

**Trust Board**

**TB2007.72**

Minutes of a meeting of the Trust Board held in public on Thursday, 22 November 2007, in the Committee Rooms 1 and 2 of the Stable Block of the John Radcliffe Hospital.

Present:	Sir William Stubbs	<b>In the Chair</b>
	Mr Trevor Campbell Davis	Chief Executive
	Dr Ken Fleming (part)	Non-executive Director
	Ms Caroline Langridge	Non-executive Director
	Dr James Morris	Medical Director
	Dr Colin Reeves	Non-executive Director
	Mr Brian Rigby	Non-executive Director
	Mrs Elaine Strachan-Hall	Director of Nursing & Clinical Leadership
	Professor Adrian Towse	Non-executive Director
Attending:	Ms Jane Dudley (part)	Director, FT Application Project
	Mr Mark Gammage	Interim Director of Human Resources
	Mr Mike Greenall	Medical Director, Division B
	Mr Ian Humphries	Director of Estates & Facilities
	Ms Moira Logie	Director of Operations, Division A
	Ms Joanna Paul	Director of Operations, Division C
	Mrs Helen Peggs	Director of Communications
	Ms Kathleen Simcock	Director of Operations, Division B
	Mr Andrew Stevens	Director of Planning & Information
	Ms Megan Turmezei (part)	Assistant Director, Governance
	Mr Simon Wombwell	Deputy Director of Finance
Mrs Jenny Kitovitz	Acting Board Secretary	
Apologies:	Dame Fiona Caldicott	Non-executive Director
	Mr Chris Hurst	Director of Finance & Procurement
	Dr David Lindsell	Chair, Division C
	Dr Colin Reeves	Non-executive Director

**Action**

**TB 52/07 Minutes of the meeting held in public on 20 September 2007**

The minutes were agreed as a true record.

**Matters arising from the minutes**

There were none.

**TB 62/07 Chief Executive's Report**

The Chief Executive highlighted the following points:

There had been a positive outcome to a Department of Health visit to look at healthcare acquired infections during September.

Figures are continuing to fall.

The Trust has an outbreak of Norovirus, which causes diarrhoea and vomiting. Clinical areas are being managed to limit the spread of infection, and visitors showing symptoms should be discouraged from visiting.

Inpatient paediatric orthopaedic surgery would transfer in April from the Nuffield Orthopaedic Centre to the John Radcliffe Hospital, to ensure appropriate care in safe clinical surroundings with 24 hour medical support. Trevor Campbell Davis re-emphasised that the decision to transfer paediatric orthopaedic surgery was appropriate and clinically safe.

The Independent Reconfiguration Panel had commenced its review of the proposed changes to services at the Horton General Hospital, and would make a number of visits before mid-January. It should report back to the Secretary of State around 19 February.

Quintuplet girls were born to Russian parents in the Women's Centre on 10 November. The two strongest were subsequently moved to Queen Charlotte's Hospital in London, with the remaining three being cared for here. At 28/29 weeks, the babies were healthy and gaining weight, and their care was being fully funded by external resources. Trevor Campbell Davis confirmed that, while two of the three remaining babies might soon transfer to the Special Care Baby Unit, the fifth was unlikely to move for some time. The Neonatal Intensive Care Unit has continued to accept other babies throughout the period.

Congratulations were offered to Dr Ken Fleming, Mr Brian Rigby and Professor Adrian Towse, all of whom have recently been reappointed as Non-executive Directors to the Trust.

Fundraising for the Cancer Centre is also being undertaken. A report on this topic will be brought back in the spring.

### **Performance**

#### **TB 63/07 Financial performance to 30 September 2007 (Month 6)**

The Chief Executive gave an overview of the financial position. The Trust returned to recurrent surplus last year, and set a £7m surplus for 2007/08. At the half year point, the cost base has performed according to plan, but it has been hard to forecast income in the new PbR environment and the latest position is below target levels. It was acknowledged that forecasting and reporting on income needs to improve. Although there are questions about the delivery of the planned £7m surplus, TCD believed the ORH needed to hold to the initial forecast, with SHA

support, and in view of its forthcoming application for Foundation Trust status.

Simon Wombwell started by explaining September income and expenditure in-month. The Trust reported an actual deficit of just under £1m, which was disappointing, but was subject to a quarter end adjustment relating to the PCT challenge. There was also some increase in non-pay spend. On the positive side, pay has been underspending.

The cumulative position for Months 1 – 6 shows a £226k deficit, within a turnover of circa £260m. This is disappointing, and falls over £5m short of the plan, but it was important to recognise that the Trust was broadly at break even at the half way point in the year. However, this again raised the question: Is £7m surplus still a realistic proposition for the year end?

Month 6 PCT income is an estimate (PCT income reporting is a month behind). Private patient income is also below target, but recent activity will help the target for the year. Other income shows an adverse variance but, as outlined in previous reports, this relates to the planned (at risk) income above SLA levels.

The report outlines the need to consider a realistic outturn position based on the current numbers. It will be a major challenge to move from break even at month 6 to £7m surplus at month 12. In response, the Trust has contracted more time from Kingsgate to support Divisions and corporate teams. The Divisions have reviewed the income forecast and indicative, as a result of this revised position, been set lower expenditure targets when compared to the latest forecast i.e. both cost reduction and cost avoidance. Investments are having to be curtailed or avoided. Further plans will be in place in the next two/three weeks.

The ORH wishes to avoid redundancies and is looking at back-filling vacancies. The SHA says it is comfortable with the Trust's position, but that it needs to remain in a position of surplus.

Caroline Langridge requested clarity on the PCT's position. Simon Wombwell replied he understood that it was currently forecasting a surplus of circa £9m at year end. The main reason was that top-sliced funding (by the SHA at the beginning of 2007/08) was recently returned. The Trust will work with the PCT to identify any further income streams not currently recognised in the current position. The PCT is likely to want to spend any surplus in plans for next year, and continues to challenge invoices for catchment, correct coding etc.

More broadly, there are four issues around income:

1. The Quarter 1 Challenge - £500k relates to an issue on payment last year.
2. Performance penalties - e.g. around follow-up ratios, where the Trust has to perform within the top 25% of its peer group, and failure on 18-week targets. More follow up visits have been requested and this results in a penalty. We continue to argue that this is a clinical judgement issue, and Consultants tend to have low overall return rates.
3. A Challenging national contract - £300k performance and £300k on data quality type issues. Challenge, performance and data quality issues are being solved
4. New challenges will be raised in Quarter 2 and beyond.

The Trust processes around invoicing are robust. If an activity is performed it is billed for. However, it is not performing at the predicted higher levels of work. EB is looking at this.

It was confirmed that the Trust could improve on forecasting, and has developed proxy, early indication, measures of performance e.g. Theatre cases, which show signs of increasing activity. Some of the additional income target was considered optimistic; hence the £5.4m is variance from plan.

PCT income activity remains the key risk, and there is a need to deliver additional activity in the second half of the year - not least to address the 18 week target. A full-scale review of the Trust's "order book" been undertaken and confirms the potential to increase income above first half year levels. The waiting list more than compensates, but the Trust needs to deliver; and there are challenges/risks around Winter and its ability to open capacity due to staff numbers in some areas e.g. theatres.

Where the Performance Improvement Plan was concerned, the plan was to deliver £23.8m. The Trust is currently £2.5m behind target and needs to deliver more during the second half of the year to secure the £4m surplus. The Chairman challenged the significant shortfall against the administration project. This related largely to the transcription project - which was still in pilot stage; Trevor Campbell Davis said that it had been a most challenging project, and that he was unwilling to alter the level of secretarial support to consultants at this point.

The issues relating to Divisional performance are broadly the same as previously reported; questions on this element of the report were invited.

Balance sheet movements show no cause for concern. There has been an increase on debtors/money owed to the Trust which was normal and expected. The Trust has a large reduction on cash due to the half year dividend on PDC.

There is nothing of major concern for debtors, and longstanding debts are being managed. The Trust is just below the line for the Better Practice Payment Code. 80% of invoices are being paid on time.

Caroline Langridge asked if the West Wing was working at full capacity. Kathleen Simcock replied that all but one of the theatres have opened. The 12 beds that have yet to open will be used as overspill for Winter pressures. There should be sufficient physical capacity to meet 18-week targets, but recruiting theatres and anaesthetics staff remains difficult. The real issue is what the Trust can afford and staff. It is rolling out same day and theatre direct admissions, and should consequently need fewer beds.

Trevor Campbell Davis confirmed that the Trust uses its internal talent to identify cost saving measures, but is clear of the added value from external consultants. Last year Steve Swayne was commissioned to challenge the status quo. This year he and one other colleague are providing input. He added that the Trust was working in a world of matching payment with clinical activity, which is how business should be conducted. The Trust had been in a similar position around the cost base this time last year, and looked likely to deliver £21m out of the planned £23.8m so far. Following Adrian Towse' request for an indication of month 7 performance it was confirmed that October's surplus was on or around the target of £0.5m.

The Board formally delegated a decision on the forecast to the next Finance & Performance Committee meeting on 7 December. Caroline Langridge also requested information on high cost services such as KPTs, to see if there was scope for expanding the Trust's top ten services to highlight areas where services might more effectively be sold, and generate more income. AS was asked to bring this information to the next Finance & Performance Committee meeting.

AS

It was noted that Oxfordshire is a national exemplar for trauma services. 24 hour cover at Consultant level is provided, which is unusual and hard to run. It was confirmed that Finance is undertaking work to assess where the Trust is operating in excess of HRG/national tariff.

The Chairman thanked Simon Wombwell for the report.

**TB 64/07 Service Performance Report to 30 September (6 months)**

Andrew Stevens said his report divided between current performance and that for 2006/07.

**Service performance targets**

The first two months of the year were difficult within A&E. The position improved during the period June to September, but performance for October will dip to below 98%.

Delayed transfers had increased to around 80. The Trust was working to address additional problems caused by the outbreak of Norovirus. The Trust is encouraging the PCT to increase investment in intermediate care to help with continued pressure on reduced capacity, and delayed transfers. Elective performance remains strong.

**Key performance indicators**

Emergency activity is above plan. Elective activity was planned to increase over the second half of the year. Lengths of stay are a key performance improvement target.

The Trust is now below the national target for cancellation rates.

**Quality**

The recent increases in staff accidents and slips, trips and falls are being investigated.

MRSA has remained below target for the year.

There has been a recent dip in acknowledgements of written complaints. This is being addressed.

Inpatient ethnic group monitoring is still below the stringent (95%) internal target but is meeting the national target. A campaign has been launched aimed at staff and patients to ensure the information is collected, and performance for problem areas is being monitored.

Professor Towse noted the significant improvement for cancellations. Caroline Langridge enquired whether it was because of escalation to the Director of Performance Improvement/Divisional Directors of Operations, and asked if a similar approach should be adopted for other targets. Trevor Campbell Davis confirmed that this was how the Trust was developing its performance management arrangements. Kathleen Simcock confirmed the priority attached to this task by Divisions.

**Human Resources**

Andrew Stevens concluded that the Trust remains within its headcount profile. Agency and sickness rates continue to be above profile. A project to reduce the latter forms part of the Trust's Performance Improvement Programme.

### **Governance**

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#### **Infection control**

James Morris said the paper reported on the outcome of the Department of Health Review visit in September. The report could be viewed and its summary of findings was complimentary overall. The often detailed issues break down into specific areas of practice and process.

Antibiotic prescribing is a major issue in C.diff. Although Dr John Reynolds is leading on a project for the Oxfordshire health economy, the majority of prescribing occurs within primary care. Great progress has been made through isolation and cohorting of patients, and the Trust is performing well on hand hygiene and root cause analyses. Advances have also been made with the Infection control IT system, and Executive Board receives weekly reports on MRSA and C.diff.

He added that infection control needs constant vigilance and is everyone's business. Additional cleaning has been put in at the cost of circa £40k per month, which has made a significant difference. Enhanced cleaning has been introduced since August. The Trust is also looking at further cleaning programmes.

Caroline Langridge asked about eradicating C.diff through use of high temperature washing machines, and whether the SHA would fund the additional costs. Ian Humphries replied that most linen is cleaned externally, but that there are a number of ward-based mini laundries. The messages about potential funding are currently mixed.

Joanna Paul noted the significant impact on laboratory testing.

Oxfordshire made a whole system bid through the SHA for Government funding for improvements in infection control which have to operate within primary care practices and community hospitals. The funding should last about a year.

Among a number of other specific issues for Maidstone, the lack of leadership was picked out. James Morris said he hoped the Board was reassured as to the ORH's leadership. Additional actions being taken were shown in the table at the back of the paper.

Michael Ely, a member of the public, said it was gratifying that control of antibiotics and patient isolation have finally been recognised as the best way to eradicate MRSA. Jacqueline Pearce-Jervis added that she wished to congratulate the Trust on its improved performance, and Lady June Richards recommended piloting another hospital's initiative of providing cheap informal leaflets to explain the differences between C.diff and Norovirus.

Caroline Langridge said she welcomed the comments. It was important to be able to isolate patients, and she was looking to when a report on single rooms could be brought back.

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### **Annual Health Check**

Elaine Strachan-Hall said that the paper reported on the current state of compliance or achievement with core standards, existing national targets and the new national targets. These three elements contribute to the quality rating within the Annual Health Check. The Trust's objective was to continue to improve its rating for quality and the use of resources and to achieve excellent in both categories.

The paper outlined the monitoring and assurance arrangements in place. Particular attention would be paid to those areas where there was a possible change in status from 2006/07. The Board noted the work already underway to declare full compliance with core standards as outlined within the paper.

The Auditor's Local Evaluation (ALE) monitors the Trust's financial health. Its component Key Lines of Enquiry (KLOES) are financial management, financial reporting, financial standing, internal control and value for money. Last year the Trust received a 1 on its financial standing in line with national guidance (out of a possible 3 or 4), and would be unlikely to receive more than 2 this year. Simon Wombwell noted that to achieve Level 2 the Trust would have to reach break even or better this year, as planned. Elaine Strachan-Hall said that the Trust still wanted to achieve as highly as possible for the other areas, building on the good scores (3s) achieved for 2006/07

Areas of concern within the quality element were:

C4c - Decontamination (link to Hygiene Code) - Ian Humphries said new guidance for decontamination had come out last week which affected departments, wards and patients' equipment. Elaine Strachan-Hall and he were advancing plans to ensure compliance on this wide-ranging issue. More work needed to be done, and a detailed report would take time to prepare.

Commercial Committee will need to provide the Board with assurance across all elements of the standard (including decontamination of endoscopes, similar equipment, theatre equipment and sterile supplies units. A plan is in place to ensure there is full accreditation for our sterile supplies services. The steps needed to ensure full compliance, taking account of the new guidance, particularly in relation to deep cleaning, will be presented to the Commercial Committee for discussion and subsequent reporting to the Board.

C11b - The Board noted that the good attendance at the range of mandatory training events (e.g. fire training, health and safety, back care etc) held throughout the Trust, but that stronger evidence of attendance was required to provide assurance. The recent introduction of the electronic staff record should assist in this, allowing the current database of attendance to be replaced with much more effective software. The HR Committee will be updated on the evidence and current position and outcome of the Staff Survey will be reviewed. Mark Gammage added that a process needs to be in place around each member of staff's training needs.

C20b - The Trust had declared 'not met' at the year end for this standard "that Healthcare services are provided in environments which promote effective care and optimise health outcomes by being supportive of patient privacy and confidentiality". Much progress has been made on single sex accommodation, particularly in relation to the management of patients on level 7, despite significant clinical and operational pressures. The aim is to be compliant at the end of March 2008, as indicated in the action plan contained within the ORH's declaration. Audits are being undertaken on whether the Trust continues to treat patients with privacy and dignity, and the degree of risk to compliance, particularly in relation to the physical environment. A report will be brought back to the next meeting.

ESH

### Existing National Targets

The difficulties with **delayed transfers of care** are well known and the recent pressures within the emergency department have continued to impact on this, in common with other hospitals within the South Central. The Trust is not expected to achieve the target, shared with the PCT, but is working to ease congestion and continuing to maintain pressure for the appropriate placement of patients outside the acute sector. There are particular issues in Oxford City and the greater Banbury area where nursing and residential accommodation is in short supply. Delayed transfers of care remain a high priority for Social

Services and for the PCT; it was noted that the PCT had indicated that funding is available to help place patients in appropriate accommodation.

**Thrombolysis** remains a target which might be at jeopardy, although further information will be sought on whether increased numbers of primary angioplasties might take the ORH below the level at which the target is measured. Work continues with the Ambulance Service to improve the whole of the patient pathway.

The **EDs** remain extremely busy and performance against the four hour wait target has been below 98% for a number of weeks. The rest of year is likely to be extremely challenging, and a Winter Planning session confirmed that winter seemed to have started earlier than in previous years. Although more staff have been deployed, unprecedented patient levels have been experienced, particularly at weekends, both at the Horton and JR. Significant management time is spent ensuring breaches are minimised, and that patients are admitted to appropriate areas as required.

**Smoking reduction during pregnancy and breastfeeding** - The Trust would finalise its position once full information had been gained. The target contains elements of patient choice and cross-over with primary care. A risk assessment and more work would need to be done.

The Trust is still waiting on indicators for **diagnostic tests** but is on trajectory to deliver 6-weeks. There are risks around the volume of work for endoscopy and MRI, although a second endoscopy treatment room is being opened at the Horton. The Trust is also looking at using CT, and more MRI work is being put through Capio.

The Chairman thanked Megan Turmezei, Elaine Strachan-Hall and Andrew Stevens for all the underpinning work. Continuing areas of risk would be reviewed by Governance Committee or Finance & Performance Committee for report back to the full Board.

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**Foundation Trust application - update**

The paper confirmed the timetable and was for information. It was noted that the nomination goes ahead before the final Integrated Business Plan has been approved. An initial version of the Integrated Business Plan which will be subject to a number of iterations would be brought to the December meeting. The nomination meeting will be held on 29 November.

Professor Towse enquired about input from the University. There have now been two sets of Strategic Partnership Board discussions as to how partnership arrangements can be strengthened. These discussions are continuing.

**TB 68/07 Standing Orders and Standing Financial Instructions**

The Board acknowledged that the Standing Orders and Standing Financial Instructions had been reviewed. There were no significant changes, and there had been no waivers of either the SOs or SFIs in the year to date.

**TB 69/07 Endorsement by the Trust Board of Codes of Conduct and Accountability**

Trust Board noted that all Trust Board members, and regular attendees, had confirmed their annual commitment to the Codes of Conduct and Accountability as required.

**TB 70/07 Board Committee Minutes**

**Governance Committee meeting of 26 September 2007**

**Commercial Committee 24 September 2007**

**HR Committee meeting of 19 September 2007**

No one had anything additional to add to the minutes.

**Other matters**

**TB 71/07 Consultant appointments, sealings and publications report**

The Board noted the sealings and confirmed the appointments.

**Any other business**

**Patient information** - After the recently uncovered failings within Revenue and Customs, the Chairman recommended that the Trust carry out an extra check on the security of patient information within the organisation.

**Director of Operations, Division C** - Joanna Paul advised the Board that Amanda Middleton would take over as Acting Director of Operations for Division C from next month when she went on maternity leave.

**Date of the next meeting**

The next meeting will be held on Thursday, 24 January 2008 at 10 am in the Stable Block Committee Rooms at the John Radcliffe Hospital.