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| **Document:** | **Minutes FINAL AND APPROVED** |
| **Meeting:** | **Council of Governors (session in public)****Thursday 14 January 2016, 15.00 – 17.00****The Dove Suite, The Ark, Mount Lane, Turners Hill, West Sussex**  |
| **Present:** | Beryl Hobson (BH) | Chair  |
|  | Brian Beesley (BB) | Public Governor |
|  | John Belsey (JEB) | Public Governor |
|  | Liz Bennett (LB) | Stakeholder Governor (WSCC) |
|  | Milton Chimonas (MC) | Public Governor |
|  | Jenny Cunnington (JC) | Public Governor |
|  | John Dabell (JD) | Public Governor |
|  | Robert Dudgeon (RD) | Public Governor |
|  | Chris Halloway (CH) | Public Governor |
|  | John Harold (JH) | Public Governor |
|  | Anne Higgins (AH) | Public Governor |
|  | Moira McMillan (MM) | Public Governor |
|  | Tony Martin (TM) | Public Governor |
|  | Julie Mockford (JM) | Staff Governor |
|  | Christopher Orman (CO) | Public Governor |
|  | Mansoor Rashid (MR) | Staff Governor **[08-16 onwards]** |
|  | Glynn Roche (GR) | Public Governor |
|  | Gillian Santi (GS) | Public Governor |
|  | Michael Shaw (MS) | Public Governor |
|  | Shona Smith (SS) | Staff Governor |
|  | Norman Webster (NW) | Stakeholder Governor (EGTC) |
|  | Peter Wickenden (PW) | Public Governor |
| **In attendance:** | Graeme Armitage (GA) | Director of HR & Organisational Development |
|  | Kathleen Anderson (KA) | Company Secretary  |
|  | Katharine Bond (KB) | Senior Learning & development facilitator |
|  | Andrew Demetriades (AD) | Burns project manager |
|  | Balj Dheansa (BD) | Consultant Plastic Surgeon |
|  | Stephen Fenlon (SF) | Medical Director  |
|  | Sharon Jones (SJ) | Director of Operations (SJ) |
|  | Lester Porter (LP) | Senior Independent Director |
|  | Hilary Saunders (HS) | Deputy Company Secretary (secretariat) |
|  | Clare Stafford (CS) | Director of Finance & Performance |
|  | Jo Thomas (JT) | Director of Nursing (JMT) |
|  | Richard Tyler (RT) | Chief Executive |
| **Apologies:** | John Bowers (JB) | Public Governor |
|  | Ginny Colwell (GC) | Non-Executive Director |
|  | Angela Glynn (AG) | Public Governor |
|  | Brian Goode (BG) | Public Governor |
|  | Ian Playford (IP) | Non-Executive Director |
|  | Andrew Robertson (AR) | Stakeholder Governor (League of Friends) |
|  | John Thornton (JT) | Non-Executive Director |
| **Observing:** | None |
| **Standing items** |
| **01-16** | Welcome, apologies and declarations of interest and eligibilityApologies were noted as above. BH made particular reference to the absence of three of the NEDs at today’s meeting. She reminded Council that this was unprecedented and gave assurance that every effort would be made to avoid a recurrence in the future.BH went on to record her thanks formally for the hard work undertaken by the executive team (and in particular JMT and Kelly Stevens) in preparation for the recent Care Quality Commission inspection. Thanks were also extended to those governors who had attended the CQC governor forum, which had been convened at short notice during the week of the inspection. The draft report was anticipated at the end of January, with the final version to be made available from early February.Although there were no new declarations of interest or ineligibility, BH noted that an item relating to business rates to be discussed later in the agenda could impact on those governors with a vested interest in Mid Sussex District Council.Finally, BH reported that this would be KA’s last CoG meeting as she would be leaving QVH in early April. On behalf of the Council and the Board, she expressed her gratitude for all KA’s hard work, noting her departure would be a great loss to the trust. |
| **02-16** | **Draft minutes of the meeting held on 08 October 2016 (for approval)**The minutes were **APPROVED** as an accurate record of the meeting. |
| **03-16** | **Matters arising and actions pending from previous meeting*** 18-15: Council to receive a brief report on the financial position at future meetings:

A full executive review, including an update on the financial position, had been included in the papers and would be presented later in the agenda. * 2015 AGM: Update on plans to increase the proportion of the membership base for which the trust holds an email address to 50%:

Work had now commenced on the data collection project (in conjunction with MES, the trust’s membership database provider). Further updates would be provided in due course.* 31-15: Review of membership of governor representatives to non-board-level governance groups:

Governors were aware that this issue had been deferred during the recent board governance review. KA would map what was currently in place against the revised governance process and bring back at the next Forum (details to be agreed later in today’s agenda).There were no further questions and Council duly **NOTED** the matters arising update. |
| **Know your trust** |
| **04-16** | **Equality and diversity training**BH reminded Council that in order to better align governor training with staff statutory and mandatory training requirements, a session on Equality and Diversity training had been arranged for today’s meeting. To support this, all new governors were now required to attend the staff induction programme shortly after appointment. Katharine Bond, Senior Learning & development facilitator joined the meeting and opened by explaining the distinction between ‘equity’ and ‘equality’. She went on to describe the aims and objectives of today’s presentation which would include the meaning of equality and diversity, information on relevant UK legislation, the nine protected characteristics, types and nature of discrimination, human rights and the FREDA principles and those QVH and NHS strategies and policies in place to support E&D legislation. Diversity had been proven to make for better teams with improved decision making, and that patients responded better to those who met their diversity needs.The NHS Constitution requires the trust to provide a comprehensive service, available to all - irrespective of gender, race, disability, age, sexual orientation, religion or belief. It has a duty to each and every individual that it serves and must respect their human rights. The purpose of Equality and Diversity legislation is to create a fairer society where all can be involved and have opportunity to fulfil their potential and is designed to protect against unfair discrimination based on membership of particular group.Council was apprised of the nine characteristics protected under the legislation which included age, race, sex, sexual orientation, religion or belief, disability, gender reassignment, pregnancy and maternity and marriage and civil partnership. A brief discussion entailed on the different types of discrimination which legislation sought to prevent. Governors were assured that QVH monitored compliance through policies such as Bullying & Harassment, Whistle Blowing, and Equality Impact Assessments. In response to a query raised by one of the governors, KB recommended that the FREDA principles of Fairness, Respect, Equality, Dignity and Autonomy would ensure an appropriate and proportionate response.The Chair thanked KB for her update, the contents of which were **NOTED** by Council. |
| **05-16** | **Developing our burns services**Baljit Dheansa, QVH Consultant Plastic Surgeon and Clinical Lead for Burns, and Andrew Demetriades, Burns Programme Lead for both QVH and BSUH joined the meeting to update Council on the current review of our burns services. BD explained that currently the majority of burns care was ambulatory and took place either within outpatients or as planned surgery. He went on to summarise the reasons for this review which included both local and national drivers, and the case for change. The main principle for any future model of care would be to retain what currently worked at QVH. This would include referrals management, outpatient assessments, day case or planned admissions, rehabilitation services and scar management and reconstruction. However, in order to meet key criteria and ‘must have’ standards, future QVH in-patients would be treated by QVH at Brighton under the ‘QVH @Brighton’ banner.Phasing and resourcing would vary. Changes to paediatric services would be implemented earlier as it would be easier to secure capacity at the Royal Alexandra Children's Hospital. However, changes to adult pathways would be delayed whilst physical capacity was negotiated. It was anticipated that adults would eventually be admitted to Royal Sussex County Hospital, and have dedicated theatres and clinicsBrighton and QVH currently had a strong working relationship; Brighton welcomed the support provided by QVH and it was anticipated there could be additional plastics work at QVH for major lower limb trauma.BD went on to describe the themes arising from the December engagement workshop. These included strong support for the clinical case for change, recognition that the trust had to meet national Burns standards, and support for further development of links between QVH burns, plastics and BSUH trauma services (whilst retaining a regional burns service in Sussex).BD concluded his presentation by summarising the next steps in the process. This would include a review by both trusts’ boards of the Strategic Outline Case (SOC) before submission to NHS England in March. The timing of any changes would be subject to investment approval by NHS England, and in securing the workforce required. A further strategic case for adult burns services would be developed later in 2016.Council went on to discuss the matters arising from the presentation, including:* Despite common misconception, burns treatment at QVH was not inextricably linked to East Grinstead. In fact, QVH currently treats around 4m people in the South East. Governors were urged to correct this misapprehension in their dealings with the local community;
* Additional clarification as to the reasons why burns inpatients should be treated at a DGH;
* Assurance that this strategy would not lead to more work being devolved to Brighton in the future. On the contrary, these changes would improve QVH capacity. NW noted this model aligned well to the evolving strategy and felt assured that QVH clinicians were based at both organisations.

The chair thanked AD and BD for their contribution, recognising that plans would continue to unfold, and assuring Council that any developments would be communicated in a timely manner.There were no further questions and Council **NOTED** the contents of the update. |
| **Council business** |
| **06-16** | **Approval of terms of reference: Governor Steering Group**Revised GSG terms of reference were presented to Council for approval. These had been reviewed in line with other corporate ToRs and considered by GSG at its meeting in December.After due consideration, Council **APPROVED** the terms of reference. |
| **07-16** | **Next governor forum meeting: planning**KA set out proposals for the next governor forum meeting suggesting the programme for the day could include:* A discussion on the appointment of governor representatives/lead governors to non-board level groups/projects. This issue had been touched on at the last forum but ‘parked’ while the governance review was implemented.
* Sharing governors’ individual skills and experience. KA explained that MS and AG had suggested recently that governors could set time aside to learn more about each other’s skills and experience. As well as getting to know one another better, we could gain a better understanding of what individual governors might bring to bear on particular topics and opportunities, to the benefit of the council.

KA would contact governors regarding dates and requesting views on these potential topics and any other suggestions for the programme. **[Action: KA]**. |
| **Holding non-executive directors to account for the performance of the board of directors** |
| **08-16** | **Setting the scene: executive overview**RT explained why the focus of any update should extend beyond finance to include quality, operational performance and organisational development. He drew particular attention to:* The work currently underway in preparing a detailed plan for consideration by the Board in March before submission to NHS England, (see item 05-16);
* The trust’s successful bid to be a vanguard site for Primary Care Home. This was a national initiative to develop locality based approaches to the commissioning and delivery of care. In parallel, the trust would continue to encourage GPs to relocate to the QVH site.
* The three priorities for the remainder of the financial year, including delivery of the planned year-end position. However he warned that the consequences of the junior doctors’ strike and also of a recent significant change to our business rates could severely impact on our ability to do so. Other priorities included responding to the CQC report and ensuring a robust business plan was in place for 2016/17

JMT urged Council to remember that the trust was already meeting its aims under KSO1 by delivering safe, compassionate and competent care via well led teams in an environment that met the needs of patients and their families. This had been evidenced by the raft of metrics the trust provided during the CQC inspection. Other highlights included:* An update on Patient Experience: Under the Friends and Family Test, 100% of inpatients and 95% of outpatients would recommend us, and complaint responses were handled in a timely manner. The Patient Experience Group (PEG) continued to lead on changes to patients’ experience of food.
* Assurance that the CQC had not identified any immediate compliance or regulatory issues. JMT provided Council with the latest timetable for publication of the report, which was anticipated at the end of January, with a Quality Summit planned for February. An internal action plan was in place to address areas identified during inspection preparation;
* Despite current vacancy levels, the trust continued to provide good patient experience. However, the biggest threat currently was that of recruitment and retention. JMT outlined reasons why it was difficult to retain staff and described some of the measures adopted to tackle this, including recruitment days, retention incentives and education and development packages.

SJ presented an update on current operational performance, apprising Council of the trust’s achievements for RTT18 and Cancer waiting times. She explained that during the proposed junior doctor industrial action the trust would prioritise cancer patients and also ensure we could still undertake paediatric trauma. Council was also updated on the status of those cancellations which would be rescheduled as a result of strike action. An update on finance presented by CS comprised:* The 2015/16 financial position to date, reporting a surplus of £606k, (£388k below plan). She explained that key variances related to patient treatment income and non-pay expenditure, and also that whilst the first two months of Q3 were broadly in line with the forecast, there had been a material deterioration in patient treatment income in Month 8. Council was assured that further initiatives had been identified to address the shortfall. A review of the forecast assumptions had been undertaken and the trust was still aiming to achieve a £1m surplus. However, CS warned that there were still risks to delivery. The first included the impact of the impact of junior doctors’ strike action. CS then went on to provide more context regarding the business rates issue described earlier by RT. She advised there had been no prior communication from Mid Sussex District Council who had taken c£0.5m via a direct debit. CS assured Council the trust was doing everything possible to mitigate the effects, but that the situation would not be resolved before the end of the financial year. The trust was currently liaising with the valuation office and MSDC itself to understand the reasons behind this action and would keep Council fully apprised of outcome;
* 2015/16 capital was currently significantly below plan due to delays in delivery of the IT Infrastructure Improvement Programme (IIP) and Electronic Document Management (EDM) system. However, it was anticipated that the capital budget would be fully spent following Board agreement of the IT IIP Business Case.

Details of the business planning process for 2016/17 would be reported under item [11-16].GA presented an update on organisational development including:* Details of forthcoming industrial action by junior doctors. Following on from SJ’s earlier report, Council was assured of the plans in place to minimise disruption for patients. Some surgical cases and outpatient appointments had been cancelled but all those affected would be offered new appointments in the near future;
* Monitor/TDA had imposed an agency cap for those trusts in financial difficulty. QVH had applied the cap on a voluntary basis as good practice and was maintaining agency expenditure below the 10% cap, and
* As previously highlighted by JMT, staffing remained one of our main areas of concern. Whilst the trust was able to maintain safe staffing levels, it would continue to focus on improving recruitment and retention and to reduce agency costs

Council went on to discuss matters arising from the update, including:* Concerns that the change in business rates had not been anticipated. CS reminded Council that the trust could not comment at this stage as it was still in the process of gathering information but would report back the findings in due course;
* Assurance that the Whole Time Equivalent gap in staffing appeared worse on paper than in reality. Some vacancies were covered by the use of our own staff working bank shifts, and also by the intelligent deployment of staff within ward settings;
* Confirmation that the trust continued to work with RAF nurses. This practice was effective and we would seek to maintain it.

There were no further questions and the chair thanked the executive team for its update. |
| **09-16** | **Financial and performance committee**It was noted that the majority of today’s update had already been covered during the previous item, and also fully reported in the January board papers. BH assured Council that the executive reviewed each item thoroughly. Key points included:* Strong performance of the original delivery plan which should achieve its target;
* Development of a second delivery plan following significant underperformance against the planned budget in November. This had provided the committee with a degree of assurance;
* The IT Infrastructure Improvement Programme was on track with no major issues identified;
* Capital expenditure was on track to achieve by year end.

As governor representative to the F & PC, JEB assured Council that JT and IP spend much time seeking assurance through robust appropriate questioning and made good contribution to discussions. In answer to a question raised by CO, CS confirmed that the coding exercise was now part of the regular reporting validation.There were no further questions and Council **NOTED** the contents of the update. |
| **10-16** | **Quality and governance committee**In the absence of GC, committee Chair, LP presented an assurance report, highlighting:* Approval by the board of new terms of reference (ToRs) for the committee;
* An action plan developed following the Kate Lampard (Safeguarding) review, noting that QVH volunteers were now managed in the same way as staff in respect of safeguarding training.

TM commented that the increased frequency of meetings was working well, enabling a more in-depth discussion. He reported that the committee was currently focused on reducing the length of time taken to investigate incidents.Further to queries raised last year at CoG, CO asked if there had been any improvement in the attendance by medical staff at these meetings. He was assured that clinical staff were fully engaged with those groups reporting into Q&GC, but that additional attendance at the specific Q & G meetings was not necessarily a good use of their time. RT commended SF for his work in improving the clinicians’ engagement with governance in recent months.  |
| **Representing the interests of members and the public** |
| **11-16** | **Annual planning 2016/17: update**CS presented an update on the 2016/17 business planning process which comprised five separate components* National context around the business planning process, with details of the comprehensive spending review and the expectation that the provider sector would come back into balance;
* A description of the national tariff (the set of prices and rules used to fund NHS providers for patient care services);
* The impact on QVH in terms of the Cost Improvement Programme (5% in order to meet the 2% national efficiency targets) and other known additional cost pressures, such as the trust’s transition to the ETO tariff (£0.7m), the impact of IT developments (£0.9m) and rates, depreciation and capital charges (£0.4m).
* Details of the timetable designed to meet the 2016/17 planning submission deadline. A draft plan would be in place by the end of January, with the final due for submission in April, and
* Information on this year’s approach to business planning including revised governance arrangements, clear timetabling to enable progress, an integrated approach between finance, workforce and operations and a transparent sign-off process with clear accountability for performance.

BH thanked CS for her report, the contents of which were **NOTED** by Council. |
| **12-16** | **CQC inspection: update**This update had been covered under item 08-16 |
| **Any other business** |
| **13-16** | **By application to the Chair**There was none.As there were no items for discussion under the private agenda, it was agreed that the minutes of the private session of the Council of Governors meeting held on 8th October 2015 would be formally **APPROVED** during this session.  |
| **QUESTIONS** |
| **14-16** | **To receive any questions or comments from members of the foundation trust or members of the public** There were noneThere being no further business, the meeting was closed at 17.20pm |

**Chair:…………………………………………………………… Date: 21 April 2016**