

PUBLIC MEETING OF THE COUNCIL OF GOVERNORS

**Thursday 12 September 2013
4pm**

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

Meeting of the Council of Governors (session in public)
Thursday 12 September 2013, 16:00
At the Dove Suite, the Ark, Turners Hill RH10 4RA

AGENDA

No.	Agenda item	Time	Papers
STANDING ITEMS			
54-13	Welcome, apologies and declarations of interest and eligibility Peter Griffiths, Chairman	16:00	-
55-13	Draft minutes of the meeting held on 13 June 2013 (for approval) Peter Griffiths, Chairman		Enc.
56-13	Matters arising and actions pending from the previous meeting		-
REPORTS FROM THE BOARD OF DIRECTORS AND GOVERNOR REPRESENTATIVE			
57-13	Report from the Board of Directors <ul style="list-style-type: none"> • Shena Winning, Non-Executive Director and Chair, Audit Committee • Jeremy Beech, Non-Executive Director and Chair, Quality and Risk Committee • Lester Porter, Non-Executive Director and Chair, Charitable Funds Committee • Richard Tyler, Chief Executive 	16:10	Enc.
58-13	Report from the Governor Representative Brian Goode, Governor Representative	16:25	Verbal.
STATUTORY DUTIES			
59-13	Appointment of non-executive directors Peter Griffiths, Chairman	16:30	Enc.
60-13	Appointments Committee Valerie King, public governor and Chair, Appointments Committee	16:50	Verbal
61-13	Audit Chris Orman, lead governor for audit	16:55	Verbal
REPORTS FROM LEAD GOVERNORS			
62-13	Report from the Vice-Chairman of the Council of Governors Ian Stewart, Vice-Chair of the Council of Governors	17:00	Verbal.
63-13	Quality and risk committee Moira McMillan, lead governor for quality and risk committee	17:05	Verbal
64-13	Patient experience group Gillian Santi, lead governor for the patient experience group	17:10	Verbal
65-13	Foundation trust membership	17:15	Verbal

Michael Shaw, lead governor for membership taskforce

66-13 **QVH charitable fund** 17:20 Verbal
Brian Beasley, lead governor for the charitable funds advisory committee

ANY OTHER BUSINESS

67-13 **By application to the Chairman** 17:25 -
Peter Griffiths, Chairman
Future dates of the full Council of Governor meetings.
Visit by our Patron, HRH Princess Royal on 17 October 2013

QUESTIONS FROM THE PUBLIC

68-13 **To receive any questions or comments from members of the public** 17:30 -
Peter Griffiths, Chairman

DATE OF THE NEXT MEETINGS

Governor Forum

- Monday 21st October: 1400 – 1700, The Nest, East Grinstead Football Club

Public meetings of the Council of Governors:

- Thursday 12th December 2013 at The Dove Suite, The Ark, Turners Hill
- Thursday 13th March 2014 at The Dove Suite, The Ark, Turners Hill
(Session in private at 15:00, followed by a session in public at 16:00).

Members of the Council of Governors	
Brian Beesley	Public Governor
Liz Bennett	Stakeholder Governor
John Bowers	Public Governor
Milton Chimonas	Public Governor
Mabel Cunningham	Staff Governor
Jenny Cunningham	Public Governor
John Dabell	Public Governor
Robert Dudgeon	Public Governor
Brian Goode	Public Governor
Robin Graham	Public Governor
Peter Griffiths	Chairman
Michael Hannah	Public Governor
John Harold	Public Governor
Anne Higgins	Public Governor
Valerie King	Public Governor and Chair, Appointments Committee
Carol Lehan	Staff Governor

Moira McMillan	Public Governor
Christopher Orman	Public Governor
Louise Reader	Public Governor
Andrew Robertson	Stakeholder Governor, League of Friends
Gillian Santi	Public Governor
Michael Shaw	Public Governor
Ian Stewart	Vice Chairman and Chair, Governor Steering Group
Alan Thomas	Public Governor
Norman Webster	Stakeholder Governor, East Grinstead Town Council
Peter Wickenden	Public Governor
Invited attendees	
Richard Tyler	Chief Executive
Graeme Armitage	Head of Human Resources
Jeremy Beech	Senior Independent Director
Heather Bunce	Programme Director
Kathleen Dalby	Company Secretary and Head of Corporate Affairs
Richard Hathaway	Director of Finance and Commerce
Stephen Fenlon	Medical Director
Amanda Parker	Director of Nursing and Quality
Lester Porter	Non-Executive Director
Hilary Saunders	Deputy Company Secretary
Shena Winning	Non-Executive Director

DOCUMENT:	MINUTES (draft and unconfirmed)	
MEETING:	COUNCIL OF GOVERNORS (session in public) Thursday 13 June 2013, 1600 – 1800 The Dove Suite, The Ark, Mount Lane, Turners Hill, West Sussex	
PRESENT:	Peter Griffiths (PAG)	Chairman
	Andrew Robertson (AR)	Stakeholder Governor (League of Friends)
	Norman Webster (NW)	Stakeholder Governor (EGTC)
	Mabel Cunningham (MC)	Staff Governor
	Carol Lehan (CL)	Staff Governor
	Ian Stewart (IS)	Public Governor & Vice-Chairman
	Brian Beesley (BB)	Public Governor
	John Dabell (JD)	Public Governor
	Brian Goode (BG)	Public Governor & Governor Representative
	John Harold (JH)	Public Governor
	Valerie King (VK)	Public Governor
	Gill Santi (GS)	Public Governor
	Michael Shaw (MS)	Public Governor
	Moira McMillan (MM)	Public Governor
Louise Reader (LR)	Public Governor	
IN ATTENDANCE:	Kathleen Dalby (KD)	Company Secretary & Head of Corporate Affairs
	Hilary Saunders (HS)	Deputy Company Secretary (secretariat)
	Jeremy Beech (JB)	Non-Executive Director
	Shena Wining (SW)	Non-Executive Director
	Richard Hathaway (RH)	Director of Finance & Commerce
	Amanda Parker (APk)	Director of Nursing & Quality
	Caroline Haynes (CH)	Deputy Director of Human Resources
APOLOGIES:	Jenny Cunningham (JC)	Public Governor
	Robin Graham (RG)	Public Governor
	Michael Hannah (MH)	Public Governor
	Anne Higgins (AH)	Public Governor
	Christopher Orman (CO)	Public Governor
	Alan Thomas (AT)	Public Governor
	Peter Wickenden (PW)	Public Governor
OBSERVING:	Two members of the general public	

STANDING ITEMS

37-13	<p>WELCOME, APOLOGIES AND DECLARATIONS OF INTEREST AND ELIGIBILITY</p> <p>The Chairman opened the public session of the meeting and welcomed Caroline Haynes, Deputy Director of Human Resources who was representing Graeme Armitage. He also welcomed and congratulated two of the newly elected governors who were attending today as members of the public, prior to taking up their formal roles on 1 July 2013.</p> <p>Apologies were received from Jenny Cunningham, Robin Graham, Michael Hannah, Christopher Orman, Alan Thomas, Peter Wickenden, Heather Bunce, Steve Fenlon, and Graeme Armitage. The Chairman advised governors that Jenny Cunningham was unable to attend today's meeting due to her husband's ill health; he sent best wishes to both on</p>
--------------	---

	<p>behalf of the full Council of Governors.</p> <p>There were no declarations of interest or eligibility. Kathleen Dalby (KD) explained that the addition of 'eligibility' to the standing items would ensure Council meetings were consistent with the terms of the constitution.</p>
38-13	<p>DRAFT MINUTES OF THE MEETING HELD ON 16 APRIL 2013</p> <p>The Council of Governors APPROVED the minutes of the meeting held on 16 April 2013 as a correct record.</p>
39-13	<p>MATTERS ARISING AND ACTIONS PENDING FROM THE PREVIOUS MEETING</p> <p>Membership Strategy KD requested approval of the membership strategy, notwithstanding minor amendments requested when the document was presented to the Council at its last meeting.</p> <p>The Council of Governors AGREED the Membership Strategy be adopted as its formal strategy.</p>
PRESENTATION	
40-13	<p>ANNUAL PLAN 2013/14</p> <p>Richard Hathaway (RH) made a presentation on the Trust's Annual Plan for 2013/14. He noted that elements of this presentation would be familiar to the Council as the content formed part of the trust's 3-year rolling plan. Whilst there had been major restructuring of NHS commissioning in April 2013, the NHS in Sussex was still facing major financial challenges and the current economic climate would increase pressure on NHS resources.</p> <p>RH reminded the meeting of the trust's purpose, mission and vision statements, and also of its key strategic objectives which were linked to streamline care pathways.</p> <p>RH felt assured that the trust could sustain its financial position; however the surplus plan was reduced, so it would be important to increase our profile both locally and regionally in the future.</p> <p>In the meantime, RH was pleased to remind the meeting of our capital investment to date including the six new operating theatres opening in September 2013, four further new theatres to be completed in Spring 2014, new outpatient facilities opened April 2012 and new entrance in April 2013 in addition to investment in corridors, patient car park, improved hospital signage plus a £0.5m medical equipment upgrade programme.</p> <p>RH reiterated that the trust would aim to be an exemplary employer with the key objectives of humanity, pride and continuous improvement.</p> <p>The financial plan indicated turnover would fall in both 2014/15 and 2015/16 but that surplus should increase very slightly. Cash projections showed an increase, whilst the trust was set to maintain a financial risk rating of 5 over the duration. Nevertheless, these projections were based on the assumption that activity would remain in line with commissioners' plans and that there would be no major changes from the 2012/13 activity outturn. RH noted that on-going tariff income reductions were anticipated at 1.5%pa and that the cost saving requirement expected to remain at 4% pa. There would also be additional cost pressures from 2013/14 following the national 1% pay award and general</p>

Minutes: Private session of the Council of Governors meeting held on 13 June 2013

DRAFT & UNCONFIRMED

cost inflation.

RH outlined the new NHS structure introduced in April 2013 and illustrated the new configuration of Care Commissioning Groups (CCGs) in Sussex. He noted that approximately 60% of our funding came from CCGs with the remaining 40% from specialist commissioning groups. RH noted that having previously dealt with six or seven PCTs across the patch, the team were now required to deal with at least 20 new CCGs. Valerie King (VK) remarked that the new process seemed more complex than before but RH assured her that whilst the new CCGs were still in their infancy, he was already seeing increasing joint working between the groups.

Although there were risks to the plan, including reduction of referrals and a challenging financial position nationally, RH noted that there were also opportunities for QVH to raise awareness of its services, potential for transfer of work from other providers and a demand for specialist services.

RH confirmed that the plan had now been submitted to Monitor and the trust should receive its approval in July.

The Chairman thanked RH for his helpful summary of the plan which would be extremely important in articulating our key objectives and in ensuring good governance. He noted this would be a useful instrument for the new CEO to reflect on and improve where appropriate. He believed there would be a new emphasis on clinical outcomes which in turn would drive commissioning and that QVH should be at the forefront of this.

Norman Webster (NW) asked if there had been any impact for QVH in relation to recent publicity surrounding A & E waiting times. APk reported that there had been no significant effect on MIU activity; however, a review of services was currently underway to ascertain where issues might arise.

NW then asked if the trust had considered working partnerships with Brighton in the light of its proposed 3Ts hospital development programme. The Chairman agreed that with newly appointed chief executives at both trusts, it would be timely to explore potential business opportunities and cited examples where collaboration was already working well between the two trusts.

Brian Goode (BG) raised concerns regarding the continued cost improvement programme across the NHS; RH concurred and stated that whilst new opportunities evolved it was becoming increasingly difficult to reduce costs whilst improving efficiency. Concern was raised that this could impact on quality, but APk was assured that the Service Improvement Group was mindful to ensure that quality would not be adversely affected.

The Council of Governors **NOTED** the presentation and verbal update

REPORTS FROM THE BOARD OF DIRECTORS AND GOVERNOR REPRESENTATIVE

41-13 REPORT FROM THE BOARD OF DIRECTORS

The Chairman opened by giving particular thanks to RH and APk in shouldering the burden of leadership during the chief executive interregnum.

Shena Winning (SW) updated the Council on financial and operational performance during the last quarter, highlighting the following:

- The trust ended 2012/13 with a surplus of £4.2m against a plan of £2.5m which she observed was an exemplary performance under the current economic climate.
- Additional activity was above plan, with the hands service being one of the key players.
- Whilst Month 1 of 2013/14 had been broadly on plan SW had been disappointed to note that pay and non-pay costs had been overspent; however, she was assured that this was being addressed by the management team.
- A cash collection query on the balance sheet was thought to relate to the setting up of new CCGs, but RH did not believe this would create a problem in the long run.

Jeremy Beech (JB) noted the report circulated by the Board of Directors provided a detailed analysis of the last quarter's activity. In the meantime he chose to highlight in particular:

- One case of clostridium difficile which had now been fully investigated but had been deemed to be unavoidable.
- Two significant incidents reported to the CQC and Monitor which comprised:
 - An historical accusation of harm during the 1980s, which had been passed to the police to investigate
 - A 'never' event whereby a full incident review was under way with findings due to be reported to the June Board of Directors.
- An action plan, in response to the recent Francis Report, which would include a few small step-changes but had no significant implications for the trust.
- Quality Account information: whilst the trust had invested heavily in its estate in recent years, it was becoming increasingly important to focus on information technology infrastructure and ensuring that appropriate systems were in place to provide quality assurance information on an individual consultant basis.
- JB noted inconsistencies in respect of reporting on the site redevelopment phase II update. RH assured the Council that costs were being closely scrutinised
- JB assured the meeting that the trust board had agreed not to dispose of any land at present and confirmed the Jubilee building would be retained for the foreseeable future. The phase III, option 2 strategy which had been approved, would ensure the trust would develop the residual site over time. In future, the Board would be asked to approve an outline business case for each component part of the capital investment required as and when investment was feasible
- Following the recent CQC visit highlighting areas for improvement in respect of patient documentation, APk assured the meeting that the Health Records Committee had been restructured, with terms of reference realigned to ensure future compliance.
- A cancer steering group had now been established to co-ordinate different work strands focusing on the cancer pathway and minimising the risk of breaches.
- APK updated Council on a variety of projects designed to streamline and improve service delivery under the Organising for Quality (O4Q) initiative.
- Graeme Armitage, the new Head of Human Resources, had introduced a Workforce Performance Report which was providing indicators such as monthly turnover and bank and agency spend. After seeking clarity, the Council was assured that the trust's use of agency staff was low by comparison to other trusts and was used predominantly to obtain mental health nurse cover. The majority of bank shifts were covered by substantive QVH employees, who were able to undertake additional hours as and when required.

The Council of Governors **NOTED** the content of the report and verbal update.

<p>42-13</p>	<p>REPORT FROM THE GOVERNOR REPRESENTATIVE</p> <p>Brian Goode (BG) noted that with the introduction of the Health & Social Care Act 2012, the Council of Governors now receive minutes of board meetings, which had enabled him to streamline his report. He reiterated however that under phase III, option 2 of the Site Redevelopment strategy, the trust had agreed develop the site on the basis of independent projects over time, dependant upon affordability.</p> <p>The Council of Governors NOTED the content of the report and verbal update.</p>
<p>STATUTORY DUTIES</p>	
<p>43-13</p>	<p>GOVERNOR ELECTION RESULTS</p> <p>The results of the 2013 governor elections had been ratified and outcomes tabled at today's session. The Chairman noted that the Council would be welcoming back John Bowers, in addition to Moira McMillan and Brian Goode, who had both been elected for a second term. Two new governors had been appointed; Milton Chimonas and Robert Dudgeon, who would join the trust formally on 1 July 2013. The Chairman was assured that the election process had been robust.</p> <p>The Council of Governors NOTED the content of the report and verbal update.</p>
<p>44-13</p>	<p>ASSESSMENT OF THE AUDITOR'S 2012/13 WORK & FEES</p> <p>Shena Winning (SW) reminded the Council that on completion of the annual audit, the Audit Committee was required to comment on the quality of work and reasonableness of fees of the trust's external auditor (KPMG).</p> <p>The Audit Committee (whose membership now included Lester Porter since the departure of Renny Leach) had met on 22 May to receive the external auditor's report and financial statement; SW confirmed all work had been completed to a high standard in a timely manner. SW also advised the Council that KPMG had been very complimentary of the QVH finance team and particularly commended Richard Hathaway and Bill Stronach for their hard work this year.</p> <p>SW observed KPMG to be knowledgeable and experienced in the work of PCTs and FTs and that noted they had a good reputation within the NHS; on this basis SW was able to report that the quality of their work was good.</p> <p>SW noted this was KPMG's second year in a three-year contract with a fixed price fee and on this basis she was able to report that the fee was reasonable.</p> <p>The Council of Governors NOTED the verbal update and AGREED KPMG be retained for the final of their three-year contract.</p>
<p>45-13</p>	<p>APPROVAL OF THE CONSTITUTION</p> <p>An updated version of the trust's constitution had been presented to the Council at its meeting in April. Following requests for amendment, a revised document had been produced for comment. Kathleen Dalby (KD) advised that this had been reviewed by the trust's solicitors and now took into account the following:</p> <ul style="list-style-type: none"> • Changes necessary due to the replacement of the Criminal Records Bureau by the Disclosure and Barring Service;

	<ul style="list-style-type: none"> • a recommended new provision regarding the authorisation of conflicts of interest of directors; and, • clarification of procedures relating to expulsion from membership and governor vacancies. <p>In addition, the Board of Directors had been asked by the Council to agree if the definition of significant transactions could be adjusted down from 25% of assets, income or total trust capital. At its meeting on 23 May, however, the Board determined that the definition should remain at 25%, but that a new provision be incorporated to ensure all material transactions greater than 10% be reported to the Council for information. After careful consideration, it was agreed that the wording to 54.5 be amended to: <i>'Any transaction which meets any of the criteria set out in paragraph 54.3 shall be notified to the Council of Governors in advance, if the percentage is in excess of 10% but less than 25%'</i>. With the proviso that this amendment be incorporated, the Council of Governors concurred that this was a pragmatic compromise in meeting their concerns and APPROVED the constitution.</p> <p>John Dabell (JD) sought clarification in respect of Council of Governors tenure, item 17. KD confirmed that having undertaken a maximum term of seven years, a governor would be eligible for re-election or re-appointment, provided there had been a break of one year's service before standing again for re-election. The Council of Governors NOTED the verbal update.</p>
<p>46-13</p>	<p>APPOINTMENTS COMMITTEE</p> <p>Valerie King (VK) noted that she had updated the Council during the private session of today's meeting and had nothing further to add to her report.</p> <p>The Council of Governors NOTED the content of the report.</p>
<p>47-13</p>	<p>AUDIT</p> <p>There was no report in CO's absence; however it was noted that a full audit update had been provided by SW under item 44-13.</p>
<p>REPORTS FROM LEAD GOVERNORS</p>	
<p>48-13</p>	<p>REPORT FROM THE VICE-CHAIRMAN OF THE COUNCIL OF GOVERNORS</p> <p>The report from Ian Stewart (IS) had been tabled. IS reminded the meeting that since becoming an FT in 2004, the trust had maintained an enviable record in respect of its financial and operational effectiveness and had built an equally enviable record with regard to its treatment of patients. However, in light of the additional responsibilities for governors under the 2012 Health & Social Care Act, a stringent cost environment and the requirement for a more transparent way of working, the governing body could not afford to rest on its laurels.</p> <p>IS advised that October 21st had now been set as the date for the next Council of Governors forum meeting at which there would be a full review of how the Council currently operated as governors, whilst also providing an opportunity to discuss ideas and new ways of working.</p> <p>MM highlighted the high costs associated with the current tranche of governor training programmes. PAG concurred with the view and suggested this should be included as a topic for discussion at the forum.</p>

	<p>SW suggested it would be useful for NEDs and governors to meet to be able to work jointly and it was agreed that the NEDs should be invited to attend part of the forum on 21 October.</p> <p>The Council of Governors NOTED the content of the report.</p>
49-13	<p>QUALITY & RISK COMMITTEE</p> <p>Moira McMillan (MM) stated she had little to add at this stage; although she was very impressed by the quality and volume of data produced for these meetings, it was difficult for her to identify anything new to report to the Council, which had not already been reported under a different forum.</p> <p>The Council of Governors NOTED the verbal update.</p>
50-13	<p>PATIENT EXPERIENCE GROUP</p> <p>Gill Santi (GS) advised the Council that the Patient Experience Group had met at the beginning of May. Concerns were raised that patient information screens in outpatients continued to give conflicting information but APk assured her the matter should be resolved shortly.</p> <p>GS drew delegates' attention to the launch of the new Butterfly Scheme for patients with dementia, which was being promoted throughout the trust.</p> <p>GS reported on a recent PLACE inspection (Patient Led Assessment of the Care Environment), - formerly known as PEAT. In particular, she was pleased with the new outpatients' entrance, and also noted that wheelchair access was very good around the site.</p> <p>GS asked APk to clarify the new Friends & Family initiative which had been introduced recently. APk summarised the requirements that all trusts would be expected to meet in order to publish results of the test from July 2013. She advised the test was designed only to take into account patients who would 'strongly recommend' the trust to family and friends and felt this could give a distorted view of outcomes. APk went on to clarify the calculation of the net-promoter score and explained that the trust intends to publish both its net-promoter score and the percentage of patients who would be "extremely likely" or "likely" to recommend QVH to their friends and family until all trusts are compliant with the requirement to publish a net-promoter score. The Chairman concurred this didn't seem a particularly effective marker, but acknowledged that the trust had a duty to comply.</p> <p>GS asked if outpatient data would be used in addition to the mandated inpatient data. APk responded that at this stage the trust was only required to provide inpatient data but it was possible that additional data could be included within future board reports.</p> <p>Due to the trust's strength in the areas being tested by this new initiative, the Chairman felt assured that ultimately QVH would be a beneficiary of the Friends & Family test. He thanked GS for her very helpful insight.</p> <p>The Council of Governors NOTED the verbal update.</p>
51-13	<p>FOUNDATION TRUST MEMBERSHIP</p> <p>Michael Shaw (MS) provided an update on the recent exercise he and fellow members of the taskforce committee had undertaken to increase the number of member email addresses currently held on record. He commended other governors to assist with this</p>

	<p>exercise which he reported as having been very positive, with the majority of members welcoming contact with a QVH governor. Conversion rates to date were encouraging and the taskforce had confidence to continue with the exercise. He noted that a further method of obtaining email addresses had been included in the latest edition of QVH News, and again responses had been encouraging.</p> <p>John Harold (JH) concurred that the exercise had been positive and would be of great benefit to the trust in reducing the cost of the quarterly mail-out.</p> <p>MS noted the next task would be to recruit additional members to the trust, and with this in mind was preparing a presentation package which could be used inform and educate the local community. He hoped to bring this to a future Council meeting for review. MM suggested the inclusion of a selection of FAQs in the pack would be of great assistance to the governors.</p> <p>JD asked if there had been any substantial increase in membership since the telephone exercise had begun but it was concluded that numbers were too small to have any significant impact. KD reported a new online membership form would be launched within the next few weeks to facilitate recruitment. The form would reflect the new corporate identify, in addition to new equality & diversity data fields, mandatory for all trusts in the near future.</p> <p>The Council of Governors NOTED the verbal update.</p>
<p>52-13</p>	<p>QVH CHARITABLE FUND Brian Beesley (BB) noted that the next meeting of the Charitable Funds Advisory Committee would be on 27 June; however, he had nothing further to report at this stage.</p> <p>The Council of Governors NOTED the verbal update.</p>
<p>ANY OTHER BUSINESS</p>	
<p>53-13</p>	<p>There was none.</p>
<p>QUESTIONS FROM THE PUBLIC</p>	
<p>54-13</p>	<p>There were no questions from the public.</p> <p>The Chairman reminded the Council that next meeting is scheduled for Thursday 12 September at The Ark, Turners Hill. The private session will begin at 1500, with the private session following on from 1600.</p> <p>The Chairman closed the meeting at 1755.</p>

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

Report to: Council of Governors
Meeting date: 12 September 2013
Agenda item reference no: 57-13
Author: Richard Tyler, Chief Executive
Date of report: 05 September 2013

REPORT FROM THE BOARD OF DIRECTORS

1. QUALITY, SAFETY RISK, DIPC

1.1. Infection Control

2013/14 April - May	New	YTD	Target
MRSA bacteraemia	0	0	0
MSSA bacteraemia	0	0	0
<i>C.diff</i>	0	1	0

1.1.1 During the last three months the infection control team has maintained a presence in clinical areas supporting the undertaking of audit related to infection prevention and control. Activities included:

- Ensuring the new theatre complex meets requirements prior to opening including confirming that air samples meet the required standard;
- Trialling new pre-operative wipes on major breast surgery patients to reduce the risk of post-operative infection;
- Updating policies following recent new guidance.

1.1.2 A Board of Directors Agreement outlining its collective responsibility for minimising the risks of infection to its in-patients, out-patients and staff was signed at the July board of directors meeting as in the recent months the membership of the Board has changed.

1.2. Emergency Planning/Business Continuity

1.2.1 From June to August staff were following the heat wave plan and ensuring actions were taken as required.

1.2.2 Preparations are underway for a table top exercise in October.

1.2.3 Preparations are underway for the winter plan with flu vaccine on order.

1.2.4 The majority of senior managers who undertake on call out of hours are booked to attend strategic leadership in crisis training.

1.2.5 The CBRN section of the Emergency Plan has been revised in light of feedback received from the Emergency Planning Lead in the Area Team.

1.2.6 All other sections of the Emergency Plan need amending in light of the new NHS architecture and contact details of the Area Team and CCG

1.2.7 In June 2013, an exercise was undertaken to test the knowledge of staff in relation to the Lockdown process. The Site Practitioner, MIU and Security were contacted. All were aware of the process to follow.

1.3. Risk Management

1.3.1 During the period June to August no significant incidents have reported.

1.3.2 Work has continued on addressing the issues raised by the CQC in respect of documentation and it is anticipated that the CQC will return shortly to re-inspect.

1.4 Liverpool Care Pathway

- 1.4.1 During recent months there has been significant concern raised around the interpretation and use of the Liverpool Care Pathway for dying patients. At QVH we have been using the Liverpool Care Pathway for ward patients and an adapted version for our intensive care patients at the end of their life. We are confident of its use with the agreement of the patient and or their family. In addition at no time are fluids or pain relief restricted for these patients (as recent press articles would suggest is occurring in some hospitals). The matrons' audit compliance with the pathway on an annual basis and the most recent audit showed that family and patients were involved, and that adequate fluids and pain relief were provided.
- 1.4.2 An update on work that has started (following the report by the independent review of the Liverpool Care Pathway) has been provided to trusts; this includes information on the establishment of a new Leadership Alliance for the Care of Dying People. This alliance is looking as what further action needs to be taken to ensure that end of life care is high quality, compassionate and supportive to the patient, family and friends.

1.5 Quality Account

- 1.5.1 Quarter one report has been provided to the board of directors on progress against the priorities identified for 2013/14. Progress has occurred against all measures and information will be provided on an on-going basis within the monthly board report.
- 1.5.2 Consent information for July shows a decrease on the Q1 performance and actions are being reviewed.

1.6 CQUINs

- 1.6.1 A summary of activity against the quarter one CQUINs was presented to the board of directors; we believe we have met all requirements but await confirmation from the Clinical Commissioning Group.

2 FINANCIAL AND OPERATIONAL PERFORMANCE

- 2.1 QVH ended the first quarter of 2013/14 with a surplus of £535k against a plan of £632k. Although slightly disappointing to be behind plan at this stage the forecast remains to achieve the full year surplus plan of £2.5m. Also there is likely to be additional income receivable once the quarterly CQUIN performance is confirmed, which would improve the overall position by up to £150k.

The main drivers of the financial performance were:

- Patient related income broadly on plan for the year to date
- Higher than usual levels of sickness amongst clinical staff led to lower activity and income in June
- Pay and Non Pay budgets both slightly overspent. Pay costs include cover for higher staff absence levels.

The Balance Sheet position remains in line with plan. The Trust held cash of £7.7m at the end of June but has now drawn down £9.3m of the loan to fund the Theatre development.

- 2.2 The Trust ended the quarter with a Financial Risk Rating of 5 (the lowest level of risk)

- 2.3 Performance targets have been met in Quarter 1, where data has been confirmed, although there has been one case of C Difficile for which there is a target of zero. For performance management purposes there is a de-minimis level of 12 cases for C Difficile.

3 ESTATES & CAPITAL PROGRAMME

3.1 Phase I Update

- 3.1.1 The six new theatres (Phase I) were opened to patients as planned on September 2nd. This has taken a tremendous effort by the Theatre team, the Wilmott Dixon team and the Estates and Facilities teams. Many hours of extra work has been given by all these people to ensure that our goal was achieved.

3.2 Phase II Update

- 3.2.1 Work continues on the second stage of our theatre development which is currently on time and on budget.

3.3 Capital Programme

- 3.3.1 2013/14 Capital Programme as at 13th August 2013

CAPITAL PROGRAMME				
Project:	Status	Programmed	Revised Budget	RAG Rating
Jubilee Centre Heating	Tenders received and initial evaluation process undertaken. Interviews with three lowest tenderers to be held 14 th August to complete evaluation process. Work will not be completed until quarter 3	Quarters 1 & 2	£310k	
Alterations to Burns Heating	Issues with the procurement of design services have caused delays in design work which has affected programme. Tenders will be advertised shortly	Quarters 1 & 2	£100K	
Prosthetics Labs Hot Water System Alterations (split from Jubilee scheme.)	Pre contract meeting to be held with lowest tenderer	Quarters 1 & 2	£40k	
Resurfacing of Visitor Car Park	Tenders received 9 th August 2013. Tenders being evaluated at present. Planned start at the beginning of September with an anticipated 4 week contract period.	Quarters 1 & 2	£150k	
Replacement of Catering Equipment	Quotations being obtained for equipment.	Quarters 1 & 2	£50k	
External Corridor Refurbishment.	Automated doors on order.	Quarters 1 & 2	£50k	
Medical Gas Pipeline Replacement	No work commenced	Quarters 3 & 4	£30k	
Replacement Radiator Covers (with improved access for cleaning).	No work commenced	Quarters 3 & 4	£25k	
Refurbishment of Public Toilet (A-Wing)	No work commenced	Quarters 3 & 4	£30k	
Fire Compartmentation works (carried over from 2012 2013)	On hold	Rolled over 2014/ 2015	Nil	
Water Treatment Works	On hold	Rolled over 2014/ 2015	Nil	
Estates contingency			£100k	
		TOTAL	£885k	

- 3.3.2 Car Park - resurfacing commences 9th September. This will inevitably cause disruption as we will be losing a number of parking spaces for both staff and patients over a five week period. Some alternative secure parking has been procured from the local football club.
- 3.3.3 Jubilee Heating - contract awarded and it is anticipated that work will commence on site at the end of September.
- 3.3.4 Prosthetics hot water - contract awarded and it is anticipated that work will commence at the end of September.
- 3.3.5 Estates Department: The Estates Department continues to run on 50% of its funded establishment due to sickness. This is extremely challenging, especially in relation to our 24/7 on call commitment.

4 OPERATIONAL DEVELOPMENTS

The progress of all the main streamlining / service transformation projects since June 2013 is summarised below, set out as Elective, Cancer and Trauma pathways.

4.1 Elective Access

4.1.1 Health Records

The department has now completed scanning 10,000 permanent health records to create additional storage. Piloting the system for accepting referrals and storing them electronically via a central point on Patient Centre is still ongoing and is awaiting further software. In addition, work continues on the procurement of a longer term Electronic Document Management system with an aim for implementation from June 2014. Alongside this, the Health Records Committee has now evolved into the Patient Documentation Committee which will take a Trust-wide view to focus on co-ordinating the implementation of CQC recommendations and improving patient documentation in readiness for electronic health records.

4.1.2 Outpatient Appointment Booking

The merger of the appointment staff within Plastics, Max Fac, Orthodontics and Corneo has been slightly delayed due to staff shortages but should be completed by the Autumn. Standardisation of the OPD appointment booking processes continues, as well as undertaking a review to reduce the paperwork to record clinic outcomes and procedures. The new forms will be introduced during October with a view that these will eventually become electronic in 2014. The procurement process for a dedicated OPD appointment booking and scheduling software package is being started to further maximise utilisation of clinics by reducing current time-consuming manual processes.

4.1.3 Outpatient Redesign

The Outpatient Steering Group is still pushing forward with the progress on the redesign of their pathways and processes, particularly within the specialities of Hands and Corneo. This work has included to date:

- Detailed review of outpatient clinic templates with changes to Corneo Plastic appointment process planned for October;
- Hand therapy-led clinics started in July;
- Reviewing x-ray processes to smooth demand and aid patient flow during clinics;
- Completed review of the multiple clinic outcome forms in use, resulting in proposed reduction from 7 to 2 types of forms

- Further development of the Enlighten check-in system to capture clinic outcomes and patient satisfaction electronically.

4.1.4 Pre-screening and Pre-assessment

The group is continuing to focus on further refining the pre-assessment process, which is now reliant on procuring an electronic pre-assessment system. This process has now begun and will enable electronic assessments to be completed for all patients including at off sites. This is a significant project for the team, which will also 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 anticipated this will take between 6-12 months to implement fully.

4.1.5 Theatre Scheduling

Since the last update the following areas highlighted for improvement, surrounding waiting list management, have been progressed. These include:

- Completion of work on standardised outpatient clinic outcome forms and waiting list cards which will be introduced in October. Plans are now being developed to make these available electronically.
- Review and streamlining of all admission letters to reduce the overall number available across all departments. An initial phase will be rolled out in September via outsourced mailing, with a second phase being implemented during October which streamlines letters further. The Trust is looking into the process of routinely making the detailed patient admission booklet available electronically, with the option to request a hard copy, in order to reduce postage costs.
- Continued development of the functionality of ORSOS including introducing a suite of rules for each operating list to help secretaries with booking and providing a module to capture all observations taken in recovery. Further integration with Patient Centre, which will help to reduce duplication and increase efficiency of scheduling for secretaries, is being planned as well as introducing paperless theatre lists.
- Production of further easy reference guides for staff on 'pauses' and 18 week codes supported by a number of workshops planned for medical secretaries.

4.1.6 In addition to these actions, final of three workshops has now taken place with secretaries to engage them in devising solutions to improve and standardise scheduling processes. These have been well received and their suggestions are now being incorporated into the wider streamlining programme.

4.2 Cancer

4.2.1 The Cancer Steering Group has now been established, pulling together the different strands of work focused on cancer pathways. In addition, those responsible for collating the Trust's cancer data have recently been merged into one team. They are now focusing on further developing the functionality of the Somerset and Infoflex cancer databases, reducing data duplication and automating the collection of information for the Cancer Outcomes Dataset, as well as minimising the number of cancer breaches.

4.3 Trauma

4.3.1 The Trauma Management Group has now finalised its areas for focus and associated action plans for 13/14. Since the last update the group has progressed the following:

- Outreach Trauma Policy has now been approved
 - A pilot to improve the efficiency of Trauma Clinics especially at weekends is being implemented
 - The redesign of the management of patient flow of trauma cases within the new theatres across split sites will be implemented during September
 - The average delay in start times of trauma lists has dropped from 19 mins to only 9mins (50% improvement).
 - Group has started to explore the possibility of one to two dedicated paediatric trauma lists occurring mid-week.
- 4.3.2 The measures used by the group have now been incorporated into the streamlining dashboard (see next section).

4.4 Key Performance Measures (KPIs)

- 4.4.1 A number of metrics have already been used by the various teams; these are now being collated onto one dashboard, covering all streamlining projects to monitor progress and are reported to the Trust Board on a quarterly basis.

4.5 Organising for Quality (O4Q)

- 4.5.1 The second cohort of the Trust's involvement with the NHS Institute programme has now presented its project progress at the celebration event at the end of June.

- 4.5.2 In response to this programme we are now developing a Trust strategy to promote continuous improvement in line with our culture and values. This will define how QVH will harness the skills of the staff trained in O4Q methodology to support pathway redesign and speed up delivery by using in-house resources for service improvement.

5. PEOPLE ISSUES

5.1 Workforce Information

The Trust Workforce Performance Report continues to be developed to provide information useful to all levels of management in the Trust. Recently we have added headcount, whole time equivalent (wte) and funded establishment in each service area so that it is possible to determine more clearly any areas of risk. The Board agreed in August to receive quarterly detailed reports including service line reporting and a summary report to be provided to the Board every other month. This will include workforce highlights across the Trust and areas where additional work is taking place either in sharing good practice or ensuring plans remain on track.

- 5.2 The appraisal and training rates in some areas remain low however work is on-going to check the information held and support staff attending training where necessary. The new appraisal training is now available for supervisors, team leaders and managers to support the required increase in effective appraisals carried out in the Trust.

5.3 Key points to note:

- **Turnover** - Turnover for July remains low at 1.1%. This figure is representative of the Trust's overall position with regards to leavers and joiners however it does not fully reflect the turnover in some areas of the Trust and therefore more analysis by service is being undertaken to

ensure recruitment practice and resource planning are undertaken effectively. The cumulative position for the Trust i.e. annual turnover is around 12%.

- **Vacancy Rate** (figures 1 month in arrears) - There were 19 (WTE 22.08) vacancies advertised in June. The main areas recruiting were Medical Staffing with 4.0 WTE, 6.0 WTE Domestic Assistants, due to staff leaving and the recruitment to additional staff for the opening of the new theatres in September e.g. 2 WTE Nurses for Canadian wing and 2 WTE Nurses for Burns.
- **Pay** – (reported pay does not include on-costs) there has been a slight increase in pay this month which follows the increase in bank usage.
- **Bank and Agency usage** – (figures are 1 month in arrears) Agency figures for June are showing a slight increase and is likely to have been driven by the vacancy rate for June of 11.5%. Additionally we have also seen high levels of bank and agency use in Burns and ITU and long term patients needing 2:1 care. Bank spend is being more closely monitored with the implementation of e-Rostering.
- **Sickness Absence** – staff absence through sickness remains below 3.0% for this month but increased slightly from June to 2.92%. The HR team and managers continue to monitor sickness levels closely to pick up on trends and potential shortfalls in staffing levels. As we have seen bank and agency is being used to supplement short term gaps in staffing but overall our pay costs remain on plan.

5.4 Equality and Diversity

- 5.4.1 The Equality and Diversity Annual Report was presented to the Board in July. The report demonstrates the Trusts ongoing commitment to equality and diversity and ensuring fairness for all staff across the Trust. Our positive staff survey results each year help to confirm that most staff feel committed to the organisation and would recommend the Trust as a good employer. The report is now available to the public via the Trust website.

5.5 Appraisal

As part of the changes associated with the Agenda for Change terms and conditions of service we have begun work on revising the appraisal system. This will ensure the appraisal process is 'fit for purpose' in light of future incremental progression of pay being tied to effective individual performance. A 'task and finish' group has been set up with staff representatives to take this work forward. To date, revised documentation for the new system has been developed along with new training sessions for staff and managers. The Board in July agreed to pilot the new system within the Trust from October 2013 with full implementation to begin in January 2014.

5.6 Leadership Development

- 5.6.1 The Head of HR and OD is developing a revised development and leadership programme for all staff. This will provide training for core management and leadership competencies and will support the organisation to remain agile through the challenges in future healthcare provision. The design of the programme will be on a modular basis and will provide development and training opportunities for all QVH staff identified through the appraisal system. Initial levels of development will be provided in-house but following discussions with Kent, Surrey and Sussex Partnership, it will also provide a link into the national programmes available through the NHS Leadership Academy.

6 RECOMMENDATION

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

Report to:	Council of Governors (session in public)
Meeting date:	12 September 2013
Agenda item reference no:	59-13
Author:	Peter Griffiths, Chairman
Date of report:	04 September 2013

Appointment of non-executive directors

Revised

Background

1. I formally reported to the Council of Governors at its meeting on 16 April 2013 on succession planning for non-executive directors (NED), led on your behalf by the Appointments Committee. An active process to recruit three new NEDs to the Board of Directors to replace Jeremy Beech, Shena Winning and Renny Leach has been underway since then.
2. At the time of my last formal report, the Appointments Committee had appointed an executive search agency, (Harvey Nash), to lead a candidate search. The process was led by the Appointments Committee, under the chairmanship of Valerie King. Valerie has provided regular updates to the Council of Governors, and from these updates, governors will be aware that the choice of recruitment agency was changed subsequently to Odgers Berndtson.
3. The Odgers team worked with the Appointments Committee to develop and agree the candidate brief and the post was advertised on the Odgers website, the national NHS Jobs website and the trust's corporate website.

Search process

4. Odgers led a candidate search process across the NHS and a wide range of other, mostly associated, industries including private healthcare and life-science industries.
5. Odgers provided the panel with weekly progress reports, and regular teleconferences and meetings were held. The reports and discussions detailed the candidates identified and, over time, how each of them had progressed in relation to the search. They also included Odgers' interpretation and advice on candidate suitability as well as feedback from candidates regarding their personal and professional circumstances and motivations.
6. A number of candidates who featured in the search were not kept in the process, essentially because they did not meet the person spec closely enough.
7. In total, 34 candidates applied for these roles.

Short-listing process

8. A short-listing meeting was held on 16 July. The panel comprised the following:
 - Peter Griffiths, Chairman
 - Richard Tyler, Chief Executive
 - Valerie King, Public Governor & Chair of the Appointments Committee
 - Ian Stewart, Public Governor & Vice Chair of the Council of Governors
 - Carmel Gibbons, Odgers

In addition, Brian Goode, Governor Representative was invited but unable to attend. Hilary Saunders, Deputy Company Secretary was present but did not participate.

9. Odgers provided a comprehensive pack of information about each candidate as well as feedback from the preliminary interview process.
10. Odgers recommended 27 candidates for preliminary interview. Of these, following discussion and additional feedback from the Odgers team at the shortlist, the panel decided to invite 10 candidates for final interview.

Selection process

11. Due to the number of candidates selected, interviews were scheduled over two days. Depending upon availability, candidates were invited to interview on either 24th or 30th July.

a. Formal Interview

The panel comprised:

- Peter Griffiths, Chairman
- Richard Tyler, Chief Executive
- Valerie King, Public Governor & Chair of the Appointments Committee
- Ian Stewart, Public Governor & Vice Chair of the Council of Governors
- Brian Goode, Public Governor and Governor Representative

Carmel Gibbons of Odgers was present for both interviews but did not take part in them

Candidates were asked to give a verbal presentation on the following: *'Outline the skills and expertise that you would bring to the Trust as a Non-Executive Director on our Board'*. A selection of questions was agreed in advance and each panel member asked the same questions of each candidate. However, the sessions were designed to be responsive to the development of the discussion so panel members could ask follow-up questions or others that arose from candidate comments.

Feedback

12. The feedback from the panel was unanimous in its support for three of the final candidates.
13. The panel all agreed that the candidates selected offered the skills, knowledge and experience to take QVH forward; crucially, however, they also matched the culture and values of our organisation.
14. The panel has subsequently received references for the recommended candidates which have been exemplary.

Statutory duties

15. One of the statutory duties of governors is to approve the appointment of non-executive directors, taking into account the views of the Appointments Committee on the qualities,

skills and experience required for each position.

16. Important background information for governors, including considerations a council might take into account to fulfil its duty to approve (or not approve) the appointment of the non-executive director is available from the following sources:
 - the Monitor *Code of Governance* (section C): <http://www.monitor-nhsft.gov.uk/home/news-events-and-publications/our-publications/browse-category/guidance-foundation-trusts/mandat-3>
 - the updated Monitor *Reference guide for NHS foundation trust governors* reflects the new roles and responsibilities of governors as set out in the Health and Social Care Act 2012 (chapter 5 refers): <http://www.monitor.gov.uk/home/news-events-publications/our-publications/browse-category/guidance-health-care-providers-and-co-54>
17. The Appointments Committee of the Council of Governors was directed to these resources early on in the recruitment process and advised to remind themselves of the relevant sections of both documents, especially the latter as it has been updated to take into account new roles and responsibilities of governors as set out in the Health & Social Care Act 2012.
18. Essentially, governor approval means that the Council is assured that, in making an appointment, the Appointments Committee have complied with the law and relevant guidance, followed a robust process and found a candidate who fulfils the specification for the role.

Recommendation

19. The Council of Governors is asked to **APPROVE** the appointments of the panel's recommended candidates (to be named at the private session of the Council of Governors on 12 September 2013) as non-executives of Queen Victoria Hospital NHS Foundation Trust