MINUTES OF THE MEETING OF THE COUNCIL OF GOVERNORS
HELD ON WEDNESDAY 11 OCTOBER 2017
IN THE LECTURE THEATRE, LEVEL D

Chair: Mr M Havenhand, Trust Chairman

Public Governors: Ms B Bennett, Public Governor Rotherham South
Mrs J Brookes, Public Governor Rotherham South
Mrs J Dalton, Public Governor Rotherham South
Ms J Frith, Public Governor Rest of England
Mr L Hayhurst, Public Governor Wentworth South
Mr G Jenkinson, Public Governor Wentworth Valley
Mrs V Lindsay, Public Governor Rotherham North
Mrs H Littlewood, Public Governor Rotherham Valley West
Lt Col R MacPherson, Public Governor Wentworth South
Mr D Wray, Public Governor Rother Valley West/Lead Governor

Staff Governors: Mrs S Lewis, Staff Governor Other Support Staff
Mrs C Ripley, Staff Governor Other Health Professionals

Partner Governors: Mrs J Flanagan, Partner Governor Voluntary Action Rotherham
Mrs C Haywood, Partner Governor Rotherham Partnership
Cllr P Jarvis, Partner Governor RMBC

Apologies: Dr C Low, Partner Governor Sheffield Hallam University
Professor A Majid, Partner Governor The University of Sheffield
Mr G Rimmer, Public Governor Rother Valley South

Members of the Board of Directors and other Trust staff in attendance:
Mrs G Atmarow, Non-Executive Director
Mr J Barnes, Non-Executive Director
Mr M Edgell, Non-Executive Director
Ms L Hagger, Non-Executive Director
Mr B Mellor, Non-Executive Director
Ms A Milanec, Director of Corporate Affairs/Company Secretary
Mr S Sheppard, Director of Finance
Dr P Smith, Non-Executive Director

2017/60 WELCOME AND ANNOUNCEMENTS

The Chairman welcomed all those present to the meeting, including Mrs Flanagan who was attending her first meeting as Partner Governor for Voluntary Action Rotherham.

Mrs Flanagan was familiar with the role of Partner Governor role having previously represented Sheffield Hallam University on the Council of Governors prior to her retirement.
Mr Havenhand notified the Council of Governors that since the last meeting resignations had been received from Mr Nick Ward, Public Governor Wentworth Valley and Mr Bryn Kinsey, Public Governor Rest of England.

On other matters, the Council of Governors noted the passing of Mrs Bridget Dixon who had represented the Rother Valley South constituency until 31st May 2017 and Mr John Silker who had recently joined the Council of Governors representing the Barnsley and Rotherham Chamber of Commerce.

2017/61 APOLOGIES FOR ABSENCE & QUORACY CHECK

Apologies were NOTED, with the meeting confirmed to be quorate.

2017/62 DECLARATION OF INTEREST

There were no declarations of any conflict of interest from the Governors in relation to any agenda item. The Chair reminded colleagues that should any conflict become apparent during the course of the meeting, they would need to be declared.

2017/63 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 19 July 2017 were AGREED as a correct record.

2017/64 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 action log was reviewed, with a number closed. The log would be updated accordingly.

2017/65 CHAIRMAN’S REPORT

The Chairman provided a brief verbal update on the matters which continued to be the focus of the Board of Directors. These were delivery of the improvement plans in relation to the financial position and achievement of the four-hour access target. The Chairman particularly emphasised his concern about the Trust’s financial position and the Executive Recovery Plans to improve the situation.

Mr Havenhand reiterated the importance for the Council of Governors to understand the developing Accountable Care System across South Yorkshire and Bassetlaw. To support Governors, a regional event had been arranged on 27 October, to which colleagues were encouraged to attend.

2017/66 REPORT FROM NON-EXECUTIVE DIRECTOR CHAIRS OF BOARD COMMITTEES

The Council of Governors received and noted the reports from each of the Board Committees with the Chairman inviting each Non-Executive Director Committee Chair to provide supplementary information to the written reports.
i. Finance and Performance Committee (FPC)

The Council of Governors received and noted the report from the Finance and Performance Committee.

Mrs Atmarow in the absence of Mrs Craven the Non-Executive Director Chair of the Committee provided supplementary information to that contained within the report.

The Committee continued to focus on building enhanced scrutiny of the income and expenditure position, including the cash position. The report outlined the framework by which this would be undertaken through the matters discussed.

There remained serious concerns by the Committee regarding the financial position and elements of performance, most notably the 4-hour access target. However, there were also areas of excellent operational performance such as diagnostic waiting times for which a congratulatory letter had been received from the Secretary of State for Health.

In September 2017 income had been lower than planned due to some aspects of clinical coding and reduced activity levels. However, despite lower activity, expenditure in terms of pay costs (substantive and agency) continued to be higher than planned in addition to increased non-pay costs such as drugs.

Divisional performance to date indicated that only Family Health were delivering better than plan. The Surgical and Integrated Medicine Divisions had both been the subject of ‘deep dive’ discussions by the Committee.

On other matters, the cost improvement programme continued to be monitored by the Committee and the operational group. Unfortunately, the cash position continued to deteriorate.

Despite a detailed improvement plan, performance against the 4-hour access target continued to be challenging. Two new Consultants would be joining the Trust in early November and it was anticipated that the position would improve thereafter, supported by the actions of the wider Trust.

One of the Governors relayed to the Council an experience of a close relative lengthy wait for treatment within the Emergency Department. Mrs Atmarow confirmed that the Trust was aware of the gaps and had developed the improvement plan. To ensure there was additional assurance on the actions being taken a task and finish Board sub group had been established to monitor the position.

With regard to the workforce costs, Mrs Lewis commented that as part of the Team Brief to staff colleagues, it had stated that an additional 145 staff were in post compared to the previous year equating to £5m of additional costs. Clarification was sought as to the staff groups these additional staff fell into.
Mr Sheppard confirmed that over the last twelve months a specific piece of work had been undertaken to review all teams across the organisation to ensure value for money and efficiency. In terms of the additional staff, they were in the areas of Healthcare Support Workers and Allied Health Professionals.

Whilst the number of substantive posts had increased there had been no corresponding decrease in bank, agency and overtime costs. Key to reducing workforce costs would be transformation of the models of care and patient pathways.

It was agreed that the Council of Governors would be provided with the breakdown of these additional posts.

**ACTION – Director of Finance**

**Post meeting note**
The number of posts was 190 and as detailed below:

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<tr>
<th>Row Labels</th>
<th>Sum of Starters</th>
<th>Sum of Leavers</th>
<th>Sum of FTE</th>
<th>Diff</th>
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<td>7.6</td>
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<td>28.8</td>
<td>11.1</td>
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<tr>
<td>165 Medicine L3</td>
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<td>97.4</td>
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<td><strong>Grand Total</strong></td>
<td><strong>3,647.3</strong></td>
<td><strong>486.0</strong></td>
<td><strong>295.3</strong></td>
<td><strong>190.5</strong></td>
</tr>
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<thead>
<tr>
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<th>Sum of Leavers</th>
<th>Sum of FTE</th>
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<tbody>
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<td>14.7</td>
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<td>88.1</td>
<td>72.2</td>
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<td>Estates and Ancillary</td>
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<td>18.3</td>
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<td>Healthcare Scientists</td>
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<td>14.0</td>
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<td>4.9</td>
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<tr>
<td>Medical and Dental</td>
<td>192.8</td>
<td>28.5</td>
<td>21.3</td>
<td>7.2</td>
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<tr>
<td>Nursing and Midwifery Registered Students</td>
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<td>111.9</td>
<td>106.7</td>
<td>5.2</td>
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<tr>
<td><strong>Grand Total</strong></td>
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In terms of activity pressures, the winter plan would be considered by the Board of Directors. Mrs Barnett indicated that the Trust had developed its own internal plans and would work in collaboration with the A&E Delivery Board on the wider local health economy plans.

With regard to the nursing workforce, the Governors asked if consideration had been given to qualified nurses who currently undertook a managerial role being reallocated to support clinical activities in order to reduce nurse agency costs. Mrs Barnett confirmed that this was being considered by the Chief Nurse as part of the winter planning arrangements.
With regard to the decreased activity levels, the Governors asked if there were any significant trends being seen in any specific specialities. Mrs Atmarow indicated that there had been a gradual decrease in activity, however it was now at a level which was impacting on income.

Some activity would be recovered following the theatre refurbishment, the current challenge related to day case activity levels. Options to support other organisations or repatriate Rotherham patients continued to be pursued. Alternatively, should additional activity not be forthcoming consideration would need to be given to transferring activity to other areas such as outpatient work. All these options formed part of the theatre productivity programme.

The Lead Governor on behalf of colleagues expressed concern that a financial plan had been put in place, which had subsequently been revised and was still not being achieved. There would appear to be a repeated pattern year on year, with the Council of Governors concerned on future years financial performance. The Council of Governors required assurance on the position.

Mrs Atmarow indicated that the position was very challenging, and attention was rightly being focussed on expenditure. Discussions within the Trust and at regional level were looking at the provision of services to ensure that they met the requirements for all organisations.

The trust continued to work in collaboration with partner organisations in the Accountable Care System on the Hospital Services Review. The Trust remained committed to different ways of working which benefitted the population of Rotherham. For each organisation to continue to provide services, there would be a critical mass of consultants required to maintain rotas. However, this did not preclude partnership arrangements between individual trusts.

In addition to the Hospital Services Review, Rotherham would continue its own transformation plans with the aim to improve efficiency across services with admission to hospital being the last option.

The Chairman acknowledged the concerns expressed by the Council of Governors in relation to the financial position and the collective lack of assurance on the matter. The Board of Directors continued to ensure there was focus in a number of areas to address the matters and ensure delivery. The Trust continued to look to areas of best practice from other organisations and the regulators. The Regulators remained fully informed of the position.

*Mrs Atmarow and Mr Sheppard left the meeting at this point.*

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

The Council of Governors received and noted the report from the Quality Assurance Committee.

Mr Edgell reported that the Hospital Standardised Mortality Ratio (HMSR) continued to fall, currently standing at 104 (the benchmark being 100). The
matter had been monitored by the Committee who were satisfied with the progress being made.

The Committee also continued to monitor complaints response times and ensuring that there was learning opportunities following feedback from service users. Discussions would be held with the new Chief Nurse to determine appropriate key performance indicators in relation to complaints.

The national inpatient survey data had been released, with the Committee to monitor implementation of the action plan resulting from the survey results.

iii. **Strategic Workforce Committee**

The Council of Governors received and noted the report which outlined the work of the Strategic Workforce Committee.

Ms Hagger drew the Councils attention to the section of the report that outlined the Non-Executive Directors areas of concern/risk. These related to the workforce project, the establishment of a Board task and finish group to review the 4 hour standard, challenges with recruitment and clinical engagement to support high quality sustainable services. The Committee had been assured that although not with sufficient pace, all areas were being addressed.

The Committee when considering both the appraisal and mandatory and statutory training (MAST) position, had considered it acceptable for the policy whereby none completion of MAST and appraisal would result in colleagues having their pay increment deferred. The policy had been agreed some years ago, but had never been formally implemented and would be a lever to change the culture within the organisation on both matters rather than as a financial saving.

iv. **Strategy & Transformation Committee**

The Council of Governors received and noted the report which summarised the work of the Strategy and Transformation Committee.

Mr Havenhand reported that the primary focus of this Committee was to receive assurance on implementation of the Five Year Strategy and its underpinning operational objectives.

Additionally the Committee, received updates on progress such as the Accountable Care System and the independent Hospital Services Review which had recently commenced.

v. **Audit Committee**

The Council of Governors received and noted the report which summarised the work of the Audit Committee, with the last meeting having been held on 5 July 2017.

Mr Barnes took the opportunity to inform the Council of Governors that following a review of the 2016/17 year end audit process for the Annual Report
and Accounts (including the Quality Report) a comprehensive timetable had been developed to ensure timely conclusion and approval for 2017/18.

On other matters, it was pleasing to report that positive progress continued in addressing the backlog of recommendations from the internal auditors.

As a consequence of the challenges being seen within the organisation, it would remain important for the Audit Committee to continue to act as a vital resource to the Trust.

REPORTS FROM THE EXECUTIVE DIRECTORS

2017/48  GOVERNOR INDICATOR FOR QUALITY REPORT: DNACPR

The Council of Governors received and noted the update report from Dr Wareham, Medical Director, on the auditing of DNACPR (Do Not Attempt Resuscitation). The report provided the latest data on the matters reported to the July meeting which continued to show an improving position.

GOVERNOR REGULATORY AND STATUTORY REQUIREMENTS

2017/68  COMPANY SECRETARY REPORT

The Council of Governors received and noted the Company Secretary Report.

Ms Milanec took the opportunity to remind colleagues of the event planned for 27 October 2017 on the Accountable Care System and the importance for Governors to attend.

The second revised Single Oversight Framework was currently the subject of consultation with an update on the position to be provided in the next Company Secretary report.

ACTION – Company Secretary

With regard to recent publications section, the report ‘Managing Risks in Health and Care this Winter’ from NHS Providers would be circulated to the Governors as part of their weekly communication.

ACTION – Company Secretary

2017/69  REPORT FROM THE GOVERNORS NOMINATION COMMITTEE

The Council of Governors received the report detailing the following matters discussed at the Governors’ Nomination Committee meeting held on 19 September 2017.

Mr Edgell left the meeting at this point due to his conflict of interest in relation to a matter for consideration.

i. Non-Executive Director Recruitment / Term of Office / Senior Independent Directors (SID)

The Council of Governors noted the intention to recruit a new Non-Executive Director to replace Mrs Atmarow at the conclusion of her term.
of office in early 2018. Applications would be sought from candidates from a clinical/medical background.

The Council of Governors supported the proposal that Mr Barnes undertake the role of Senior Independent Director with effect from 1 April 2018 until 25 September 2019. The appointment would be formally considered at the October 2017 Board of Directors meeting.

The Council of Governors considered and approved the recommendation from the Nominations Committee that Mr Edgell be reappointed for a further two-year term of office (reviewed annually). At the conclusion of his office, he would have completed 3+3+2 years.

Mr Edgell returned to the meeting at this point.

ii. Terms of Reference

The Council of Governors approved the revised Terms of Reference for the Governors’ Nomination Committee.

iii. Rotherham Ethnic Minority Alliance (REMA)

The Council of Governors was informed that the Governors Nomination Committee had escalated the continuing Partner Governor vacancy for the REMA.

It was noted that the Chief Executive of REMA had been contacted regarding the position and had given a commitment to explore opportunities to nominate someone from the organisation.

Mrs Haywood indicated her willingness to act as a ‘buddy’ for any proposed REMA partner.

ITEMS FOR INFORMATION

2017/70 GOVERNORS NOMINATION COMMITTEE MINUTES

The Council of Governors received and noted the approved minutes from the Governors Nomination Committee meeting held on 10 May 2017.

2017/71 INTEGRATED PERFORMANCE REPORT (SEPTEMBER)

The Council of Governors RECEIVED and NOTED the Integrated Performance Report which had been considered at the September 2017 Board of Directors meeting.

2017/72 GOVERNORS SURGERY

The Council of Governors received and noted the report tabled at the meeting which provided feedback from service users from the Governors Surgery undertaken in August 2017.
Mr Wray outlined a proposed new approach to obtain meaningful feedback from service users through the use of a set of questions at the Surgery, which could be utilised to gather information on specific topics for the Trust.

The revised process would be tested at the October Surgery.

2017/73  
QUARTERLY WALKROUND REPORT

The Council of Governors received and noted the report which provided an overview of the outcomes of the Quality Assurance Walkabouts, which were open to attendance by the Governors, undertaken in June, July and August 2017.

COUNCIL OF GOVERNORS GOVERNANCE

2017/74  
ISSUES TO BE ESCALATED TO BOARD OF DIRECTORS

There were no formal escalations to the Board of Directors. However, Mr Havenhand acknowledged the collective concerns of the Council of Governors relating to the financial position and workforce matters.

2017/75  
COUNCIL OF GOVERNORS WORK PLAN

The Council of Governors received and noted their forward work plan.

2017/76  
QUESTIONS FROM ANY MEMBER OF THE PUBLIC PRESENT AT THE MEETING

There were no members of the public observing the meeting.

2017/77  
DATE OF NEXT MEETING

The next meeting of the Council of Governors would be on Wednesday 10 January 2018, commencing at 5.15pm.