



A lifetime of specialist care

Minutes of a meeting of the Board of Directors  
held in the Board Room, Royal Brompton Hospital, Sydney Street, London SW3 6NP  
from 10.30am on Wednesday 22<sup>nd</sup> May

Present: Baroness (Sally) Morgan of Huyton, Chair  
Mr Robert Bell, Chief Executive  
Mr Mark Batten, Non-Executive Director  
Prof Kim Fox, Non-Executive Director  
Mr Simon Friend, Non-Executive Director & Deputy Chair  
Ms Janet Hogben, Non-Executive Director  
Mr Richard Jones, Non-Executive Director  
Ms Joy Godden, Director of Nursing & Clinical Governance  
Mr Nicholas Hunt, Director of Service Development  
Ms Jan McGuinness, Chief Operating Officer  
Mr Richard Paterson, Associate Chief Executive - Finance

Mr Neil Netto, Trust Secretary

Apologies: Mr Luc Bardin, Non-Executive Director  
Prof Peter Hutton, Non-Executive Director  
Dr Javed Khan, Non-Executive Director  
Mr Robert Craig, Director of Development & Partnerships  
Dr Richard Grocott-Mason, Medical Director & Senior Responsible Officer

By Invitation: Dr Jo Szram, Director of Medical Education  
Mr Piers McCleery, Director of Strategy  
Ms Jo Thomas, Director of Communications  
Ms Lis Allen, HR Director  
Mr David Shrimpton, Private Patients – Managing Director  
Dr Mark Mason, Divisional Director  
Ms Penny Agent, Director of Allied Clinical Services  
Ms Gill Raikes, Chief Executive Royal Brompton & Harefield Hospitals Charity

In Attendance: Mr George Doughty, Public Governor, North West London  
Cllr John Hensley Appointed Governor, LB of Hillingdon  
Ms Louise Senivassen, NHS England / Improvement, Quality & Transformation  
Ms Gemma Robinson, NHS England / Improvement, Quality & Transformation  
Dr Jo Organ, Anaesthetics, RBHT  
Mr Oliver Wilkinson, Deputy Head of Communications  
Ms Rebecca Jenkins, Communications Manager  
Ms Sharon Ibrahim, Corporate Governance Manager

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**WELCOME**

The Chair welcomed everyone to the meeting. The meeting was quorate and proceeded to business.

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**DECLARATIONS OF INTEREST**

The Chair stated that there had been no new Declarations of Interest by the Directors since the Register was last circulated in the Trust Board pack of 27<sup>th</sup> March 2019

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### **MINUTES OF THE PREVIOUS MEETING HELD ON 27<sup>th</sup> MARCH 2019**

Subject to a clarification in relation to NHS England's specialised commissioning, the minutes of the previous meeting were approved.

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### **ACTIONS ARISING**

In respect of the actions arising, Dr Jo Szram, Director of Medical Education, outlined that:

- Health Education England had carried out a follow-up visit to the Trust on 30<sup>th</sup> April 2019 in respect of core medical training and cardiology. HEE had been satisfied with the improvements that had been made in relation to cardiology intervention, electrophysiology with educational governance.
- An update on the junior doctor wellbeing programme would probably be presented to the Trust Board on 24<sup>th</sup> July 2019. The Chair added that it may be helpful to schedule an informal session with junior doctors and the Trust Board.

The Board congratulated Dr Szram on such good progress.

It was noted that there were no outstanding actions.

2019/45

### **REPORT FROM THE CHIEF EXECUTIVE**

The Chief Executive, Mr Robert Bell, provided an oral report to the meeting and outlined various matters which included:

#### NHS England and NHS Improvement

NHS England and NHS Improvement have a NHS Executive Group which provides leadership and collectively ensures that a wider perspective and a whole system approach is adopted in implementing the NHS Long Term Plan.

Sir David Sloman is NHS London Regional Director and a member of the NHS Executive Group.

Mr Bell and other leaders had been invited to meet with Sir David Sloman with a view to discussing the key priorities for the NHS London Region.

The plan for the NHS London Region was to work on six major capital schemes across the NHS London Region. The relocation of Royal Brompton was one of those major capital schemes. The NHS London Region plan envisaged that Royal Brompton would relocate to the proposed site south of the River Thames (and not be dispersed across North West London).

The five other NHS London Region major capital schemes related to Hillingdon, St Pancras (including Moorfields), Whips Cross, St Helier's and St Mary's.

#### Overview

The Trust, for more than a decade, had been looking at options which would enable the Trust to continue to provide world class services to heart and lung patients of all ages.

The King's Health Partners collaboration (Guy's & St Thomas' Hospital, King's College London and King's College Hospital) is the best way forward for the Trust. The collaboration would potentially transform heart and lung disease treatment and research in the UK, and

reap the benefits of collaboration by working together across all cardiac and respiratory specialist services for adults and children.

There remained much to do in respect of bringing the collaboration to fruition.

The fact that NHS London Region had identified as a major capital scheme Royal Brompton's proposed relocation, to the St Thomas' site South of the River Thames would seem to be positive support.

There is a great deal of clinical engagement.

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### **NURSING STAFF REPORT**

Ms Joy Godden, Director of Nursing & Clinical Governance, presented the Nursing Staff Report and matters which were outlined and noted included:

- The Report confirmed that the Trust provides safe staffing levels, with a mix of registered/unregistered staff and permanent/temporary staff that was appropriate for the Trust's current patient population.
- As there was a recognised link between registered nurse numbers and patient safety, the quality markers shown in the Report indicated that safety levels within the relevant clinical areas remained good.

There followed some discussion which included:

- There was a nurse vacancy rate of 9.1%. However individual units report significantly different rates, with areas like paediatrics showing a 15% rate. Although high, the figure was stable, and was mainly due to a relatively small pool of staff with the required skills.
- The Trust had been implementing plans to increase the recruitment of overseas nurses. For example, recruitment programmes in the Philippines and Australia had been successful.
- Work continued to appoint nurses at the end of their UK training, as well as those wishing to specialise who were attracted by the professional development and education opportunities available in the Trust.
- Work continued on retaining the Trust's skilled staff, which included the wellbeing programme being delivered by the Trust.
- Nurse turnover rates at the Trust were relatively stable and this was an important factor in the delivery of safe staffing levels.
- There was a nurse sickness rate of 3.4%, compared with a national average of 4.6%.

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### **CLINICAL QUALITY REPORT FOR MONTH 12**

Ms Joy Godden (Director of Nursing & Clinical Governance) and Mr Piers McCleery (Director included:

- **Nurse Staffing** – Nurse safe staffing levels had been maintained for M12 2018/19.
- **Cancer Targets, 62 Days to First Treatment** – There had been three patients who had not been treated within the 62-day target. One of these patients had been treated within

the Trust's 24-day referral to treatment window and the remaining two patients were due to complex diagnostic pathways.

- **NHS Safety Thermometer** – The care of 323 patients was audited in M12. This snapshot audit indicated that on average for the period patients had received 97.5% harm free care as defined by the audit tool (national average 94.3%).
- **18 Week Referral To Treatment Time** – The M12 performance was 93.09%. This exceeded the national threshold of 92% and the Trust's threshold of 92%, which had been agreed with NHS Improvement during the annual activity planning exercise.
- **Complaints** – The Trust received 11 new complaints in M12. All complaints were reviewed and, as appropriate, used to help the Trust to improve services. For example, the Trust had received a complaint from a patient about being on the 'urgent list' for a surgical procedure, which the patient understood to mean that the procedure would happen within a day, whereas the Trust's view is that patients on the urgent list are kept in hospital as an inpatient until such time as the surgical procedure is carried out. In this example, there was scope to provide more details as to the workings of the urgent list.
- **Extracorporeal Life Support Organisation Award for Excellence in Life Support** – The Trust's ECMO (Extracorporeal Membrane Oxygenation) services had been praised at the international Extracorporeal Life Support Organisation awards for Excellence in Life Support. Harefield Hospital's ECMO service had received the silver award and Royal Brompton Hospital's ECMO service had achieved the prestigious platinum award. Both awards recognised excellence. The platinum certification was the highest distinction given by ELSO, with Royal Brompton being the only commissioned centre in England to have achieved a platinum award.

The M12 Clinical Quality Report was approved by the Trust Board for publication on the Trust's website.

**ACTION:** Ms Godden to consider whether some explanatory narrative could be added to the nurse staffing care hours per patient day chart.

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## **FINANCIAL PERFORMANCE REPORT FOR MONTH 1 – APRIL 2019**

The Associate Chief Executive - Finance, Mr Richard Paterson, presented the Financial Overview Report and outlined various matters which included:

- The Trust remained ahead of plan at M1.
- Cash at the end of April was £19.5m, which was £8.6m higher than plan. This reflected an embassy payment and a NHS England payment (for 2018/19 over-performance).
- Pay was better than plan by £0.1m, despite a one-off payment of £0.5m, agreed as part of the Agenda for Change pay agreement, for staff on the top incremental point. Agency expenditure was similar to March, £150k above plan and the agency ceiling. This was being further reviewed.
- Progress continued on the Cost Improvement Programme (CIP). Delivery in-month was £1.35m against a plan of £1.55m
- The forecast underlying position had been calculated by removing Provider Sustainability Funding (PSF) and Financial Recovery Funding (FRF) from the plan position. In future months, any significant non-recurrent gains or losses would be removed from the forecast underlying position.
- The block contract with NHS England had been based on working days, and would have over-performed against plan by £0.6m in April on a cost and volume basis.

- £0.3m of over-performance by NHS England on excluded drugs had been reported, as this falls outside the block arrangement.
- Non-Pay was overspent by (£0.4m), which had been predominantly generated by drug expenditure. There was a further pressure of (£0.3m) as KHP consortium expenditure had been treated as a revenue expense (this is partially offset by contingency).

Mr Mark Batten, Chair of the Finance Committee, mentioned that the Finance Committee on 19<sup>th</sup> February 2019 had (among other matters) reviewed some of the benefits of the Darwin programme. The minutes in the pack were noted.

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### **CONSIDERATION OF GOING CONCERN AT 31 MARCH 2019**

The Associate Chief Executive - Finance, Mr Richard Paterson, presented the paper on the consideration of the Trust as a Going Concern at 31<sup>st</sup> March 2019 and outlined various matters which included:

- The Trust Board was required to consider whether the Trust may prepare its Financial Statements on a going concern basis, and was required formally to confirm this.
- Part of the assessment was an examination of future cash flows to be assured that the Trust would be able to meet its financial obligations as they fell due.
- The assessment covered a period for at least 12 months from the date of the approval of the financial statements, and cashflow forecasts had been prepared accordingly on a monthly basis to the end of March 2021.

There followed further discussions in relation to the representations made in the Annual Report & Accounts 2018/19 that no material uncertainties had been identified by the Directors relating to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern.

It was noted that the Directors had carefully considered the financial position of the Trust and its expected future performance given the demanding financial context in which it is operating. Key factors which had been considered by the Directors included:

- Anticipated levels of clinical activity and income
- Anticipated levels of operational costs and planned savings
- The level of planned capital expenditures, including the proposed new imaging centre and costs associated with the collaboration with King's Health Partners
- The continuing availability of borrowing facilities, including a planned bridging facility to finance the proposed imaging centre
- The anticipated receipt of incentive funding in the form of Provider Sustainability funding (PSF) and Financial Recovery Funding (FRF) for meeting and bettering the Trust's financial targets set by the Trust's regulator, NHS Improvement.

It was further noted that these factors had been the subject of sensitivity analysis against which the Trust's capacity to mitigate downside risks has been assessed.

Having made the appropriate enquiries, the Directors concluded that there was a reasonable expectation that the Trust would have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors confirmed that the Trust should continue to adopt the going concern basis in preparing the accounts.

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## **AUDIT COMMITTEE**

Mr Simon Friend, Chair of the Audit Committee, outlined that the Audit Committee on 30<sup>th</sup> April 2019 had (among other matters) reviewed the:

- KPMG Core Financial Systems report
- KPMG Serious Incidents report
- KPMG draft 2019/20 Internal Audit Plan
- VOIP Post Project Evaluation
- Counter Fraud Annual Report
- Counter Fraud Policy & Response Plan

And on 21<sup>st</sup> May 2019, the Audit Committee had (among other matters) reviewed the:

- KPMG: final Internal Audit Annual Report – The Head of Internal Audit opinion for the Trust was “significant assurance with minor improvements required”.
- KPMG: Data Security & Protection Toolkit Review – The assurance rating for the DSP toolkit would be “partial assurance with improvements required”.
- Deloitte: Final Report on the 2018/19 Audit – It was envisaged that an unmodified audit opinion would be issued.
- Deloitte: Quality Report, External Assurance Review – It was envisaged that a “modified limited assurance opinion” would be provided.
- Annual Report & Accounts, including the Quality Report – The Committee had agreed that the 2018/19 Annual Report & Accounts, subject to any minor drafting changes, be recommended to the Trust Board for approval.
- Going Concern matters – The Committee had recommended that the Trust Board approve the use of the going concern basis in the Trust’s 2018/19 financial statements.

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## **NOMINATIONS & REMUNERATION COMMITTEE**

Ms Janet Hogben, Chair of the Nominations & Remuneration Committee, outlined that the Committee had met on 27<sup>th</sup> March 2019 and had (among other matters) reviewed:

- The HR Director's report on people matters
- Senior team performance and succession planning
- An independent Executive remuneration benchmarking report
- Remuneration proposals, and made recommendations accordingly on behalf of the Trust Board.

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## **APPROVAL OF THE ANNUAL REPORT & ACCOUNTS AND QUALITY REPORT**

The Associate Chief Executive - Finance, Mr Richard Paterson, presented the Annual Report & Accounts and Quality Report, and outlined various matters which included:

- The Annual Report & Accounts was the document which the Trust submits to NHS Improvement and to Parliament to meet the reporting requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19 published by NHS Improvement.
- The Trust follows the Department of Health and Social Care Group Accounting Manual 2018/19 for the detailed requirements for the Trust’s accounts.
- NHS Regulations require that providers of NHS Healthcare publish an annual Quality Report and the requirements for the annual Quality Report were set out by NHS

Improvement. The draft Annual Quality Report included in the pack adheres to these requirements.

- The draft Annual Report & Accounts 2018/19 had been considered by the Audit Committee and the draft Quality Report by the Risk and Safety Committee, and both had been recommended to the Trust Board for approval.

After due consideration, the Annual Report & Accounts 2018/19 and Quality Report were approved subject to delegated authority for approving any remaining non-substantive changes to Mr Simon Friend, Chair of the Audit Committee, Mr Bob Bell, Chief Executive and Mr Richard Paterson Associate Chief Executive – Finance.

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### **CORPORATE GOVERNANCE STATEMENTS**

It was noted that it is a requirement of the NHS Provider Licence, issued by NHS Improvement, that Foundation Trust's publish various self-certification Corporate Governance Statements (as in the pack). As with the self-certification last year, the Trust had recommended that all categories of certification be 'confirmed'. Further, narrative had been included from third parties (Deloitte, KPMG and CQC) which independently verified several of the certifications. The Corporate Governance Statements had already been approved internally in the Trust. Further that the Corporate Governance Statements had been reviewed (without amendment) by the Council of Governors. The Corporate Governance Statements were approved.

2019/54

### **RECOMMENDATIONS OF THE ADVISORY APPOINTMENTS COMMITTEE**

Following formal appointment panels, the Board, after due consideration, ratified the appointments of:

- Ms Caroline Chenu as a Consultant Congenital Cardiac Surgeon with a Special Interest in Neonatal Surgery
- Mr Jonathan Hill as a Consultant Cardiologist with a special interest in Complex Coronary Artery Intervention.

2019/55

### **NEW GOVERNOR**

The Chair outlined that King's College London had recommended that Professor Ajay Shah serve on the Trust's Council of Governors. Professor Shah, a leading cardiologist, has been appointed a Governor.

The Trust had its full complement of 21 Governors.

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### **QUESTIONS FOR THE DIRECTORS**

The Chair asked if there were any questions for the Directors. Cllr John Hensley, LB Hillingdon Appointed Governor, requested clarification as to whether the NHS London Regional Director's comments, about Royal Brompton being one of the NHS London Region's six major capital schemes, included Harefield Hospital. Mr Bell confirmed that Harefield Hospital was included and was a critical part of the partnership's plan.

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### **NEXT MEETINGS**

The next Trust Board meeting would be held from 11am on Wednesday 24<sup>th</sup> July 2019 at Royal Brompton and the Combined Council of Governors Annual General Meeting & Members' Annual Meeting would be from 11am on Wednesday 17<sup>th</sup> July 2019 in Chelsea Old Town Hall.

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**CLOSE**

There being no further business, the Chair thanked everyone for coming and declared the meeting closed.

**CHAIR**