the organisation of the

outpatients' clinics is what would be consolidated and the clinicians would remain in their respective clinical teams. The new structure was approved.

Resolved to: accept the findings of the paper and the adoption of a five Clinical Divisions Operational Structure.

D08/68 Review of the Medical Workforce Structure

The Medical Director presented a paper regarding an update on the review of the medical workforce structure. He reported that it was becoming increasingly apparent that there would be a lack of appropriate national training posts for quite a few of the jobs that the Trust currently needed. It was considered that the proposed new structure would be more beneficial to both the clinicians within it and the Trust than the traditional Trust grade posts. Not only did each new tier of post benefit the Trust, but the overall structure added value to clinicians' careers. He was able to report that discussions with the Local Negotiating Committee had gone well and in fact already had received one approach from a consultant regarding a particular doctor on his team who he thought the structure would be appropriate.

The Trust still needed to receive the results of the work being undertaken by the University of Birmingham regarding the role of the consultant so that they could be clear about what the new post was. The MD was also able to report that he had had discussions with a number of other Foundation Trusts which might mean that there would be potential in the future to rotate clinicians in the specialist consultant role across different Foundation Trusts. The risks were set out in the paper. Discussions with the local consultant body indicated that they would not have any objections to the structure provided the numbers were kept low. This had to be contrasted with the Trust's inability to appoint people to develop tertiary services without the new structure. The Board agreed that the potential for transferring doctors between trusts made the proposed structure even more attractive and were pleased to note that the local consultant body had welcomed the proposals. There was some discussion about the process of appointment and it was agreed that the ability to appoint key talent quickly or to retain key individuals was an important factor and the fact that these posts would be appointed without the normal long consultant appointment process would be an advantage. The risk of appointing a subsequently poor candidate was manageable because of course the financial risks were lower. An article from the BMA criticised the proposal as circulated and the Board discussed the BMA's suggestion that there would be a negative impact on patient care. The MD said that he had no evidence that this would be the case and could see no logical explanation in fact he believed that the opposite would in fact be the result. He emphasised the gateways that required a review and measure of performance and it was agreed

that the system of review would need to be robust and thus it would not be sensible for such a review to take place every year which is why it had identified years 1 and 5 as the key gateways for robust review. The Board discussed the reputational risk to the Trust and in fact considered that it was a positive story and should be pushed forward as an example of how the Trust was being proactive. Finally the training elements of the post were discussed and it was noted that these would follow the national curriculum where it existed so that the Trust would not be reinventing its own training programme.

Resolved: to:

- i) note the progress so far;**
- ii) support the continued implementation of the new medical workforce structure;**
- iii) receive a report on the conclusions of the University project when complete;**
- iv) authorise the Chief Executive to approve necessary details, e.g. new terms and conditions, as required to allow the implementation of the project; and**
- v) optimise the potential for public relations capital especially with regard to the August recruitment period.**

D08/69 Report on Short Term Projects in Communications Plan

The Director of Communications presented the paper. There was some discussion about the value of the Foundation Trust Network took place. Now that this was getting bigger and bigger it was felt that the impact of the Network was somewhat diluted. It was agreed that the Trust should take part in some discussions between some larger acute Foundation Trust to form a more effective lobbying group.

The MD reported that the Trust had received approval for its first research bid which would give the Trust £4m spread over four years and they had also been short listed for another £10m bid which was taking place on the following Tuesday.

Resolved to: note the progress of the short-term marketing and communications projects.

D08/70 Business Case for UHBFT – Led Chronic Satellite Haemodialysis Unit Capacity

The Board considered the paper presented by the Chief Operating Officer and accepted all four recommendations.

Resolved:

- i) **THAT the proposal to open two additional satellite haemodialysis units be approved;**
- ii) **THAT preferred supplier negotiation with Fresenius Medical Care Renal Services, with the intention of contract award, be approved;**
- iii) **THAT the Chief Operating Officer, the Director of Finance and the Director of Corporate Affairs be and are severally authorised to exercise the powers of the Trust in relation to negotiating, approving and amending any contractual documents in connection with the Chronic Haemodialysis Satellite Unit project, without limitation save that such authority may only be exercised to the extent that the project is materially as described in the paper considered by the Board at the time of making this resolution, and to do all such acts and things as may be required in order to give effect to the purposes of the resolutions contained herein and implement the Trust's participation in the project including the finalising and delivery of all such notices, confirmations, applications, letters, transfers, appointments, certificates, powers of attorney deeds, forms, notice of drawing, notice of withdrawal or notice of utilisation and any other documents as required; and**
- iv) **THAT any one or more Executive Directors of the Trust and, in the case of any documents that are deeds, the Foundation Secretary, be and are severally authorised to sign, execute and deliver any Contractual Documents in connection with the Project save that, where any such other documents are deeds, execution will be by any two Executive Directors or an Executive Director and the Foundation Secretary.**

D08/71 Key Performance Indicators Report

The Chief Operating Officer presented this paper in the absence of the Director of Planning and Performance. He updated the Board on the figures for the 18 weeks which were now 86.7 % and 90.51% which meant that it was slightly above both targets which meant the Trust would hit these targets if this progressed was maintained through to month end. The data quality indicators for this were currently being reviewed and it was noted that they were now able to agree exclusions with the Strategic Health Authority which should improve the Trust's position with regard to this indicator. Cancellations had improved, more work was being done in relation to follow up appointments and it was noted that there had been the normal seasonal increase in agency spend.

Resolved: to accept the report on progress made towards achieving performance targets and associated actions.

D08/72 Monthly Finance and Activity Report

The Director of Finance presented the Monthly Finance and Activity Report.

Resolved: to accept the report.

D08/73 Clinical Quality Monitoring Report

The Medical Director presented the Clinical Quality Monitoring Report. He updated the Board on progress made in relation to the Consultants featured in part 2.2 of the Report. With regard to 2.3 some minor concerns in the radiotherapy issue were being addressed and with regard to the awareness incident, following a root cause analysis it appeared that there had been no issue with the way the anaesthetic had been delivered but that there was a potential issue regarding the technique used which was a recognised issue and he was now considering whether the Trust should reduce its use of this technique.

With regard to the readmission rates under paragraph 2.8 the MD was able to report that the PCT was investing £100,000 into a psychiatric liaison service which may increase the amount of mental health support available to these patients thus reducing the readmission rates. The Chief Nurse reported on the recent clinical governance visit referred to in the annex to the report and reported that it had been a good visit giving some good insight as to how out-patients experience the hospital. Several issues have been picked up. The Board discussed the several dilapidation issues that were raised in the report and it was noted that the building had not originally been designed to take the current level of activity and that several of the dilapidations related to rooms that were not used by patients.

D08/74 Infection Control Report

The Chief Nurse presented the monthly Infection Control Report. She reported that the Trust had experienced seven MRSA bacteraemias in February. She now intended to undertake the saving lives self assessment on a quarterly basis. The use of 2% wipes had now been approved and although the deep clean had been suspended last week due to an outbreak of Norovirus it had now been reinstated. The CN also reported a recent increase in the number of Acena Bacter cases. There had been 14-15 cases as a result of which an outbreak review had been undertaken. All cases have now been isolated and cohorted and she would report back to the Board further on this next month. She had attached an action plan to her report as an example to the Board to show how comprehensive the root cause analyses undertaken in each case of each MRSA bacteraemia were.

Resolved: to accept the Report.

D08/75 Scheme of Delegation, Standing Orders and Standing Financial Instructions

The Director of Corporate Affairs presented a revised Scheme of Delegation, Standing Orders and Standing Financial Instructions to the Board. It was agreed that some additional wording would be inserted regarding the authority of the Trust works representative. Subject to those amendments and some other amendments to job titles referred to in the documents, which would be approved by the Chairman, the new documents were approved.

Resolved: That the revised Standing Orders, Standing Financial Instructions and the Scheme of Delegation be and are approved with effect from 1 April 2008, with a further review no later than April 2011.

D08/76 Appointment of Consultant in Respiratory Medicine

Resolved: to approve the appointment.

D08/77 Appointment of Consultant – Elderly Care

Resolved: to approve the appointment.

D08/78 Appointment of Consultant - Hepatology

Resolved: to approve the appointment.

D08/79 Lease – Premises at Selly Oak Hospital

Resolved to:

- i) note that the Tenant's occupation of Trust premises is to be documented by way of a formal lease; and**
- ii) approve the use of the Trust Seal to execute the lease, pursuant to Standing Order 6.1.**

D08/80 Lease – Accommodation at the Institute of Research and Development

Resolved to:

- i) note that the Trust's occupation of the premises is to be documented by way of a formal lease; and**
- ii) approve the execution of the lease using the Trust Seal, pursuant to Standing Order 6.1.**

COMMERCIAL IN CONFIDENCE

University Hospital Birmingham
NHS Foundation Trust



D08/81 Maintaining High Professional Standards in the Modern NHS

Resolved: to approve and adopt this policy and procedure.

D08/82 Chairman/CEO Emergency Actions

D08/83 Date of Next Meeting: Thursday 24 April 2008

Board Room Trust HQ 1.00pm