

Council of Governors Meeting

Date and Time: Thursday 14 September 2017, 11:00 – 15:00
Venue: Boardroom H2.8, 2nd floor, Hunter Wing

Time	Item	Subject	Format
11:00	1	Welcome, Apologies and Opening Comments <i>Chairman, Gillian Norton</i>	-
	2	Declarations of Interest <i>All led by Chairman, Gillian Norton</i>	Verbal
	3	Minutes of Meeting held on 13 July 2017 <i>Gillian Norton, Chairman</i>	Oral
11:10	4	Report from the Nomination & Remuneration Committee i. Approval of New Non-Executive Director ii. NED & Chair Objectives and Appraisal 2017-18 iii. Benchmarking of NED & Chair Remuneration <i>Gillian Norton, Chairman & Gail Adams, NRC Deputy Chair</i>	Paper
11:30	5	CEO's Report and Overview <i>Jacqueline Totterdell, CEO</i>	Oral
11:45	6	Governance Review Feedback <i>Steven Picken, Senior Manager, Deloitte</i>	Presented on the day
13:00		Lunch	
13:30	7	Progress Report on Financial Recovery Plan <i>James Friend, Director of Efficiency, Delivery & Transformation</i>	Presentation
13:50	8	Report from Audit Working Group: External Auditors <i>Robert Flanagan, Director of Financial Operations</i>	Paper
14:00	9	Quality Improvement Plan & Quality Indicator Monitoring <i>Avey Bhatia, Chief Nurse</i>	Presented on the day
14:20	10	Referral to Treatment & Elective Care Recovery Programme <i>Ellis Pullinger, Chief Operating Officer</i>	Paper
14:30	11	Plans for Next Year's Elections <i>Fiona Barr, Trust Secretary & Head of Corporate Governance</i>	Paper
14:40	12	Engagement with the Membership <i>Richard Coxon, Membership & Engagement</i>	Paper
14:50	13	Any Other Business <i>All led by Gillian Norton, Chairman</i>	Oral
15:00		Close	

Date and Time of Next Meeting of Council of Governors: 6 December 2017 at 14.00

Council of Governors: Purpose, Membership, Quoracy and Meetings

Council of Governors Purpose:	The general duty of the Council of Governors and of each Governor individually, is to act with a view to promoting the success of the Trust so as to maximise the benefits for the members of the Trust as a whole and for the public.
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Membership and Those in Attendance		
Members	Designation	Abbreviation
Gillian Norton	Chairman	Chairman
Gail Adams	Public Governor, South West Lambeth	GA
Mia Bayles	Public Governor, Rest of England	MB
Patrick Bower	Appointed Governor, Wandsworth CCG	PB
Nigel Brindley	Public Governor, Wandsworth	NB
Val Collington	Appointed Governor, Kingston University	VC
Anneke de Boer	Public Governor, Merton	AB
Jenni Doman	Staff Governor, non-clinical	JD
Sheila Eden	Public Governor, Merton	SE
David Flood	Staff Governor, Nursing & Midwifery	DF
Frances Gibson	Appointed Governor, St George's University	FG
Stuart Goodden	Public Governor, Wandsworth	SG
Mike Grahn	Appointed Governor, Healthwatch Wandsworth	MG
Will Hall	Staff Governor, Allied Health Professionals	WH
Hilary Harland	Public Governor, Merton	HH
Tim Hodgson	Appointed Governor, Merton CCG	TH
Kathryn Harrison	Public Governor, Rest of England	KH
Robin Isaacs	Public Governor, Rest of England	RI
Philip Jones	Appointed Governor, Merton Council	PJ
David Kirk	Public Governor, Wandsworth	DK
Yvonne Langley	Public Governor, Wandsworth	YL
Dagan Lonsdale	Staff Governor, Doctors and Dental	DL
Sarah McDermott	Appointed Governor, Wandsworth Council	SM
Derek McKee	Public Governor, Wandsworth	DM
Noyola McNicolls - Washington	Staff Governor, Community Services	NM
Simon Price	Public Governor, Wandsworth	SP
Stephen Sambrook	Public Governor, Rest of England	SS
Khaled Simmons	Public Governor, Merton	KS
Secretariat		
Fiona Barr	Corporate Secretary and Head of Corporate Governance	Trust Sec
Richard Coxon	Membership & Engagement Manager	MEM

Council of Governors	The quorum for any meeting of the Committee shall be at least one third of the Governors present.
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**Minutes of the Meeting of the Council of Governors
13 July 2017
Hyde Park Room, 1st Floor, Lanesborough Wing**

Name	Title	Abbreviation
PRESENT		
Gillian Norton	Chairman/Non-Executive Director	Chairman
Mia Bayles	Public Governor, Rest of England	MB
Patrick Bower	Appointed Governor, Wandsworth CCG	PB
Nigel Brindley	Public Governor, Wandsworth	NB
Val Collington	Appointed Governor, Kingston University	VC
Jenni Doman	Staff Governor, Non-Clinical	JD
Frances Gibson	Appointed Governor, St George's University	FG
Mike Grahn	Appointed Governor, Healthwatch Wandsworth	MG
Will Hall	Staff Governor, Allied Health Professionals	WH
Hilary Harland	Public Governor, Merton	HH
Kathryn Harrison	Public Governor, Rest of England	KH
David Kirk	Public Governor, Wandsworth	DK
Dagan Lonsdale	Public Governor, Wandsworth	DL
Derek McKee	Staff Governor, Clinical and Dental	DMK
Stephen Sambrook	Public Governor, Wandsworth	SS
Khaled Simmons	Public Governor, Merton	KS
IN ATTENDANCE		
Jacqueline Totterdell	Chief Executive Officer	CEO
Ann Beasley	Deputy Chairman/Non-Executive Director	Deputy Chairman
Avey Bhatia	Chief Nurse	CN
Harbhajan Brar	Director of Human Resources	DHROD
Chris Evans	Chief Pharmacist	CP
Andrew Grimshaw	Director of Finance	DOF
Sarah Wilton	Audit Committee Chair/Non-Executive Director	ACC
APOLOGIES		
Gail Adams	Public Governor, South West Lambeth	GA
Anneke de Boer	Public Governor, Merton	AdB
David Flood	Staff Governor, Nursing & Midwifery	DF
Stuart Goodden	Public Governor, Wandsworth	SG
Tim Hodgson	Appointed Governor, Merton CCG	TH
Robin Isaacs	Public Governor, Rest of England	RI
Philip Jones	Appointed Governor, Merton Council	PJ
Yvonne Langley	Public Governor, Wandsworth	YL
Sarah McDermott	Appointed Governor, Wandsworth Council	SM
Noyola McNicolls-Washington	Staff Governor, Community Services	NMW
Simon Price	Public Governor, Wandsworth	SP
SECRETARIAT		
Fiona Barr	Trust Secretary & Head of Corporate Governance	Trust Sec
Richard Coxon	Membership & Engagement Manager	MEM

WELCOME, APOLOGIES AND OPENING COMMENTS

1.1	The Apologies were noted as set out above.
1.2	<p>The Chairman opened the meeting and:</p> <ul style="list-style-type: none"> i. Advised the Council of Governors (CoG) that Simon Mackenzie, former Acting CEO, had left the Trust to take up a role as Senior Medical Advisor on secondment to NHS Improvement (NHSI). She thanked him for his continued commitment and support to the Trust through a challenging time and wished him the best for the future. This was echoed by the CoG. ii. Informed the CoG that she had with sadness accepted a resignation from Sue Baker, Public Governor - Merton who resigned on 27.06.17 following her husband's appointment as Care Quality Commission's (CQC) Chief Inspector of Hospitals. On behalf of the CoG, she thanked Sue for her time and dedication over the previous three years, a sentiment which was warmly

	<p>endorsed by those present.</p> <p>iii. Advised that the Trust had been notified by NHS Providers of forthcoming elections to its Governor Advisory Committee. She asked if any Governors were interested in putting themselves forward to notify the MEM (the MEM would also circulate details of the letter following the meeting). She advised that only one Governor could be put forward from each Foundation Trust.</p> <p>iv. Welcomed Jay Bevington and Steven Picken from Deloitte who were conducting a review of the Trust's governance arrangements, including those for the CoG. She advised that Jay and Steven would observe the CoG meeting, then lead a workshop in the afternoon. Governors were strongly encouraged to participate in a Governor survey and also attend a Governor Focus Group both of which would be organised in August – though Steven and Jay would explain more about that in their presentation. Their findings would be presented back to the 14.09.17 meeting.</p>
ACTION COG.13.07.17/08A	<p>Send email with details of the NHS Providers Governor Advisory Committee elections to all Governors. LEAD: Membership & Engagement Manager</p>
ACTION COG.13.07.17/08B	<p>Any interested Governors to register their interest with the MEM LEAD: Membership & Engagement Manager</p>
DECLARATIONS OF INTEREST	
1.3	There were no declarations of interests.
MINUTES OF MEETING HELD ON 17.05.17 AND MATTERS ARISING	
1.4	The minutes of the meeting of the 17.05.17 were accepted as a true record of the meeting.
1.5	The Action Log was accepted and there were no matters arising.
CEO REPORT AND OVERVIEW	
2.1	The CEO reported that Ellis Pullinger had joined as the new substantive Chief Operating Officer (COO), leaving Imperial where he was Assistant Chief Executive. She also confirmed that Andrew Grimshaw had joined the Trust as the substantive Chief Financial Officer (CFO); he was most recently Acting Chief Executive and Director of Finance at the London Ambulance Service. The Trust was currently recruiting for a new Director of Strategy with interviews likely to be held in early September and Elizabeth Palmer would join as Director of Quality Governance on 31.07.17 (a non-Board position, reporting to Avey Bhatia, Chief Nurse and Director of Infection Prevention and Control).
2.2	The Day Surgery Unit had been temporarily closed as legionella DNA had been found in the water though the CEO emphasised that this did not mean there were live organisms in the water. The building had been closed as a precautionary measure and the situation was being closely monitored. Contingency arrangements had been put in place to keep running services running as normally as possible.
2.3	The CEO explained there was a general focus on infection prevention and control (IPC) measures currently as there had been two more cases of MRSA on the same ward and bay. IPC had been used as a theme on recent Trust Board walkabouts where staff were challenged when not 'bare below the elbow'. The staff dress code was being updated and would be re-launched in September to provide clarity on what was expected of staff in clinical and non-clinical areas.
2.4	The Trust had reaffirmed its relationship with the St George's Hospital Charity which had presented at the Board meeting on 06.07.17. The CFO and DHROD would meet

	Charity representatives to discuss funding - particularly for staff initiatives. The Charity was very keen to work with the Trust as we were with them.
2.5	The CEO explained the importance of Queen Mary's Hospital (QMH) to St George's and advised that she had strengthened leadership arrangements by installing Stuart Reeves as Hospital Director. Stuart would provide day to day leadership at the site and lead the QMH element of the Trust's Referral to Treatment (RTT) recovery plan.
2.6	The CEO introduced a new way of describing the Trust's focus as 'One Team, One Plan for the Future' and a new strapline of 'outstanding care, every time'. She explained that the Trust put equal importance on delivering on Quality, Performance and Finance as without all three working together and without being united as one team, we would not be able to deliver outstanding care every time. There was some discussion around whether it was realistic to expect to provide outstanding care every time but the CEO responded that anything less was unacceptable. She agreed that 'outstanding care, every time' was aspirational but invited Governors to send any comments or thoughts to her or the Associate Director of Communications. Work on forming the Trust's Strategy would not be completed until the new Director of Strategy was in post though key elements of the Strategy would be: <ul style="list-style-type: none"> i. Delivering the Financial Recovery Plan and Quality Improvement Plan. ii. Coming out of Finance and Quality Special Measures. iii. Playing a key role in the Sustainability and Transformation Plan (STP). iv. Delivering commissioned activity and Constitutional standards.
2.7	A Quality and Safety Inspection in June undertaken by review teams comprised of external representatives, staff and Governors had concluded a mixed picture. There was positive feedback: e.g. improvements in cleaning and labelling of equipment and staff being clear about how to report serious incidents. However there was room for improvement in other areas, e.g. estates and compliance with 'bare below the elbow'. Overall it had been a very useful experience in terms of preparing and testing the organisation's readiness for an inspection; detailed feedback was being shared with teams and action plans developed.
2.8	The CEO reported that the Staff Family and Friends Test (FFT) for Quarter 1 (April–June 2017) showed that the majority of staff would still recommend the Trust as a place for treatment though 3% fewer than the previous quarter would recommend it as a place to work. Seventy-two per cent of staff felt safe to speak up if something was affecting patient safety (up 4% from last quarter) though only a third of staff (33%) felt valued by the organisation (about the same as last quarter). The latest results showed improvements in direction and communication from the Board and Executive team; feeling safe to challenge when something affects patient safety; understanding the connection between individual roles and the wider vision of the Trust; and health and wellbeing. However more work was needed on organisational structures, work environment, facilities, systems and processes; providing learning and development opportunities; believing we provide the very best services to patients and families; and making staff feel valued.
2.9	The Governors thanked the CEO for her report.
<i>The CEO left the meeting.</i>	
FEEDBACK FROM GOVERNORS ATTENDING COMMITTEE MEETINGS	
3.1	NB reported that he had attended three Finance & Performance Committees. He set out various details and comments and at the last one (31.05.17) there seemed to be little progress in improving coding and billing for work undertaken; the Trust's income and activity were not correlating.
3.2	HH had attended the Workforce & Education Committee on the 13.06.17 which was the first to be chaired by Stephen Collier. She reported the steps taken by the DHROD to reduce the number of interim staff and streamline the recruitment of new staff and manage within the agency cap which was working for nursing. There had been a

	presentation from Portia Weeks on health and wellbeing for staff though HH was concerned that she was leaving her post. She was advised that Portia had now been replaced by Dr Rhia Gohal who was leading the Trust's health and wellbeing drive.
3.3	The Chairman thanked the Governors for their reports and noted that this was the first time during the last year that the CoG had had such an agenda item. She asked the group to reflect on the format and if it could be improved. One suggestion was to invite the Committee Chairs to feed back to the CoG. It was agreed that this would be considered further and as this was a new agenda item, different formats may be tried out.
ACTION COG.13.07.17/09	Invite long summary reports for next meeting LEAD: Membership & Engagement Manager
REPORT FROM THE NOMINATION & REMUNERATION COMMITTEE (NRC)	
4.1	The Chairman presented a verbal report from the CoG NRC meeting on 17.06.17 where the membership of the Committee had been agreed as AdB, HH, MB, RI, KH, GA, JD, MG and FG. GA had put herself forward as Deputy Chairman of the Committee which had been endorsed by the other members of the Committee.
4.2	Gatenby Sanderson was making good progress with the recruitment of the remaining NED: the closing date for applications was 07.07.17 and 27 applications had been received. The Committee would meet on 20.07.17 to review the applications and draw up a long list of candidates to be interviewed by Gatenby Sanderson following which it would meet again to draw up a final shortlist of candidates for the Assessment Day on 04.09.17. With focus groups in the morning and panel interviews in afternoon, there was ample opportunity for Governors to take part and meet the final shortlisted candidates and this was encouraged.
4.3	The Chairman described the Committee's consideration of recruiting an Associate NED and its conclusion not to recruit at present but wait until next year when the Board would be more stable. The Committee agreed that this was a good training role for a "NED in waiting" which could also provide an opportunity to bring more diversity to the Board. The CoG supported the recommendation and received the NRC report.
AUDIT COMMITTEE REPORT	
5.1	SW, Audit Committee Chairman, presented the annual Audit Committee Report which advised that the Trust's external auditors, Grant Thornton LLP, had completed the audit of the Trust's Annual Report & Accounts satisfactorily and there were no issues with their performance.
5.2	She explained that Grant Thornton had been the Trust's auditors for a number of years and that the CoG should take formal steps to either appoint new external auditors or retain Grant Thornton. However as it been left too late to put in new arrangements for the 2017-18 audit, she recommended, as Audit Committee Chair, that the CoG agree to retain Grant Thornton for another year but to start a process to confirm the Trusts external auditors from 2018-19 onwards. To this end, she advised that she would be setting up an External Audit Working Group and invited the CoG to nominate a representative(s) to join the Group when it was established.
5.3	The CoG received the annual report on the current external auditor, Grant Thornton LLP, and agreed to retain Grant Thornton LLP for a further year to conduct the 2017-18 audit but to start a process to confirm its external auditors from 2018-19 onwards.
ACTION COG.13.07.17/10	Governors to self –nominate to join the External Audit Working Group. LEAD: All Governors
FINANCIAL RECOVERY PLAN	
6.1	The CFO gave a presentation on the Financial Recovery Plan (FRP) which comprised

	three main components: Trust-wide transformation; divisional and service business plans and corporate savings and efficiencies.
6.2	He explained that there had been a big reduction in the proportion of un-coded activity though investigations were still underway, using external expertise, to better understand levels of coding and billing and see where further improvements could be made. The CFO advised that, even if the Trust was able to code more activity, it would have to give the Clinical Commissioning Groups (CCGs) notice of the increase in coded activity and enter discussions about how this would be recompensed - as it could be challenged by the CCGs. There was a general discussion about the need for more staff training and awareness about coding at all levels – especially amongst consultants, who have a good overview of all patients' procedures, and FY1 doctors who do much of the coding.
6.3	The Governors received the report.
<i>The CFO left the meeting.</i>	
QUALITY IMPROVEMENT PLAN & QUALITY INDICATOR MONITORING	
7.1	The CN arrived to give an update on the Quality Improvement Plan (QIP) and particularly focus on the progress with the Deteriorating Patient workstream which was one of the Quality Indicators chosen by the CoG for the 2017-18 Quality Account.
7.2	She started off by explaining how the QIP was developing to take a much more structured and systematic approach to making demonstrable quality improvements. She introduced the new programme structure and the indicators for tracking success and the Chairman and Governors agreed that the QIP had progressed significantly even since it was seen at the Board meeting on 06.07.17.
7.3	The CN explained that the Deteriorating Patient workstream regularly reported to the Quality Delivery Board, which was chaired by the Medical Director. The workstream had identified the following 'magic numbers' which were monitored and tracked monthly against agreed trajectories to hit the goal of a 50% reduction in the rate of in Hospital Cardiac Arrests by April 2018: <ul style="list-style-type: none"> • In Hospital Cardiac Arrest Rate/1000 Admissions. • In Hospital Peri-Arrest Rate/1000 Admissions. • Avoidable Cardiac Arrests leading to death/1000 Admissions. • DNACPR rate in unavoidable deaths post cardiac arrest. • Number of transfers to critical care.
7.3	The Governors received the report.
QUALITY INDICATOR MONITORING – STAFF SURVEY RESPONSES	
8.1	The DHROD gave a verbal update on progress with increasing the number of responses to the staff survey, again another CoG Quality Account Indicator. A working group had been established to devise and deliver actions to address the main areas of concern: <ol style="list-style-type: none"> i. Improving staff engagement. ii. Addressing bullying and harassment iii. Improving equality and diversity.
8.2	The working group had run a series of café style events to engage staff at all levels. Though attendees were self-selecting, there had been a good cross section of staff including good representation of black, Asian and minority ethnic (BAME) staff. Community sites, such as Wandsworth Prison, had also been included.
8.3	The DHROD explained that he would be providing regular updates to the Board on the staff engagement programme but was also committed to returning to the CoG to provide updates as required. The Governors thanked the DHROD and received the report.

TRUST PROCESS FOR THE SELECTION & OPTIMISATION OF MEDICINES	
9.1	This item had been requested by one of the Governors and Chris Evans, Chief Pharmacist, joined the meeting to talk the CoG through a series of slides to explain how the Trust optimised medicines for patient benefit and improved outcomes. He explained that the Trust worked within a framework comprising the South West London Formulary Committee, National Institute for Health & Social Care Clinical Excellence (NICE), NHS England and local CCGs and this influenced how decisions about different drugs were made. He directed the Governors to the pharmacy and Formulary pages on the Trust's website for more information.
9.2	There was some inconclusive discussion about the extent to which medicines were really <i>optimised</i> for the benefit of patients though the CoG thanked the Chief Pharmacist for attending and received the report.
ANNUAL MEMBERS MEETING UPDATE	
10.1	The Trust Sec presented the report which introduced the planned arrangements for the Annual Members Meeting (AMM) on 07.09.17. The meeting was open to all Trust members, as well as members of the public, and the day would start with the September Board meeting and Board Member walkabouts.
10.2	As well as meeting the legal requirements to hold an AMM and present the Annual Report & Accounts to the Governors, the Trust Sec explained that this year's AMM would be a day of celebration: to note the achievements of 2016-17 but to also look forward to priorities for 2017-18 and beyond. The day would be built around 'One Team One Plan' and what made us all proud of St George's. She encouraged Governors to get involved in either the organising the AMM or supporting on the day, or both.
10.3	The Governors welcomed the report advising that in previous years, the AMM had not received much attention.
ACTION COG.13.07.17/11	Governors to self –nominate to either join in the organisation of the AMM or participate on the day. LEAD: All Governors
VACANCIES ON THE COUNCIL OF GOVERNORS	
11.1	The Chairman presented a report on the current and emerging vacancies on the CoG and proposed the following: <ul style="list-style-type: none"> i. Public Governor for Merton – Approach the runner-up and offer her the remaining term if she is willing to take it, otherwise leave the seat vacant until the next election. ii. Staff Governor for Community Services – Re-classify the staff working for QMH (around 400) as Community Services staff members, thereby increasing the numbers in this Staff class and maintaining the minimum membership. Hold this vacancy until the next election. iii. Healthwatch Merton – Await the identification of a suitable volunteer. iv. Merton CCG – Ask Dr Bower to formally represent both Wandsworth and Merton CCGs.
11.2	The Governors agreed with the Chairman's recommendations.
ANY OTHER BUSINESS	
12.1	The Chairman asked if there were any other items business. Some Governors reflected that the meeting felt a bit rushed and perhaps meetings should be held for longer or be more frequent. The Staff Governors noted that it was already difficult to attend meetings and cautioned against making meetings too long or more frequent. It was agreed that the next meeting would run for longer though this would be kept under review.

12.2	Despite there being no microphones used at the meeting and the acoustics in the Hyde Park Room being poor, the CoG welcomed the way in which speakers had spoken up and felt it had generally been a much better meeting to hear.
12.3	With no further items of business, the Chairman closed the meeting.
Date and Time of Next Meeting: 14 September 2017, 11:00	

DRAFT

Council of Governors Meeting Action Log

Action Ref	Action	Lead	Commentary
COG.13.07.17/08A	Send email with details of the NHS Providers Governor Advisory Committee elections to all Governors	MEM	Completed - email sent on 14.07.17 to all Governors
COG.13.07.17/08B	Any interested Governors to register their interest with the MEM	MEM	Completed - only KH has expressed an interest
COG.13.07.17/09	Invite long summary committee reports for next meeting	MEM	Completed
COG.13.07.17/10	Governors to self –nominate to join the External Audit Working Group.	All Governors	Completed - email invite sent to Governors 14.07.17
COG.13.07.17/11	Governors to self –nominate to either join in the organisation of the AMM or participate on the day.	All Governors	Completed

Meeting Title:	Council of Governors		
Date:	14 September 2017	Agenda No	4.1
Report Title:	Appointment of New Non-Executive Director (NED)		
Lead:	Gillian Norton, Chairman		
Report Author:	Fiona Barr, Corporate Secretary and Head of Corporate Governance Richard Coxon, Membership & Engagement Manager		
Freedom of Information Act (FOIA) Status:	Unrestricted		
Presented for:	Approval		
Executive Summary:	This paper summarises the recent NED recruitment and proposes the appointment of a new NED, Tim Wright, for a three year term.		
Recommendation:	The CoG is invited to approve the recommendation of the NRC that Tim Wright should be appointed as the new NED for a term of three years. The necessary checks set out in Next Steps will be concluded before Tim Wright is able to join the Board.		
Supports			
Trust Strategic Objective:	All		
CQC Theme:	Well-led		
Single Oversight Framework Theme:	Well-led		
Implications			
Risk:	There are no specific risks associated with this appointment which will be subject to assessment against the Fit & Proper Persons Regulations.		
Legal/Regulatory:	The Trust's Constitution sets out the composition of the Board and also includes specific provisions for the appointment of NEDs.		
Resources:	There are no resource implications.		
Previously Considered by:	Council of Governors Nomination & Remuneration Committee	Date	04.09.17
Appendices:	Appendix 1 – Tim Wright		

**Recruitment of Non-Executive Director
Council of Governors, 14 September 2017**

1.0 PURPOSE

- 1.1 The purpose of this paper is to propose the appointment of Tim Wright as the new Non-Executive Director (NED) on the Board for a term of three years.

2.0 BACKGROUND

- 2.1 The Trust's Constitution provides for six NEDs in addition to the Chairman on the Trust Board though for a number of months, the Trust has only had six NEDs including the Chairman.
- 2.2 The Constitution also sets out expectations in relation to the appointment of NEDs in a number of specific provisions.

3.0 PROCESS

- 3.1 The Council of Governors (CoG) agreed at its meeting on the 17.05.17 that the CoG Nomination & Remuneration Committee (NRC) be delegated to recruit a suitable candidate for the vacant position of NED and recommend this candidate to the CoG.
- 3.2 When it met on 07.06.17, the NRC agreed a job description for the role based on a review of best practice and the Trust's Constitution. It also used an internal review of the skills/experience of the current NEDs, conducted by the Chairman, to identify key areas of skill/experience to be provided by the new NED. This was added to the Person Specification section of the job description and included experience of largescale transformational change and knowledge of IT.
- 3.3 At this meeting, the NRC also agreed a timetable for recruitment which would enable a candidate to be presented for approval to the CoG on 14.09.17. This was reported to the CoG at its meeting on 13.07.17 at which Governors were also invited to be involved in the NED recruitment process.
- 3.3 A total of 27 applications for the role were received by Gatenby Sanderson which were initially longlisted to 11 candidates by the NRC and these candidates were then interviewed by Gatenby Sanderson. Gatenby Sanderson fed back their observations from these interviews to the NRC on 15.08.17 which reduced the number to a shortlist of four candidates whom they wished to invite to an assessment and interview day on 04.09.17.

4.0 ASSESSMENT DAY

- 4.1 Whilst the interview panel comprised NRC members and the Chairman, all Governors were given the opportunity to participate in the Focus Groups which also included members of the Executive Team and NEDs.
- 4.2 The purpose of the Focus Groups was to understand the experiences, interests, attitudes, perspectives and assumptions of the shortlisted candidates. Candidates were asked to facilitate a discussion on two pre-selected topics and were assessed on style and content, strengths and their ability to handle questions and engage with the group.
- 4.3 Each Focus Group provided structured feedback to the interview panel on these points - prior to the candidates being interviewed. They also suggested areas for to consider or to probe during the interview.

4.4 The table below sets out the detail of the Focus Groups:

	Focus Group A	Focus Group B
Discussion Topic	To what extent is the future health economy about collaboration rather than individual organisations?	What is role of IT in transformational change and how you effectively engage staff in the process?
Participants	<ul style="list-style-type: none"> • Anneke de Boer, Public Governor • Val Collington, Appointed Governor • Stephen Sambrook, Public Governor • Ann Beasley, NED/Deputy Chairman • Harbhajan Brar, Director of Human Resources & Organisational Development 	<ul style="list-style-type: none"> • Mia Bayles, Public Governor • Hilary Harland, Public Governor • Khaled Simmons, Public Governor • Jacqueline Totterdell, CEO • Larry Murphy, Chief Information Officer • James Friend, Director of Efficiency, Delivery & Transformation • Sarah Wilton, NED • Fiona Barr, Trust Secretary & Head of Corporate Governance

4.5 The NRC agreed the composition of the interview panel at its meeting on 15.08.17, taking particular care to ensure that the whole of the CoG was represented. The interview panel comprised:

- Gillian Norton, Chairman
- Gail Adams, Public Governor and Deputy NRC Chair
- Will Hall, Staff Governor (agreed stand-in for Jenni Doman, an NRC member, who was on leave on 04.09.17)
- Kathryn Harrison, Public Governor
- Mike Grahn, Appointed Governor
- Robin Isaacs, Public Governor.

4.6 After interviewing all four candidates and taking into consideration the feedback from the Focus Groups, Tim Wright was selected as the chosen candidate for the vacant post of NED. This was on the basis of his suitability against the job description and person specification and his fit with the other members of the Board.

5.0 NEXT STEPS

5.1 Before formally appointing Tim Wright as NED, he will be subject to an assessment against the Fit & Proper Persons Regulations and his public membership will be confirmed. To note, Gatenby Sanderson has already conducted an assessment against the Fit & Proper Persons Regulations though this will be undertaken afresh by the Trust.

6.0 RECOMMENDATION

6.1 The CoG is invited to approve the recommendation of the NRC that Tim Wright should be appointed as the new NED for a term of three years. The necessary checks set out in Next Steps will be concluded before Tim Wright is able to join the Board.

Author: Richard Coxon, Membership & Engagement Manager
 Fiona Barr, Trust Secretary & Head of Corporate Governance
Date: 05.09.17

Tim Wright

Since 2013, Tim has been the owner and Principal Consultant of Isotate Consulting, an IT consulting and advisory services business. In this role, he has provided services to a breadth of clients across both the public and private sectors, including the NAO where he provided external consultancy and advice to support the internal digital transformation programme (BIP), and Hewlett Packard where he acted as External Advisor to HP Enterprise Services, assisting with the development of public sector strategy and new UK public sector web site.

Prior to this, he spent five years as the Chief Information Officer and Digital Leader at the Department for Education following a spell as a consultant. From 2001 to 2006, he was the IT Director at AMEC after holding IT roles in various organisations including BP.

He is currently a Non- Executive Director at Jiscom, a new commercial subsidiary of Jisc created to exploit government funded HE/FE data networks and digital assets for the benefit of the wider public sector. He has held this role since 2014.



St George's One Recovery Plan September 2017

Presentation to Council of Governors



One Team, One Plan – Quality and Resources

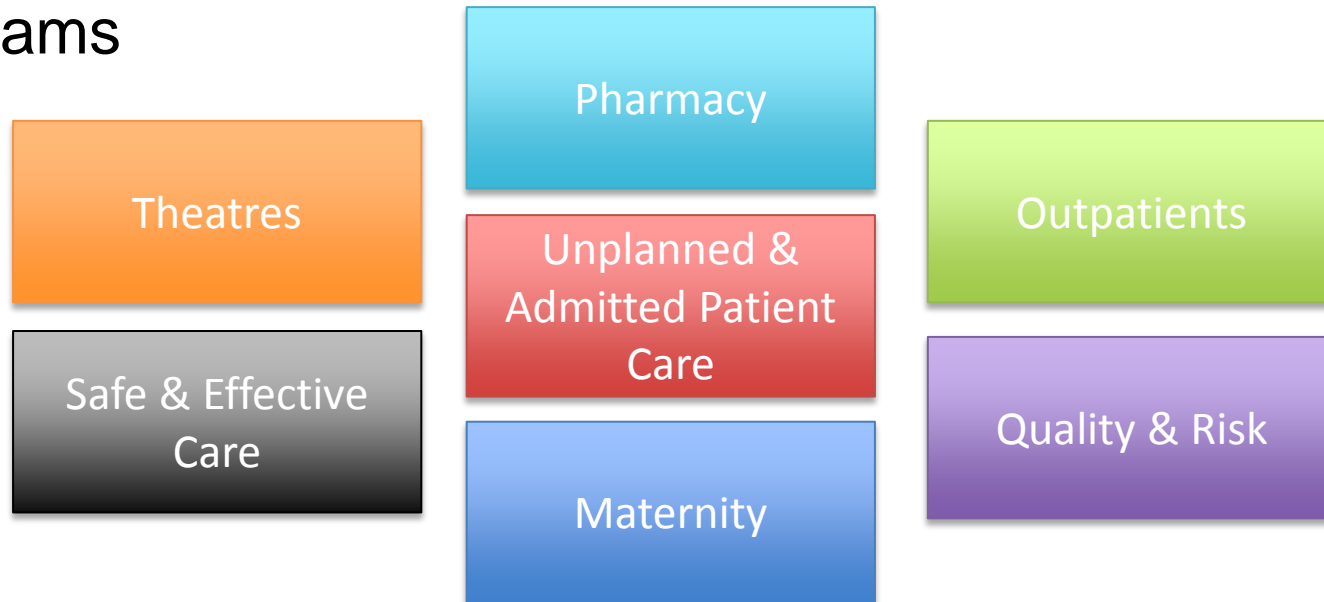
A single plan recognising that when quality and patient experience are right, then we will be making the best use of our people and our financial resources.

Three principles:

- Make the right thing to do for patients be the easiest thing to be done by clinicians
 - Get patients to the most appropriate environment for their assessment, for their treatment and for their care
 - Align our clinical capacity to our pathway demand
-

Patient Centred Transformation

Seven Clinically-led Patient Centred Transformation Workstreams



Supported by:

- Divisional Business Plans
 - Corporate and cross cutting improvements, including data quality, clinical systems, workforce and procurement
-

One Team, One Plan - Trust-wide Transformation

Theatres Improvement Programme

- Major clinician leadership / engagement; focus on patient experience
- End-to-end process improvement – booking, pre-op assessment & on the day - treating more patients sooner
- 4.5% productivity rise in cases per session = 50 more cases per theatre per year and two theatres closed for capital improvement

Unplanned and Admitted Patient Care Programme

- Alternatives to admissions and shorter overall inpatient stays – more appropriate care and better patient experience
- Enhanced ambulatory services - £1.3m funding secured
- Streaming on arrival and accelerating discharge



One Team, One Plan - Trust-wide Transformation

Outpatients Transformation Programme

- Virtual clinics, open access appointments, new pathways to reduce unnecessary follow-ups = better for patients and we can see more patients, sooner
- New joined-up pathways with Primary Care for better care and patient experience and meeting STP goals
- Innovation + process improvements + new service model pilots

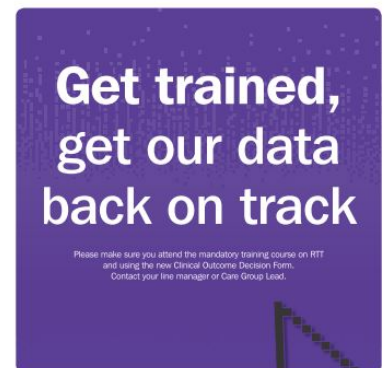


“It’s a pathway which means the best thing to do for patients is also a clear and efficient process for clinicians”

ENT consultant on open access

Elective Care Recovery Programme

- New Trust-wide process to capture all clinic outcome data
- Creating capacity to clear backlogs and improve waiting lists; ongoing validation to safeguard patients



One Team, One Plan – Divisional and Corporate Efficiencies

- Divisional CIPs continue to focus on delivery
- Faster recruitment processes helping reduce vacancy levels
- Medicines optimisation - innovation and best practice prescribing
- Procurement - new spending analysis tool; major focus on contract renegotiation and better value from high cost suppliers
- Estates plans to make better use of sites, reduce high rents and bring administration / corporate functions together

Overall – clear aim established of delivering a better experience for our patients and, at July 2017, £6m of financial improvement delivered and growing every month, towards our £43m recovery plan

Meeting Title:	Council of Governors		
Date:	14 September 2017	Agenda No.	8
Report Title:	External Auditor Working Group Update		
Lead Director/ Manager:	Robert Flanagan, Director of Finance Operations		
Report Author:	Robert Flanagan, Director of Finance Operations		
Presented for:	Approval Decision Ratification Assurance Discussion Update Steer Review Other (specify)		
Executive Summary:	A meeting of the External Auditor Working Group was held on 17 August 2017 and a paper was presented by the Director of Finance Operations explaining the procurement process that was being planned. That process is now underway and Grant Thornton have agreed to undertake the audit of the ARA for the year ended 31 March 2018 for a fee that makes a saving on the previous audit.		
Recommendation:	The Council of Governors is asked to note the progress being made with the procurement of the external auditors for financial years 2017/18 onwards and the plan to complete the task.		
Supports			
Trust Strategic Objective:	All		
CQC Theme:	Well-led		
Single Oversight Framework Theme:	Well-led		
Implications			
Risk:	There is a risk that the field of competitors is limited because so many of the established larger firms are being used by St George's to perform other work such as VAT and employment tax (KPMG); cost reduction (Ernst and Young); procurement STP (PwC); and the governance review (Deloitte). To mitigate this risk, the recommended framework offers several audit firms experienced in auditing NHS Trusts as options.		
Legal/Regulatory:	Local Audit Accountability Act 2014 (amended) Code of Audit Practice issued by NAO LPP Audit and Consultancy Audit Framework Scheme of Delegation SFIs		
Resources:	Procurement, Finance		
Previously Considered by:	Audit Committee	Date:	13 September 2017
Equality Impact Assessment:	N/A		
Appendices	Appendix 1 – Paper to External Auditor Working Group by the Director of Finance Operations 17 August 2017 outlining proposed procurement approach		

Report from the Director of Finance Operations to the Council of Governors 14 September 2017**1.0 PURPOSE**

- 1.1 This report updates the Council of Governors on the progress made since the meeting of the External Auditor Working Group of 17 August 2017.

2.0 BACKGROUND

- 2.1 St George's University Hospitals NHS Foundation Trust (St George's) is required to follow the scheme of delegation and SFIs, which require certain procedures to be followed in respect of the appointment of external auditors. External Auditors are appointed by the Council of Governors (formerly by the Audit Commission), hereinafter referred to as 'the Governors'. The Governors have established the External Auditor Working Group to assure them on the procurement process and make the recommendation to the Governors in respect of the appointment of the External Auditors.
- 2.2 It was decided by the Governors that the existing external auditors, Grant Thornton, were to be invited to perform the audit of the year ended 31 March 2018. Following this decision, the Director of Finance Operations conducted negotiations with the lead partner acting for Grant Thornton, the conclusion to which has been agreement by both parties that Grant Thornton will perform the audit of the annual report and accounts, and of the quality accounts for fees of £66k plus VAT and £10k plus VAT respectively. This represents a saving of £12k plus VAT on the fee for the previous year. The fee is only subject to change if the NHS deadlines are exceeded.
- 2.3 The Acting Head of Procurement has commenced the procurement process using the London Procurement Partnership (LPP) 'Audit and Consultancy Audit Framework' as agreed at the meeting of the External Auditor Working Group in August.

3.0 PROCUREMENT PROCESS

- 3.1 As agreed by the External Auditor Working Group, the procurement process is being managed by Ian White, Acting Head of Procurement at St George's. The process commenced during August 2017. Ian will regularly report back to the External Audit Working Group with progress against the plan agreed with the Working Group. It was agreed at the August meeting that the Working Group is also the evaluation panel for the procurement because it contains a cross section of stakeholders including governors, non-Executive Board members, Executive Board members and subject matter experts.
- 3.2 It was agreed that a mini-competition will be held as part of the procurement as required by the user guide accompanying the selected framework (see 1.6 of the User Guide – found at <http://www.lpp.nhs.uk/categories/estates-facilities-professional-services/audit-and-consultancy-audit-framework/>).
- 3.3 Suggested core specification and assessment criteria are included as Appendices A and C of the 'Guidance on the Local Procurement of External Auditors for NHS Trusts and CCGs' (a DH publication). The assessment criteria suggested in the guidance include:

Costs (40%);

Methodology and Approach (30%);

and

Resources, Organisation, Capability and Experience (30%)

- 3.4 There was some concern that this contradicted other guidance that a 60/40 split between quality and cost should apply but it was clarified in the meeting that the above process merely breaks 'quality' down into the two elements, 'Methodology and Approach' and 'Resources, Organisation, Capability and Experience'. There is therefore no conflict with any of the guidance as a result of following the above recommended approach.
- 3.5 It was agreed the External Auditor Working Group, in its capacity as evaluation panel, will score the tender returns against the assessment criteria. A recommendation will emerge from the evaluation and be made to the Audit Committee, thence to the Governors, who will either accept the recommendation or request clarification or more information in turn.

4.0 PLAN FOR PROCUREMENT

4.1 It was explained that the procurement of audit services in relation to trading years commencing 1 April 2018 will take a period of around three months. It is expected that a recommendation can be made to the Council of Governors by the Audit Committee by mid-November 2017.

4.3 The plan to complete the procurement was agreed as follows:

Identify appropriate framework and contact framework supplier	Mid-August 2017
Agree process and timetable	Mid to late August 2017
Complete documents on mini-competition	Late August 2017
Meeting of potential tenderers/presentations	Early September 2017
Receipt of tenders	Early to mid-October 2017
Evaluate and clarify (involving presentations from bidders)	Mid-Oct to mid-Nov 2017
External Audit Working Group Recommendation	Mid-November 2017
Audit Committee recommendation to Board of Governors	15 November 2017
Decision approved by Board of Governors	6 December 2017
Paper to Trust Board confirming Governors' decision	7 December 2017
Notification to successful supplier and award call-off	Late November 2017
Publication of a notice of local auditor appointment (within 28 days of appointment)	Late Nov/Early Dec 2017
Auditor appointment in place by	31 December 2017

5.0 RISKS

5.1 There is a risk that the field of competitors is limited because so many of the established larger firms are being used by St George's to perform other work such as VAT and employment tax (KPMG); cost reduction (Ernst and Young); procurement STP (PwC); and the governance review (Deloitte). Under International Auditing Standards, there can be no conflicts of interest and this is most often interpreted in large organisations to mean that firms cannot perform the auditor role and consultancy work at the same time. To mitigate this risk, there are several firms attached to the recommended framework that do not perform other tasks for the Trust, are therefore available to the Trust as auditors, and have experience of NHS auditing.

5.0 RECOMMENDATION

5.1 The Council of Governors is asked to note the progress being made with the procurement of the external auditors for financial years 2017/18 onwards and the plan to complete the task.

Author: Robert Flanagan, Director of Finance Operations
Date: 7.09.17

Meeting Title:	External Audit Working Group		
Date:	17.08.17	Agenda No.	2
Report Title:	Report from the Director of Finance Operations		
Lead Director/ Manager:	Robert Flanagan, Director of Finance Operations		
Report Author:	Robert Flanagan, Director of Finance Operations		
Presented for:	Approval Decision Ratification Assurance Discussion Update Steer Review Other (specify)		
Executive Summary:	<p>The External Audit Working Group must ensure that an external auditor is appointed for the 2017/18 financial year and for years subsequent to that (period to be determined). The proposal is for Grant Thornton to be appointed for the 2017/18 audit and a mini competition to be run using a framework contract in relation to the audit contract for subsequent years.</p> <p>This paper follows on from the paper by Fiona Barr at the July meeting of the Council of Governors.</p>		
Recommendation:	<p>The External Audit Working Group is asked to:</p> <ul style="list-style-type: none"> i. Review the report including the outline plan for procurement. ii. Consider the assessment criteria and the weighting between cost and other elements. iii. Note the discussions underway with the existing external auditor, Grant Thornton LLP, in relation to the audit of the 2017-18 financial year. iv. Agree a final plan, recognising the possible need to be flexible in the schedule of meetings. 		
Supports			
Trust Strategic Objective:	All		
CQC Theme:	Well-led		
Single Oversight Framework Theme:	Well-led		
Implications			
Risk:	<p>There is a risk that the extant external auditors do not wish to continue in office, which would present some risk that the 2017/18 audit is completed late. In mitigation, the discussions with Grant Thornton have commenced and no significant obstacles to agreement are anticipated.</p> <p>There is a risk that the field of competitors is limited because so many of the established larger firms are being used by St George's to perform other work such as VAT and employment tax (KPMG); cost reduction (Ernst and Young); procurement STP (PwC); and the governance review (Deloitte). To mitigate this risk, the recommended framework offers several audit firms experienced in auditing NHS Trusts as options.</p> <p>The schedule of meetings of Audit Committees and Governors may not fit easily with the proposed timetable. In mitigation, a degree of flexibility may be required.</p>		

Legal/Regulatory:	Local Audit Accountability Act 2014 (amended) Code of Audit Practice issued by NAO LPP Audit and Consultancy Audit Framework Scheme of Delegation SFIs		
Resources:	Procurement, Finance		
Previously Considered by:	Council of Governors.	Date:	July 2017
Equality Impact Assessment:	N/A		

Report from the Director of Finance Operations to the External Audit Working Group 17.08.17

1.0 PURPOSE

- 1.1 This report sets out a proposed approach and plan to complete the procurement of external auditors for the years ended 2017/18 and then subsequently.

2.0 BACKGROUND

- 2.1 St George's NHS University Hospitals NHS Foundation Trust (St George's) is required to follow the scheme of delegation and SFIs, which require certain procedures to be followed in respect of the appointment of external auditors. External Auditors are appointed by the Board of Governors (formerly by the Audit Commission), hereinafter referred to as 'the Governors'. The Governors have established the External Auditor Working Group to lead the procurement process and make the recommendation to the Governors in respect of the appointment of the External Auditors.
- 2.2 It has been decided by the Governors that the existing external auditors, Grant Thornton, will be invited to perform the audit of the year ended 31 March 2018. Informal discussions have commenced and an update is provided later in this paper.
- 2.3 The most applicable procurement framework is the London Procurement Partnership (LPP) 'Audit and Consultancy Audit Framework' according to the Acting Head of Procurement. The framework contains maximum and minimum prices based on rates quoted by bidders. The framework is managed by the East of England Collaborative Procurement Hub to which subscribers to the London Procurement Partnership have access. The framework is compliant with applicable legislation and the financial standing and probity of suppliers admitted to the framework are vetted by the Hub, which alleviates the necessity for the Trust to perform such diligence checks during the course of the procurement.
- 2.4 The extant auditor is Grant Thornton, a medium sized firm with a long history of auditing within the NHS, which has served as St George's external auditors for the last five consecutive years. The historical audit fee is £58k plus VAT per annum for the audit of the financial accounts and £10k plus VAT for the audit of the Quality Accounts. The actual fees paid have been higher in recent years due to overruns in the audits caused by client-side failures to produce information in line with the agreed timetables. Most recently, the overruns translated into additional audit fees amounting to £16,450 plus VAT for the 2016/17 year (down significantly on the previous year's additional fees of £52k plus VAT). Grant Thornton's performance meets the requirements of St George's.
- 2.5 St George's have used, and continue to use, a number of consultancy firms that offer audit services. This will restrict the number of firms that are able to bid for the provision of audit services, and this may reduce competitive tension, possibly resulting in suboptimal pricing especially after non-financial evaluation criteria are taken into consideration.

3.0 PROCUREMENT PROCESS

- 3.1 The procurement process will be managed by Ian White, Acting Head of Procurement at St George's. The process will commence during August 2017. It will be compliant with all applicable guidance and regulations and the LPP Audit and Consultancy Audit Framework will be used. Ian will regularly report back to the External Audit Working Group with progress. It is recommended that the Working Group is also the evaluation panel for the procurement

because it contains a cross section of stakeholders including governors, non-Executive Board members, Executive Board members and subject matter experts.

3.2 A mini-competition is required by the user guide accompanying the framework (see 1.6 of the User Guide – found at <http://www.lpp.nhs.uk/categories/estates-facilities-professional-services/audit-and-consultancy-audit-framework/>).

3.3 The guidance in relation to the mini competition including suggested evaluation criteria is contained within the mini competition pack issued by LPP following commencement of the process.

3.4 Suggested core specification and assessment criteria are included as Appendices A and C of the ‘Guidance on the Local Procurement of External Auditors for NHS Trusts and CCGs’ (a DH publication). The assessment criteria suggested in the guidance include:

Costs (40%);

Methodology and Approach (30%);

and

Resources, Organisation, Capability and Experience (30%)

3.5 A weighting will be decided by the External Audit Working Group between the assessment criteria, which will be notified to the Audit Committee and Governors in correspondence. My suggested weightings are noted above and are for discussion.

3.6 The External Audit Working Group, in its capacity as evaluation panel, will score the tender returns against the assessment criteria. A recommendation will emerge from the evaluation and be made to the Audit Committee, thence to the Governors, who will either accept the recommendation or request clarification or more information in turn.

4.0 OUTLINE PLAN FOR PROCUREMENT

4.1 The extant auditors, Grant Thornton, have been approached in relation to their interest in continuing as external auditor for the year ended 31 March 2018 – the stated preference of the Governors. Those discussions are ongoing. The audit fee is one of the central elements of the discussion. The outline plan presumes these discussions will conclude happily in the near future. The main point at issue is the fee. This can be discussed more fully at the meeting.

4.2 The procurement of audit services in relation to trading years commencing 1 April 2018 will take a period of around three months. It is expected that a recommendation can be made to the Council of Governors by the Audit Committee by 30 November 2017.

4.3 In outline, the plan to complete the procurement is as follows:

Identify appropriate framework and contact framework supplier	Mid-August 2017
Agree process and timetable	Mid to late August 2017
Complete documents on mini-competition	Late August 2017
Meeting of potential tenderers/presentations	Early September 2017
Receipt of tenders	Early to mid-October 2017
Evaluate and clarify	Mid-Oct to mid-Nov 2017
External Audit Working Group Recommendation	Mid-November 2017

Audit Committee recommendation to Board of Governors	Late November 2017
Decision approved by Board of Governors	Late November 2017
Notification to successful supplier and award call-off	Late November 2017
Publication of a notice of local auditor appointment (within 28 days of appointment)	Late Nov/Early Dec 2017
Auditor appointment in place by	31 December 2017

This timetable must be reviewed at the External Audit Working Group meeting on 17 August and finalised.

5.0 RISKS

- 5.1 There is a risk that the extant external auditors do not wish to continue in office, which would present some risk that the 2017/18 audit is completed late. In mitigation, the discussions with Grant Thornton have commenced. The issues under discussion are not fundamental and no significant obstacle to agreement is anticipated.
- 5.2 There is a risk that the field of competitors is limited because so many of the established larger firms are being used by St George's to perform other work such as VAT and employment tax (KPMG); cost reduction (Ernst and Young); procurement STP (PwC); and the governance review (Deloitte). Under International Auditing Standards, there can be no conflicts of interest and this is most often interpreted in large organisations to mean that firms cannot perform the auditor role and consultancy work at the same time. To mitigate this risk, there are several firms attached to the recommended framework that do not perform other tasks for the Trust, are therefore available to the Trust as auditors, and have experience of NHS auditing.
- 5.3 The schedule of meetings of Audit Committees and Governors may not fit easily with the proposed timetable. In mitigation, a degree of flexibility may be required.

5.0 RECOMMENDATION

- 5.1 The External Audit Working Group is asked to:
 - i. Review the report including the outline plan for procurement.
 - ii. Consider the assessment criteria and the weighting between cost and other elements.
 - iii. Note the discussions underway with the existing external auditor, Grant Thornton LLP, in relation to the audit of the 2017-18 financial year.
 - iv. Agree a final plan, recognising the possible need to be flexible in the schedule of meetings.

Author: Robert Flanagan, Director of Finance Operations

Date: 14.08.17

**Minutes of the Audit Working Group
17 August 2017
Meeting Room 3+4, 2nd Floor, Hunter Wing**

Name	Title	Abbreviation
PRESENT		
Sarah Wilton (Chair)	Non-Executive Director	NED
Andrew Grimshaw	Chief Financial Officer	CFO
Robert Flanagan	Director of Financial Operations	DFO
APOLOGIES		
Dominic Sharp	Associate Director of Finance Services	ADFS
SECRETARIAT		
Fiona Barr	Trust Secretary & Head of Corporate Governance	Trust Sec
Richard Coxon	Membership & Engagement Manager	MEM

1.0 OPENING ADMINISTRATION	
Welcome and Apologies	
1.1	The Chair opened the meeting and welcomed all present. The apologies were as set out above.
2.0 EXTERNAL AUDIT	
2.1	The Chair thanked the DFO for his helpful paper on the process of appointing the External Auditors. The External Auditor needs to be appointed for the 2017/18 financial year and for years subsequent to that (period to be determined). The proposal is for Grant Thornton to be appointed for the 2017/18 audit and a mini competition to be run using a framework contract in relation to the audit contract for subsequent years.
2.2	It was agreed that the procurement process will be managed by Ian White, Acting Head of Procurement, who is contracted until end of January 2018 and will see it through to completion.
2.3	A policy will be devised for managing the use of external auditors who are also working with the Trust for other purposes. This will be developed in advance by DFO. The outline plan was agreed as: <ul style="list-style-type: none"> 1. Go to a framework – have to invite everyone 2. See who responds 3. Have substantive discussions with individual parties and share the policy
2.4	It was agreed that the weightings (60/40) should be used as per the appendix. This needs to be set out as per the appendix including a reference to the name of the appendix. The timetable was broadly agreed subject to the addition of a presentation from bidders as part of the process. This will be in the first week of Nov 2017. The Head of Procurement to lead process including paperwork, dates and organising meetings. The Audit Chair asked that Ann Beasley also be invited to participate.
2.5	It was noted that the External Auditors for 2018-19 have to be agreed by 31.12.17. The outline timeline was agreed as: <ul style="list-style-type: none"> • Presentation and panel meetings first week in November • Audit Committee 15.11.17 • Council of Governors 06.12.17 • Trust Board 07.12.17

3.0 ANY OTHER BUSINESS (AOB)	
3.1	It was noted that 2017-18 audit fee is still a concern. Fee for 2015-16 audit was £52k+ VAT over standard audit fee of £58k + VAT. For the 2016-17 audit, the fee was an additional £14k + VAT over the standard audit fee of £58k + VAT.
3.2	Grant Thornton feels that this broadly reflects the amount of time (and therefore cost) required to conduct an external audit at STG, given complexity of the Trust's financial position and audit requirements. Agreed that a fee of around £70k + VAT could be agreed with Grant Thornton for the 2018-19 Audit.
3.3	It was agreed that a paper on the Internal Audit contract would be brought to AC.13.09.17 confirming the contract term and plans to evaluate effectiveness. Audit Chair asked for time to be set aside before the AC meeting for a members meeting with Internal Audit. Time was also needed to discuss a counter fraud matter.

Date and Time of Next Meeting: Wednesday 13 September 2017, 13:30 – 16:30

DRAFT



Elective Care Recovery Programme – Update

Council Of Governors
14th September 2017

Background

- Following identification of several performance and data quality issues by the national Referral to Treatment (RTT) Intensive Support Team (IST), St George's University Hospitals NHS Trust commissioned a comprehensive review of their systems and processes that manage patients on the elective care pathway at both our Tooting (SGH) and Roehampton (QMH) sites. The reviews conducted by MBI identified multiple operational process and technology issues at every stage of the elective care pathway that posed significant risks to the quality of care and safety of patients.
- Specifically, the Trust has a high number of 'open' patient records on its Patient Administration Systems (PAS) at SGH dating back to at 2010. The situation at QMH is similar where the PAS was deployed in 1986 and is now out-of-date in terms of functionality. The Trust Board took the decision to suspend national reporting of RTT performance in July 2016.
- The scale and complexity of the resolution to these issues is significant and the reviews recognised that the Trust had neither the required expertise, nor resources to manage this at the pace and scale required at the time. This was further recognised by the Care Quality Commission in its review of the Trust which noted the need for, 'urgent mobilisation and delivery of an integrated technical forensic review of the RTT pathways to provide a greater assurance around quality, clinical harm and patient safety for which the Trust has neither technical expertise or resource'.
- In response to this, an Elective Care Recovery Programme was established, initially focussing on the data quality and correction procedures that needed to be carried out immediately. To date, the Trust have checked around 200,000 pathways in total across SGH and QMH. This work continues apace with the goal of checking nearly 500,000 pathways in total.

Approach taken to recovery at the Trust

The below diagram represents the combined steps the Trust is taking against the programme objectives to firstly understand and stabilise the position, subsequently return to 18 week reporting and ultimately achieve the aim to deliver sustained 18 week performance. Whilst the immediate focus is safely managing waiting lists and the stages are naturally sequential, actions to facilitate an improved position are being implemented against each objective.



Programme Overview

- The new Executive have reviewed the Elective Care recovery programme and are in the process of moving into phase 2 of the plan, which focuses more on treating more patients who have been identified as part of our data quality checks and training our staff on how to use our IT systems so that less errors occur in future.
- The Programme has also been expanded to cover our Cancer and Diagnostic pathways.
- The programme is structured into the following workstreams:

Workstream	Key issues
Treating Patients	<ul style="list-style-type: none"> • Increasing the numbers of patients we treat in areas where we have the longest waiting patients. • Where necessary, working with partner organisations to identify further capacity in areas where the Trust cannot increase its own. • Assessing patients who have waited excessively for the potential of harm.
Return to National Reporting	<ul style="list-style-type: none"> • Continuing with our efforts to clean our data – 200,000 completed, 400,000 to do (by February 2018). • Completely rebuild our waiting lists to ensure all of our patients are on them and their waiting times are accurate. • Increasing our internal team's ability to pick up errors and clean them immediately moving forward. • Improve our ability to identify errors being made and work with our clinicians and staff to prevent them happening in future.
Technology & Training	<ul style="list-style-type: none"> • Reconfigure our IT systems to make it easier for staff to enter information. • Develop standard operating procedures across all of our elective pathways. • Improve our training capacity and capability so that all staff can fully carry out their roles. • Implement a new PAS system on our Roehampton campus.
Cancer	<ul style="list-style-type: none"> • Ensure that our cancer pathways link into the broader elective programme. • Understand our clinical and administrative pathways better in order to improve them. • Ensure that our waiting lists in these areas are robust.
Diagnostics	<ul style="list-style-type: none"> • Ensure that our diagnostic pathways link into the broader elective programme. • Understand our clinical and administrative pathways better in order to improve them. • Ensure that our waiting lists in these areas are robust.

Leadership & Communications

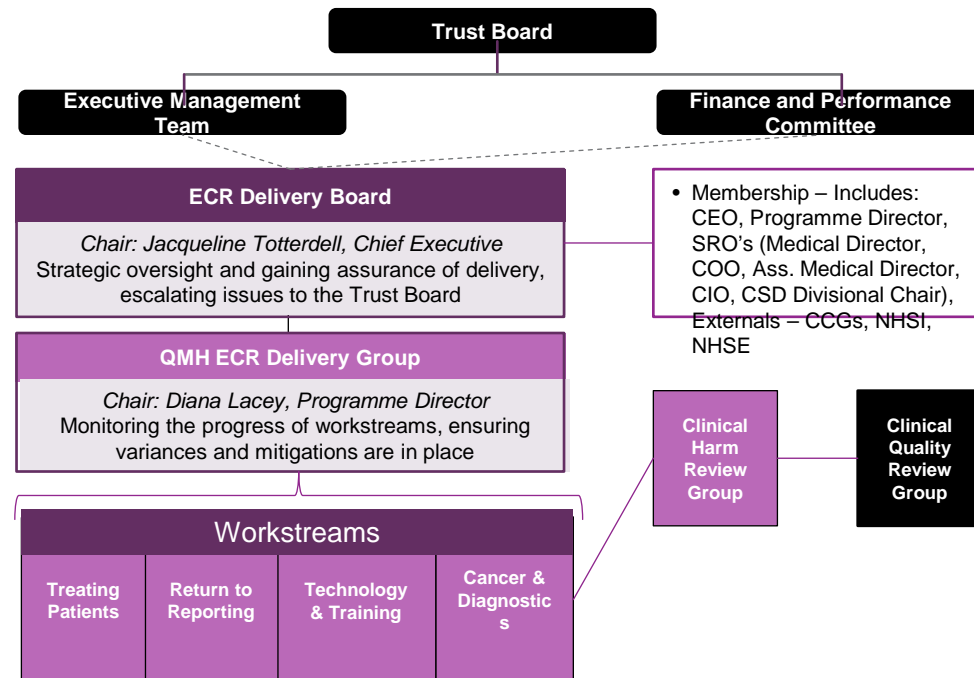
Leadership and governance - One of the key areas for criticism identified in the external reviews was the lack of ownership and accountability. The Trust has acted to remedy this and taken the following measures:

- QMH is now directly managed by one of SGH four clinical divisions, the Community Services Division (CSD)
- The ECRP governance structure has been expanded to establish a dedicated second delivery group at the QMH site providing scrutiny and accountability from a workstream level through the monthly delivery board to the Trust Executive Management Team and Finance and Performance Committee into Trust Board.
- The ECRP provides assurance to external bodies via membership of the delivery group and Programme Board. The Board includes colleagues from the CCG, NHSI, NHSE. Partner organisations such as Kingston Hospital NHS Foundation Trust participate in the weekly delivery group meetings
- The Trust provides assurance to external partners on safety and quality through the established internal Clinical Harm Review Group into the CCG led Clinical Quality Review Group. A Clinical Board involving external partners has also been established at QMH chaired by Professor Rhodes.

Communications and Engagement - A communications programme has commenced to support the recovery and increase awareness and engagement amongst patients, Trust staff and external health stakeholders such as CCGs, NHSE, NHSI, CQC, LMC and GPs as well as the media:

- The programme was in the first instance designed to communicate the immediate actions taken to ensure patient safety (e.g. briefing of partners)
- Further developed to raise awareness and understanding of Trust elective care issues, the impact of these and the ongoing work to remedy them
- Briefing sessions held with executive and non-executive directors in February and May 2017

Governance and reporting arrangements of the Elective Care Recovery Programme:



Ensuring Progress

- A key feature of the Programme is tracking progress against key performance indicators (KPIs). Each workstream has a number of KPIs, which are tracked through all of the various governance structures previously outlined. The main KPIs for each workstream are outlined in the table below with some headline figures available to date.
- These KPIs will grow and change over time as the programme matures.

Workstream	Key issues	
Treating Patients	<ul style="list-style-type: none"> • Patients waiting more than a year: • Patients requiring treatment (identified through data cleansing): • Cases of low harm: • Cases of moderate harm: • Cases of severe harm: 	<ul style="list-style-type: none"> • 1112 • 8546 • 30 • 2 • 5
Return to National Reporting	<ul style="list-style-type: none"> • Pathways validated: • Pathways remaining: • Unknown RTT clock starts: 	<ul style="list-style-type: none"> • 186,441 • 438,019 • 14,774
Technology & Training	<ul style="list-style-type: none"> • Staff to be trained to use Clinic Outcome Forms: 	<ul style="list-style-type: none"> • 1783
Cancer	<ul style="list-style-type: none"> • Current Performance against the national standard: 	<ul style="list-style-type: none"> • 2 of the 8 standards failing – 2WW and 2WW Breast Symptomatic in June 2017
Diagnostics	<ul style="list-style-type: none"> • Current Performance against the national standard: 	<ul style="list-style-type: none"> • 97.4% of patients seen within 6 weeks in July 2017

Meeting Title:	Council of Governors		
Date:	14 September 2017	Agenda No	11
Report Title:	Council of Governors - Elections 2018		
Lead Director/ Manager:	Fiona Barr, Trust Secretary & Head of Corporate Governance		
Report Author:	Richard Coxon, Membership & Engagement Manager		
Presented for:	Approve Decision Ratify Assure Discuss Update Steer Review Other (specify)		
Executive Summary:	A total of twelve seats will be up for election, both for Staff and Public Governors. The election process will start on the 15.11.17 when nominations open and end on the 31.01.18 with close of election. The newly elected Governors will start a three year term from the 01.02.18. The election has to be managed by an independent electoral services provider which will be Electoral Reform Services.		
Recommendation:	It is recommended that the Council of Governors receives this report for information.		
Supports			
Trust Strategic Objective:	All		
CQC Theme:	Well-led		
Single Oversight Framework Theme:	Well-led		
Implications			
Risk:	Not engaging sufficiently with members and having vacant seats for elected positions.		
Legal/Regulatory:	The Trust's Constitution clearly sets out the election process following Model Election Rules in Annex 4 and additional provisions for the Council of Governors at Annex 5.		
Resources:	N/A		
Previously Considered by:	N/A	Date	
Appendices:	N/A		

Council of Governors Elections 2018
Council of Governors, 14 September 2017

1.0 PURPOSE

1.1 To update the Council of Governors on plans to run elections for Governor posts in both Staff and Public Constituencies during Quarter 3 2017-18.

2.0 BACKGROUND

2.1 Elections to the Council of Governors are governed by the Model Election Rules which are set out Annex 4 of the Trust's Constitution.

2.2 The vote is conducted by secret ballot using the system of first past the post/single transferable vote. The vote is overseen by a Returning Officer who must be independent of the Trust.

3.0 ELECTION

3.1 This is the second Governor election that the Trust has organised since being authorised as a Foundation Trust.

3.2 A total of eleven seats will become vacant as a result of Governors reaching the end of their first three year terms. A further seat will become vacant due to the resignation of Noyola McNicolls-Washington, Staff Governor for the Community Services Division, with effect from 01.10.17 when the Community Services contract transfers to a different provider. The staff at Queen Mary's Hospital are now part of Community Services and are being 'transferred over' on the membership database in readiness for the up coming election.

3.3 The following table summarises the seats which will become available.

Constituency:	Number of Positions:
Public - Merton	Two
Public - Rest of England	Two
Public - Wandsworth	Three
Public - South West Lambeth	One
Staff – Community Services	One
Staff – Allied Health Professionals and other Clinical & Technical	One
Staff – Medical & Dental	One
Staff – Nursing & Midwifery	One

3.4 All Governors will be eligible to stand for re-election and will have a three year term.

4.0 CONDUCT OF ELECTION AND RETURNING OFFICER

4.1 Following a mini-competition, Electoral Reform Services (ERS) was selected to run the election and provide an independent Returning Officer on the basis of being the most inexpensive firm to use (three quotes were sourced and reviewed). ERS is the UK's leading independent provider of end-to-end ballot, election and voting services and is also a sister company to Membership Engagement Services which manages the Membership Database.

4.2 The table below sets out the key stages of the election timetable including the point at which the Returning Officer will declare the successful candidate(s) if seats are uncontested.

ELECTION STAGE	DATE
Governor workshops and drop-in sessions	October – dates TBC
Trust to send nomination material and data to ERS	Wednesday, 01.11.17
Notice of Election / nomination open	Wednesday, 15.11.17
Nominations deadline	Wednesday, 13.12.17
Summary of valid nominated candidates published	Thursday, 14.12.17
Final date for candidate withdrawal	Monday, 18.12.17
Candidate Declared if election uncontested	Tuesday, 19.12.17
Electoral data to be provided by Trust	Thursday, 21.12.17
Notice of Poll published	Friday, 05.01.18
Voting packs dispatched	Monday, 08.01.18
Close of election	Wednesday, 31.01.18
Declaration of results	Thursday, 01.02.18

- 4.3 Throughout September but particularly in October, the forthcoming elections will be promoted through a range of media, such as the monthly e-bulletin, staff newsletters, website, posters, intranet and social media. This is to both encourage members to nominate themselves and to encourage as many members as possible to participate in the election. The Membership Office will work closely with the Communications Team on an election awareness campaign.
- 4.4 For potential new Governors, the Membership Office will organise Governor workshops and drop in sessions to enable prospective Governors to get a better understanding of the role and time commitment required.
- 4.5 In anticipation of the significant reduction in the number of staff members in the Community Services Division, staff at Queen Mary's Hospital will be notified and transferred into the Community Services Staff Constituency in advance of the planned elections to ensure that this remains a viable constituency (this planned action was reported to the Council of Governors on 06.12.17).

5.0 RECOMMENDATION

- 5.1 It is recommended that the Council of Governors receives this report for information.

Authors: Richard Coxon, Membership & Engagement Manager
 Fiona Barr, Trust Secretary & Head of Corporate Governance

Date: 06.09.17

Meeting Title:	Council of Governors Meeting		
Date:	14 September 2017	Agenda No	13
Report Title:	Engagement with the Membership Report		
Lead Director/ Manager:	Richard Coxon, Membership & Engagement Manager		
Report Author:	Richard Coxon, Membership & Engagement Manager		
Freedom of Information Act (FOIA) Status:	Unrestricted Restricted (select using highlight)		
Presented for:	Approval Decision Ratification Assurance Discussion Update Steer Review Other (specify) (select using highlight)		
Executive Summary:	<p>This paper describes how the Trust has engaged with our Membership this year and proposals going forward. The engagement has included monthly Health Talks, Meet your Governor and membership recruitment stand in reception and the Annual Members Meeting.</p> <p>However we propose to convene a meeting to discuss Membership and Engagement to see how Governors wish to better engage with members and feel that they are appropriately gathering views from members which can be used to inform plans and priorities.</p>		
Recommendation:	<p>It is recommended that the Council of Governors:</p> <ol style="list-style-type: none"> 1. notes the content of the paper, 2. Approves suggestions set out in report 		
Supports			
Trust Strategic Objective:	All four trust strategic objectives		
CQC Theme:	Addresses all five key themes: Safe, effective, caring, responsive and well-led		
Single Oversight Framework Theme:	Addresses all five key themes: quality of care, finance and use of resources, operational performance, strategic change, leadership and improvement capability		
Implications			
Previously Considered by:	N/A	Date	
Equality Impact Assessment:	Not undertaken at this stage		

**Engagement with the Membership
Council of Governors, 14 September 2017**

1.0 PURPOSE

- 1.1 The purpose of this paper is to update Governors on Engagement with Members for the remainder of 2017-18 and beyond.

2.0 BACKGROUND

- 2.1 This paper describes how the Trust has engaged with our Membership this year and proposals going forward. The engagement has included monthly Health Talks, Meet your Governor and membership recruitment stand in reception and the Annual Members Meeting.

3.0 MEMBERSHIP NUMBERS

- 3.1 As of the 01.04.17 St George's had 20,998 members which include 12,067 public members and 8,931 staff members. At the 31.08.17 we have 20,835 members (12,548 public and 8,287 staff) an overall decrease of 163. Our aim is to maintain our public membership at around 12,000 members.
- 3.2 All NHS Foundation Trusts are now concentrating on maintaining their membership numbers rather than increasing year on year. This is mainly due to the high cost of posting details to members without email addresses and the best method of recruiting new members is face to face which is time intensive.

4.0 MEMBERSHIP ACTIVITIES

Meet your Governor/Membership Recruitment

- 4.1 We have held monthly 'Meet your Governor/Membership Recruitment' stand in the Grosvenor Wing reception area at St George's which gives Governors an opportunity to meet members, patients, staff and visitors passing through a busy area of the hospital. These have worked successfully and there are several Governors are in attendance at the same time they can spread out and move to outpatient waiting areas to speak to patients and recruit potential new members.
- 4.2 There is potential to expand this to other sites such as Queen Mary's Hospital and St John's Therapy Centre, though they currently do not have the same number of people passing through them.

Members Monthly E-bulletin

- 4.3 All public members with email addresses receive monthly E-bulletin highlighting changes at the Trust, updates on the Members Health Talks and any other relevant information.
- 4.4 The Communications Team have been regularly updating the website with news stories as well as using social media (Facebook and Twitter). Due to the high cost of postage, the Trust is unable to post out information on a regular basis to members without email addresses.

Members Health Talks

4.5 We have held six Health Talks on topics such as Palliative Care; Hearing Difficulties and Weight Loss since 01.04.17. These are a proven way of engaging with all members - public, staff and students. We are planning on continuing to hold these talks which depend on the availability of the speakers. We have talks on Diabetes and Tinnitus arranged for the coming months and have more planned.

Date	Health Talk topic	Speaker	Attendees
09.05.17	Palliative Care	Fergus Maher, Palliative Medicine Specialist Registrar	40
05.06.17	Hearing Difficulties and Solutions	Beth-Anne Culhane, Advanced Audiologist	30
19.06.17	Cardiac Talk	Dr Rajan Sharma, Consultant Cardiologist	25
28.06.17	Physiotherapy	Dennis Aboagye, Physiotherapist	15
12.07.17	Weight Loss Myths & Common Dietary Pitfalls	Scott Lonnee, Dietician	57
23.08.17	St George's Archives	Carly Manson, Archivist	45

Governor Elections

4.6 The Governor Elections that are taking place starting on the 15.11.17 will be good opportunity to engage with members to explain the role of Governors and the Council of Governors. The aim would be to encourage members to self-nominate themselves, recruit new members who would then vote for them or to vote for their chosen candidate in their constituency.

5.0 NEXT STEPS FOR 2017-18

5.1 For remainder of 2017-18, the following is proposed for the Trust's membership numbers and activities:

- i. Given the Trust's financial position and the general trend amongst Foundation Trusts to concentrate more on the *quality* than the *quantity* of membership, it is proposed that the Trust continues to stabilise membership numbers at current levels.
- ii. We will explore with Governors how we can better capture the work they are doing with members on a local level so that we can include this in our returns to NHS Improvement.

6.0 RECOMMENDATION

6.1 The Council of Governors is asked to approve the next steps for 2017-18 at the meeting on 14.09.17.

Author: Richard Coxon, Membership & Engagement Manager

Date: 08.09.17