

Trust Board Minutes – Open Session

Date of Meeting:	Tuesday 27th June 2006	
Present:	Mr R Keightley, Chairman	RK
	Mr M Hackett, Chief Executive	MH
	Mr W Cooper, Director of HR	WC
	Mrs J Gillow, Director of Nursing	JG
	Mr S Jupp, Director of Operations	SJ
	Mr B Lloyd, Director of Finance	BL
	Mr N Saunders, Medical Director	NS
	Ms F Dalton, Director of Strategy	FD
	Mr K Bamber, Non Executive Director	KB
	Mr G Davies, Non Executive Director	GD
	Dr J Davies, Non Executive Director	JD
	Mrs H Fender, Non Executive Director	HF
	Mr J Jayasundara, Non Executive Director	JJ
In Attendance:	Mrs J Surtees, Trust Board Business Manager (minutes)	JS
	Mr Rob Elek, PFI Director	RE
	Mrs Julie Dawes, Assistant Director of Nursing – Patient Care Development	JD

Action
By

Congratulations and Acknowledgement

Fiona Hughes, Medical Laboratory Assistant and Dominic Pickett, Health Care Assistant, Emma Cox, Senior ATO, Vicky Leggett, Senior Health Care Assistant, Paul Hutchins, Senior Health Care Assistant, Chris Granger and Liz Keeping, Vocational Training Managers and Anita Esser, Head of Organisational Development and Training, were welcomed and Anita Esser gave a briefing on how National Vocational Qualifications (NVQs) are managed within the Trust and outlined plans for further developing the topics available via NVQ.

Each candidate told the Board how studying for their NVQ had been/continues to be.

After the briefings the Chairman thanked Anita, Chris, Liz, Fiona, Dominic, Emma and Vicky, and congratulated them and wished them well for the future.

74/06 Apologies
Prof D Williams, Non Executive Director

75/06 a) Opening Comments
The Chairman advised:

- Of a farewell event held for Sir Ian Carruthers and attended by Chairmen and Chief Executive Officers (CEOs) of Hampshire and Isle of Wight Strategic Health Authority. Sir Ian (who is currently Acting CEO, Department of Health) had advised that HloW SHA are one of a few SHAs to show a reduction in overspend and that the original forecast for 2005/06 was £140m and the outcome was £26m. Sir Ian had said this was remarkable and SUHT is held up as a good example of this effort.

Attendance at the recent NHS Confederation National Conference held in Birmingham by himself and four of the Non Executive Directors. The conference had been very useful to those who attended.

- 75/06 b) MH advised he had recently visited Sir Ian Carruthers, CEO, in Whitehall. Sir Ian has asked MH for a briefing paper on SUHT's approach to recovery in 2005/06.
- 76/06 Minutes of Previous Meeting** (agenda item 2. Enclosure A)
The minutes of the meeting held on 25th May 2006 were agreed as a correct record given a minor typing matter.
- 77/06 Matters Arising** (agenda item 3.)
- a) **Ref item 62/06a i)** – it was **agreed** that a Divisional organisational chart would be distributed.
- b) **Ref item 64/06b Non-patient reporting of injuries, diseases & dangerous occurrences (RIDDOR)** – WC advised that non-patient reportable incidents would be incorporated in the next Human Resources Report to Trust Board in November 06.
- c) **Ref 68/06 Human Resource Reporting** – it was confirmed that as this report is six-monthly, the Board would like a report on the issues raised in July 06, covering:
- Clarification on the benefits of Agenda for Change
 - HR objectives – links to Financial Recovery Plan needed
 - HR performance indicators – total number of days lost to sickness would be useful
 - Stress hot spots for action.
- 78/06 Chief Executive's Report** (agenda item 4. Enclosure B)
- a) MH highlighted:
- i) **Taking the vision forward** - a launch for external stakeholders in the PCTs and Strategic Health Authority was held on the 6th June 2006. This was extremely positive and successful - we have key stakeholders buying in. The CEO will be engaging with all external stakeholders for three months to establish clear understanding and ownership.
The Chairman advised that he had received thanks from four local Trust Chairmen for involvement on this.
The next stage is for wider involvement in Wessex, e.g. all acute Trusts, Overview and Scrutiny Committees (OSCs) and MPs.
- ii) **Research** - Mary Carroll, Consultant Respiratory Physician, has attracted additional Research and Development revenue to participate in the only UK wide genetic therapy trial for cystic fibrosis. It was **agreed** to invite Mary Carroll to a subsequent Trust Board to present her approach to this exciting trial.
- iii) **Value Stream Mapping** - the Medical Director, CEO and others will be visiting Bolton hospital to observe 'value stream mapping' whereby hospital processes are redesigned to remove elements that do not add value to the patient journey.
- iv) **Cardiac Centre Opening** – it was noted that a letter of invitation to open the Centre has been sent by the Chairman.
- 78/06 b) **Clotting and Coagulation Factors Ref para 15 c)** - at a total cost of £1,325,079 for a 12 month period. Joint award to five suppliers: ZLB Behring £717,878, Baxter £361,959, Grifols £116,960, UDG 72,446, Wyeth £55,836. This is a joint contract arrangement with North Hampshire Hospital. PASA are currently preparing a national tendering approach for 2007/08. Savings of £73,490 secured over previous contract arrangement. The Chief Executive and the Director of Finance support this award and sought Board approval.
- ii) The Board considered this matter and **approved** the award of contract requesting that every effort is made to maximise benefits from linking with other similar organisations for contracting/purchasing economies of scale.

MH

WC

WC

JS

BL

- 78/06 c) **Provision of Temporary Nurses – Contract Change Ref para 16**
i) In June 2005, following a full service and financial option appraisal for a new contract, Trust Board approved the procurement of Nestor Health care as the preferred commercial agency for provision of temporary nursing and midwifery staff. In addition the Board agreed that ongoing discussions with NHS Professionals should be pursued during this year. Unexpectedly Nestor Health Care gave three months notice of contract termination at the end of March 2006 due to changing trading conditions.

An urgent financial and service appraisal of alternative suppliers has been undertaken and a recommendation to transfer the temporary nurse contract to NHS Professionals has been made. The original contract value of the contract of £3,017, 000 p.a. will not be exceeded by this transfer. An interim extension to the Nestor Health Care contract for a further twelve weeks has been agreed to allow adequate implementation of a new contract provider. The Chief Executive and the Director of Finance support this award and sought Board approval to proceed.

- ii) The Board considered this matter and **approved** the proposed approach.
- 78/06 d) Actions taken by the CEO and Advisory Appointment Committees as set in paragraphs 15 a and b; and 17a-d were **ratified**.

Governance

79/06 Report from the Chairman of the Audit & Assurance Committee (agenda item 5. Enclosure C)

- a) KB advised he proposed to provide a written report to the July 06 Board meeting which would include his annual report. From the meeting held on 13th June KB highlighted:
- Stock management – progress being made with some encouraging agreements on arrangements for high value stocks. The Committee has requested further work on approaches taken outside the NHS and outside UK.
 - Demand management issues.
 - Slow response from Solicitors on a fraud case.
 - Electronic Staff Record (ESR) – concerns on risks experienced by wave one implementers.
- b) HF referred to her report on the Healthcare section of the Committee highlighting:
- The Statement of Internal Control – amendments made.
 - Standards for Better Health – approach to embedding core standards within Divisions.
 - Audit Commission reports: Acute Hospitals Portfolio.
 - Endoscopy – generally a positive report.
 - Radiology – some data issues. Nine recommendations. The report has come at the right time to enable the redesign focus.

The reports were **noted**.

80/06 Update on Clinical Issues (agenda item 6.)

- a) **De-clutter week** – JG advised that week commencing 3rd July 06 has been designated as 'De-clutter Week'. This comprises a range of activities across the Trust including:
- Poster launch.
 - Visiting time changes.
 - Uniforms Policy.
 - Hand washing Challenge in key locations.
 - Removing unused and obsolete furniture and equipment.
- b) JG advised that the League of Friends have kindly donated prizes.
- c) A discussion followed covering:
- Confirmation that this includes the hospital entrance, e.g. cigarette ends.
 - The need for this approach to continue, not just be a one-week thing.
 - A plea that unwanted equipment and furniture is offered to charities, e.g. Basics Bank.

80/06 d) JG invited Non-Executive Directors to attend any of the events during De-clutter Week.

81/06 Final Draft Statement of Internal Control for 2005/06 (agenda item 7. Enclosure D)

- a) JG introduced this item advising of the approach taken and SHA input, the links to the Head of Internal Audit Opinion and the inclusion of comments from the Audit & Assurance Committee.
- b) After a brief discussion clarifying certain issues Trust Board **agreed** to sign off the Statement of Internal Control.

82/06 Final Draft Annual Report 2005/06 (agenda item 8. Enclosure E)

- a) WC advised of discussions with the Audit & Assurance Committee on whether to include the annual accounts in their entirety or relevant extracts and had concluded that an extract was most appropriate.
- b) A discussion followed covering:
 - Need to ensure that GPs are communicated with via a summarised version.
 - Leaflets setting out the key issues for distribution – waiting areas etc.
 - Clarification on use of the strap line.
- c) After discussion Trust Board **agreed**:
 - i The issues discussed would be incorporated into the report.
 - ii Three versions would be produced – full, summary and leaflet.

WC
WC

Performance

83/06 Financial Recovery Plan Proposals 2006/07 (agenda item 9. Enclosure F)

- a) MH introduced the approach taken and the need to ensure the Trust delivers the services patients want. MH advised:
 - In 2005/06 the Trust achieved a £27m cost reduction plan, which enabled the Trust to break even (after allowing for the repayment of the deficit from the previous year) and reduce the historic debt.
 - Overall financial challenge – there is an overall gap between income and expenditure budgets of £26m in 2006/07.
 - In 2007/08 the Trust's financial position will be subject to a range of further changes associated with Payment by Results, planned service growth and the impact of the Southampton Elective Independent Sector Treatment Centre.
 - Approach to meeting the challenge – to implement the cost reduction programme to achieve £26m the Trust must continue to eliminate waste and inefficiency, redesign services around what patients need and ask for, drive down our costs of the work we deliver where we can and improve the productivity and patient experience of the services offered.
 - The key principles to address the cost reduction programme are:
 - ensuring services are safe, accessible and required quality performance levels can be achieved and maintained
 - delivering the key government performance targets, including investment in key areas, e.g. MRSA, waiting lists
 - seeking to maintain and improve, where possible, the patient experience
 - ensuring the programme delivers the first steps towards the 2020 Vision and is not jeopardising the long term plan
 - improving productivity and efficiency across all areas of the Trust
 - targeting areas for cost reduction based upon comparative data with other teaching Trusts
 - minimise the effect on staff

- 83/06 b) The Trust Board **agreed** to accept the direction of travel proposed in the report:
- i As set out in the plan to secure financial balance in 2006/07 outlined above.
 - ii Noting that Executive Directors will further define the risk of schemes as they progress through the year.
 - iii Noting the need for the Chief Executive Officer, following comments, to develop suitable resources to deliver the plan.

MH

MH

84/06 Corporate Monitoring Report for Month 2 2006/07 (agenda item 10. Enclosure G)

- a) BL highlighted:
- The deficit to date is £3,428k.
 - All main SLAs have been agreed including Dorset and Sussex.
 - Budgets have been reset within Divisions and HQ Directorates.
 - All pay budgets have a staff vacancy factor of 2.5%.
 - The savings programme is £26.0m, £13,995k (£12.0m as at Month 1) savings have been identified to date.
 - To accelerate the pace of identifying these savings the Trust has produced a strategic framework against which Directorates are now working. A separate report on progress will be made to the closed session of the Trust Board.
- b) A discussion followed covering:
- Clarification on SLA agreement.
 - Cash – clarification on revised arrangements for interest on long-term loans from the DoH. These arrangements are more formal than the previously used brokerage arrangements with the Strategic Health Authority.
- c) After discussion BL **agreed** that Cash monitoring will be included in future reports, in both graphical and narrative form, showing monthly progress as well as cumulative. The report was **noted**.

BL

85/06 Access Times and Operational Performance Report for May 2006 (agenda item 11. Enclosure H)

SJ highlighted the current position for the following from the report:

- A&E target is being achieved.
- Inpatient waiting list size continues to reduce.
- Over 20-week inpatient waits are down.
- Outpatient 13-week target achieved and Trust will meet the 11 week target for the first time at the end of June.
- Booking targets achieved.
- Cancer performance on the 62-day wait from referral to treatment is still not good enough – breaches could have been avoided with better processes at every stage of the patients journey. Increased monitoring of patients on the pathway is now in place.

The report was **noted**.

Planning and Development

86/06 Cancer 2B Outline Business Case (OBC) (agenda item 12. Enclosure J)

- a) Rob Elek (RB) was welcomed and he gave a briefing on the approach taken and involvement of the PECs, PCTs, SHA and Cancer Network.
- b) A discussion followed noting the next stages in discussions including taking the OBC to the September meeting of the newly formed South Central Strategic Health Authority and the Southampton Overview and Scrutiny Committee (OSC).
- c) After discussion the Trust Board **approved** the Outline Business Case for Cancer Care 2B.

The Trust Board also wished to record thanks to Rob Elek and his team for their work.

Patient and Staff Experience

87/06 Patient Experience Strategy (agenda item 13. Enclosure L)

- a) Julie Dawes (JDa) was welcomed and JG gave a brief introduction – covering the recent consultation period and links to the Trust's Vision document.
- b) JDa gave a summary of the comments received from the consultation which included
 - Layout and presentation comments.
 - End-of-life Strategy welcomed.
 - Pain management.
 - Development of the Dashboard.
- c)
 - i) After discussion the Trust Board **approved** the strategy given the inclusion of comments made by Board members.
 - ii) It was **agreed** that quarterly progress reports would be made to the Board.
 - iii) The Trust Board wished to record thanks to JG and JDa and congratulated them on the strategy.

JG

Items to Note\Approve

88/06 Update on recent changes to the Major Incident Plan, Contingency Plans and Cost Implications (agenda item 14. Enclosure M)

- a) SJ advised the Trust Board of the changes required by the Civil Contingencies Act (CCA) 2004. SJ said the Trust is unique in having someone of David Weeden's calibre leading on major incident planning.
- b)
 - i) The TB **supported** the approach taken and **noted** the plan.
 - ii) The TB wished to record thanks to David Weeden for his ongoing commitment and involvement in this important aspect of planning for the Trust.
 - iii) The TB asked SJ to identify ways in which Non-Executive Directors become involved in Major Incident exercises.

SJ

89/06 Any Other Business

There was no other business.

90/06 Date and Time of Next Meeting

Tuesday 25th July 2006 commencing at 2.00pm in the Dean's Committee Room, SAB, SGH

SOUTHAMPTON UNIVERSITY HOSPITALS NHS TRUST

Matters Arising from HR Report to Trust Board 77/06 c)

Report to:	Trust Board - 25 th July 2006
Report from:	Wayne Cooper, HR Director
Purpose of Report:	To update Trust Board on matters arising from the HR Report - TB 77/06 c).
Review History to date:	Trust Board - 25 th May 2006
Recommendation:	The Trust Board to note the information contained in this report.

Clarification on the benefits of Agenda for Change

Despite an amount of 'noise' which has occurred around the implementation of AFC, there have been relatively few issues taken to a formal grievance stage following the completion of the Reviews requested, which numbered 844.

Currently, only 17 Grievances have been lodged. Five of these have been heard thus far with two being upheld in favour of the staff concerned. Dates have been set for all those outstanding.

Implementation of the project has helped to further develop and establish constructive working relationships with Staff Side representatives, many of whom now have a good understanding of the Job Evaluation process which we will continue to use when establishing levels of reward for new posts introduced at SUHT.

The Job Evaluation system and the national profiles produced for 'generic' NHS jobs brings a real benefit in terms of achieving consistency in measuring the weight of posts and attributing levels of reward to posts, and in giving the Trust future defence against Equal Pay Claims.

Another benefit is that for the first time, the Trust has a record of job titles, job descriptions and bands across the Trust, giving us a database, which with the implementation of ESR, will provide us with better workforce information.

The introduction of AFC also ensured the abolition of all of the Whitley Council Terms and Conditions (with the exception of Doctors and Dentists) and introduced for the first time in the NHS a core set of terms and conditions common to all non-Medical/Dental staff. A major benefit in itself in terms of providing clarity to staff and Managers and movement towards equity as staff groups migrate to the new core terms and conditions.

Progress on the Knowledge and Skills Framework is good and a Gateway Policy has been agreed with Staff Side. Importantly, this for the first time will ensure from September 2006 that as an employer we will be able to control employees access to incremental progression within a pay band linked to their development reviews. This will also drive up the number of appraisals held in the Trust, benefiting both employee and the Trust.

HR Objectives/FRP

The list of HR Objectives for 2006/07 has been revised, please see Appendix 1.

Sickness - Days Lost

The total WTE lost in June through sickness absence was 222.25.

The Trust sickness absence rate is currently 3.5%.

Information from other University Teaching Hospitals shows SUHT to have one of the lowest sickness percentage rates at 3.5%, most are above 4%, with some over 5%.

Work is continuing with departmental managers and the Occupational Health Department to try and further reduce the current figure.

Stress “Hotspots”

Currently areas identified within the Trust as being areas of higher than average stress are :

- Cardiothoracic
- Child Health
- Critical Care
- Medicine & Elderly
- Obs & Gynae
- Planning

A working group has now developed a Stress Policy, a requirement the Health & Safety Executive will at some stage in the future monitor the Trust on, and this will be brought to the Trust Board for approval in the near future.

HR Objectives 2006/07

4.8.1	To lead on where required, facilitate and provide advice on projects within the FRP, which have workforce and employee relations implications.	Ongoing
4.8.2	Develop a programme to achieve the outsourcing included in the LDP.	July 06
4.8.3	Ensure implementation of KSF.	September 06
4.8.4	Develop the role of Divisional HR Manager as a business partner.	September 06
4.8.5	Implement ESR.	July 06
4.8.6	Equality & Diversity Group to produce a prioritised action plan for the next year.	July 06
4.8.7	To develop a new Partnership Agreement with Staff Side.	December 06
4.8.8	Plan and agree the extended rollout of ESR to line managers	November 06
4.8.9	Ensure compliance with recruitment Standards For Better Health.	Ongoing 2006/07
4.8.10	Co-ordinate and report on progress with the implementation of the 10 HR High Impact Changes (see Appendix 3).	October 06
4.8.11	Develop an HR Strategy	January 2007