

Document:	Minutes UNAPPROVED	
Meeting:	Council of Governors session in public Tuesday 30 November 2021, 13:00 – 15:00	
Present:	Anita Donley (AD)	Trust Chair
	Chris Barham (CB)	Public governor
	Liz Bennett (LB)	Stakeholder governor (WSSC)
	Elizabeth Bowden (EB)	Public governor
	Andrew Brown (AB)	Public governor
	St John Brown (StJB)	Stakeholder governor (LoF)
	Tim Butler (TB)	Public governor
	Balj Dheansa (BD)	Staff governor
	Antony Fulford-Smith (AF-S)	Public governor
	John Harold (JRH)	Public governor
	Janet Haite (JDH)	Public governor
	Oliver Harley (OH)	Public governor [items 94-21 - 99-21]
	Anita Hazari (AH)	Staff governor
	Julie Holden (JWH)	Stakeholder governor (EGTC)
	Caroline Migo (CM)	Public governor
	Peter Shore (PS)	Public governor
	Ken Sim (KS)	Public governor
	Roger Smith (RS)	Public governor
Alison Stewart (AS)	Public governor	
Peter Ward Booth (PWB)	Public governor	
Thavamalar Yoganathan (TY)	Public governor	
In attendance:	Clare Pirie (CP)	Director of communications and corporate affairs (CoSec)
	Hilary Saunders (HS)	Deputy CoSec (mins)
	Gary Needle (GN)	Senior Independent Director
	Karen Norman (KN)	Non-executive director
	Paul Dillon Robinson (PD-R)	Non-executive director
	Steve Jenkin (SJ)	Chief Executive
	Nicky Reeves (NR)	Director of nursing
	Abigail Jago (AJ)	Director of operations
	Michelle Miles, (MM)	Director of finance
Rebecca Hainsworth (RH)	Browne Jacobsen [items 87-21 – 90-21]	
Apologies:	Chris Barham (CB)	Public governor
	Miriam Farley (MF)	Public governor
Did not attend:	Raman Malhotra (RM)	Staff governor
Ref.	Item	
Standing items		
87-21	Welcome, apologies and declarations of interest and eligibility AD opened the meeting. She reminded governors that the meeting would be recorded and the transcript would sit alongside the formal minutes. Apologies were noted as above. There were no additional declarations of interest. The meeting was confirmed as quorate.	
88-21	Draft minutes of the public meetings held on 10 May and 19 July The minutes of the meetings on 10 May and 19 July were not approved by Council. Governors agreed to the Chair's proposal that as these were now historic they should remain in draft form, together with any correspondence relating to them.	
89-21	Matters arising and actions pending from previous meetings There were none.	
Exceptional item of business		
90-21	Implications of new licence conditions	

The Chair explained that she had asked for this item to be added to the agenda. It was important that Council had a clear understanding of the new licence conditions imposed by the regulator, NHSE/I South East and their implications. Part of her role as Chair is to help governors do their job to the best of their ability across the full range of their remit. In future, AD would seek to ensure that governors consider all of the trust's key strategic objectives in a balanced way and consider important areas in order to avoid inadvertently breaching licence conditions.

CP highlighted the relevant paragraphs (previously circulated to Council) from the licence conditions (under S111 of the Health and Social Care Act 2012) as follows:

1. Appointment of a Chair (now addressed with the appointment of AD as Chair); this also mentioned the need for sufficient board leadership and an effectively functioning CoG.
2. Requirement for the Council to work effectively with the Board, specifically with reference to the Constitution, and operating in accordance with statutory roles and guidance.

CP noted the requirements to hold the NEDs to account for the performance of the board, and to represent the interests of QVH members and the public. The CoG agenda is structured to support this focus and whilst governors can scrutinise the work of the Board, they should not prevent the Trust from developing a long-term plan for a sustainable future. Operating in accordance with guidance in the licence conditions includes appropriate and respectful behaviour with interactions in line with Nolan principles and NHS values. Rebecca Hainsworth from Browne Jacobsen was available to answer any technical questions regarding the new licence conditions.

Governors sought and received additional clarification:

- That the Board is a unitary board, and that the requirement for governors to hold the NEDs to account had led to confusion as to whether governors should also be directly holding executives to account. AD confirmed that governors have agency through scrutinising the performance of the NEDs in their role of holding the Trust executive to account. Governors should be examining evidence of the assurance that NEDs themselves have sought; this should be undertaken in a balanced and proportionate way across the whole of the performance of the Board, rather than by concentrating on one particular aspect.
- That specific examples of where governors had breached licence conditions were set out in a letter from the regulator dated 20 October 2021.
- That governors were reminded that they had been invited to submit their individual representations via the Lead governor, and that these had been forwarded to NHSEI together with the minutes of the meeting at which the licence conditions had been discussed collectively. In the letter from regulator letter dated 20 October 2021, the Regional NHSE/I Director, Anne Eden, had stated that NHSEI had considered the representations of both the board and the governors, and had noted that there was a significant divergence of views.
- That the Board had approached NHSEI for support in the autumn of 2021 as the situation between Council and Board had deteriorated.

There were no further comments and the Chair thanked RH for attending.

Holding non-executive directors to account for the performance of the board

91-21

Executive overview

SJ was joined by the directors of nursing, operations and finance to provide a regular update to Council, highlights of which included:

- KSO1: the results of the CQC 2020 National Inpatient Survey, with the Trust achieving 'much better than expected' results. Whilst recognising that ,as a specialist trust, QVH did not have the same challenges as a general acute hospital, SJ stated that we should still be very proud of our achievements.
- KSO2: the Sussex approach to addressing health Inequalities; COVID has had a significant impact on patients and staff from a BAME (Black Asian Minority Ethnic) background, and the Trust also already had a focus on treatment for adults with learning disabilities; the health inequalities focus continues to be reviewed and expanded.
- KSO3: The Trust continues to meet national and local standards for 62 day, 31 day and faster diagnosis standards; and 2 week-waits are behind plan, primarily as a result of clinic capacity and patient choice. Although the number of patients waiting over 104 weeks had increased slightly, the Trust remained on track to eliminate these waits ahead of the March 2022 deadline.

	<p>Ongoing challenge with an increase in breast service immediate referrals was further impacting staffing and theatre capacity pressures.</p> <ul style="list-style-type: none"> • KSO4: QVH is reporting year to date a £400k surplus to plan. Part of this relates to Elective Recovery Fund (ERF) payments but is also as a result of the level of staff vacancies in some areas. The Trust has signed up to the Plexus (shared care records scheme) within the Sussex ICS; this is a system of integrating data from primary, community, secondary and tertiary services. • KSO5: An update on staff COVID vaccination rates and the national decision to make vaccination mandatory within the health sector from April 2022. Staff self-isolating or absent due to sickness is now over 4% for the first time in 12 months. The challenges around workforce recruitment and retention are reflected through the whole of the NHS. The annual staff survey has recently closed with around 62% of staff participating. A new NHSE/I report outlines the ten-year strategy for the future of human resources and organisational development in the NHS. SJ suggested this might be something governors could consider at a future seminar. • Hot topics in 2022 are likely to include: <ul style="list-style-type: none"> • Omicron and related workforce pressures; • 2022/23 business planning; • The "Greener NHS" programme to support all trusts in working towards Net Zero Carbon by 2040; • Health inequalities; • Clinical services engagement work with UHSx, due to start in January 2022. • Establishment of the Sussex ICB (Integrated Care Board); Stephen Lightfoot has been appointed Chair and Adam Doyle as CEO. <p>Council considered the update, and sought the following information:</p> <ul style="list-style-type: none"> • QVH has been an early adopter for the community diagnostic centres (CDCs, previously known as hubs). The CDCs establish community services on non-acute sites to support system-level challenges around diagnostics. The first phase is around early direct access for CT, ultrasound and MRI, with the second phase examining physiological testing. • In response to a question as to whether the surge in demand for breast referrals would lead to QVH considering a merger with the Royal Marsden, SJ stated that the Board had considered various options over the last 2-3 years; UHSx was, and remains, the preferred option. <p>There were no further questions and Council noted the contents of the CEO update.</p>
<p>92-21</p>	<p>Board of Directors</p> <p>To provide additional assurance around the role of the NED, PDR described current activities outside Board and CoG meetings that NEDs were involved in which included:</p> <ul style="list-style-type: none"> • Performance review meetings, helping inform F&PC and Q&GC meetings; • Fortnightly NED meetings, and regular meetings with assigned individual executives; • Chairing panels for consultant appointments. <p>PDR noted that NEDs were missing the compliance-in-practice visits (suspended since COVID) which had been a helpful way of triangulating information on site.</p> <p>At the November 2021 Trust Board meeting, questions as usual had been submitted in advance; this process had not inhibited discussion during the meeting, and was seen to be an efficient use of time which allowed for operational questions to be followed-up outside of the meeting. Highlights this time included:</p> <ul style="list-style-type: none"> • A patient story which had provided helpful feedback to the management team. • A presentation from the Freedom to Speak Up (FTSU) guardian; the Board sought and received assurance that the FTSU guardian did not have any concerns that staff might feel unable or too afraid to speak up. • An assessment of the risks and activities within each KSO (key strategic objective). A recurrent theme at present is staffing and in the context of waiting list recovery the organisation had to remain pragmatic about what could be delivered. Clinical harm reviews were ongoing and the process of assessment provided the assurance that there was no significant harm to date associated with a delay in treatment. • The National Inpatient survey results were impressive, given the survey took place during the height of the pandemic.

	<p>The lead governor added that one of the advantages of meeting remotely was increased access for his governor colleagues to observe board meeting. He commented that the process of asking questions in advance was a helpful illustration of how the NEDs were holding the executives to account. He also noted the volume of reports contained within board packs; this led to a general discussion around the size of the board reports and concerns that NEDs could miss items of importance. PDR explained how most reports have been repurposed from sub-committees and the size of the pack was typical within the public sector. Whilst it was not the job of the NEDs to review the detail, the reports contained useful data to help support the Board in identifying identify and monitor trends.</p> <p>Since her appointment, AD had been meeting with governors on an individual basis to identify common themes of concern (for example, in the context of a merger, the consequences of a small trust merging with a larger trust). AD was currently collecting themes for analysis and would then consider how the Trust and governors could develop a balanced framework which would encompass governors' concerns, but also ensure that areas that should be scrutinised in the next phase of work (but which had not been prominent in discussions hitherto) were addressed.</p> <p>A second theme arising in the 1:1 discussions with governors had been that of the NEDs response to a letter from QVH consultants. This matter was ongoing and would be the subject of private correspondence with governors in due course. AD did not propose to allow any further discussion of those items.</p>
<p>93-21</p>	<p>Finance and performance committee (F&PC)</p> <p>PDR reminded Council that F&PC monthly and generally began by focusing on operational performance as this is inevitably the driver for workforce and finance. As SJ had previously reported, performance was a real challenge and the Committee continued to scrutinise theatre utilisation and cancellations; despite this Council was assured that there was no particular theme emerging regarding theatre efficiencies; a similar workstream was due to start around Outpatient activity.</p> <p>The main concern at present was the 52-week wait, although governors noted how well QVH was performing on recovery.</p> <p>The Trust had been successful in building up bank staff instead of using agency but vacancy rates remained a concern; it was important that patient safety was not compromised by staff shortages. Although sickness levels had increased, levels of mandatory and statutory training were higher than anticipated.</p> <p>The current block contract arrangement continued to mask the underlying financial situation. The system had performed well during the first half of the year but the second half would be more difficult and there had been challenges with H2 planning. Guidance had been published late and targets were not clear in terms of the denominators.</p> <p>Several corporate risks are allocated for oversight by F&PC. At the last meeting the Committee scrutinised in detail operational pressures arising as a result of COVID. The Committee also reviewed policies throughout the year.</p> <p>Council considered the update, commenting as follows:</p> <ul style="list-style-type: none"> • Following the presentation at the governor seminar in September re QVH finances over the last decade, a governor requested more detail on increases in pay costs; PDR expressed concern that a large amount of historic research would be required to provide the level of detail being requested and whilst he would consider how best to respond, he was keen that governor focus was on this year's and next year's financial position. • TB expressed surprise that none of the board papers dating back to 2017 had evidenced discussion on tariff renegotiation, given that more than one third of the £3.3m deficit had been attributed to tariff changes. PDR responded that negotiations were undertaken by the executive team, not at board level. Few negotiations had been concluded over the last couple of years due to COVID. However, he highlighted a risk identified previously related to the requirement for the Trust to negotiate with 28 separate CCGs, for which QVH was a very small player. He assured CoG that these issues were raised in commissioning intention letters and discussed on

	<p>a regular basis. TY sought additional clarification as to how tariffs would be assessed as part of the full business case and whether this would be a factor for reconsidering merger with UHSx. PDR responded as follows:</p> <ul style="list-style-type: none"> • Tariffs were negotiated through a system of commissioning intention letters between the Trust and commissioners which consider levels of activity behind the national tariff. As explained, the Trust is currently working under a block contract arrangement and tariffs have not been relevant over the last two years. • There is currently no certainty around framework of future contracts within the Sussex ICS although this is likely to be a form of aligned payment incentive. • In terms of tariff, the critical factor is what commissioners decide to commission within and across ICSs rather than which ICS QVH sits within. • The Trust uses whatever intelligence is available when negotiating; however, the Trust would be paid national tariff unless there were particular circumstances where commissioners felt additional consideration was justified. • Assurance that service reviews are undertaken. At the last F&PC, the Committee considered service line reporting within Plastics; this included a discussion on data quality, trend analysis and a review of PLICS (Patient Level Information and Costing Systems data which contains unit costs for inpatient admissions, emergency care, outpatient attendances etc). Detailed work is undertaken as part of seeking assurance around the business planning process. • In response to a question about feasibility of reducing spending to the levels in 2017/18 PDR agreed that, although the Trust would like to bring costs down, this was not realistic. There is uncertainty of future income and likely future service commissioning patterns. The Trust was still awaiting planning guidance to provide clarity on the funding regime. Whilst NEDs regularly challenge necessity for expenditure, it would not be possible to take out significant costs without redundancies which would in turn reduce activity. • OH commented that the Trust was “living beyond its means”, citing the size of the QVH board compared to larger hospitals. In response, PDR stated that it was traditionally an easy option to blame administrators and those running the organisation, however research suggests that the NHS is as efficient as private healthcare providers in terms of management. • Increased staffing had been because of the need to address patient safety and quality issues. Decisions were taken by the executive, but subsequently scrutinised by NEDs who had full assurance on the importance of these posts. • PDR reminded CoG that the increase in pension costs had been reimbursed to the Trust. <p>In the interests of time, the Chair closed this item and moved onto the next.</p>
<p>94-21</p>	<p>Quality and governance committee (Q&GC)</p> <p>KN explained that NEDs seek assurance in various ways and explained the ‘critical friend’ process of reporting from working groups and committees into Q&G to provide constructive learning. She gave the example that GN recently attended safeguarding group and reinforced the high level of assurance on this work. With reference to earlier discussion of whether Board reports contain too much data, KN stated that as reporting works through the committee levels discussion becomes more strategic.</p> <p>KN highlighted the following specific areas considered at Q&GC:</p> <ul style="list-style-type: none"> • Antimicrobial prescribing: a global issue of overuse leading to antimicrobial resistance; there is a task and finish group reviewing evidence and auditing practice to ensure compliance. • Workforce: Q&GC focussed on safety issues and skill mix of staff • Policies: some regular renewal dates had slipped during pandemic, there has been considerable work to ensure policies are reviewed and where appropriate updated • Infection control: the committee receives a comprehensive report, including how any issues arising have been addressed. • Clinical harm reviews: the Trust is undertaking reviews where patients have been waiting longer than expected; Q&GC is reviewing the quality of data and is seeking further assurance through the medical director. <p>KN talked about assurance involving evidence and concrete examples, and that this was a theme in the Q&GC seminar when the committee met in a less formal mode to reflect on anything that might be improved; this included consideration of how some other boards receive reports and identify issues of significance, in order to further improve the quality of reports.</p>

	<p>AFS was invited to comment and said he was impressed by the level of questions that come from the NEDs in Q&GC, including exploration of trends through time, critical incidents, training, preventative work and the behaviour change that is sometimes required. He felt the committee got a very high level of assurance.</p> <p>In response to a question from a staff governor about access to specialist staff training, KN said that in addition to a focus on mandatory training to maintain safety and competence, the committee recognised the need for more specialist training in line with the philosophy of developing people within the Trust. NR added that the Trust benefitted from funding for training from the League of Friends and Health Education England (HEE), as well as specific funds for burns training, the challenge is identifying the right training not the funds. She offered to follow-up outside of the meeting about the specific issue. StJB asked for more information for the League of Friends on how training is funded so they can see how their regular annual contribution fits into the wider picture.</p>
95-21	<p>Audit committee KN explained she was updating on behalf of KG, and that the committee had received updates on KSOs 1, 2, 3, and 4 as well as updates on internal audit and counter fraud; this is covered in the reports KG has submitted to the Board. There were no questions.</p>
96-21	<p>Any other questions for NEDs There were no further questions. It was noted that it had been agreed that governors would use the Board reports on sub-committees and receive a verbal update in Council with the opportunity to ask NEDs questions.</p>
Council business	
97-21	<p>Strategic case SJ explained that this was reviewed in detail at public Board and was on the agenda to ensure governors had the opportunity to ask questions, as at a previous meeting a governor had raised a question about clinical fragility. Governors made the following comments:</p> <ul style="list-style-type: none"> • A staff governor stated that considerable number of QVH consultants would support consideration of Royal Marsden as a merger partner; SJ confirmed that in the process over the last four years there had been consideration of various options but largely not in London. • Governors have not seen an options appraisal and find it difficult to scrutinise without that. • One governor stated that there are fragile services elsewhere too and he considered this a “thin” reason for merger. <p>The Chair thanked governors for their contribution and said that these questions will be addressed in more detail as the Trust works through next phase of considering the Full Business Case (FBC).</p> <p>In response to a question about whether sufficient weight is being put on the financial situation, AD responded that finances would be subject to very detailed study in the FBC and would be a critical part of consideration.</p>
Any other business	
98-21	No questions had been raised in advance.
Questions	
99-21	<p>Chair confirmed no questions had been received, thanked participants for a pleasant and constructive meeting, and for the work they do on behalf of the Trust.</p> <p>There were no further questions, and the Chair closed the meeting.</p>