

Document:	Minutes FINAL & APPROVED	
Meeting:	Council of Governors session in public Monday 11 January 2021, 15:30 -18:00 Via videoconference	
Present:	Beryl Hobson (BH)	Trust Chair (voting)
	Brian Beesley, (BB)	Public governor (voting)
	Liz Bennett (LB)	Stakeholder governor (WSSC) (voting)
	St John Brown (SJB)	Stakeholder governor (LoF) (voting)
	Antony Fulford Smith (AF-S)	Public governor (non-voting)
	Janet Haite (JDH)	Public governor (non-voting)
	John Harold (JH)	Public governor (voting)
	Chris Halloway (CH)	Public governor (voting)
	Julie Holden (JH)	Stakeholder governor (EGTC) (voting)
	Doug Hunt (DH)	Public governor (non-voting)
	Andrew Lane (AL)	Public governor (voting)
	Sandra Lockyer (SL)	Staff governor (non-voting)
	Peter Shore (PS)	Public governor (voting)
	Martin Williams (MW)	Public governor (voting)
In attendance:	Keith Altman, (KA)	Medical director
	Paul Dillon Robinson (PD-R)	Non-Executive Director
	Kevin Gould (KG)	Non-Executive Director
	Gary Needle (GN)	Senior Independent Director
	Karen Norman (KN)	Non-Executive Director
	Steve Jenkin (SJ)	Chief Executive
	Michelle Miles (MM)	Director of Finance & performance
	Geraldine Opreshko (GO)	Director of Workforce and organisational development
	Clare Pirie (CP)	Director of Communications & corporate affairs
	Hilary Saunders (HS)	Deputy Company Secretary
Apologies:	Robert Tamplin (RT)	Public governor (non-voting)
	Carol Lehan, (CL)	Staff governor (non-voting)
Public gallery:	One member of the public	
Ref.	Item	
Standing items		
04-21	<p>Welcome, apologies and declarations of interest</p> <p>The Chair welcomed everyone to the meeting, noting apologies as above. Some members of the executive team had been unable to join today's discussions due to urgent operational matters.</p> <p>Council was reminded that all staff governors, and those related to staff members, had a conflict with regards to item 07-21. There were no further declarations of interest.</p> <p>Council had been invited to ask questions in advance of today's meeting; there had been one query which would be addressed during the course of the meeting.</p>	
05-21	<p>Draft minutes of meeting held on 28 September 2020</p> <p>The minutes were approved as a correct record.</p>	
06-21	<p>Matters arising and actions pending from previous meetings</p> <p>There were none.</p>	
Know your trust		
07-21	Merger proposal: update	

	<p>SJ provided a brief update on developments since the last meeting. Details, including proposed timescales and process, had already been presented in a report at the January Board and would be considered in greater depth under item 10-21.</p> <p>SJ went on to update Council regarding the current pandemic. This was a very busy time for the hospital, and the next 2-4 weeks would be the most challenging for the NHS during this pandemic. He highlighted in particular:</p> <ul style="list-style-type: none"> • The review of opportunities for further surge capacity, alongside a review of critical care (CCU) capacity to ensure we could manage elective and non-elective demand. Kent, Surrey and Sussex (KSS) was under considerable strain, with around 600 additional beds anticipated to be required in the next two weeks within Sussex alone. • Activity had been stood down to reassign staff and capacity to support COVID-19 and urgent demand. • QVH was continuing to deliver elective capacity in line with NHSE guidelines, whilst in parallel mobilising requirements to support cancer hub activity • The national vaccination plan, with QVH becoming a hospital hub for vaccinations from next week. <p>On behalf of Council, the Chair thanked staff for their flexibility whilst continuing to give excellent care to patients.</p> <p>In response to a question raised regarding staff absence, SJ confirmed that even if vaccinated, staff should still self-isolate if required to do so; the message remained that if staff were unwell they should get tested and not come into work.</p> <p>There were no further comments and Council noted the contents of the update.</p>
Council business	
08-21	<p>Review of GSG ToRs</p> <p>The lead governor reported that GSG had undertaken its annual review of the group terms of reference. Minor amendments were recommended to reflect what the group actually does and add clarity around who has voting rights. There were no questions and Council approved the GSG terms of reference for a further 12-month period.</p>
09-21	<p>Review of Appointments committee ToRs</p> <p>JH reported that as part of its annual programme of work, the Appointments committee had reviewed its terms of reference in December. No changes were proposed this year and Council approved the current version for the next 12-months.</p>
10-21	<p>Review of governor approval process for possible merger</p> <p>Following on from the presentation at the last meeting, CP presented a report which described the process and timetable to support decision making on the proposed merger. Particular attention was drawn to the section focusing on the statutory role of Council; this was to seek assurance that the Board had followed an appropriate process in deciding to undertake the transaction and provided that appropriate assurance had been obtained, governors should not unreasonably withhold their consent for any proposal to go ahead.</p> <p>A new cohort of governors would join Council following the results of the election later this week. A timetable had been designed to ensure all governors were provided with the appropriate information, skills and knowledge to take the approval process forward and would include:</p> <ul style="list-style-type: none"> • New governor inductions at the end of the month comprising an overview of QVH, our system working context and the role of governor and how it differs from the role of a non-executive director; it would also bring new governors up to speed with current proposals. • A briefing on NHS funding and finances, systems transformation and integration by NHS Providers which would set out the big picture for the NHS for all governors.

- A briefing from an external legal advisor on the responsibilities of governors, with a chance to ask questions and engage with the proposed timeline and process.

Consideration of the possible merger would form a key part of the work plan for our governors in 2021. Governors of the new organisation (formed by the WSHFT/BSUH merger) would also be engaged in this process as required. The proposed timeline was set out as follows:

- The CoG meeting on 12 April, which would be the first formal meeting for new QVH governors; in addition to standard council business, all governors would be briefed on the strategic case. (The boards of both QVH and the new organisations to be formed by the merger of WSHFT and BSUH, would be making a decision as to whether to proceed to development of a full business case following review of the strategic case).
- If there is a decision to proceed to full business case, a small group of governors would be established to form a working group to determine criteria for governor assurance that each respective trust had been through a comprehensive process in reaching its decision to merge. The working group would then review supporting information provided by the trusts against these criteria. Again, governors were reminded that their role in this did not include making any decision about the merger.
- In late August, an informal joint council of governors' briefing would allow governors from both trusts to consider findings of the merger evaluation working group and clarify any outstanding issues.
- In September, two separate meetings of the two councils would be convened in sequence, with results confidential until both have voted, seeking the vote of each governor in turn. This meeting would not include the opportunity for any further debate or expression of views but would enable a simple vote as to whether governors agreed that the Board had followed due process.

CP went on to describe the governance process which would be running in parallel to the governor approval process:

- Joint monthly executive meetings comprising relevant members of the executive teams from QVH and WSHFT/BSUH to work on the detail required to proceed.
- Joint oversight group to meet every other month; in addition to relevant non-executives, this would also include the NHSEI locality director for Kent, Surrey, Sussex and the ICS leader for the Sussex Health and Care Partnership.
- Continued stakeholder engagement: Whilst the Trust had engaged over a number of years with stakeholders, including staff and governors, about its potential strategic plans, a more formal programme of engagement of external stakeholders, (in conjunction with WSHFT/BSUH) would be put in place.
- Development of the strategic case which was the first step in looking at evidence as to whether merger would address issues and meet our requirements. CP reminded Council that until this stage there wouldn't be the evidence that some people have been asking for. Should boards of both organisations agree to proceed, the next step would be to develop a full business case by July.
- The TUPE (Transfer of Undertakings/Protection of Employment) consultation would take place in advance of any decision taken by the Board or Council and allow transfer of staff to the new organisation once the formal process had been concluded.
- On the date agreed, QVH would be merged into the new organisation formed by the merger of WSHFT and BSUH.

Finally, Council's attention was drawn to the last section of the report which focused on potential challenges. A campaign had been launched which, whilst supportive of QVH and its services, had contained some inaccurate reporting suggesting an intention to restrict these services to Sussex patients only. Council was reminded of the criteria set by the Board in order for the merger to proceed; this in fact included securing, developing and investing in our services to patients from the wide area we cover currently.

Campaign material had also included misinformation claiming that staff felt unable to speak up and had been threatened with dismissal. On the contrary, there was in fact clear

	<p>evidence that staff have been engaged and responsive in the current process. SJ emphasised the importance of enabling honest and transparent debate, without distortion of the facts. He had subsequently written to all staff, to assure them that this assertion was untrue.</p> <p>A further challenge had been made in terms of capacity of WSHFT and BSUH to engage with this process. CP concurred that significant work would be needed to achieve this, noting that the management team and governors at WSHFT/BSUH would also be engaged in their own merger transaction during the first few months of 2021. Capacity and timeliness will be kept under review.</p> <p>Council considered the contents of the report, seeking the following clarification:</p> <ul style="list-style-type: none"> • In response to a request for assurance from NEDs that all elements of potential new sources of income and cost savings would be explored in full consultation with those that deliver services at QVH, BH reminded Council that these options had already been considered in great detail by the Board in recent years and the outcome of this work was the reason we had now reached this stage. Council was also reminded that the case wasn't simply financial but also about long term sustainability. • As the process unfolds the Trust will be in a better position to provide more detail; in the meantime, Council was assured that NEDs would be very robust in focusing on what is best for patients, the population we serve, our staff and value for money for resources. • The report which Council had just reviewed provided helpful clarity on the issue of who does what and the separation of duties as we go through this process. Governors were reminded that the executive role is to consider and undertake detailed work for proposals, whilst the broader NED role is to independently scrutinise any proposal and seek assurance that it is correct. The combined unitary board would then make a recommendation to governors, who in turn would apply their own criteria as to whether the process that the board had been through met the requirements of a sensible and robust process. This process would also bring in experts to work alongside the work of the Board. • The strategic case would explain the background leading to our current financial deficit as a result of tariff and demographic changes. It would also highlight how a standalone model was no longer sustainable due to changes which have developed over many years. • In response to a question as to whether governors would see the detail of plans and consultations as part of the merger business case, Council was reminded that it is the role of the NEDs to analyse this detail. • In response to a question as to whether an alternative standalone plan would be developed to enable governors and the public to take a view on the pros and cons presented by the proposed merger, Council was advised that all options would be on the table for NEDs to review. <p>Council raised the question of social media, noting the corrosive effect of fake news. Governors concurred that as well as a duty to hold NEDs to account, they were also responsible for communicating to the membership and the wider community the work being done within the Trust. Processes were robust and communications exemplary. It was incumbent on all governors to stop the corrosive effect of anything we see in media. BH concurred with these comments and credited CP and her team for their work.</p> <p>There were no further comments and Council noted the contents of the report.</p>
11-21	<p>Extension of Trust Chair Appointment</p> <p>The proposal to extend the Chair's appointment had been considered and approved by Council in the earlier private session and was now being reported in public for the record. As Chair of the Appointments committee, JH highlighted the main elements of the proposal:</p> <ul style="list-style-type: none"> • Criteria for Council to approve an extension under the terms of the Trust's Constitution. • Context behind seeking an extension for the Chair's current contract, which would ensure continuity at a crucial time during merger discussions; the Trust would also

	<p>continue to benefit from the skills and experience which Beryl had brought to the organisation since her appointment in 2014.</p> <ul style="list-style-type: none"> • The Chair had confirmed that she would accept this extension should governors agree this is in the best interests of the Trust. <p>For the record, Council again approved the recommendation of the Appointments' Committee that Beryl Hobson's appointment as Chair should be extended for a further 12-month period with effect from 01 April 2021, noting that notice will be served and the contract will come to an end earlier should a merger take place in advance of 01 April 2022.</p> <p>BH thanked Council, noting that it was a great privilege to be the Chair of QVH and looked forward to working with Council and the Board ensure a sustainable future</p>
<p>12-21</p>	<p>Board level governance: engagement with governors CP presented the board level governance engagement document for annual review and approval.</p> <p>One suggested amendment was for inclusion of the process (in place for a number of years) for appointment of the lead governor and governor representatives.</p> <p>The main change, however, related to a proposed variation to reflect exceptional circumstances in 2021 only; this would address the fact that from February 2021, we would have an unusually small number of public governors with one year's experience as a governor, as currently required, to fill the governor representative roles. It was proposed that for the June governor representative elections in 2021 only, the requirement for a year's service is waived. This would allow new public governors joining in February 2021 to nominate themselves for election to these roles. However, roles of lead governor and chair of appointments committee would retain the requirement for one year's service to maintain the level of understanding and experience needed.</p> <p>The nomination and election process would be undertaken via email as usual in June. There were no questions and Council:</p> <ul style="list-style-type: none"> • Approved the current engagement agreement • Approved the lead governor role description • Approved the variation to the process for governor representatives in 2021 only.
<p>13-21</p>	<p>Changes to Trust constitution Council was reminded that changes to the Constitution were subject to majority approval by both the Board and Council. Proposals had been approved by the Board at its meeting last week and were now set before Council for consideration. These included:</p> <ul style="list-style-type: none"> • An amendment to enable Council to approve a delay for 12 months to an election, as long as the majority of governors remaining are still elected public governors. Council was aware that the Trust had just been through a time consuming process which had been important to ensure we could bring in 14 new public and 3 new staff governors. However, unless CoG chooses to delay the next election we would very shortly be required to go through this whole process again. The additional resource implications were significant, in addition to the financial cost of around £5k. Approval of this amendment would allow Council to consider the request set out under item 13-21. • An addition concerning processing of membership applications which repeats the statement already set out elsewhere in the Constitution that in a pre-election period all applications will be processed within a maximum of five working days. • An amendment to reflect updates to the terms of reference of the governor steering group proposed during its annual review. • Correcting the word 'exercised' to read 'exercisable' • Updates to gender pronouns

	<p>Due to a timing issue, the change to the GSG terms of reference couldn't be incorporated into the original board report for approval; however, Board members had confirmed their approval in principle at the meeting which was recorded in the minutes.</p> <p>There were no further questions and Council approved the revised version of the Constitution which would take immediate effect.</p>
<p>14-21</p>	<p>Proposal to postpone 2021 governor elections Although due to lose four public governors on 30 June 2021, the Trust would retain a well constituted Council and so following on from item 13-21, Council was asked to approve a delay to the election of 12 months.</p> <p>In addition to the financial and operational difficulties which another election this year would create, a delay would also enable the Trust's election timeline to return to its original sequencing (otherwise governors would have different expiry dates for their terms of offices and the Trust would be committed to holding elections twice a year).</p> <p>To align to original timelines, CP confirmed that the new governors taking up post from 01 February would complete their first term of office on 30 June 2023.</p> <p>Council noted with regret the impact this would have on three public governors who under normal circumstances would be eligible to stand for a second term.</p> <p>There were no further questions and Council approved a delay of 12 months in holding elections to the council of governors for the public governor vacancies which will arise in June 2021.</p>
<p>Holding non-executive directors to account for the performance of the board of directors</p>	
<p>15-21</p>	<p>Board of Directors The Chair noted that whilst the length of Board and committee meetings had been reduced since the switch to virtual meetings, the focus on business as usual had remained, despite the pandemic and partnership discussions. There has also been increased public attendance at the public Board meetings.</p> <p>As lead governor, PS noted that many more of his colleagues were now able to attend meetings since they had switched to virtual format and were able to see first-hand the performance of a competent group of NEDs.</p> <p>There were no further comments and Council noted the contents of the update.</p>
<p>16-21</p>	<p>Finance and performance committee PD-R provided an update on the work of the committee since the last Council meeting, in particular drawing attention to:</p> <ul style="list-style-type: none"> • The restoration and recovery plan, adversely impacted as a result of the current COVID situation; • Activity targets would not be achieved as the Trust reverts to a cancer hub. The Trust is working as effectively and efficiently as possible but the additional infection and prevention controls also reduce theatre time. • A reminder that the reported break even position is as a result of national funding via a block contract. This masked the real position whereby the Trust's run rate on expenditure continued to exceed its income. The Trust's financial challenges had not been resolved. <p>As governor representative to the Committee, AL commended PD-R's abilities as a Chair to summarise sometimes long and complex discussions. Although a huge amount of complex data was provided in advance, NEDs always had a clear view of the key themes and their implications.</p>

	<p>There were no further comments and Council noted the contents of the update.</p>
<p>17-21</p>	<p>Quality and governance committee KN reported that despite the significant challenges, the Committee continued to receive assurance on patient safety. Highlights of her report included:</p> <ul style="list-style-type: none"> • Summary of both formal and seminar meetings and reviews of performance to identify what was going well, and what not quite so well. • The recent seminar focused in particular on how the Committee could gain assurance at a time when it wasn't possible to carry out the compliance in practice (CIP) inspections; assurance included data and meeting minutes. • More work was underway to see how CIP visits could be undertaken in a virtual format. • The Committee continued to review action plans for particular risk areas. • Particular assurance had been gained from the work that had gone into the annual learning from deaths report. • Assurance had also been provided around NICE compliance and the clinical audit programme. <p>As governor representative to the Committee, DH noted that, whilst there would always be room for improvement, on the whole things were going well. He also commented on how stressful the current situation was for staff, who were having to respond to constant change.</p> <p>Governors expressed an interest in the CIP inspections and whether their input would be required once these were re-started. BH concurred, noting this was a good way to find out what was going on in the hospital.</p> <p>There were no further comments and Council noted the contents of the update.</p>
<p>18-21</p>	<p>Audit committee As Chair of Audit, KG reported that meetings had continued as normal throughout the pandemic. He reminded governors that on a quarterly basis, the Committee continues to undertake a deep dive into an individual key strategic objectives, seeking assurance in respect of gaps and controls. In December, the focus was on KSOs 3 and 5.</p> <p>There was an annual update on policies which was assuring to the Committee with KSO assurance and internal audit reports demonstrating that controls have not significantly changed.</p> <p>The internal audit plan had slowed at the start of the financial year due to the pandemic and there would be a lot of work to do in Q4.</p> <p>KPMG had already begun the interim work on the annual audit, which was likely to be completed remotely again this year. It was noted that the finance team would also be required to complete both the annual planning and the audit processes at the same time.</p> <p>AF-S commented that since being appointed governor representative, all meetings had been held virtually; despite this, however, the level of challenge and preparedness had been outstanding throughout.</p> <p>There were no further questions and Council noted the contents of the update.</p>
<p>19-21</p>	<p>Charity committee GN opened by providing an update on the Corporate Trustee meeting which had taken place last week; highlights included an update on the funding received through 'NHS Charities Together'. This comprised the majority of our funding this year as other fundraising efforts had been curtailed by the pandemic. Monies had been allocated for</p> <ul style="list-style-type: none"> • establishment of the new QVH Black, Asian, Minority Ethnic (BAME) staff network;

	<ul style="list-style-type: none"> • additional equipment to support staff working from home, (the Trustee being assured by NHSCT that this was an appropriate use of funds), • Free food for staff during the first period of lockdown; • Psychological therapies for staff. <p>As governor representative to the Charity, CH felt assured that the NHS Charities Together monies had been used wisely. Whilst fundraising had not been possible in 2020, CH reported that Camilla Slattery, head of fundraising and her team were looking at innovative new ways of fundraising in 2021.</p> <p>There were no further questions and Council noted the contents of the update.</p>
20-21	<p>Any other questions for non-executive directors There were none.</p>
Representing the interests of members and the community	
21-21	<p>External auditor appointment for 2021/22 KG presented a report to Council setting out the Audit committee's proposal for extension to the existing contract for one year with the option to extend for a further year. This would allow for three potential scenarios; a merger in October 2021, a merger with a delayed timeframe, and no merger.</p> <p>As governor representative to the committee AF-S concurred he believed this to be a very pragmatic solution.</p> <p>There were no further questions and Council approved the proposal.</p>
22-21	<p>Annual planning for 2021/22 MM updated Council on the 2021/22 approach for business planning which was consistent with previous years. Noting that the national process may be delayed, MM assured Council that it would not affect the internal process.</p> <p>Council was also reminded that the Trust still awaited wider guidance on funding arrangements but the current assumption was that we were moving towards a system-based planning process.</p> <p>There were no questions around the process and Council noted the latest update.</p>
23-21	<p>Quality account priorities for 2021/22 Council was reminded that staff and governors are asked to select three quality priorities for 2021/22 which would bring tangible improvements to our patients and staff. All suggestions should be measurable as ongoing baseline metrics will be monitored by the Clinical Governance Group, (with oversight at the Quality and Governance Committee). Achievement of these priorities would be published in the Trust's Annual Quality Report.</p> <p>Due to the pandemic, at this stage it was not known whether the Trust would be required to submit an annual Quality Report, although additional guidance was anticipated in the next few weeks. In the event that the Trust would need to select its quality report priorities for the next financial year, governors were provided with some initial ideas and invited to feedback to the lead governor who would provide a coordinated response.</p> <p>PS reminded Council that should the requirement for the annual report be reinstated, they would also be invited to agree the governor selected indicator (as discussed at the September CoG).</p> <p>Again, feedback would be coordinated by PS; the deadline for both sets of responses was set for the end of January.</p>

Any other business	
24-21	<p>The Chair noted that four public governors (AF-S, JH, RT and DH) were currently standing for re-election as public governors and wished them well.</p> <p>SL and CL had both decided not to stand for re-election as staff governors on this occasion; BH thanked them for their commitment and support over the last three years.</p>
Questions	
	There were no further comments and the Chair closed the meeting.

Chair:..... Date: