

Council of Governors

AGENDA

Date:	Tuesday 26 April 2016
Time:	13.00 – 15.30
Venue:	Hyde Park Room, 2 nd Floor, Hunter Wing, St George's Hospital

Governors to direct questions/comments through the Chair

No.	Item	Time	Enclosures
1.	Opening Business		
1.1	Chairman's introductions, including apologies for absence <i>Sir David Henshaw, Chair</i>	13.00	verbal
1.2	Declarations of Interest <i>Sir David Henshaw, Chair</i> <i>To note any interests from governors as part of their obligation to declare any interest relevant to any item considered at the meeting</i>	13.15	verbal
1.3	Approval of minutes of the meeting held on the 26 January 2016 <i>Sir David Henshaw, Chair</i> <i>To approve the minutes of the meeting held on the 26 January 2016</i>	13.20	Enc A
2.	Holding the Board to account for the performance of the Trust		
2.1	Chairman's Report <i>Sir David Henshaw, Chair</i>	13.25	verbal
2.2	Quality/Finance/Workforce Reports <i>Sarah Wilton, Deputy Chair</i>	13.40	Enc B,C,D
2.3	Business Planning & Annual Report update <i>Rob Elek, Director of Strategy</i>	14.00	verbal
2.4	Quality Account indicators/CQC Inspection <i>Jennie Hall, Chief Nurse</i>	14.15	verbal
2.5	Governor/NED Engagement <i>Sir David Henshaw, Chair</i>	14.25	verbal
3.	Items for information and noting		
3.1	Feedback from Strategy Awayday <i>Kathryn Harrison, Lead Governor</i>	14.45	verbal
3.2	Governors Review of First Year as FT <i>Richard Coxon, Membership Manager</i>	15.00	Enc E
4.	Closing Business		
4.1	Any other business <i>Sir David Henshaw, Chair</i> <i>To note any items of additional business, including those notified by the governors to the Trust Secretary prior to the meeting</i>	15.15	verbal
4.2	Date and time of next meeting <i>Sir David Henshaw, Chair</i> <i>To note that the formal meeting of the Council of Governors will be held on 19 July 2016, 1pm, Hyde Park Room</i>	15.25	verbal

MINUTES OF THE COUNCIL OF GOVERNORS (PUBLIC MEETING)

26th January 2016

Hyde Park Room, Hunter Wing, St George's Hospital

Present:

Kathryn Harrison (KH)	Yvonne Langley (YL)
Sue Baker (SB)	Felicity Merz (FM)
Sheila Eden (SE)	Doulla Manolas (DM)
Hilary Harland (HH)	Dr Patrick Bower (PB)
Mia Bayles (MB)	Dr Frances Gibson (FG)
Robin Isaacs (RI)	Cllr Sarah McDermott (SMD)
Jan Poloniecki (JP)	Brain Dillon (BD)
Stuart Goodden (SG)	Dr Tim Hodgson (TH)
Derek McGee (DMG)	Gail Adams (GA)
Mike Grahn (MG)	Cllr Philip Jones (PJ)
Anneke de Boer (AdB)	

Christopher Smallwood, Chairman (CS)
Miles Scott, Chief Executive (MS)
Sarah Wilton, Interim Chair (SW)
Jill Hall, Interim Board Secretary (GH)
Rob Elek, Director of Strategy, (RE)
Tom Ellis, Head of Business Planning (TE)
Richard Coxon, Membership & Engagement Manager (RC)

Apologies:

Jenni Doman	Stephen Miles
Will Hall	Dr JP van Besouw
Dr Val Collington	David Flood

1. CS opened the meeting by saying this was his final appearance before retiring at the end of the week. Sarah Wilton would be Interim Chair for 3 months until a new Chair is appointed and thought she would do extremely well.

1.2 Declarations of Interest

None.

- 1.3 The minutes from the previous meeting on the 27th October 2015 were approved as an accurate record subject to agreed amendments.

JP raised the issue of the latest version of the Trust's constitution not appearing on the Monitor website. JH said she would investigate.

Action: JH

2.1 MS gave an update on highlights from the Chief Executive's Report:

The Urogynaecology service was suspended in June 2015 due to safety reasons. The Trust has undertaken an internal and external consultation to consider the long term provision which ended on the 4th December 2015. The outcome and proposed next steps will be discussed at the March Board meeting.

There had been questions raised on whether the paediatric & adolescent gynaecology service would be affected as the lead clinician who left was the same as for the Urogynaecology service. MS made it clear that this service is being retained and has not been suspended. Current patients have been reviewed to make sure there were no unidentified safeguarding risks and no such risks had been found.

The junior doctor's strike planned for this week has been called off but at this time we do not know what will happen with the next strike action planned for two week's time. Negotiations between the DoH and BMA continue. On the previous strike days operations and appointments were cancelled in advance and any patient who turned up expectantly were seen by other members of staff, everyone working together to minimise disruption. If the next planned strike goes ahead it would be more difficult.

Personnel changes to note – Gill Hall has joined the Trust as Interim Board Secretary until Luke Edwards starts in March. Sofia Colas, Divisional Director of Operations for Children and Women's Division is leaving us and Sean Biggs, currently General Manager for Neurosciences, will take up role in interim. Louise Halfpenny, Head of Communications is also leaving the Trust this week.

MS is now holding monthly informal 'Ask Miles' sessions for staff which has been positively received. We will be redoubling efforts with staff communication with a staff experience plan for next year. Some things relate to capital programme, basic things which if fixed are hugely appreciated by staff.

JP asked about the PWC report and MS reaction to the critical aspects. MS responded that he and the Board had fully accepted the report and to date 80% of the recommendations have been implemented with AB's support and will be fully complete by the end of March.

MG noted that all the Trust's communications team had repeatedly failed to place Board Papers onto the website in advance of Board meetings over the past six months and he considered this a failure of governance.

Quality – the Council noted the Trust is still not meeting some of the

national target indicators but is working with the CCG on 'One version of the truth' to improve decline over the next 3-4 years. There has been a large increase in the number of patients using our services and there are no easy opportunities for improvement. Overall the quality is holding up well.

SMD asked about the 70% achieved safeguarding training for staff when it should be 100%. MS responded that it was a combination of ensuring staff were released for training., improving online training and the accurate recording of those who have completed training. This was also being undertaken with all new staff on induction.

JP asked about 95% A&E 4 hour wait target as he thought that at the February 2015 Board meeting it had been said that the target would have been met by April 2015. MS responded that sounded unlikely as our current 90% indicator was comparable to all other Trusts in London. Everything that could be done is being done and is being monitored at all levels. However he would check relevant minutes and respond to JP separately.

Action: MS

Finance – the Council noted that the budgets in the autumn were better than forecasted but still a long way to go. CIPs are better than expected with a target of £38m and over £40m collected.

Workforce – there continues to be a high turnover of staff but is a comparable position with other trusts

The results of the annual Staff Survey along with other workforce issues such as training, support, exit interviews, bullying and harassment will be discussed as a key theme at future CoG.

2.2 Business Planning 2016/17

RE introduced the business plan for 2016/17 for Monitor. The Trust normally goes through the annual business planning process between September and April, building up a picture of proposed trust activity, service developments and the income and expenditure required to deliver that activity.

The 2016/17 Turnaround Reforecast Process was completed and submitted to Monitor on the 31st December 2015, addressed at a high level, the proposed Trust financial position in 2016/17. A draft annual plan needs to be submitted on the 8th February and a final plan on the 11th April. A 5 year Strategic Plan will need to be submitted to Monitor in June taking into account the SW London and Surrey health economy and our sustainability transformation.

DM stated that it seemed that we were working in a 'bubble' and not with other organisations. RE responded that although we are an autonomous NHS organisation we do work closely with local CCG's, Surrey Downs Partnership. We have to agree with commissioners on

our long-term plans to dovetail with SW London health services as we are the largest part of the health economy in SW London.

SMD asked about generating income for the Trust. RE responded that we will be looking at different opportunities including our site and looking for investors to redevelop buildings and promote private health services which will in turn benefit our NHS services.

JP asked about PFI schemes to fund any building/redevelopment projects. RE responded that as an FT we can arrange private funding as a 'mortgage' at preferential rates rather than a PFI. Any such scheme would require full Governor and Board scrutiny and approval.

- 2.3** AB introduced a report on the Trust's Financial Recovery and was pleased to report that we were on track to complete the PWC recommendations. A 2 year Turnaround Recovery Plan had been submitted to Monitor on the 31st December 2015 and has now been approved. They have requested that we defer a 5 year plan due to sector pressures until June.

In 2016/17 the 'big ideas' we will be focussing on broadly fit into 6 key themes:

1. Workforce Efficiency
 - Reducing the average unit pay costs
 - Optimising the size and shape of workforce
 - Facilitating workforce productivity
2. Clinical Transformation
 - Theatre productivity
 - Diagnostic productivity
 - Patient flow and ambulatory care
3. Portfolio organisation
 - Fix/close/transfer
 - Commercial inc private patient income
 - Outpatients reconfiguration
4. Divisional/Functional Improvements
 - Divisional general efficiency – housekeeping
 - Medicines management
5. Corporate Efficiency
 - Back office review
 - Procurement
6. Infrastructure
 - Fixed assets
 - Estates and facilities inc community estates

There has been a 60% drop in agency staff costs and Mitie contract has been renegotiated for a further 3 years with £4m in savings.

RI asked how sensitive the turnaround forecasts were to a possible

rise in borrowing costs/interest rates. AB responded that a rise is not foreseen imminently and that funding costs were to some extent fixed. The plan was more sensitive to the availability of funding rather than an increase in the cost of funding.

Action: WB

GA asked about caps on agency staff spend and how that was being enforced and monitored. Agencies were now changing their processes to get around the legislation. AB responded that we are not yet meeting targets with 10% agency staff spend mainly due to individuals with specific skills. We are looking at all agency use and which agencies we are using.

MG noted that in the recovery plan, the Portfolio Optimisation workstream was forecasted to provide significant cost savings during 2016/17. Since this would, in part, require changes to clinical services, had sufficient time been allocated in the plan for full and proper consultation of staff, patients and other stakeholders? AB responded that the 'fix/transfer/close' element of the workstream was not expected to contribute to cost savings until the final quarter of the year and this would primarily be achieved through improvements in service delivery rather than closure of services. Full consultation and analysis impact on patient safety and experience would be carried out in cases where changes or cessation of services was involved.

3.1 Quality Account Voluntary Indicators

JH presented a paper on the Quality Account 2015/16. The Governors are required to write a statement for the final Quality Account report that reflects upon the Trust's quality outcomes from last year and priorities (i.e. the indicators we select) for improvement for 2016/17. These will be circulated to Governors for discussion at the next meeting.

Action: JH

3.2 Nomination & Remuneration Committee

SB gave an update from the last meeting held on the 16th January 2016. Mark Turner, Regional Director of Monitor had attended to explain why Monitor and the TDA (now NHS Improvement) had stepped in to prevent the appointment of chosen candidate for Chair position. Mr Turner had confirmed that the correct process had been followed and checks by the Trust and Saxton Bampfylde had been rigorous. However information had come to light late in the day which meant the candidate was unsuitable.

A new Chair recruitment would now take place and Mr Turner had confirmed that Monitor would closely work with the Trust to ensure the best possible candidate is found. Saxton Bampfylde confirmed that there would be no additional costs to the Trust to secure a suitable candidate.

MS reported that Monitor had identified 2 possible candidates for the Chair position and Saxton Bampfylde were also looking at possible

new candidates to be agreed with Monitor.

Sarah Wilton would be interim Chair until a new permanent Chair has been appointed and Mike Rappolt had agreed to extend his contract for 3 months as NED and Deputy Chair.

The committee had agreed to proceed with the recruitment of the two NED positions with a shortlisting meeting set for 1st February 2016. Monitor will not have any involvement with the appointment of the NED positions.

KH raised concerns that the long list of NED candidates provided by Saxton Bampfylde had only male candidates and that the positions had not been advertised widely enough.

GA was also concerned that there were no female candidates to shortlist from and felt that more diversity was needed on the Board to reflect the local communities which the Trust serves.

SB responded that Saxton Bampfylde had approached female candidates but none wished to be put forward. They had gone away to provide a refreshed list and to approach any new candidates which was due to be received in the next couple of days.

The council voted on whether shortlisting should be postponed until suitable female candidates could be found. It was overwhelmingly agreed (17 votes to 4) to press ahead with shortlisting despite no female candidates on long list.

GA asked about whether using recruitment consultants was appropriate? MS responded that this could be discussed at a future Nomination & Remuneration meeting once the new Chair is appointed.

3.3 Council of Governor meeting dates

JH provided a table of the CoG meetings for this year and also the Board and committee meetings. It was noted that there would be Extraordinary meetings required for the ratification of successful candidates for Chair/Ned appointments.

4. Any other business

- 4.1** CS noted that a long list of questions had been received from Dr Mike Squires and these would be responded to by email and Governors copied in to response.

Action: JH

KH thanked CS for his and time as Chair and guiding the Council through the first year as an FT.

4.2 The next planned CoG meeting will take place on Monday 26th April 2016, at 2.30pm

REPORT TO THE COUNCIL OF GOVERNORS *April 2016*

Paper Title:	Quality and Risk Committee – Key Messages
Sponsoring Director:	Sarah Wilton, Non-Executive Director
Author:	Sarah Wilton, Non-Executive Director
Purpose:	<i>To update the CoG on key messages from the Quality and Risk Committee held on 30th March 2016</i>
Action required by the board:	For information

Key messages

This was a full QRC meeting. The meeting was quorate although only one NED member of the committee was in attendance. One governor also attended. The committee secretary was asked to review the annual planning for QRC meetings to ensure that if possible the week after Easter is avoided in future. The Committee hoped that Sir Norman Williams would soon be able to join QRC as its third NED member.

Key matters addressed at this QRC meeting were:

* Quality Report: was reviewed in detail. The Committee noted concern at the recent backlog in compliance with NICE guidance owing to staffing gaps: a new appointment in April will help address this urgently and QRC asked for an update next month. Safeguarding training compliance, while improving in some areas, continues to be too low: QRC was assured that there are agreed actions in place for both adult and children's MAST safeguarding training and asked for a further update next month. The Complaints workshop planned for April will address the urgent need to improve both response times and quality and the evidencing of action taken, and learning disseminated, in response to complaints

* Synopsis of Significant SIs: this report was reviewed in detail. QRC was assured that all actions arising from SI investigations continue to be robustly tracked by the Patient Safety Committee. A detailed audit of completed SI reports and action plans has been undertaken in order to provide assurance to commissioners – although the findings were largely reassuring in terms of actions completed, a number of recommendations have been made in order to ensure actions are smart and that effectiveness can be robustly tested in practice. Reviewing new SI 2016/6566, the Committee noted with great concern that compliance of diagnostic follow-up, following a number of SIs arising from such shortfalls, continues to be very challenging in some areas, both from an IT and from an individual consultant compliance perspective. As QRC is not yet assured that the controls are secure in all areas, although recognises that considerable progress is being made, a further full update from the medical director to the next QRC meeting is required.

* End of Life Care: Hazel Tonge provided a detailed update on the EOLC programme which is progressing substantially as planned.

* Clinical Audit Annual Plan - update: Kate Hutt attended to provide an interim update on completion of clinical audits against the agreed 2015/6 plan and to brief QRC on progress towards finalising the 2016/7 plan and to ask for feedback. Good progress has been made across a wide range of areas - although QRC asked for more information about 'discontinued' audits and the

cross-referencing of the clinical audit to SI themes and findings.. The 2016/7 plan will be finalised in liaison with the internal auditors and be brought to QRC after review by the Patient Safety Committee in April.

* Risk and Compliance: QRC reviewed Sal Maughan's report on the Trust's updated risk reporting: it agreed that the BAF and risk register overall, and its update, including the continued currency and effectiveness of divisional risk registers will be reviewed in detail at the April seminar meeting. QRC noted that while it completes deep-dive reviews of significant risks on a cyclical basis, it was important to link this to the regular reviews of significant financial risks by the F&P Committee

* Health, Safety and Fire Report - 6 monthly update: Eric Munro attended but was only able to provide an oral report which gave limited assurance only that all matters of concern identified both in the 2014/5 Annual Report, and during the year as a result of SIs, notifications and other incidents, have been addressed. He did note that there had been a concerning fall-off in compliance with MAST H&S compliance but that urgent action was being taken by Zac Briggs to address this. Eric Munro was urged to provide a very full handover on these matters to the interim E&F director.

The Committee noted that reports from all feeder committees will be presented at the next (April) QRC meeting as this March meeting was originally planned as a seminar meeting.

Sarah Wilton
2nd April 2016

REPORT TO THE COUNCIL OF GOVERNORS *April 2016*

Paper Title:	Report to the CoG from Finance & Performance Committee: 30 March 2016
Sponsoring Director:	Sarah Wilton, Acting Chair
Author:	Sarah Wilton, Acting Chair
Purpose:	To provide the CoG with a summary of the proceedings from the last Finance and Performance Committee
Action required by the board:	To note the update
Document previously considered by:	N/A

Report to the CoG from Finance & Performance Committee: 30 March 2016

The Committee noted with concern that several F&P papers for this meeting had been circulated very late and urged the executive to ensure that the agreed deadlines for F&P papers must be met from April onwards in order to ensure that this board Committee is able effectively to meet its terms of reference.

2015/2016 outturn

While current forecasts indicate that the I&E outcome is expected to be a c£54m deficit against the c£56m agreed with Monitor in January, F&P noted that there are a number of matters which need to be determined very promptly by the executive as the year end is closed, including:

- * impairment of carried forward development costs
- * decision relating to possible restatement of 14/15 accounts
- * final agreement of quantum and treatment of penalties and fines from commissioners
- * high cost drugs: F&P was briefed on how the pharmacy lead is responding to significant commissioner challenges estimated to total £700k+ to M11: these need to be robustly managed for 2015/6 close
- * ensuring full and accurate year-end cut-off accounting, particularly in relation to agency and interim staffing costs

F&P commended the whole executive team across the Trust for the achievement of, and indeed exceeding, the very challenging 2015/6 CIP target of £42m. £37m has been delivered YTD of which £17.4m, ie nearly 50%, is non-recurrent. The recurring portion will contribute to achieving the demanding 2016/7 forecast, but the Board should note the significant proportion of non-recurrent savings.

2016/2017 budget

Based on extensive and detailed Trust-wide 'TRP' budgeting work in Q3 and Q4, with support provided by KPMG and the outcome challenged by F&P and Board, to establish a sound 2016/17 forecast, the Board approved in January our STF proposal for £17.6m STP funding over the year.

We submitted to Monitor ('the APR submission') a 2016/17 forecast deficit of £17m, after £17.6m of STF funding and before taking into account the proceeds of any asset sales. This return reflected, in summary, a £72.6m baseline I&E position for the year, less £50m (gross of expenses) of validated but not yet fully resourced improvement plans, with some additional small adjustments,

and was supported by detailed validation and recommendation from the turnaround director and his KPMG supporting team.

F&P reviewed Monitor's written response to this return in which we are being urged to improve the proposed position further by reflecting the current positive staff cost variances and in other ways.

F&P Committee wishes the Board to be aware of the following significant factors relating to the 2016/17 forecast, all of which were discussed in detail at F&P and need to be discussed and challenged in and by the Board at this meeting:

* SGH is presently due to submit to Monitor our final 2016/17 budget, finalising our forecasts and responding to Monitor's comments, by 11 April. F&P urged the executive to develop and share a clear timetable for this submission, allowing sufficient time for detailed and robust engagement, review and challenge by divisions and by F&P and the Board. It was suggested at F&P that it may be necessary to agree a delayed return with Monitor: F&P urges the executive to conclude this, in agreement with the Board, one way or another urgently and to agree with the Board today a realistic submission process and timetable

* F&P emphasised the urgent need for all Trust budget holders for 2016/17 to be determined and to have clear and agreed budgets in place for the year, from the start of the year, which they 'own' and for which they can be and are held accountable

* contracts with our commissioners are not yet agreed despite our best efforts, with Deirdre Baker being supported by Duncan Calverley from KPMG now that Andrew Burn has moved on. The most significant potential gap, of c£20m, is with NHSE. Considerable and urgent work is still required across the Trust to ensure that where activity is not being funded for 2016/17, the necessary decisions are made and implemented soon to reduce capacity and staffing accordingly. Work is also needed to ensure that any 'fix, close, transfer' implications are agreed with commissioners and reflected in the 2016/17 forecast, but the current timescale for these appears not to be fast enough to allow inclusion in the 2016/17 plans

* significant remedial and improvement work is required on the Trust's IT and estates infrastructure: no costings are yet available, nor is there yet any indication of whether or not the necessary additional capital funding might be able to be secured

* the Trust's cash flow forecasts and the loan and facility arrangements currently in place reflect the 2016/17 forecasts already submitted to Monitor. F&P sought and received assurance that all the conditions of these arrangements continue to be fully met. However, should the forecasts change then clearly the loans and facilities now in place will need to be renegotiated

* the accepted STF funding of £17.6m, due to be received quarterly on demonstrating compliance with the detailed STP conditions and challenging performance targets, is linked to the current 2016/17 forecast, and the offer may be withdrawn or payments delayed if we are unable to meet the agreed conditions each quarter. F&P stressed the need for complete clarity of reporting, at least monthly, against these agreed requirements

* the 2016/17 submitted budget reflects £50m, gross of the £7m delivery costs, of improvement programme savings, for which DIPs had been validated with KPMG support, although with £9.8m marked as 'unidentified as yet'. The latest optimistic analysis now shows a net DIP total for 2016/17, before asset sales, of £33m reflecting delays in the programmes and resourcing difficulties and improved accuracy of estimated savings. Martin Wilson as Director of Improvement is overseeing the validation and improvement of the overall programme and the development of stretch targets to fill this significant emerging gap. F&P noted that the procurement DIP continues, disappointingly, to fail to be in a position to deliver the significant savings expected of it with the interim team still engaged in early-stage recruitment and department restructuring

* while not reflected in the APR submission, the Trust has developed preliminary asset sale plans and is effectively holding these as contingency. F&P noted that considerable work is required to firm up project plans and timetables, reflecting planning and other approval timings, if these asset sales are realistically to be held as any form of contingency. Links to strategic objectives

have yet to be clarified

Performance

F&P reviewed in detail the Trust's performance to date and also the developing trajectories and plans to achieve the significant and sustainable recovery in ED, RTT, Cancer and other key performance targets for 2016/17 which are required to meet the STP requirements. Board presentation and discussion will cover these key points in depth so they are not outlined separately in this note.

Sarah Wilton
3 April 2016

Key risks identified:

Risks are detailed within the report.

Related Corporate Objective:

Reference to corporate objective that this paper refers to.

All Corporate Objectives.

Related CQC Standard:

Reference to CQC standard that this paper refers to.

N/A

Equality Impact Assessment (EIA): Has an EIA been carried out?

No specific groups of patients or community will be affected by the initiatives detailed in the report. Where there may be an impact on patients then consultation will be managed as part of that specific programme.

REPORT TO THE COUNCIL OF GOVERNORS *April 2016*

Paper Title:	Workforce report
Sponsoring Director:	Wendy Brewer, Director of Workforce and Organisational Development
Author:	Wendy Brewer, Director of Workforce and Organisational Development Rebecca Hurrell, Head of Workforce Information Jacqueline McCullough, Deputy Director of HR
Purpose:	<i>To provide a report to the CoG on performance against key performance indicators</i>
Action required by the board:	For information
Document previously considered by:	The Board

Executive summary

Key points in the report and recommendation to the board

1. Key messages

The workforce report includes:

- The workforce performance report February 2016
- Draft workforce and staff experience action plan 2016/17
- Monitor agency expenditure ceilings for all staff briefing paper
- South West London bank briefing paper

The workforce performance report contains detail of workforce performance against key workforce performance indicators for February 2016. The report also includes available benchmark information.

Key points to note are:

- There has been a marginal decrease in the vacancy rate to 17% as there has been an increase of 58 WTE in month.
- However, staff turnover has increased again to 18.5%. After two months of reduction, nursing turnover has returned to November 2015 levels.
- Sickness absence has increased again and has now been above target for longer than is usual in the winter and is at a higher level than it has been for two years.
- The trust continues to benchmark reasonably well against similar London trusts for sickness absence and turnover.

Key risks identified:

Key workforce risks include:

- Failure to recruit and retain sufficient staff in relation to annual turnover rates and to safely support future increases in capacity'
- Failure to reduce the unacceptable levels of bullying and harassment reported by staff in the annual staff survey.
- Possible reductions in the overall number of junior doctors available with a possible impact on particular speciality areas.
- Failure to maintain required levels of attendance at core mandatory and statutory training (MAST)

Related Corporate Objective: <i>Reference to corporate objective that this paper refers to.</i>	To develop a highly skilled and engaged workforce championing our values that is able to deliver the trust's vision.
Related CQC Standard: <i>Reference to CQC standard that this paper refers to.</i>	Are services well led?

Commentary on performance in key workforce indicators

Vacancy information

The attrition that the trust has seen over previous months has slowed, with a net increase of 58 WTE in month including a very small net increase in nursing.

Turnover

Turnover levels have increased again, including a returned increased level of turnover in nursing.

Sickness absence

While it is normal to see a blip of increased sickness absence in the winter months, this year the increased levels are protracted and have increased again. The main reasons for absence remain coughs and colds. However, it is clear that the workforce is increasingly tired.

Agency and bank staff usage

Temporary staffing levels continued to rise in February, particularly in nursing, as escalation areas have been open in response to winter pressures.

The trust is meeting its requirements to report breaches of the agency price cap on a weekly basis. The greatest challenges remain with sourcing medical staff at prices that are below the agency caps.

The trust is being supported by Monitor to undertake a 'deep dive' review into its management of agency staffing.

Mandatory training and appraisal rates

The deterioration in mandatory training compliance and rates has reversed and the trust is meeting its trajectory for improvement. The workforce and education committee considered the actions being taken to turnaround performance in mandatory training at its meeting in January. Resources have been reallocated to focus on ensuring well-defined training needs analysis, accurate and trusted monitoring of compliance and easy access to training.

Appraisal rates continue to deteriorate and further focus will be given to this area. There will be a detailed review of appraisal processes at the workforce and education committee meeting due to take place in March.

Enclosure: D

COUNCIL OF GOVERNORS

Meeting:	Council of Governors
Date of Meeting:	26 April 2016
Title of Paper:	Council of Governors Annual Review
Presented by:	Richard Coxon, Membership & Engagement Manager
Paper for Debate, Decision or Information:	Decision
Main Aim:	To review the first year of Council of Governors
Summary of key points for consideration:	Review of work of Council of Governors during first year as a Foundation Trust
Recommendations or outcome required:	The Council of Governors is asked to: <ol style="list-style-type: none"> 1. NOTE the summary of initial findings 2. Discuss and AGREE next steps;
Previous Forum:	N/A
Statutory Requirements Met:	N/A
Contact in case of query concerning this paper:	Richard Coxon

Purpose of paper

This paper describes the initial evaluation undertaken by the Council of Governors on their effectiveness, the outcomes of evaluation and the proposals to address the issues emerged from the analysis of the responses received by Governors as part of the evaluation process.

Background

In its Code of Governance, Monitor states (D.2.1) that:

“Led by the chairman, the board of governors should periodically assess their collective performance and they should regularly communicate to members details on how they have discharged their responsibilities, including their impact and effectiveness on:

- Contributing to the development of forward plans of the NHS foundation trust; and
- Communicating with their member constituencies and transmitting their views to the board of directors.

The council of governors should use this process to review its roles, structure, composition and procedures, taking into account emerging best practice.”

Over the last year, since the Trust was authorised as a foundation trust in February 2015, the Council of Governors has undertaken extensive work in developing its role and effectiveness as a core component of the Trust’s governance structure. It was agreed at the last Council of Governor meeting to undertake a more formal evaluation of its effectiveness in line with the Code of Governance. This decision, in part, reflected the view that the development of the effectiveness of the Council of Governors is an evolutionary and continuous process and changes, both with the Council of Governors and in the composition of the Board, meant that such a process would be of use.

The evaluation focused on three areas:

- Key successes from the previous year (2015/2016)
- Information received and engagement
- Areas of focus for coming year (2016/17)

A survey was circulated to Governors and the results then analysed.

Analysis

Twelve out of twenty eight Governors responded, however two new Governors only started recently. Two Governors, Edward Crocker and Stephen Miles have passed away and Hilary Rattue and Dr J-P Van Besouw have both retired during the past year. Robin Isaacs, David Kirk, Will Hall and Dr Dagan Lonsdale have now replaced those Governors.

In the responses received there were some Governors who felt it was difficult to see how they were making a difference and feel they are a token gesture to democracy and 'window dressing'. However others felt that there was good cohesion with Governors contributing in areas of interest and making use of their skills.

It was acknowledged that the Council of Governors consisted of a diverse group of people with wide ranging skills and experience which broadly represented the community it represents.

Key successes from the previous year (2015/2016)

Overall Governors were pleased to be involved in the new Chair and NED recruitment but left frustrated when blocked by Monitor. This was felt to be a waste of time and expense. Some Governors felt engaged through being given the opportunity to get involved at sub-committee meetings and taking part in the Quality Inspections and organised walkabouts, meeting patients and staff. However, feedback on any changes following inspections is never given.

It has been a difficult year for the Trust with its financial situation and intervention by Monitor so soon after being authorised as an FT. One of the challenges has been trying to understand how this situation arose and changes to the Board.

Everyone agreed that Kathryn Harrison has been an exemplary Lead Governor over the last year.

Information received and Engagement

The majority of Governors who responded felt that they receive enough information from the Trust but do have concerns about dates and times of meetings changing once set. Several Governors find the information contained in the Trust Board reports to be overwhelming and difficult to assimilate before the meetings. Also information required for meetings often arrives too late to read, digest and raise questions.

A number of Governors asked about a central online area where documents and policies can be accessed easily. Several options have been tried without success and a suitable solution that would be convenient and accessible for everyone is still being sought.

Governors are now able to attend both public and private board meetings and board sub-committee meetings to observe the NEDs at work challenging the executive directors. There have been several changes in the Governor/NED meetings arrangements. These have now changed to the NEDs attending the CoG meetings. Governors attending board meetings are able to ask questions at the end and also complete feedback forms for NED chairs for sub-committee meetings.

Training and development

Although there has been some useful training sessions on finance and quality inspections the Joint board development sessions previously scheduled did not take place. The topics that were going to be covered included:

- 1) Learning from complaints and patient feedback
- 2) Understanding mortality data
- 3) Workforce planning

Other suggested training included greater clarification around role of Governor and Board roles and understanding of reports and data.

Key areas of focus for 2016/17

Based on the responses and analysis the majority of Governors want to be more involved with the following issues that need focus going forward:

- NED recruitment was seen as key to ensuring the Trust has effective challenge and leadership in what is very difficult time for NHS and the Trust locally.
- No one felt that the CoG are engaged with its members. However Governors felt that meeting members face to face was rewarding and beneficial in hearing their views.
- More Governor visibility: meet Governor/membership recruitment opportunities; walkabouts and Annual Members Meeting
- Governors to be better utilised/optimised get opinion/bounce ideas off/brainstorming session.
- The next Governor elections are to be held in February 2017 so need to plan ahead.
- Governors need to be aware of actions proposed to overcome deficit which may arouse public interest such as reviewing of services.

Next Steps

The Governors may wish to hold a workshop to discuss this in more detail.

A date for the Membership and Engagement Committee to be set up for next month to review Membership Strategy and discuss plans for Annual Members Meeting.

Agree when next review should take place to assess progress eg six months?