

MEETING OF THE COUNCIL OF GOVERNORS

Thursday 11 September 2014

Private session at 3.40pm

Public session at 4pm

**Dove Suite
The Ark
Mount Lane
Turners Hill
West Sussex
RH10 4RA**

Meeting of the Council of Governors
Thursday 11 September 2014

Session in private 15:40
Session in public 16:00

Dove Suite, the Ark, Turners Hill RH10 4RA

PRIVATE AGENDA			
No.	Item	Time	Papers
STANDING ITEMS			
45-14	Welcome, apologies, declarations of interest and eligibility Peter Griffiths, Chairman	15:40	-
46-14	Draft minutes of the meeting held on 19 and 26 June (for approval) Peter Griffiths, Chairman		Enc.
47-14	Matters arising and actions pending from the previous meeting Peter Griffiths, Chairman		-
STATUTORY DUTIES			
48-14	Re-appointment of a Non-Executive Director for a further term of office Peter Griffiths, Chairman	15.45	Enc.
ANY OTHER BUSINESS			
49-14	By application to the Chairman Peter Griffiths, Chairman	15.55	-
PUBLIC AGENDA			
STANDING ITEMS			
50-14	Welcome, apologies and declarations of interest and eligibility Peter Griffiths, Chairman	16:00	-
51-14	Draft minutes of the meeting held on 19 June 2014 (for approval) Peter Griffiths, Chairman		Enc.
52-14	Matters arising and actions pending from the previous meeting Peter Griffiths, Chairman		-
REPORTS FROM THE BOARD OF DIRECTORS			
53-14	Report from the Board of Directors <ul style="list-style-type: none">Beryl Hobson, NED and Chair DesignateJohn Thornton, NED, and Chair of the Audit CommitteeGinny Colwell, NED, and Chair of the Quality & Risk Committee	16:10	Enc.

	<ul style="list-style-type: none"> Lester Porter, NED, Senior Independent Director and Chair of the Charitable Funds Committee Richard Tyler, Chief Executive 		
54-14	Membership update Lois Howell, Interim Head of Corporate Affairs	16.30	Enc.
GOVERNANCE			
55-14	Review of Effectiveness of Council of Governors Lois Howell, Interim Head of Corporate Affairs	16.40	-
56-14	Annual allocation of governors to Council Sub-Committees Lois Howell, Interim Head of Corporate Affairs	16.50	-
REPORTS FROM GOVERNOR SUB-COMMITTEES			
57-14	Governors' Steering Group update Brian Goode	17:20	-
REPORTS FROM LEAD GOVERNORS			
58-14	Charitable Funds Advisory Committee Brian Beesley, lead governor for Charitable Funds	17:25	-
59-14	Patient experience group Gillian Santi, lead governor for the patient experience group	17:30	-
60-14	Audit Chris Orman, lead governor for audit	17:35	-
ANY OTHER BUSINESS			
61-14	By application to the Chairman Peter Griffiths, Chairman	17:40	-
QUESTIONS FROM THE PUBLIC			
62-14	To receive any questions or comments from members of the public Peter Griffiths, Chairman	17.45	-
DATE OF THE NEXT MEETINGS			
Public meetings of the Council of Governors: <ul style="list-style-type: none"> Thursday 11 December 2014 at The Dove Suite, The Ark, Turners Hill: Thursday 12 March 2015 at The Dove Suite, The Ark, Turners Hill 			

Document:	Minutes (draft and unconfirmed)	
Meeting:	Council of Governors (session in public) Thursday 19 June 2014, 16:00 – 18:00 The Dove Suite, The Ark, Mount Lane, Turners Hill, West Sussex	
Present:	Peter Griffiths (PAG)	Chairman
	Liz Bennett (LB)	Stakeholder Governor (WSCC)
	Milton Chimonas (MC)	Public Governor
	Mabel Cunningham (MMC)	Staff Governor
	Jenny Cunnington (JC)	Public Governor
	John Dabell (JD)	Public Governor
	Robert Dudgeon (RD)	Public Governor
	Brian Goode (BG)	Public Governor & Governor Representative
	Robin Graham (RG)	Public Governor
	John Harold (JH)	Public Governor
	Anne Higgins (AH)	Public Governor
	Valerie King (VK)	Public Governor
	Carol Lehan (CL)	Staff Governor
	Moirra McMillan (MM)	Public Governor
	Christopher Orman (CO)	Public Governor
	Louise Reader (LR)	Public Governor
	Gillian Santi (GS)	Public Governor
	Michael Shaw (MS)	Public Governor
	Norman Webster (NW)	Stakeholder Governor (EGTC)
	Peter Wickenden (PW)	Public Governor
In attendance:	Stuart Butt (SB)	Interim Director of Finance & Commerce
	Dominic Bailey (DB)	Information Governance Lead [in part]
	Ginny Colwell (GC)	Non-Executive Director
	Stephen Fenlon (SF)	Medical Director
	Caroline Haynes (CH)	Deputy Head of Human Resources
	Lois Howell (LH)	Interim Company Secretary & HoCA
	Amanda Parker (AP)	Director of Nursing & Quality
	John Thornton (JT)	Non-Executive Director
	Richard Tyler (RT)	Chief Executive
	Shena Winning (SW)	Non-Executive Director
Not present:	Graeme Armitage (GA)	Head of Human Resources
	Brian Beesley (BB)	Public Governor
	John Bowers (JB)	Public Governor
	Lester Porter (LP)	Non-Executive Director
	Andrew Robertson (AR)	Stakeholder Governor (League of Friends)
	Hilary Saunders (HS)	Deputy Company Secretary
	Ian Stewart (IS)	Public Governor & Vice-Chairman
	Alan Thomas (AT)	Public Governor
Observing:	There were no members of the public present	
STANDING ITEMS		
22-14	Welcome, apologies and declarations of interest and eligibility The Chairman opened the meeting and welcomed everyone to the meeting and noted the following: <ul style="list-style-type: none">Councillor Norman Webster has been re-elected by the East Grinstead Town Council to continue to serve as stakeholder governor for the QVH Council of Governors.	

	<ul style="list-style-type: none"> Kathleen Dalby, Head of Corporate Affairs, has had another daughter. All fit and well. Four governors come to the end of their terms of office on 30 June 2014. PAG took this opportunity to thank Ian Stewart, Valerie King, Mabel Cunningham and Carol Lehan for their considerable contribution to the council. PAG wished all governors re-standing in this year's election good luck. Results will be announced in the week commencing 23 June. <p>Apologies were received from Brian Beesley, John Bowers, Lester Porter, Andrew Robertson, Hilary Saunders, Alan Thomas and Ian Stewart.</p> <p>There were no declarations of interest.</p>
23-14	<p>Draft minutes of the meeting held on 13 March 2014 (for approval)</p> <p>MMC noted that both Jeremy Beech and John Bowers shared the same initials and requested that this be clarified in the final version of the minutes.</p> <p>Subject to this amendment, the minutes of the meeting on 13 March 2014 were APPROVED as a correct record.</p>
24-14	<p>Matters arising and actions pending from the previous meeting</p> <p>There were no matters arising from the previous meeting.</p>
PRESENTATIONS	
25-14	<p>Information Governance</p> <p>Dominic Bailey (DB), Information Governance Lead, gave a presentation outlining the principles of the Data Protection Act, Freedom of Information (Fol) Act and the Human Rights Act in relation to privacy, and described the following:</p> <ul style="list-style-type: none"> The duty to collect only data which is relevant. To ensure data is up-to-date (the onus is on the trust to ensure this, not the patient). Ensure records are protected and secure and only accessed by those who need to access this information or where it is in the public's interest to share it. Health records are usually kept for eight years. However, there are many exceptions i.e. patients treated for burns or corneal grafting, where records are kept for a lifetime. Employees, volunteers and governors also have a duty to maintain confidentiality and ensure the privacy of patient's personal information is protected at all times. The trust received 430 Fol requests last year. DB noted the significant time it can take to pull together a response. All breaches are reported to the Information Commissioner who oversees the legislation. Breaches can incur a significant financial penalty along with the reputational damage. <p>PW noted that, as a volunteer, he has received training locally within the department but asked whether volunteers should be included within the more formal training arrangements. DB agreed that this training applies to volunteers and separate volunteer sessions have been arranged in the past. LH advised training sessions will be made available for volunteers in the near future.</p> <p>PAG thanked DB for his presentation.</p>
26-14	<p>Safe Staffing</p> <p>Amanda Parker (AP), Director of Nursing and Quality, delivered a presentation on safe staffing which included a short film describing how safe staffing can be monitored and how</p>

	<p>IT solutions (e-rostering) can help. AP explained:</p> <ul style="list-style-type: none"> • NICE have developed methodologies to ascertain safe levels of staffing. Guidance will be released in July. • E-rostering allows staff to plan for the next 8 weeks staffing on the ward. • Closer to the time, more information becomes available about the patients who are booked into the wards and their specific needs. • The Safe Care option of e-rostering allows the trust to enter the specific needs of the patient – this module is being purchased. • This, combined with the staff rota, highlights the ward needs, using simple weather symbols. This enables staff at all levels, including executives, to see a trust wide view of the staffing levels and whether any action needs to be taken. • AP explained that the minimum nurse to patient ratio (1to8) does not take account of the patient's needs. AP described Acruity Ratings and explained how this process allows trusts to deliver high quality compassionate care by ensuring that the right people with the right skills are available at the right time. • Currently staffing data is analysed for one month each quarter and presented to the Board of Directors. • Each month compliance with expected staffing is provided to the DH. <p>PW asked what systems are in place currently. AP advised that staffing levels are displayed on a board in the ward which patients can see. A RAG (red, amber, green) rating is used to describe this. Where there is a negative rating, staff must annotate a reason. MM concerned that a red rating may cause distress to patients. AP advised that as yet the trust has not had a red rating but there is an escalation process in place which is also monitored by site practitioners. However, it is a DH requirement to publish this information.</p>
27-14	<p>Annual Plan 2014-15</p> <p>Stuart Butt (SB), Interim Director of Finance, gave an overview of the current financial position and the plan for the coming year and noted the following:</p> <p><u>2013/14 Headlines</u></p> <ul style="list-style-type: none"> • The trust had forecast to end the financial year with a surplus of just over £2m against a target plan of £2.5m. However, the trust went on to achieve a surplus of £2.6m before impairments. This was due to good debtor control management where the trust successfully recovered legacy debts outstanding from PCTs in prior years. • The final accounts will show a surplus of £61k and this is because of impairments (a technical adjustment) and follows the revaluation of our estate at the end of the financial year. This has arisen following the decommissioning of the old theatres and the standard re-valuation of the land. Whilst this represents a cost in our accounts it has no 'cash' implications. • SB has been reviewing cost pressures experienced last year which include opening the new theatres, investment in equipment and extra staffing associated with increased levels of activity. <p><u>Plan for 2014-15</u></p> <ul style="list-style-type: none"> • A realistic budget plan and budget has been set with a projected forecast surplus of £2.2m at end of year. • The trust is not predicting any further valuation charges in 2014-15. • The cost improvement plan includes making efficiencies through better use of resources with total expenses to be reduced by £881k. • The plan includes an expected significant level of income growth of £3.2m and is

reflected in our activity plans.

Month 2 accounts

- Whilst the trust is planning for a year end surplus we have planned for a small deficit at this point due to planned electrical works in April and a gradual increase in our activity projections. M2 actuals show the trust to have generated a small surplus, £172k which is £400k better than expected when compared to our planned deficit at this point of -£228k.
- Whilst this is good news, there are challenges to deliver the planned increase in activity, along with the need to meet quality standards and outcomes.

SB summarised to say that, in the five weeks he has been in post, he has found the trust to be in a positive position and well placed to meet the financial challenges faced by all healthcare providers. This is the consequence of lots of hard work which needs to continue and be improved upon. SB stressed the importance of generating a healthy surplus each year to enable our future and the capital to develop the QVH 2020 strategy.

CO asked about budgetary discipline. SB explained that he is looking to review the budgetary control processes and will be introducing an accountability agreement to ensure budget holders are clear about their responsibilities. The framework seeks to ensure staff focus on delivering, not just from a financial perspective, but also on quality standards/outcomes, workforce and activity volumes.

SB expressed the importance of this agreement being meaningful and aligned. To ensure we are clear about variances and allowing a greater understanding of where additional resources may be needed.

MM asked about resources for action plans arising from national reports/guidance etc. and whether committee members considering these action plans can be assured that appropriate funding will be available to follow through on the actions agreed. SB agreed that the funding requirements should be identified within action plans but where there are competing priorities, the Board of Directors would need to understand the finances available and the competing priorities of various demands. However, action plans presented to the Quality and Risk Committee that are related to patient safety, quality and outcomes would be our key priority.

REPORTS FROM THE BOARD OF DIRECTORS & GOVERNOR REPRESENTATIVE

28-14 Report from the Board of Directors

Finance & Performance

John Thornton (JT), Non-Executive Director and Chair of the Audit Committee reported:

- From an operational perspective the financial position had been significantly worse.
- There are no contingencies (no reserve) built in to this year's budget which is important to bear in mind.
- JT commented that he had questioned with the auditors if it was appropriate to spend such an amount of time on debtors. He was reassured by the auditors who are happy that this is the correct and only approach.
- The auditors are comfortable with the provisioning for this year.
- Whilst the trust is doing all it can to manage the 18-week targets, the auditors have commented that all trusts are missing this target and noted it is difficult to measure.

Quality, Safety & Risk

Ginny Colwell (GC), Non-Executive Director and Chair of the Quality and Risk Committee,

	<p>presented the quality element of the Chief Executive's report and made the following additional comments:</p> <ul style="list-style-type: none"> • A full and thorough set of quality and risk reports were reviewed at the last Quality and Risk Committee. However, due to the large number of papers to review (430 pages), GC feels it would be appropriate to review the governance structure to build a more robust assurance framework, providing assurance at management level. • The trust is waiting for confirmation that we will receive full CQUIN payment. • The quality programme has been set up for this year. <p><u>Charitable Funds</u> As LP not present, report to be carried over to next meeting.</p> <p><u>CEO update</u> Richard Tyler (RT), Chief Executive, made the following additional comments:</p> <ul style="list-style-type: none"> • Following the recent retirement of Mike Bennett, Divisional Manager and Heather Bunce, Programme Director a formal review of the operational structure is underway; however, RT felt it appropriate to make interim changes whilst taking the time to get the structure right. • Stuart Butt, Interim Director of Finance, will also oversee the Estates and Facilities Department while a separate robust review is undertaken. • RT noted the importance of having the right level of staffing in our corporate functions, from the finance teams to the cleaning staff (which are difficult to recruit). RT very aware that change can create uncertainty and regular discussions are being held with the clinical cabinet. • As a member of a Small Hospitals Group, RT reported that he recently met with the Secretary of State. RT was able to describe how the QVH, what was initially a cottage hospital, now has one thousand members of staff and drives a £55m turnover. RT commented that the previous NHS model, to drive to centralise services, is changing and the new Secretary of State, Simon Stevens, appears to be taking a more flexible and pragmatic view recognising that there is a need for local solutions for local people. • The trust is working on the new Monitor 5 year strategic plan which will be looking to generate investments and working with our partners. RT feels the trust is starting from a positive position. <p>BG asked if we are able to evidence that we are bringing down the backlog of waiting times. RT emphasised the key message when prioritising our patients which is by clinical need first and then in chronological order. The trust is not running a target driven system. RT comfortable that system is now working efficiently and our score is mostly 90%; many trusts are only just at 91%.</p> <p>The Chairman thanked members of the board for their input, and the Council of Governors NOTED the update.</p>
29-14	<p>C-Wing: Recommendations and Action Plan RT explained that the action plan is being reviewed by the Board of Directors.</p> <ul style="list-style-type: none"> • senior management has increased their visibility around the organisation and the corporate affairs team are coordinating 'back to the floor' visits • staff morale has improved • matron on the wards is very proactive • use of agency staff is being monitored • atmosphere has improved • staff understand what they are expected to deliver

	CL commented that these actions have an impact on the whole trust, not just C-Wing. RT agreed and noted that all staff are being reminded of the trust values which were emphasised in a recent article in the staff newsletter.
30-14	<p>Membership update</p> <p>LH presented the foundation trust membership report and noted that the membership 'pop-up' on the trust website is proving beneficial at little cost to the trust. 49 new members have already joined on-line.</p> <p>Michael Shaw (MS) reported on the planned governor talks. One presentation has been delivered and there are four more booked. MS noted that the annual programme for many organisations is booked one year in advance. An article has been placed in the membership newsletter to promote this opportunity.</p>
STATUTORY DUTIES	
31-14	<p>Appointment of new FT Trust Chairman</p> <p>Following earlier discussions in the private session of the Council meeting, VK summarised the recommendations of the Appointments Committee. Three candidates have been interviewed for the position of Chairman. Due to unforeseen personal circumstances the fourth candidate was unable to attend for interview. The interview panel agreed that, as four good candidates had been shortlisted, and due to the circumstances, it would be only fair to offer the fourth candidate a second opportunity for interview. This has been arranged for Wednesday 25 June and an extra-ordinary meeting of the Council of Governors has been arranged for Thursday 26 June, where a recommendation of appointment will be made.</p>
32-14	<p>Assessment of the auditor's 2013-14 work and fees</p> <p>John Thornton (JT), Non-Executive Director and Chair of the Audit Committee, reported on the work of the external auditors, KPMG. JT commented that all work has been completed to a high standard and that the teamwork between the auditors and hospital was good. KPMG are very knowledgeable in this sector and have been very supportive.</p> <p>JT explained that KPMG have come to the end of the third year of their contract. Taking account of the changes in the executive team, and that JT is new to the role of Audit Chair, the Audit Committee has agreed to extend this contract for one further year, with the option of a further one year extension next year. In view of this it was also agreed to renew the contract for the internal auditors (Chantrey Vellacott) with a view to a full review next year.</p> <p>Therefore, JT recommended to the Council of Governors that they re-appoint both the external and internal auditors for one further year.</p> <p>The Council of Governors APPROVED the recommendation to re-appoint KPMG, external auditors and Chantrey Vellacott, internal auditors, for one further year.</p>
GOVERNANCE	
33-14	<p>Declarations of Interests 2014/15</p> <p>The Council of Governors were REMINDED to complete their annual declarations of interest form and return to Hilary Saunders, Deputy Company Secretary.</p>
34-14	<p>Amendment to Constitution</p> <p>LH reported that an anomaly in the current constitution states that Governors may hold office for a maximum of seven years. LH believes this was a holdover from the old constitution and should be changed to six years. MS supported this recommendation and</p>

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	<p>reminded the Council that this had been discussed at length when reviewing the constitution and it was agreed that the maximum term should be six years.</p> <p>LH also asked, on behalf of Andrew Robertson, Appointed Governor, for the Council to consider a longer tenure for appointed governors with no maximum limit. Taking into account that appointed governors may hold their position in the stakeholder organisation for longer than six years with potentially no replacement. The Council considered this suggestion and two governors voiced their concerns, feeling strongly that the maximum six year term should apply to all members of the Council. Therefore it was agreed to leave the wording in the constitution to apply to all governors.</p> <p>The Council of Governors AGREED the amendment to item 17.2 of the constitution to read 'All Governors may hold office for a maximum of six years'.</p>
REPORTS FROM GOVERNOR SUB-COMMITTEES	
35-14	<p>Appointments Committee</p> <p>Valerie King (VK), Chair of the Appointments Committee, reported VK and Lester Porter, Senior Independent Director, met with the Chairman to carry out his annual appraisal. Due process was followed and any issues raised were discussion openly and to their satisfaction.</p> <p>The Chairman thanked VK and the Council of Governors NOTED the content of the verbal update.</p>
36-14	<p>Vice-Chair and Governor's Steering Group (GSG) update</p> <p>Due to the change in meeting date Ian Stewart, Vice-Chair of the Council of Governors, has been unable to attend his last meeting before his term of office ends on 30 June and has therefore sent a separate email to all governors.</p> <p>Brian Goode, Governor Representative, noted that most points had already been covered in the meeting but wanted to ask if there has been an improvement in the level of staff sickness following the increase in April. LH recalled a workforce report presented to the Board of Directors outlining measures in place and noted the level was above plan not significantly worse.</p> <p>The Council of Governors NOTED the content of the verbal update.</p>
REPORTS FROM LEAD GOVERNORS	
37-14	<p>Quality & Risk Committee</p> <p>Moirra McMillan (MM) reported on the recent Quality and Risk Committee. MM grateful to receive such detailed reports which included: quality and risk annual report; risk management annual plan; and risk register.</p> <p>GC thanked MM for her feedback and reassured that the Committee were not looking to reduce the level of detail but felt some of the detail should be discussed and reviewed at a lower level.</p> <p>The Council of Governors NOTED the verbal update.</p>
38-14	<p>Patient Experience Group</p> <p>Gillian Santi (GS) reported on the recent patient survey undertaken on behalf of Amanda Parker, Director of Nursing, whereby patients were asked what information they would like to know about their consultants. Patients were interested in; research; number of operations; and patient experience. However, overall most patients were either quite happy to have been referred or felt they had no choice anyway. GS commented that many patients were not inclined to talk and so, from that point of view, it was not the best</p>

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	<p>experience for governors meeting patients.</p> <p>GS reported that she is part of a task and finish group looking at patient letters, of which there are many. GS feels they will be much improved and will also include a map.</p> <p>The Chairman thanked GS for her comments and the Council of Governors NOTED the verbal update.</p>
39-14	<p>Audit</p> <p>Chris Orman (CO) reiterated the point made by JT that the budget this year is lean and also agreed that the strength of the corporate functions would need to be addressed.</p> <p>The Chairman thanked CO for his comments and the Council of Governors NOTED the verbal update.</p>
ANY OTHER BUSINESS	
40-14	There were no matters raised
QUESTIONS FROM THE PUBLIC	
41-14	<p>There were no members of the public present.</p> <p>The Chairman closed the meeting at 18:00</p>

Chairman:..... Date:.....

Report to:
Meeting date:
Agenda item reference no:
Author:
Date of report:

Council of Governors
11 September 2014
53-14
Richard Tyler, Chief Executive
September 2014

REPORT FROM THE BOARD OF DIRECTORS

QUALITY, SAFETY AND RISK

1. Infection Prevention and Control
2. National trajectories

2014/15 April - May	New	YTD	Target
MRSA bacteraemia	0	0	0
MSSA bacteraemia	0	0	0
<i>C.diff</i>	0	0	0

3. During July an infection outbreak was declared on the burns unit after a number of patients became colonised with MRSA while in patients within the unit. This resulted in the closure of the unit at the end of July. Arrangements were made to ensure the trust could safely treat out patients, day cases and admit minor burns requiring inpatient care during this time and intensive care activity was moved into our recovery unit. In total, seven patients were affected and all have now been discharged with some continuing treatment as outpatients. After the discharge of the last inpatient a full maintenance and decontamination programme was undertaken and the unit is planning to re-open on September 8th. During the outbreak we:
 - a. sought external advice from PHE and our microbiology provider and took all appropriate action;
 - b. there was a plan that required continued closure of the unit to allow for decontamination;
 - c. throughout this outbreak access to information and support from consultant microbiologists from BSUH was excellent ;
 - d. Monitor, the local area team, Horsham and Mid Sussex Clinical Commissioning Group and the Care Quality Commission were all kept updated.
4. Anonymous concerns were raised to the Director of Infection Prevention and Control by the Care Quality Commission about patient care at Darent Valley within clinics involving QVH patients. As a result we:
 - a. undertook a full health and safety and infection control inspection and the report was provided to the Director of Nursing at Darent Valley and the CQC;
 - b. confirmed that QVH inspections at spokes have been completed these were then added to the health and safety report on annual inspections as a future safeguard.
5. We received a very positive response from Darent Valley including a full action plan that included actions for QVH to take in reminding some staff about their responsibilities to wear personal protective equipment.
6. One of the main challenges lately has been the ability to recruit into the domestic services team. Anecdotally this is related to the time taken to gain DBS and reference checks. This has been raised with HR who is working with the hotel services team to ensure recruitment is as prompt as possible.

Emergency Planning/Business Continuity

7. No incidents or exercising has occurred since June. Our training presentation has been updated to reflect changes in Emergency Preparedness, Resilience and Response (EPRR) approaches. Training continues to be delivered at Induction and clinical and non-clinical mandatory update sessions. Mandatory training for Non-clinical staff will now be delivered every 3 years not annually.

Risk Management

8. In the last report we noted a never event that had been reported to the CCG following the extraction of teeth in addition to those identified in the patient's treatment plan. This incident was investigated and it was concluded that the basic root cause of this mistake is human error. It is essential that clinicians read the referral letter/s and clinical notes carefully and then cross-reference all information, letters, notes and radiographs, together with the patient's expectations of treatment, before confirming the consent and listing the patient for the procedure. This did not occur in this incident.
9. During June a serious incident was reported following a delay that occurred between a histopathology case that was originally reported in May 2013 by a QVH Consultant Histopathologist of a narrowly but completely-excised benign lesion. A second opinion from an external expert was sought in May 2013 and this request was omitted from the records resulting in the patient being discharged without further treatment. Following investigation the root cause of the incident was identified as failure by the Consultant Histopathologist to communicate the interim nature of the diagnosis in May 2013 and the existence of a contrary clinically more serious diagnosis in the opinion of an external expert.
10. In July the MRSA outbreak described above was reported as a serious incident. A full investigation has been undertaken and most probable root cause of transmission from one patient to another of the multi resistant infection is identified as cross-infection from hand and gloves of healthcare workers and possibly visitors or the environment/equipment.
11. Lessons have been learned from all the above incidents and each has specific actions for the trust to complete. These are monitored and followed up by the monthly Clinical Governance Group and assurance on actions will be provided to the Quality and Risk Committee.
12. During August a further never event has been declared, this is related to the extraction of the wrong tooth. This occurred in a minor oral surgery clinic at Medway and involved a QVH patient and QVH clinician. This incident is currently under investigation.
13. The board of directors has received the draft of the 2014/15 board assurance framework that reflects the risks associated with the 2014/15 key strategic objectives. This will be reviewed by the Audit Committee in September.
14. The review of the governance structure within which risks and incidents are reported and monitored has occurred and we now hold a monthly Clinical Governance meeting with the Quality and Risk Committee now meeting every two months rather than quarterly.

Patient experience

15. June and July has seen an increase in complaints though no particular trend is identified from these. Friends and Family test scores remain good and comparison is provided within the monthly report on how we achieve compared to other specialist trusts. There is an action plan to address the implementation changes to the FFT patient experience measurement following the release of the national guidance for full roll out by April 2015; this will be monitored by the Patient Experience Group.

Quality Account

16. The 2013/14 quality account was published at the end of May 2013. A progress report has been provided to the clinical cabinet on progress against the priorities identified for 2014/15.
17. Overall this shows good progress with all priorities though there have delays to introducing the new patient administration system upgrade and the safer care module for the e roster system. It is not currently anticipated that these delays will affect the overall achievement of the priority objective by the end of year.

CQUINs

18. A summary of activity against the quarter one CQUINs was presented to the Clinical Cabinet and showed that QVH believe we have met all requirements but we await confirmation from the Clinical Commissioning Group.

FINANCIAL AND OPERATIONAL PERFORMANCE AT MONTH 4

19. The Trust has set a planned surplus of £2.2m for 2014/15; this is slightly less than £2.5m target in the previous year.
20. The financial performance at M4 remains strong with an actual surplus of £1.1m and a Continuity of Service Risk Rating of 4 (the best rating possible). This represents a favourable variance against plan of £870k and arises due to increased income and the continuing management of costs.
21. In reviewing performance it should be noted that the income profile is skewed, with more challenging activity targets having been planned from M4 onwards. The pay and non-pay cost profiles are more reflective of an equal monthly profile, hence the lower level of budgeted surplus to M4.
22. The financial forecast based on current performance suggests the Trust may exceed its planned surplus but the Board, whilst confident in our ability to deliver the financial plan, remain prudent about the potential to deliver a surplus above that agreed with the regulator.
23. The delivery of the surplus, improved debt collection and some slippage in the capital programme provide the Trust with a healthy cash balance at c£7m to the end of July. The position is forecast to continue throughout the remainder of the financial year and the reduced level of debt may provide some benefit in the reduction of bad debt provisions at year end.
24. The capital programme for 2014-15 has been the subject of increased scrutiny following the appointment of an interim Finance Director and has resulted in delays to some schemes. A more detailed update is provided in the Estates and Capital Programme section.

25. The governors are asked to note the improvement in financial reporting during the early part of the year with public Board papers providing a more granular view of the income and expenditure. The report provides additional information to that included within this summary report.
26. The Trust has failed some of the key access standards in M4; this includes each of the 18 week standards, the 31 day (first definitive treatment) and 62 day wait targets for cancer and reported two patients having waited >52 weeks for their elective procedure.
27. This level of performance represents poor patient experience and work is already progressing to ensure that patient wait times are reduced at the earliest opportunity. The trust is not alone in experiencing these challenges and initiatives at a local and national level require all wait times to be reduced by the end of September.
28. The Trust has plans to meet the standards by this time but as a result of continuing to reduce the backlog of patients waiting >18 weeks recognises this will result in further non-compliance during Q2.
29. The planned failure of the targets in Q2 has been discussed and agreed with the commissioners and regulator.

ESTATES AND CAPITAL PROGRAMME

30. The capital programme for 2014-15 is designed to spread investment across the estate, technology and equipment. The programme is seeking to deliver an investment of £3.3m and some of the key schemes are described below:
 - a. Electronic Prescribing – The Trust has submitted a Technology Fund bid for the adoption of electronic prescribing (ePrescribing) which requires the trust to commit to matched funding. ePrescribing supports safe and efficient patient management and is central to the development of a fully integrated digital care record.
 - b. IT Network -The network upgrade is included in capital expenditure forecasts with cost being spread across two financial years. The safe development of clinical systems depends on this investment. The business case is being developed for the October Board meeting. The complexity of this project is such that the timings and financial values are potentially subject to material change as the case is developed.
 - c. Electronic Patient Record (aka Electronic Document Management and Clinical Portal) – The Board has approved the Outline Business Case for this project which is a joint venture with Western Sussex Hospitals NHS Foundation Trust and East Sussex Healthcare NHS Trust. The full Business Case was due to the Board in September but is likely to be delayed by the procurement process. Given the external funding of this project the expected capital expenditure is low. The internal project group has been established and the need for external project management support is being scoped.
 - d. Medical Devices (Femtosecond Laser) - A business case is being developed for the potential procurement of a laser for corneo-plastics. The laser will enable the trust to perform procedures that it can't at the moment as well as changing the way it treats existing patients. This expenditure isn't within current plans but funds are potentially available and the business case is expected to show a positive financial (and service) contribution from the investment.

- e. Medical Devices (Anaesthetic Machines) – The League of Friends have approved the purchase of three anaesthetic machines.
 - f. Estates – Purchase of Operating Theatre 6 – This building is currently leased and the potential purchase or disposal is being considered. The preferred option is subject to approval and a business case is being commissioned that will test the value for money of either approach.
 - g. Estates - Heating and Hot Water Scheme (Jubilee, Burns and Prosthetics) – The latest forecast for the total scheme is significantly less than the original estimate.
 - h. Estates – A Wing Repairs – The original plans for repairs to the roof have been delayed. The future of this building and the need to have undertaken the work before the Autumn suggest the planned work is no longer feasible or viable. The work will be carried forward to 15-16.
 - i. Estates Contingencies – At this stage there are very few schemes that have been identified outside of the original plan. Potential schemes identified to date and being developed includes the demolition of Maud Barclay, the replacement of doors in theatres (following repeated risk assessments) and at the front of Canadian Wing. The estates team are also progressing plans in conjunction with the League of Friends to create an improved central patient waiting area.
 - j. Medical Equipment – The latest plan assumes the funding allocated for equipment in 2014-15 will be fully utilised.
31. The latest capital spend is lower than planned and reflects the slippage of some schemes and the need to ensure others continue to demonstrate alignment with the QVH2020 strategy, in addition to delivering value for money.
32. The key areas of slippage relate to the replacement network (where a full business case is being developed) and the introduction of an electronic patient record (where the Trust is part of a wider commissioning arrangement).
33. Alternative schemes are being considered and should funding become available in year, these will be progress where possible, subject to all of the usual caveats.
34. Other work that is underway includes the review of the estates function, plans to refresh the estates strategy and improved oversight of capital expenditure through existing groups e.g. 'estates and facilities', 'information, management and governance' and 'medical devices'.

OPERATIONAL DEVELOPMENTS

35. September sees the official launch of the QVH 2020 operational excellence document which summarises the work planned to be put in place to improve our Elective and Trauma pathways over the next 5 years. This will be followed by regular updates in Connect about the work to date that has already happened during 2014 to improve patient pathways. Jan Jayatilake is now in post as the QVH 2020 programme manager and she is proactively working with the teams to ensure that we achieve key milestones.

Alongside this progress in several areas continues.

Health Records

36. Demonstrations from prospective Electronic Document Management systems and scanning solution companies took place in early June as part of the wider procurement exercise. Final business case now needs to be signed off by the three collaborative Trust boards which is hoped will be completed by the end of December enabling implementation from April 2015.

Outpatients and Theatre scheduling

37. Patient appointment letters have now been updated including a new map design and a leaflet is being devised to provide additional information. Electronic pilots of forms to record outcomes from clinics continue and the system used in Orthodontics to record patient satisfaction electronically is being extended. Progress with a dedicated OPD appointment smart booking and scheduling system, has been delayed as the Trust tries to combine this with a theatre scheduling system which ultimately will reduce duplication of work for administrative staff. New uniforms are being introduced for all reception staff and ward clerks by December 2014 which will incorporate the colours of our Trust logo. Easy reference guides and workshops for medical secretaries relating to 18 weeks and waiting list management continue. This is supported by a regular staff newsletter launched earlier this year.

Pre-screening and Pre-assessment

38. The implementation of the electronic pre-assessment system to support process redesign is now well underway. This system will be essential in moving towards the development of electronic waiting list cards and pre-operative assessments to improve communication with secretaries for scheduling. It is hoped that the system will start to be piloted during October.

Service improvement training

39. The team is continuing to develop a training programme to promote continuous improvement to support the vision, including how we will harness the skills of the staff to support pathway redesign and speed up delivery by using in-house resources. Our aim is to commence this programme in the Autumn.

PEOPLE ISSUES

40. The Workforce update for this month focusses on the main objectives associated with the emerging Workforce Strategy and related Key Strategic Objectives (i.e. KSO 5 Organisational Excellence). Progress against the associated objectives are designed to underpin our overall Trust strategic direction in QVH 2020 : Delivering Excellence.
41. The report provides an outline of actions being taken forward within the HR/OD teams which are designed to support continuous performance improvement and long-term sustainability.
42. Management and progress of the objectives and actions outlined in this report is the responsibility of the Head of HR/OD. Consequently, day to day delivery is addressed through the HR and Learning and Development teams as part of their individual and team objectives. A system of monthly update meetings has been introduced to monitor progress closely.
43. In addition to the above progress within the Trust is monitored by Clinical Cabinet and quarterly updates to the Board.

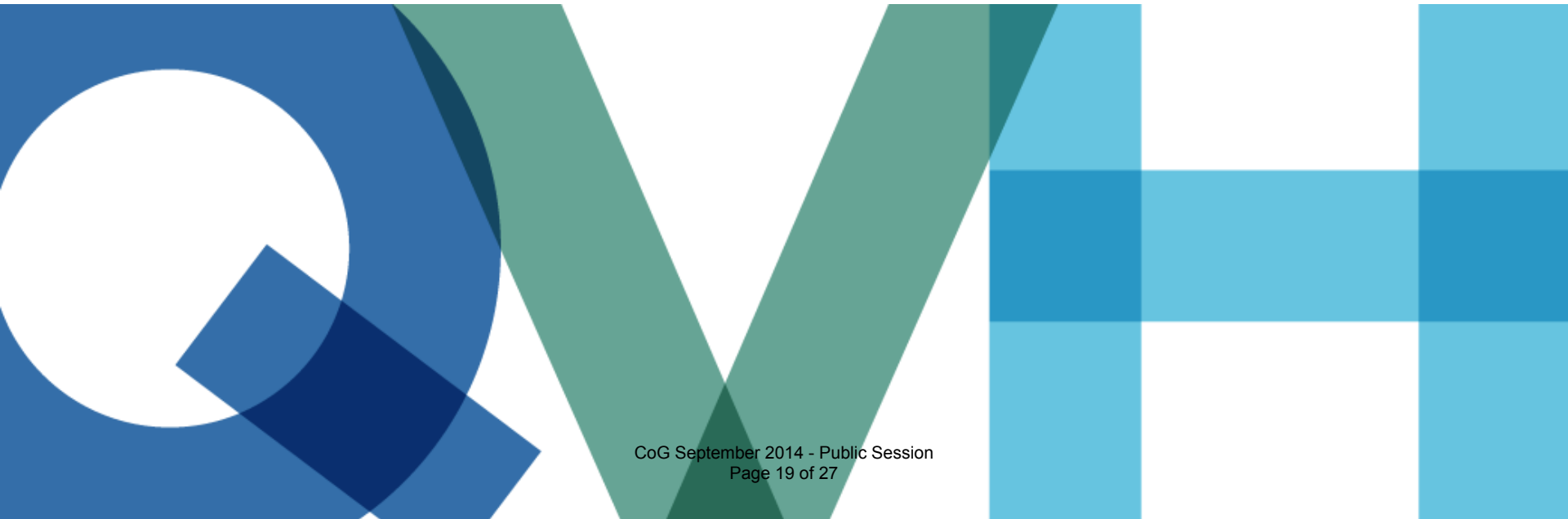
44. Please see attached Appendix A to see the report detail.

RECOMMENDATION

45. The Council of Governors is requested to **NOTE** the content of this report.

HR Key Strategic Objectives 2014 - 2020

Graeme Armitage – Head of HR/OD



QVH 2020: Delivering Excellence

- Since the autumn of last year we have been developing the Trust's strategic direction i.e.

Delivering Excellence: QVH 2020.

- The aim of our strategy is to provide leadership and direction for the Trust over the next 5-10 years and is based on the straightforward belief that delivering excellence is the most effective way of securing the Trust's long term future as a specialist surgical centre.

- In the work we have been taking forward over the last few months we have defined what 'Excellence' looks like and have broken this down into 5 domains.

- These in turn have now been turned into our Key Strategic Objectives (KSOs) which forms the work programme for the next few years. Each of the 5 KSOs have more details actions associated with them but in summary they are:



KSO1 - Outstanding patient experience -
Amanda Parker



KSO2 - World class clinical services -
Steve Fenlon



KSO3 - Operational excellence –
Jane Morris



KSO4 - Financial Sustainability –
Stuart Butt



KSO5 - Organisational excellence -
Graeme Armitage



Workforce Strategy and the KSOs

- In this context and with the likelihood of no additional funding being provided to the NHS nationally, the workforce strategy is being designed around 6 themes which will support the organisation to transform the way we provide services and creates a culture for continuous improvement.
- Staff will be provided with the training and support they need to carry out their work to the high standards we are setting as part of **QVH 2020**.
- Staff will also be involved in shaping our future along with helping us to become more innovative in the way services are delivered.
- The 6 themes and how they link to **QVH 2020** are outlined here and now form the focus for the workforce strategy over the next 5 years:

NB: Click the arrow to see the themes more easily



	<p>Developing our staff – improving flexibility of the workforce</p> <ul style="list-style-type: none">• Flexible skills development which enable the Trust to be agile and responsive to change• Improving learning opportunities for all staff• Promoting healthy working and staff support <p>KSO 1,3 & 5</p>
	<p>Improving our business – driving up quality and value for money</p> <ul style="list-style-type: none">• Better patient experience with increased productivity• Strengthening support to managers and staff from Human Resources• Removing duplications and tightening administration processes <p>KSO 1,2,4 & 5</p>
	<p>Being accountable – strengthening our leadership capability</p> <ul style="list-style-type: none">• New Management / leadership framework to develop capability• Talent management and succession planning• Management modelling of Trust values <p>KSO 1,3 & 5</p>
	<p>Sharing the journey – engaging with staff, patients and their carers</p> <ul style="list-style-type: none">• Feedback to staff on performance against key objectives• Widening opportunities for staff, patients and carers to become involved• Annual review of QVH 2020 and progress towards our vision <p>KSO 1,2,3 & 5</p>
	<p>Managing the change – workforce planning and effective change management</p> <ul style="list-style-type: none">• 3 year workforce plans aligned to clinical strategy• Improved HR systems e.g. e-rostering• Developing new reward initiatives <p>KSO 1,4 & 5</p>
	<p>Designing our future - working with staff / external stakeholders on the future delivery of services</p> <ul style="list-style-type: none">• Design in technology for innovative service delivery• Developing new healthcare roles• Patient focussed with front line staff engagement <p>KSO 1,2,3 & 5</p>

1. Leadership Development



Click arrow for progress

- Organisational re-structure
 - Senior management changes
 - Estates review
 - Management of Clinical Directors and Matrons
- Talent Management
- Leadership and Management Development
 - New programme
 - Basics of management
 - Management development / 360 Appraisal
- Values based recruitment
- Commerce and marketing



2. Performance Management



Click arrow for progress

- Review existing performance management system
- Effective 3 year workforce plans
- Future Reward Strategy
- Vacancy management / Exit interviews
- Board reporting / HR metrics
- Early warning system / flash reporting
- e-Rostering – Safer Care module



3. Innovation



Click arrow for progress

- Education Centre
 - Learning and Development
 - Medical Education
 - Library Services
 - Simulation Suite *R and D
- Marketing and brand development
 - Video conferencing
 - World Class services
- Tele-medicine
 - Technology changing delivery of care
 - New healthcare roles





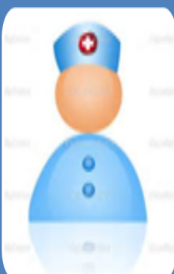
Developing our staff – improving flexibility of the workforce

- Flexible skills development which enable the Trust to be agile and responsive to change
- Improving learning opportunities for all staff
- Promoting healthy working and staff support



Sharing the journey – engaging with staff, patients and their carers

- Feedback to staff on performance against key objectives
- Widening opportunities for staff, patients and carers to become involved
- Annual review of QVH 2020 and progress towards our vision



Improving our business – driving up quality and value for money

- Better patient experience with increased productivity
- Strengthening support to managers and staff from Human Resources
- Removing duplications and tightening administration processes



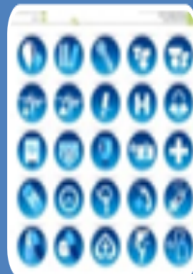
Managing the change – workforce planning and effective change management

- 3 year workforce plans aligned to clinical strategy
- Improved HR systems e.g. e-rostering
- Developing new reward initiatives



Being accountable – strengthening our leadership capability

- New Management / leadership framework to develop capability
- Talent management and succession planning
- Management modelling of Trust values



Designing our future - working with staff / external stakeholders on the future delivery of services

- Design in technology for innovative service delivery
- Developing new healthcare roles
- Patient focussed with front line staff engagement

Report to:	Council of Governors
Meeting date:	11 September 2014
Agenda item reference no:	54-14
Author:	Lois Howell, HoCA and Interim Company Secretary
Date of report:	28 August 2014

Foundation Trust Membership (as at 28 August 2014)

1. Membership numbers

- 1.1 Public membership is at 8,906; this is in line with the Trust's current strategy not to recruit proactively further members (see s. 2.4 below).
- 1.2 All staff aged over 18 years and in permanent employment with the trust automatically become a staff member, unless they choose to opt out.

2. Membership profile

- 2.1. The table below summarises the current profile of public membership.

	Public members		Movement	Population comparison**	
Age	No.	%		No.	%
0-16 [not eligible]	0	0.00	⇔	909,210	21.20
17-21 [eligible aged 18+]	0	0.00	⇔	0	0.00
22+	3,590	40.31	↓	3,378,876	78.80
Not stated	5,316	59.69	↓	0	0.00
Gender	No.	%		No.	%
Male	3,735	41.94	↓	2,230,268	48.94
Female	4,485	50.35	↓	2,326,584	51.06
Not stated	687	7.71	↓	n/a	n/a
Ethnicity	No.	%		No.	%
Asian categories	34	0.38	↓	173,482	3.88
Black categories	14	0.16	↓	49,555	1.11
Mixed categories	11	0.12	⇔	80,874	1.81
Other categories	8	0.09	⇔	26,281	0.59
White categories	2,318	26.03	↑	4,136,952	92.61
Not stated	6,521	73.22	↓	0	0.00
Socio-economic group	No.	%		No.	%
AB	2,986	33.53	↓	349,587	26.20
C1	2,646	29.71	↓	441,260	33.07
C2	1,701	19.10	↓	276,057	20.69
DE	1,502	16.87	↓	267,331	20.04

** Population figures as supplied by Membership Engagement Services

- 2.2. The data continues to demonstrate that the Trust's membership base is broadly consistent with the population of Kent, Surrey and Sussex in gender and socio-economic categories but appears to be less consistent in age and ethnicity categories. Age and ethnicity data includes a high percentage of "Not stated" responses, so it is not possible to draw meaningful conclusions from the data available in these categories.

- 2.3. As Monitor continues to encourage FTs to focus on the quality of engagement with members rather than member figures, QVH is not actively promoting membership on a large scale. Instead, the aim is to maintain membership figures at roughly the current level and promote member engagement with current election process.
- 2.4. As Council is aware, the trust undertakes an annual review of its membership strategy and membership base to ensure this is as representative as possible, and it aims to maintain a public membership commensurate with the size of the hospital. The revised membership strategy will be presented to the Council as part of the Annual members' meeting, in line with the requirements of the Constitution.

3. Governor presentations to interested groups

- 3.1. Governors are encouraged to identify themselves if they would be happy to undertake presentations about the Trust, membership and being a Governor to community groups which have requested a speaker. A toolkit is available to support such presentations, and a number of Governors who have already delivered them have found them to be a useful exercise. Michael Shaw has led on this project and will no doubt be happy to speak to any Governor who wishes to know more about the process.

5.0 Recommendation

- 5.1 The Council of Governors is asked to **NOTE** the contents of this report.