

ANNUAL GENERAL MEETING

&

ANNUAL MEMBERS' MEETING

Monday 25 July 2016

at 5pm

Meridian Hall

East Court

College Lane

East Grinstead

RH19 3LT

Annual General Meeting and Annual Members' Meeting 2016
Monday 25th July 2016, 17:00 – 18:00
Meridian Hall, East Court, College Lane, East Grinstead RH19 3LT

Agenda		
Item	Time	Mode
Welcome and introductions		
Welcome, apologies, declarations of interest and introductory comments <i>Beryl Hobson, Chair</i>	17:00	-
Standing items		
Draft minutes of the meeting held on 8th October 2015 (for approval) <i>Beryl Hobson, Chair</i>	17:05	1.
Annual report and accounts		
Annual report and accounts 2015/16. <i>The Trust's 2015/16 annual report, quality accounts and financial accounts will shortly be published to our website http://www.qvh.nhs.uk</i> <i>Richard Tyler, Chief Executive</i>	17:10	-
Summary of the 2015/16 audit findings <i>Neil Hewitson, Director, KPMG</i>	17:25	PP
Matters required by the trust's constitution		
Membership strategy <i>Hilary Saunders, Deputy Company Secretary</i>	17:35	paper
Changes to the QVH constitution during 2015-16 <i>Hilary Saunders, Deputy Company Secretary</i>	17:45	paper
Questions from the public		
<i>Beryl Hobson, Chair</i>	17:55	-

Document:	Minutes (draft and unconfirmed)	
Meeting:	QVH Annual General Meeting & Annual Members' Meeting Thursday 8 October 2015, 1800 - 1930 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 (WSSC)
	John Bowers (JB)	Public Governor
	Milton Chimonas (MC)	Public Governor
	Robert Dudgeon (RD)	Public Governor
	Angela Glynn (AG)	Public Governor
	Chris Halloway (CH)	Public Governor
	Anne Higgins (AH)	Public Governor
	Moira McMillan (MM)	Public Governor
	Julie Mockford (JM)	Staff Governor
	Christopher Orman (CO)	Public Governor
	Andrew Robertson (AR)	Stakeholder Governor (League of Friends)
	Glynn Roche (GR)	Public Governor
	Gillian Santi (GS)	Public Governor
	Michael Shaw (MS)	Public Governor
	Norman Webster (NW)	Stakeholder Governor (EGTC)
	Shona Smith (SS)	Staff Governor
	Peter Wickenden (PW)	Public Governor
In attendance	Kathleen Anderson (KA)	Company Secretary
	Ginny Colwell (GC)	Non-Executive Director
	Stephen Fenlon (SF)	Medical Director
	Lester Porter (LP)	Senior Independent Director
	Hilary Saunders (HS)	Deputy Company Secretary (secretariat)
	Clare Stafford (CS)	Director of Finance & Performance
	John Thornton (JT)	Non-Executive Director
	Richard Tyler (RT)	Chief Executive
Apologies:	Jenny Cunnington (JC)	Public Governor
	John Dabell (JD)	Public Governor
	Brian Goode (BG)	Public Governor
	John Harold (JH)	Public Governor
	Tony Martin (TM)	Public Governor
	Graeme Armitage (GA)	Director of HR & Organisational Development
	Jo Thomas (JT)	Director of Nursing
	Sharon Jones (SJ)	Director of Operations
	Ian Playford (IP)	Non-Executive Director
Mansoor Rashid (MR)	Staff Governor	
Public gallery	Three members of the public	
Welcome and introductions		
<p>The Chair opened the 2015 AGM/AMM. She updated members on changes to the board over the last year and expressed confidence that the organisation would now go from strength to strength. She then welcomed three members of the public who were attending this evening. Apologies were noted as above. There were no declarations of interest.</p>		

BH advised that the agenda for this evening's meeting would comprise:

- A review of the annual report and accounts for 2014/15;
- An update on the annual plan 2015/16 and quality strategy;
- A summary of 2014/15 audit findings from our external auditors;
- A review of the current membership strategy, and
- A reminder of changes to the trust's constitution during 2014/15.

There would also be an opportunity for members and the general public to ask questions at the end.

Standing items

Draft minutes of the meeting held on 11 September 2014

The draft minutes of the meeting held on 11 September 2014 were **APPROVED** as a correct record.

Annual report and accounts

Annual report and accounts 2014/15, annual plan 2015/16 and quality strategy

RT opened by summarising our achievements in 2014/15. These included:

- Top scores in the country for overall patient experience, emotional support provided to patients, levels of staffing, and cleanliness of hospital rooms and wards. 98% of patients rated their quality of care as 'good' or 'excellent' (2014 national inpatient survey);
- The opening of a new education suite, now used for multi-disciplinary training across the organisation;
- Confirmation that our world class clinical services for eyes, hands, skin cancer, head and neck, breasts and burns continued to be amongst the most experienced and effective in the world;
- Improved access to services by providing treatment at 13 spoke sites, as well as from the main hub at QVH, and
- A surplus of £2.25m for reinvestment. In the current year, this will enable QVH to focus on upgrading IT systems and buildings /facilities, and on new medical equipment.

RT was gratified that the trust had performed so well despite challenges such as 18-week targets and board level vacancies. He reiterated the Chair's earlier comments in welcoming CS, SJ and JMT to the board, and thanked KA, SF and GA for providing support and continuity over the last year.

Turning to the current financial year, RT reminded governors that the QVH 2020 strategy was to deliver excellence. This was a shared vision based on the belief this was the most effective way of ensuring the trust continued to thrive. The five key strategic objectives (KSOs) developed to achieve this vision were:

- Outstanding patient experience
- World class clinical services
- Operational excellence
- Financial sustainability
- Organisational excellence

Priorities focused on delivering the very best patient care whilst working towards our vision. Examples of plans to achieve this included improvements in catering, better staff engagement, introduction of 'human factors' training to further enhance patient safety, and improvement in the non-clinical infrastructure.

RT explained that QVH's quality strategy is based on ensuring that healthcare is:

- Safe: assessed through patient outcome and compliance measures;
- A positive experience for patients: measured through friends and family test scores and patient survey results, and
- Effective: measured through clinical effectiveness metrics, access and waiting target and income and expenditure.

Quality is also measured by listening to staff and by ensuring that everyone's job objectives relate directly to the five KSOs. RT was assured by our track record of delivering high quality care but was conscious that everyone still had a role to play in continuously improving quality, making care safer, being more efficient and effective, and offering patients a better experience.

Following the presentation, observations from governors included:

- endorsement of the decision to improve access to life saving services;
- acknowledgement of the difficulties in delivering world class services within a very old infrastructure, and
- assurance of greater awareness of budgetary disciplines.

Other queries included:

- Concern that whilst the strategy aligns to the 5 KSOs, there was a need for more tangible definitions of excellence. RT provided examples of where the trust continued to produce excellent results;
- Concern in respect of the national and international staff shortages. RT acknowledged these challenges but assured governors that the trust continued to operate at safe staffing levels. In the meantime, it would continue to use innovative recruitment methods whilst employing bank and agency staff, where appropriate, to address any shortfall.
- If the QVH 2020 strategy was successful, would the trust anticipate a rating of 'outstanding' from a subsequent CQC inspection? Although difficult to assess at this stage, RT was confident that the action plan arising from the 2015 inspection would act as a stepping stone towards greater improvement.

BH thanked RT for his presentation and suggested this could be published to the website. She went on to acknowledge the tremendous achievements in the last year, and paid tribute to all staff, governors and volunteers who had contributed towards this success.

Summary of 2014/15 audit findings

Neil Hewitson. Director of the trust's external auditors, KPMG, had joined this evening's meeting to present a summary of findings of the 2014/15 audit. He explained his report would cover detailed findings of the trust's financial statements, use of resources and quality report.

- **Financial statements**

KPMG was required to check that monies the trust says it has received and spent, and monies it owes and is owed, are correctly recorded. In addition, it was required to check that management judgements were well thought through and appropriate. NH confirmed that all reporting requirements were met and that KPMG was able to issue an unqualified (clean) opinion on the financial statements.

- **Use of Resources**

Auditors were required to look at how the board works and what the trust's main regulators, Monitor and the Care Quality Commission, have said about it. The three areas under consideration included the Annual Governance Statement, work of other regulators, (eg CQC and Monitor), and a review of trust plans to secure a sustainable financial future. Again, KPMG was able to issue an unqualified (clean) conclusion on the use of resources.

- **Quality Report**

KPMG was required to ensure that the trust had included everything it should do within the quality report. NH explained that the "referral to treatment" and "cancer waits" data may well be accurate, but could not always be aligned to records. Therefore, a limited assurance (clean) opinion only on the content of the quality report was issued. KPMG was unable to offer an opinion on the "18 week referral to treatment" and "62 day cancer waits" indicators. RT emphasised that concerns were in relation to system design and data accuracy, and **not** patient care or patient treatment times. NH concurred, and to put this into context explained that KPMG provides external audit to 52 NHS Foundation Trusts (35 acute providers) and only 9 received an unqualified opinion.

Finally, although not required to issue an opinion on the governor selected indicator, KPMG would not be able to issue limited assurance due to indicator definition and data accuracy concerns. BH said it would be important to bear this in mind when governors selected next year's indicator.

Council received assurance that much work was being undertaken by the Operations team in respect of the national 18-week target.

There were no further questions. BH thanked NH for his presentation, the contents of which were **NOTED** by Council.

Matters required by the trust's constitution

Membership strategy

As required by the Constitution, KA had prepared a report setting out progress of, and changes to, the membership strategy, and which ensured membership was representative of its constituency. (The strategy approved at last year's AMM was included for reference). KA reminded council that the three aims of the strategy were:

- To engage with existing members in ways which are meaningful and interactive;
- To promote the benefits of membership to all QVH patients and to recruit new members who are

representative of the communities the trust serves, and

- To encourage as many existing and prospective members as possible to provide their email address and give permission for the trust and the council of governors to communicate with them electronically.

Overall the trust had made reasonable progress against its action plan. Changes to the strategy this year included:

- Engagement: Enacting newly adopted model election rules for the 2015 election of public governors in order to continue engaging with members meaningfully and interactively;
- E-membership: Aiming to increase the proportion of the membership base for which the trust holds an email address to 50%, and
- Recruitment of members: To consider a proposal to invest in a targeted membership recruitment campaign to replenish the trust's membership base by approximately 2,000 new members. KA confirmed that the trust and the council had indicated broad support for the proposals, subject to further work to establish funding.

In response to a question regarding current membership figures, KA confirmed these remained acceptable to the trust's regulators, who would be more focused on levels of engagement rather than an optimum figure.

The Chair thanked KA for her update, the contents of which were **NOTED**.

Changes to the QVH constitution during 2014/15

KA explained the QVH constitution requires that where an amendment is made in relation to the powers or duties of Council, at least one member of the Council must attend the next AMM to present the amendment to the members. In addition, the trust must allow members to vote on whether they approve the amendment.

Two amendments had been made to the constitution. However, neither related to the powers or duties of Council. These were:

- an amendment to the constitution to adopt the revised model election rules for governor elections, and
- at its meeting earlier on 8 October 2015, governors were asked to consider amendments to the trust's constitution that will remove prohibitions on the eligibility of prospective and existing governors and non-executive directors.

KA confirmed that no other relevant amendments had been made to the constitution since the last AGM/AMM on 11 September 2014.

After due consideration, Council **AGREED** that these amendments did not require presentation to members or a membership vote for approval and, therefore, would continue to have effect.

Questions from the public

There were none. The meeting closed at 19.10

Chair:..... Date:.....



2015-16 External Audit Presentation to the Governors

Queen Victoria Hospital NHS Foundation
Trust

25 July 2016

Agenda

**The contacts at KPMG
in connection with this
report are:**

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Link to your responsibilities

Headlines from our work

Financial Statements detailed findings

Use of Resources detailed findings

Quality Report detailed findings

Questions



Link to your
responsibilities

Link to your responsibilities

Overarching duties		
1	Hold the Non-Executive Directors, individually and collectively, to account for the performance of the Board	✓
2	Represent the interests of the members of the Trust as a whole and the interests of the public	✓
Appointment duties		
3	Appointing and removing the Chair and other Non-Executive Directors	✓
4	Appointing a Deputy Chair	✓
5	Appointing a Lead Governor	✓
6	Appointing Deputy Lead Governors	✓
7	Approving the appointment of the Chief Executive	✓
8	Appointing and removing the external auditor	✓
Decision making duties		
9	Decide Chair and Non-Executive Directors remuneration and allowances	✓
10	Taking decisions on significant transactions	✓
11	Taking decisions on mergers, acquisitions, separations and dissolutions	✓
12	Taking decisions on non-NHS income	✓
Corporate document duties		
13	Approve amendments to the Trust's constitution	✓
14	Preparing the forward plan	✓
15	Receiving the annual report and accounts	*

✓ - Aspects associated with this responsibility reported in the documents	* - fulfilling this responsibility
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Headlines from our work

Headlines from our work

Financial Statements

- Unqualified (clean) opinion on the financial statements (2014-15 unqualified opinion).

Means we have checked that amounts the Trust says it has received and spent and money it owes and is owed are correctly recorded. We have also checked where Management has used judgement, that those judgements are well thought through and appropriate.

Use of Resources

- Unqualified (clean) conclusion on the use of resources (2014-15 clean conclusion).

Means we have looked at how the Board works and what the Trust's main regulators, NHS Improvement and the Care Quality Commission, have said about it and found no significant concerns.

Quality Report

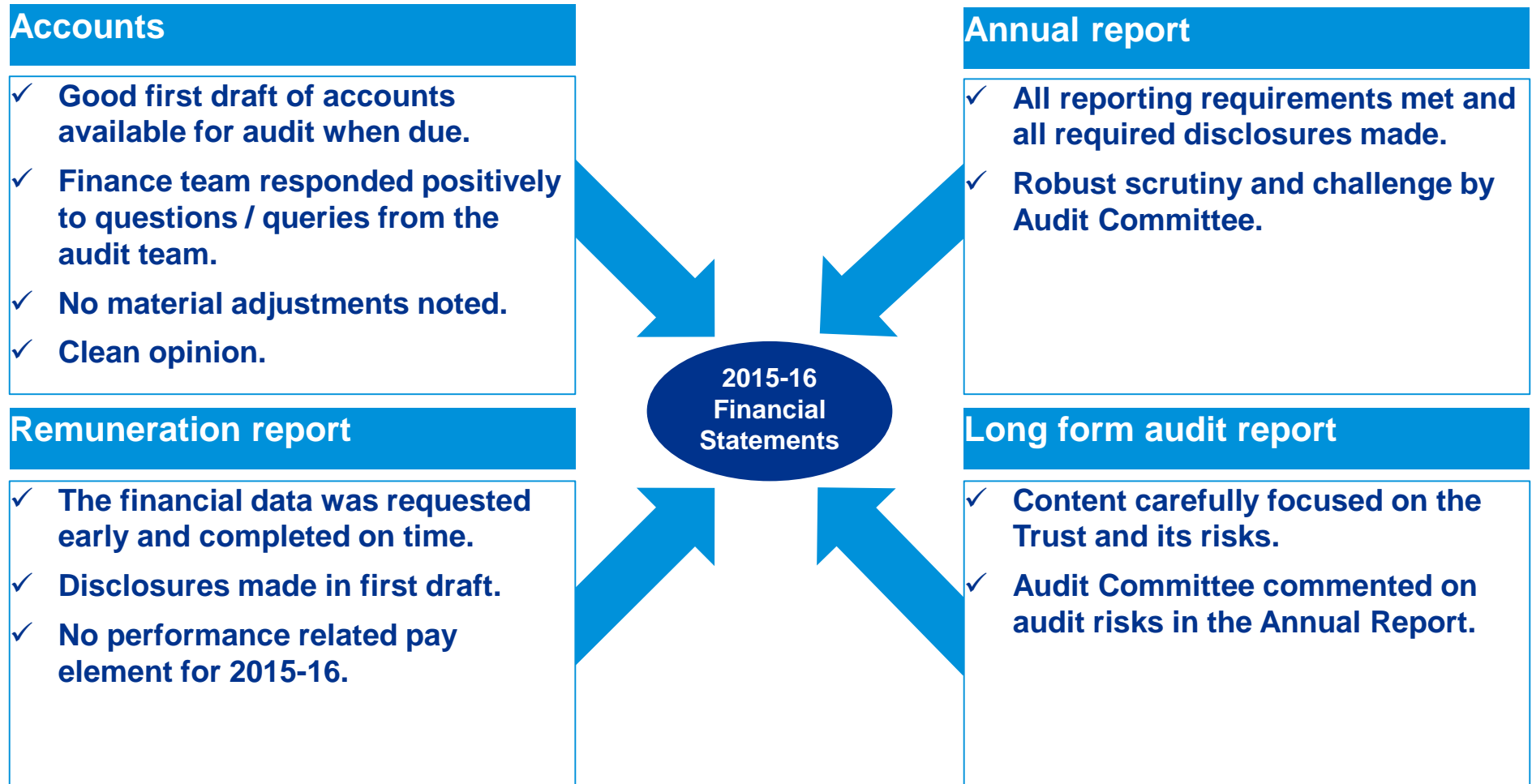
- Limited assurance (clean) opinion on the content of the quality report (2014-15 clean opinion). Qualified opinion given on the "18 week referral to treatment" and "62 day cancer waits" indicators (2014-15 qualified opinions).

Means the Trust has included everything it should do within the quality report and presented both good performance and areas for development. "Referral to treatment" and "cancer waits" data was not necessarily wrong but could not always be agreed back to patient records.



Financial Statements detailed findings

Financial Statements detailed findings



Financial Statements detailed findings

Risks we reported on in our long form audit report (audit opinion on the financial statements) were:

Recognition of NHS income

- ✓ Reviewed key contracts with Commissioners and assessed income received against contracts.
- ✓ Reviewed the NHS wide “Agreement of Balances” exercise, reviewing mismatches reported with other NHS bodies
- ✓ Tested bad debt provisions.

Valuation of land and buildings

- ✓ Reviewed the professional valuer’s report.
- ✓ Reviewed the information given to the valuer by the Trust to confirm it was complete and accurate.
- ✓ Tested land and building additions and disposals.

Management override of controls

- ✓ Reviewed significant areas of judgement made by the Trust in preparing the financial statements, e.g. estimates.
- ✓ Reviewed related party disclosures.
- ✓ Tested journals, through which the Trust makes direct entries into the general ledger

Mandatory risks

- ✓ Fraud risk from revenue recognition.
- ✓ Fraud risk from management override of controls.
- ✓ We did not find any instances or indicators of either fraudulent revenue recognition or management override of controls.



Use of Resources detailed findings

Use of Resources detailed findings

Our approach:



We have issued a clean Use of Resources conclusion for 2015-16.

Use of Resources detailed findings

Annual Governance Statement

- Balanced narrative that reflects our understanding of the Trust's operations and risk management arrangements.

The work of other regulators

- CQC inspection reported in April 2016 resulted in a "good" overall rating, including rated as "outstanding" in the "caring" category.
- NHSI's financial and governance risk ratings are positive.
- No regulatory action required.

Any other work required

- We reviewed the Trust's financial position. The Trust achieved a surplus of £1.5m in 2015/16, and is projecting a surplus for 2016/17 of £0.7m.



Quality Report detailed findings

Quality Report detailed findings



Content and consistency



National Indicators:
18 week RTT
62 day cancer waits



Local Indicator:
Number of patients leaving MIU before treatment

Content and consistency – clean limited assurance opinion issued

- A good first draft of the Quality Report was received.

18 week referral to treatment – qualified limited assurance opinion issued

- Data errors and control weaknesses identified in sample tested, and data from the Trust's site in Medway cannot be reported in the indicator, leading to an incomplete data set.
- *Concerns about data accuracy NOT patient care.*

62 day cancer waits – qualified limited assurance opinion issued

- Data errors and control weaknesses identified in sample tested.
- *Concerns about system design and data accuracy NOT patient care*

Number of patients leaving Minor Injuries Unit before treatment – no opinion required

- Governor selected indicator which we are not required to issue an opinion on.
- *If we were, we would be able to issue a limited assurance opinion on this indicator.*



Close and questions

Close and questions

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Report to: Annual General Meeting and Annual Members' Meeting
Meeting date: 25 July 2016
Report from: Hilary Saunders, Deputy Company Secretary, on behalf of the Council of Governors
Appendices: A: Membership strategy
Report date: 18 July 2016

Membership strategy

1. Purpose

1.1. The purpose of this report is to fulfil the Trust's obligations as set out in provision 28.2 of its constitution:

"[...] the Council of Governors shall present to each Annual Members' Meeting:

- A report on steps taken to secure that, taken as a whole, the actual membership of the public constituency is representative of those eligible for such membership;
- The progress of the membership strategy; and
- Any changes to the membership strategy"

2. Background

2.1. The Trust has three strategic aims with regard to membership:

- To **engage** with existing members in ways which are meaningful and interactive.
- To **promote** the benefits of membership to all QVH patients and to recruit new members who are representative of the communities the trust serves.
- To **encourage** as many existing and prospective members as possible to provide their email address and give permission for the trust and the council of governors to communicate with them electronically.

2.2. The current membership strategy for the Trust was approved by the Council of Governors at its annual members' meeting on 11 September 2014. It is included for reference as appendix A to this report.

3. Progress

3.1. Over the last year, the Trust has made good progress against its action plan in the following areas.

E-membership

3.1.1. Following on from the work of a small group of governors, the Trust commissioned professional support to make telephone calls to existing

members with the aim of increasing to 50% the number of members with whom we can communicate by email.

- 3.1.2. This project was initiated in December 2015 and boosted the proportion of member email addresses the trust holds from 31% to 44%
- 3.1.3. It is anticipated the increase in email communication with members will save the Trust in the region of £10k of recurring costs per annum associated with the print and post charges for our bi-annual membership newsletter *QVH News*.

Engagement

- 3.2. The increase in members who have supplied email addresses enabled the Trust to communicate in real time with a greater proportion of members when it came to notifying them of the CQC public event and subsequent inspection results, and also of ongoing developments to the QVH burns service.

Data Quality

- 3.3. In addition to boosting the proportion of member email addresses, we were also able to improve significantly the accuracy and quality of the data held on our secure database about each member.

4. Representativeness of the membership

- 4.1. Section 61(1) of the NHS Act 2006 states that in deciding which areas are to be areas for public constituencies, or in deciding whether there is to be a patients' constituency, Foundation Trusts must have regard "to the need for those eligible for such membership to be representative of those to whom the Trust provides services".
- 4.2. Since QVH was authorised as a Foundation Trust, it has taken steps to ensure that the membership of its public constituency is representative of those eligible for membership, as required by the 2006 Act. However, the Trust had not reviewed whether its public constituency had remained representative of its patient population.
- 4.3. The Trust's patient population data showed that whilst QVH provides national services the majority of the patients that it serves live in south east England. The next largest cohort of patients comes from the London boroughs, especially those south of the river Thames.
- 4.4. As part of addressing a wider governance issue in 2016, the board reviewed QVH's membership base with a view to ensuring that the public constituency provisions of

the constitution strengthened QVH's capability to develop a public membership population that most fairly represents the people to whom the Trust provides its services. This review was aligned to the requirements of Section 61(1) of the NHS Act 2006, aimed at ensuring that the democratic ethos that is the hallmark of NHS Foundation Trust status is underpinned by a public membership profile that most fairly enfranchises the people who are the recipients of a Foundation Trust's services.

- 4.5. In extending eligibility for membership to the 12 south London boroughs the Trust increases the total proportion of QVH patients eligible for membership from 94% to 98%.the
- 4.6. Council is aware that despite steadily recruiting members using methods outlined in the strategy, the Trust's membership base has declined as more members have died or moved away than have been recruited. Nonetheless, membership figures remain acceptable to the Trust's regulators.
- 4.7. The Trust and the Council have previously indicated broad support for proposals to commission professional services to recruit additional members. However, scale and ambition of the approach will continue to depend on the available budget.

Hilary Saunders

Deputy Company Secretary

Report to: Council of Governors
Meeting date: 25 July 2016
Report from: Hilary Saunders, Deputy Company Secretary
Report date: 18 July 2016

Changes to the QVH constitution during 2015/16

1. The QVH constitution states that:

“Where an amendment is made to the Constitution in relation to the powers or duties of the Council of Governors (or otherwise with respect to the role that the Council of Governors has as part of the Foundation Trust):

- at least one member of the Council of Governors must attend the next Annual Members’ Meeting and present the amendment to the Members; and
 - the Foundation Trust must give the Members an opportunity to vote on whether they approve the amendment.
2. At its meeting on 21 April 2016, the Council of Governors agreed an amendment to the Constitution setting out the electoral wards of specified south London boroughs to allow for the expansion of QVH’s public constituency (Annex 1 – The public constituency)
 3. No other relevant amendments to the Constitution have been made since the last annual general meeting and annual members meeting held on 8 October 2015.
 4. The council of governors is asked to **AGREE** that the most recent amendment to the constitution does not require presentation to members or a membership vote for approval and, therefore, that these amendments continue to have effect.