MINUTES OF THE MEETING OF COUNCIL OF GOVERNORS
HELD ON WEDNESDAY 11 JANUARY 2017
IN THE BOARDROOM, LEVEL D

Chair: Mr M Havenhand, Trust Chairman

Public Governors: Mrs J Brookes, Public Governor, Rotherham South
Mrs B Dixon, Public Governor for Rother Valley South
Ms L Flather, Public Governor for Wentworth North
Ms J Frith, Public Governor for Rest of England
Mr B Kinsey, Public Governor for Rest of England
Mr L Hayhurst, Public Governor for Wentworth South
Mr G Jenkinson, Public Governor for Wentworth Valley
Mrs V Lindsay, Public Governor, Rotherham North
Mr D Vickers, Public Governor Rother Valley West
Mr N Ward, Public Governor Wentworth Valley
Mr D Wray, Public Governor for Rother Valley West/Lead Governor

Staff Governors: Dr F Al-Modaris, Staff Governor
Mrs C Ripley, Staff Governor

Partner Governors: Mrs C Haywood, Partner Governor, Rotherham Partnership
Cllr E Hoddinott, Partner Governor for RMBC
Mrs J Wheatley, Partner Governor for Rotherham Partnership

Apologies: Mrs B Bennett, Public Governor, Rotherham South
Mr T Finney, Public Governor Wentworth North
Mrs S Lewis, Staff Governor
Dr C Low, Sheffield Hallam University
Professor A Majid, the University of Sheffield
Mr G Rimmer, Public Governor for Rother Valley South
Mrs T Senior, Staff Governor, Support Staff to Health Professional

Members of the Board of Directors and other Trust staff in attendance:
Mrs G Atmarow, Non-executive Director
Mrs L Barnett, Chief Executive
Mr M Edgeall, Non-Executive Director
Ms L Hagger, Non-executive Director
Mrs A Hope, Non-executive Director
Mrs E Monkhouse, Acting Chief Nurse
Ms A Milanec, Director of Corporate Affairs/Company Secretary
Mr S Sheppard, Director of Finance
2017/01 **WELCOME AND ANNOUNCEMENTS**

The Chairman welcomed all those present to the meeting.

Mr Havenhand announced that this would be the last meeting attended by Cllr Hoddinott, who would be standing down as Partner Governor due to a change in her responsibilities at RMBC.

Cllr Hoddinott thanked colleagues for their support during her time as a Partner Governor and confirmed that a colleague will have been nominated by RMBC to take over the role in readiness to attend the April 2017 meeting.

Mr Havenhand introduced to the Council Mrs Monkhouse who would be undertaking the role of Acting Chief Nurse following the retirement of Ms McErlain-Burns. Mrs Monkhouse was already familiar to the Trust in her substantive role of Deputy Chief Nurse.

With regard to the recruitment of a substantive Chief Nurse, the Council was informed that arrangements and timetable were being finalised.

2017/02 **APOLOGIES FOR ABSENCE & QUORACY CHECK**

Apologies from a number of Governors’ were NOTED, and the meeting was confirmed to be quorate.

2017/03 **DECLARATION OF INTEREST**

There were no declaration of any conflict of interest in relation to any agenda item. The Chair reminded members that should any conflicts become apparent during the course of the meeting, they should be declared.

2017/04 **MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 12 October 2016 were AGREED as a correct record.

2017/05 **MATTERS ARISING & ACTION LOG**

There were no matters arising from the previous meeting, which were either not covered by the agenda or action log.

The Council AGREED that all actions from the previous meeting could be closed.

2017/06 **CHAIRMAN’S REPORT**

The Council of Governors’ RECEIVED and NOTED the Chairman’s written report.

Mr Havenhand indicated that the work continued with regard to the Rotherham Together Partnership.
Mrs Haywood, who was involved in the detailed discussions through her substantive role, provided additional information to the Council of Governors on the development of the plans that would help shape the future of Rotherham through to 2025. These discussions involved a cross section of the community including public, private and voluntary organisations. Mrs Haywood confirmed that she would ensure that the Council of Governors received information on the formal launch planned for March 2017 in order that Council colleagues could gain a first-hand insight into the plans.

**ACTION – Carole Haywood**

Discussions continued in relation to the Acute Care Collaboration Vanguard (Working Together Partnership – Providers) and the South Yorkshire and Bassetlaw Sustainability and Transformation Plans (STPs). It was anticipated that the Government would shortly be announcing the STPs to proceed to the next stage.

Mr Havenhand confirmed the Trust’s continued commitment to collaborative working, and as such, Mrs Barnett and the Executive Team were actively involved in all local STP discussions and other opportunities for collaboration.

The Council of Governors NOTED the Chairs report.

**2017/07 REPORT FROM NON-EXECUTIVE DIRECTOR CHAIRS OF BOARD COMMITTEES**

The Council of Governors RECEIVED and NOTED the reports from each Board Committee.

The Chairman invited each Non-executive Director Committee Chair to provide supplementary information in order to support the written reports.

i. **Finance and Performance Committee (FPC)**

Mrs Hope indicated that the Committee had been monitoring the operational finance position in addition to strategic financial matters as part of the 2 Year Operational Plan.

A number of factors were having a negative impact on the financial position. Firstly, the Trust was not achieving anticipated income levels and there was a requirement to ensure that this returned to plan as quickly as possible. As such, the Committee would be considering the various factors at its January meeting.

Secondly, workforce costs including locum and agency staff, continued to be higher than expected. Thirdly, achievement of the £10.5m cost improvement programme continued to be challenging.

All these factors at month eight had resulted in a variance to the plan of £9.5m. This in turn had resulted in pressures being placed on the cash position. However, there remained opportunities in relation to the CQUIN (Commissioning for Quality and Innovation) targets which if delivered would secure £1m of funding.
With regard to staffing costs, Dr Al-Modaris commented that vacancy levels and on-going recruitment in some specialities were adding to the pay cost pressures and questioned why other Trusts appeared to be more successful in relation to recruitment.

Mrs Barnett agreed that there currently were some challenges with regard recruitment; however, she considered that Rotherham was no different to other Trusts in relation to success rates. What remained important was to draw on what worked well and what did not in order to improve the recruitment process. Driving forwards, the transformation agenda and new models of working would also attract staff to the Trust.

Mr Ward highlighted that there were additional costs to the organisation from the use of locums, in terms of reduced levels of responsibility/accountability and those staff being risk averse and questioned if these costs were known. Mrs Barnett and Mr Sheppard indicated that at this time they were not and would consider the matter.

**ACTION – LB/SS**

Mr Havenhand confirmed that workforce matters had been a theme across a number of the Board Committees, and to ensure a full debate was undertaken, workforce would be considered at a Board Seminar.

**ii. Quality Assurance Committee (QAC)**

Mr Edgell indicated that QAC, in addition to the areas detailed within the report, had been monitoring mortality rates, which although following investigation had not had been deemed to be statistically significant, were increasing.

The Committee had also requested greater attention to the harm free rates and particularly the reasons for the increase in pressure ulcers within the community. As previously reported, upon investigation the issues were complex and did not relate to availability of equipment.

The Chief Pharmacist had also attended QAC to discuss the work being undertaken to assess the reasons for the higher than expected medication errors/omission rates.

Nurse staffing levels remained stable, although there had been some red flag shifts.

Due to the challenges within the Emergency Department, QAC had focussed on patients waiting over 4 hours and had sought assurance that any delays were not leading to any undue risk or lack of prioritisation for patients.

It was confirmed in response to a question from Mrs Dixon that fundamental care standards were maintained for patients delayed in the department. Additionally, the Trust continued to analyse data and proactively work with its partners to avoid attendance to the Emergency Department.
iii. Strategic Workforce Committee (SCW)

Ms Hagger confirmed that the workforce matters raised by her colleagues such as agency expenditure and recruitment also remained a focus for the SWC. Such was its importance, all elements of workforce would to be a topic of a Board Seminar meeting.

There remained opportunities to promote the positive work in many transformation programmes, through publicity and communications, which in turn would support recruitment.

A workforce review, which was taking place across the Divisions, would ensure a fit for purpose and stable workforce, which was aligned to the strategic objectives.

In response to a question in relation to staffing levels, it was confirmed that there had been no Serious Incidents or reported harm to patients because of staffing levels.

Staff sickness absence continued to be a well-managed process, with data being available regarding trends in any staff groups. Whilst sickness absence levels during peaks in activity were monitored, Mrs Barnett commented that, it was equally important that staff took their rest breaks during times these same peaks.

iv. Audit Committee

There had been no meeting of the Audit Committee since the last Council of Governors in October 2016.

GOVERNOR REGULATORY AND STATUTORY REQUIREMENTS

2017/08 FIVE-YEAR STRATEGY

Mr Havenhand advised the Council of Governors that the Five Year Strategy continued in its development by the Executive Team in conjunction with the wider Board.

To ensure that the Council of Governors remained apprised on the deliberations and enable an opportunity to provide their input on the strategy, Mr Havenhand suggested that further information would be shared at the 8 February Governors’ Forum. The timing would enable any comments from the Governors to be incorporated into the next iteration of the Strategy to be considered at the February 2017 Board of Directors meeting.

ACTION – MH

2017/09 2 YEAR OPERATIONAL PLAN AND PROGRESS WITH CONTRACT

The Council of Governors RECEIVED and NOTED the report from the Chief Executive and Director of Finance which provided an overview of the 2 Year Operational Plan, which had been submitted to the regulator on 30 December 2016, and the current contracting position.
Mr Sheppard confirmed that the Plan had included information relating to the financial, activity, and workforce plans in addition to the required supporting narrative.

With regard to the financial elements, the following matters were highlighted to the Council:

- The control totals as proposed by NHSI for 2017/18 and 2018/19, for a surplus of £5.8m and £6.6m respectively had not been agreed by the Trust.
- By rejecting the control totals, the Trust would not be in a position to access the Sustainable Transformation Funding (STF), which would be a share of £1.8b.
- The plan submitted by the Trust indicated a deficit of £13m for 2017/18 and £10.2m for 2018/19.
- A realistic Cost Improvement Programme (CIP) of 3%. This remained above the 2% national implied efficiency level. To achieve the STF and control totals would have required a CIP of 8%.
- The plan was considered realistic and deliverable.
- Feedback was awaited from NHSI.

Mr Sheppard confirmed that good progress had been made with the contract discussions with the Rotherham Clinical Commissioning Group. With the two-year contract having now been signed.

In response to a question, Mrs Barnett confirmed that the 2-year plan had made no assumptions regarding the impact of any potential future collaboration, other than indicating a commitment to the Rotherham Place Plan. However, it was envisaged that partnership and collaborations would continue through such as the STPs and Working Together groups.

On behalf of the Council of Governors, Mr Wray, Lead Governor, expressed the Councils concerns regarding the current financial position and financial performance during 2016/17. As such, the Council of Governance sought assurance from the Executive Directors and the Board that the position would be improved in readiness for 2017/18.

Mrs Barnett confirmed that an evaluation would be undertaken of financial performance and the specific matters, such as areas of overspend, which had led to the current position. This information, once available, would be summarised for the Council of Governors.

**ACTION - SS**

Mr Havenhand indicated that the concerns of the Council of Governors regarding the financial position and performance would be escalated to the Board of Directors.

**ACTION - MH**

2017/10 QUALITY ACCOUNTS – COUNCIL OF GOVERNOR PRIORITIES AND LOCAL INDICATOR
The Council of Governors’ RECEIVED the report presented by Mrs Monkhouse, Acting Chief Nurse, which provided information on the proposed six quality ambitions and 16 quality improvements for 2017/18.

Whilst the formal report from the Care Quality Commission following their re-inspection was still awaited, although it was anticipated that any resulting actions or recommendations would align to the quality improvements.

The Council of Governors SUPPORTED the proposed areas for inclusion as the 2017/18 priorities, indicating that they had no further areas to be added.

In addition, the report sought from the Council of Governors identification of one local indicator for mandatory auditing by the external auditors for the 2016/17 Quality Report (Quality Account). Mrs Monkhouse highlighted the four areas, as documented within the report, which were being suggested based upon Governor enquiries at the Quality Assurance Committee, although further suggestions would be considered.

Mr Wray confirmed that the Governors had considered the matter at their pre-meeting. The decision was that the Council of Governors wished the external auditors to review compliance with Do Not Attempt Cardiopulmonary Resuscitation (DNACPR) and Mental Capacity Act (MCA) documentation. This matter had also been raised by the Care Quality Commission.

The Council of Governors NOTED the report.

2017/11

COMPANY SECRETARY REPORT

The Council of Governors RECEIVED and NOTED the Company Secretary report.

As documented within the report, following the introduction of the Single Oversight Framework (SOF), the Trust had been categorised in segment three. Although discussions had been held with NHSI, Ms Milanec advised the Governors that the Trust had yet to be formally apprised of the details of the mandated support, which would result of being placed in this segment.

As identified within the report, NHSI were requiring increasing levels of transparency in relation to agency and locum staff expenditure from all organisations as part of the national drive to lower spend in this area.

As already reported the Trust awaited the formal report from the Care Quality Commission following their inspection in September 2016. However, it was anticipated that it would be available for factual accuracy checking shortly.

The 2017 Governor Elections would formally commence in February, with the relevant constituencies documented within the report. Ms Milanec took the opportunity to remind all Governors to promote the Governor role.
The review of the Trust’s Constitution and associated documents had been deferred pending consideration of the governance arrangements relating to the Sustainability and Transformation Plan.

The Governors Forum was requested to consider the proposal within the report to change the timings for the Council of Governors meeting.

**ACTION – Dennis Wray**

Ms Milanec reminded the Council of the formal route to be taken, which was documented in the report, should Governors wish to raise any issues or concerns. This was through the Lead Governor, Company Secretary or Trust Chairman.

The Council of Governors NOTED the report.

**2017/12 NOMINATION COMMITTEE**

The Council of Governors’ RECEIVED a verbal update in relation to the following matters which had been discussed at the Governors’ Nomination Committee held on 6 January 2017.

i. **Non-Executive Director Recruitment**

The Council of Governors were apprised of the outcome following the interviews held on 6 January for a Non-executive Director (NED) to replace Mrs Hope, whose term of office concluded at the end of February 2017.

Following an unsuccessful recruitment campaign in quarter three, the Trust had utilised the services of an external recruitment company to facilitate the appointment of a new NED with a financial background. The successful applicant would also chair the Board’s Finance and Performance Committee.

Four candidates had been shortlisted and interviewed by a panel of representatives from the Council of Governors and the Trust Chairman.

The Governors Nomination Committee, following receiving the views of the interview panel and other participants in the recruitment day, would recommend to the Council of Governors that Mrs Heather Craven be appointed to the role as advertised.

In addition, the Governors Nomination Committee had considered the views of the interview panel that a second candidate, Dr Paul Smith, had demonstrated qualities which would enhance the skills and knowledge of the Board, and that he should also be appointed.

Whilst the Governors Nomination Committee had recognised that an additional appointment, in the short term would see an increase in the NED numbers and costs, the benefits to the organisation from the appointment of Dr Smith could not be overlooked.
In the longer term, these matters would be considered as part of the routine discussions on the composition of the Board when the terms of office for current NEDs are due for review.

Following considerations of both recommendations, the Council of Governors APPROVED the appointment of Mrs Heather Craven and Dr Paul Smith.

As this would be the final Council of Governors meeting for Mrs Hope, Mr Havenhand at this point extended his appreciation on behalf of the Governors to Mrs Hope for her valued input over the last six years.

ii. Senior Independent Director

The Council of Governors APPROVED the recommendation from the Governors Nomination Committee that Mrs Atmarow continue in the role of Senior Independent Director until the conclusion of her term of office as a Non-Executive Director in March 2018.

iii. Barry Mellor – Additional Non-Executive Director Role

The Council of Governors NOTED that Mr Mellor had accepted another Non-executive Director role at Derbyshire Healthcare NHS Foundation Trust, from 1st November 2016.

iv. Vice Chairman

Although a decision for the Board of Directors, the Council of Governors NOTED the Chairman’s intention to recommend to the January 2017 Board of Directors’ meeting that Mrs Hagger take on the role of Trust vice Chair from 1st March 2017.

ITEMS FOR INFORMATION

2017/13 QUARTERLY WALKROUND REPORT

The Council of Governors RECEIVED and NOTED the report which provided an overview of the outcomes of the Quality Assurance Walkabouts undertaken in October and November 2016, which were also attended by Governors.

2017/14 GOVERNORS SURGERY

The Council of Governors RECEIVED and NOTED for information the feedback from the Governors surgery held on 10th November.

The feedback provided both positive and negative comments from service users at both the main hospital site and the Rotherham Community Health Centre.
Mrs Dixon questioned the response in relation to the length of time from referral to fitting of a hearing aid experienced by one service user. The response would be revisited and should it be any different to that documented within the report it would be provided to the Governors.

**ACTION - AM**

### 2017/15

**TRUST RESPONSE TO CONSULTATIONS**

The Council of Governors RECEIVED as part of their meeting papers, two consultation documents issued by the Commissioners.

The two documents, which had originally been circulated to the Governors in October 2016 when the consultation process had commenced, related to the proposed changes to:

- children’s surgery and anaesthesia services in South and Mid Yorkshire, Bassetlaw and North Derbyshire; and
- hyper acute stroke services in South Yorkshire, Bassetlaw and North Derbyshire.

The original deadline for any responses to be submitted to the Commissioners had been extended.

The Council of Governors were requested to address any comments they may have directly to the Medical Director who would be co-ordinating the Trust’s responses to both consultation documents. There would also be an opportunity for further discussion at the Governors Forum to be held on 8 February 2017 to be attended by the Medical Director. The Board of Directors would consider and approve the final Trust response before it was submitted.

A number of the Governors commented on the lack of awareness by the general public of the consultations which were taking place, and stated that it was important that the Rotherham population were made aware of potential changes to local services.

Whilst the consultation process was the responsibility of the Commissioners and not the Trust, it was AGREED that a requirement for wider publicity on any future consultations should be communicated to the Commissioners.

**ACTION - CW**

### 2017/16

**INTEGRATED PERFORMANCE REPORT**

The Council of Governors RECEIVED and NOTED the Integrated Performance Report which had been considered at the 20th December 2016 Board of Directors meeting.

Whilst the intended audience for the report was the Board, the Governors commented on the number of acronyms within the document.

### 2017/17

**ISSUES TO BE ESCALATED TO BOARD OF DIRECTORS**
It was AGREED that the financial position would be escalated to the Board of Directors.

**ACTION - MH**

2017/18  **COUNCIL OF GOVERNORS WORK PLAN**

The Council of Governors RECEIVED and NOTED their forward work plan.

2017/19  **QUESTIONS FROM ANY MEMBER OF THE PUBLIC PRESENT AT THE MEETING**

There were no public or staff members observing the meeting.

Mr Ward indicated that he wished to raise a question, as he and a number of Governors, had been approached by their Members in response to the recent local media article that an external consultant had been engaged on a reported daily salary of £1,800, to support delivery of the organisations cost improvement programme.

Mr Ward additionally highlighted the perception of front line staff relating to value for money following this appointment, and the comments that could result once an announcement was made regarding the two Non-Executive Director appointments agreed by the Council of Governors at the meeting.

In response to the matters raised, Mrs Barnett confirmed that an external consultant had been appointed to support delivery of the challenging cost improvement target of £10.5m. The individual would be working closely with the Director of Finance to ensure strong and sustainable decisions were made. The appointment had followed all the necessary due diligence checks, including discussions with the regulator. Achievement against set targets for the individual would be closely monitored.

Mr Havenhand reassured the Council of Governors that in order to support delivery of the financial plan the appointment had been made in good faith and in the best interest of the Trust. However, the Trust recognised that it could be seen negatively.

2017/20  **DATE OF NEXT MEETING**

The next meeting of the Council of Governors would be held on Wednesday 12 April 2017, commencing at 5.15pm.