MINUTES OF THE MEETING OF THE COUNCIL OF GOVERNORS
HELD ON WEDNESDAY 10 JANUARY 2018
IN THE BOARDROOM, 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 Rother Valley 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 Rother Valley West
Lt Col R MacPherson, Public Governor Wentworth South
Mr G Rimmer, Public Governor Rother Valley South
Mr D Wray, Public Governor Rother Valley West/Lead Governor

Staff Governors: 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

Apologies: Cllr P Jarvis, Partner Governor RMBC
Mrs S Lewis, Staff Governor Other Support Staff
Dr C Low, Partner Governor Sheffield Hallam University
Professor A Majid, Partner Governor University of Sheffield

Members of the Board of Directors and other Trust staff in attendance:
Mrs G Atmarow, Non-Executive Director
Mrs L Barnett, Chief Executive
Mr J Barnes, Non-Executive Director
Mrs C Clements, Director of Workforce
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
Mrs A Rolfe, Quality Governance, Compliance and Risk Manager
Mr S Sheppard, Director of Finance

2018/01 WELCOME AND ANNOUNCEMENTS

The Chairman welcomed all those present to the meeting.

2018/02 APOLOGIES FOR ABSENCE & QUORACY CHECK

Apologies were noted, with the meeting confirmed to be quorate.
2018/03 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.

2018/04 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 11 October 2017 were agreed as a correct record.

2018/05 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 action log was reviewed, with a number agreed to be closed. The log would be updated accordingly.

2018/06 CHAIRMAN’S REPORT

The Council of Governors received the Chairman’s Report.

Mr Havenhand indicated that the Board remained significantly concerned regarding the financial position. Two later agenda items would provide further information on the position and enable a more detailed discussion on the matter.

Additionally, later in the meeting, there would also be an opportunity to understand the challenges with regard to the four hour access target which continued to see variations in performance.

The report detailed the position in a number of collaborative areas such as the Rotherham Together Partnership and the South Yorkshire and Bassetlaw Accountable Care System (ACS).

With regard to the Rotherham Together Partnership, Mrs Haywood indicated that she would provide copies of the Rotherham Story for Governors, more detailed information in relation to the Ambition Board and ensure that Governors were invited to the showcase event to be held in April 2018.

**ACTION – Carole Haywood**

Finally, Mr Havenhand extended his congratulation to colleagues within the Trust who had received recognition for their contributions as part of the Proud Awards which had been held in December 2017. The Governors had participated in the shortlisting process and been invited to attend the awards ceremony.

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

i. Strategic Workforce Committee

The Council of Governors received and noted the report from the Strategic Workforce Committee.

Ms Hagger drew the Council of Governors attention to the areas of concern and risk section of the report.

As documented, a time limited board sub group had been established to review the financial challenges associated with the workforce. The group, who had met earlier in the day, had expressed their disappointment regarding the lack of pace in relation to the workforce initiatives and had agreed the areas of focus going forwards.

In terms of recruitment in medical posts, whilst some good appointments had recently been made, colleagues continued to retire or leave the organisation which proved challenging for services. In the more difficult to recruit specialties discussions were on-going with the Divisions in relation to new models of care and ways of working.

The Hospital Services Review being led by the Accountable Care System (ACS) had seen a good level of engagement from Trust Officers to ensure that Rotherham was well placed at the conclusion of the review.

ii. Finance and Performance Committee (FPC)

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

Mr Barnes, in the absence of the Chair of the Committee, provided the update on the financial position.

The financial position continued to remain challenging, with a number of negative aspects including the theatre efficiency review not resulting in the cost reductions anticipated and the current planned income levels not being achieved.

The Committee had been concerned that the demand and capacity update had not been provided as requested, the review of medical locum use had not be finalised and service line management had yet to be implemented despite it having been a priority for a number of years.
The Committee had escalated to the Board of Directors their concerns in relation to theatres, the year end forecast, the significant shortfall, the medical workforce issues and the 2018/19 financial plan.

Additionally, the finance and workforce Board sub group had voiced their disappointment that the improvement actions were that being achieved in the anticipated timeframes.

In turning to the operational performance elements of the Committees role, Mrs Atmarow indicated that there had been improvements in performance against the four hour access target. This area had been a specific focus of the second Board sub group.

As a result of the challenges over the extended Bank Holiday period Gold and Silver commands had been established to manage the day to day position and were deemed to have supported the position. The Acting Chief Operating Officer was also focussing her attention on the service, which was proving to be beneficial.

The media had made comments regarding ambulance waits and operations being cancelled due to the national position. However, for Rotherham assurance had been provided to the Committee that there had been no lengthy ambulance waits outside the department. Additionally, through the winter plan the Trust had intentionally reduced elective surgery in December and January, with a shift to day case procedures.

The number of patients attending remained high, with 26% of those presenting in December being admitted. Currently all flex beds had been opened. However, norovirus and a small number of flu cases were compounding bed availability. On a positive note there had been significant improvements in delayed transfers of care which was supporting patient flow.

iii. Audit Committee

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

Mr Barnes took the opportunity to provide an overview of the findings from an Internal Audit assurance review of safeguarding arrangements at the Trust.

Of the four assurance rating available (no assurance, limited, reasonable or substantial) the safeguarding review had received a substantial assurance rating from the Internal Auditors. There had been no recommendations or areas for further action. The outcome was a credit to all involved in provision of the service. However, there would always be significant inherent risks relating to safeguarding and the Trust should not be complacent.
iv. Quality Assurance Committee (QAC)

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

Mr Edgell commented that the Committee considered that quality remained strong or was moving in the right direction as highlighted in the Integrated Performance Report (item for information section of the agenda).

As reported at previous meetings, the Committee continued to monitor mortality. Whilst Summary Hospital-level Mortality Indicator (SHMI) remained high at 112 against the national benchmark of 108, the Hospital Standardised Mortality Ratio (HMSR) continued to fall and was now at 102 against the benchmark of 100.

With regards to complaints response time, the Committee had indicated their commitment to maintain the targets. As a result of the focus from the new Chief Nurse the position was markedly improved and now stood at 71% of complaints receiving a formal response within 30 working days. The target remained to achieve 95%.

It was agreed that complaint trends would be shared as part of the next report.

**ACTION – Chief Nurse**

The results of the national inpatient survey had been shared with the Committee, with the areas where the Trust had performed worse than the national average being documented within the report. A detailed action plan had been developed, against which progress would be monitored by the Committee.

v. Strategy & Transformation Committee

The Council of Governors received and noted the report from the Strategy and Transformation Committee.

The report documented progress made to date in relation to the integrated locality pilot and the co-location of the Transfer of Care Team and the Hospital Social Work Team.

Mr Havenhand reported that the last few meetings of the Committee had reflected upon the ambition of the Trust and ensured that there was a reprioritisation of the operational plan for 2018/19.

The priorities for 2018/19 would be:

- Delivery of the financial plan
- 4 hour access and emergency care pathway
- Addressing local sustainability
In concluding the feedback from the Board Assurance Committees Mr Havenhand provided an update in relation to the two Board sub groups which had been established to provide further assurance in relation to the four hour access target and financial aspects of the workforce. Mr Havenhand indicated that an assessment would be made at the end of March as to whether these two groups would continue into 2018/19.

REPORTS FROM THE EXECUTIVE DIRECTORS

2018/08 OPERATIONAL/STRATEGIC PLAN 2018/19

The Chief Executive provided a PowerPoint presentation in relation to the Annual Plan 2018/19. Mrs Barnett provided information in the following areas:

- Achievements against 17/18 plan
- Building into 18/19
- Focus for 18/19
- Transformation and efficiency programme
- Overview of schemes
- Quality priorities 18/19
- Priorities in relation to colleagues, governance, finance and partners

It was agreed that a further specific session would be arranged for the Governors on the annual and financial plans.

ACTION – Company Secretary

2018/09 ACCOUNTABLE CARE SYSTEM UPDATE AND COLLABORATION WITH BARNSLEY

The Chief Executive provided a verbal report to the Council of Governors on aspects of the South Yorkshire and Bassetlaw Accountable Care System (ACS).

Mrs Barnett reported that the independent Hospital Services Review (HSR) which was investigating the sustainability of five specific services continued its discussions involving organisations from across the network.

The HSR would be considering solutions which met the requirements of individual organisations in relation to internal efficiency, whilst working effectively across the Place and the collective ACS to meet future service demands.

It was anticipated that the HSR would have completed the first stage of its work by April 2018. As such, the Council of Governors would remain informed of progress at future meetings.

ACTION – Chief Executive

In terms of collaboration with other local Trusts, the Council was informed that a number of specific matters were being pursued with Barnsley Hospital NHS Foundation Trust. These included the provision of support to Rotherham’s gastroenterology services.

The Council of Governors noted the update from the Chief Executive.

2018/10 4 HOUR PERFORMANCE
The Council of Governors were provided with a PowerPoint presentation from the Chief Executive which outlined performance against the four hour access target and the actions in place to improve the position.

Mrs Barnett indicated that performance continued to be tracked on a daily basis and, whilst challenging, the aspiration remained to achieve 90%.

The winter plan was now in force and would likely remain in place until at least March 2018. As reported earlier in the meeting the winter plan had been further enhanced with the establishment of Gold and Silver command over the extended Bank Holiday period. This was to ensure that the January position was protected.

The Council of Governors noted the verbal update.

2018/11 FINANCIAL POSITION 2017/18

This agenda item was considered as the first matter for discussion in the Report from the Executive Directors section, although remains number per the order of the agenda.

The Director of Finance by means of a PowerPoint presentation provided an outline of the current financial position as at month nine.

Mr Sheppard indicated that whilst month nine had seen some improvement, with such as pay costs having improved by £150k from November 2017. The position remained challenging with an overall deficit of £18.6m compared to the month nine plan of a deficit of £10.4m. The matter remained of significant concern, and as such was the focus for the Executive Directors in order to mitigate the position.

The key drivers for the variances to plan were the legacy of the 2016/17 year end, HRG4+, Workforce costs and non-pay costs.

Based upon current run rates, the end of year position could result in a £25m deficit against the plan of £13.6m. As such, the Board of Directors would be meeting on 12 January 2018 to consider re-forecasting the end of year outturn. With any reforecast being required to have been submitted to the Regulator (NHS Improvement) by 16 January 2018.

Recovery of the position remained the focus of the Board of Directors, through the Executive Directors and Divisions. The immediate actions taken to mitigate the position and ensure a positive start to 2018/19 were detailed within the presentation.

In terms of the drivers for the current position, Mr Sheppard shared a graphical representation of where individual Trust services were position against the reference costs. This graph highlighted that there were only a small number of services below 100 which was considered to be the baseline for efficient services. The majority of services were over 100, highlighting the areas for transformation and cost savings potentially equating to £16m.
Similarly, there were potential opportunities for savings of £30.4m identified as part of the Carter Review.

Mitigating actions would continue to be taken to ensure quarter four maximised the financial opportunities for the year end and moving into 2018/19.

The Council questioned why preventative actions had not been taken earlier than quarter four. It was explained that the financial improvement plan had been in place for some months with elements of the Divisional plans having been delivered. However, there were other areas which had not and the necessary command and control measures had not been established at the required pace. Other factors had been the complexity and wider impact upon the organisation such as the closure of a ward which had to be considered fully before being implemented.

The Governors questioned the reasons for the variance to plan and identification of what had been beyond the controls of the Trust and those which were. Mr Sheppard confirmed that 65% of the reasons for the variance had been within the control of the Trust and proceeded to explain that this included such as workforce with £4m in additional costs adding to the pay bill.

It was agreed that the reasons for the variation to the financial plan and the learning from the review/look back would be shared with the Governors.

**ACTION – Director of Finance**

The Governors expressed their concern that they had not been sighted upon the potential financial deficit as being communicated at the meeting.

Mr Sheppard explained that the year to date position had been communicated to the Council of Governors, however the potential risk range and forecast had not. Mr Havenhand added that the Governors observing the Finance and Performance Committee had been privy to the detailed financial discussions relating to the position and the actions being taken.

The matter had also been discussed at the Board of Directors as observed by Governors and the general public. However, clearer visibility of the financial position would be provided to the Council of Governors in the future. It was therefore agreed that the financial position would remain a standing item at each meeting and as such would be added to the forward work plan.

**ACTION – Company Secretary/Director of Finance**

The Governors questioned if there were any implications for the Trust as a result of the deficit in terms of the Accountable Care System (ACS). Mrs Barnett explained that the position was for Trusts within the ACS to achieve their individual and collective financial plans.

In noting the financial position, there would be further opportunity to discuss the matter as part of the planned utilisation of the Governors Forum to discuss the operational plan 2018/19.
The Council of Governors welcomed to the meeting Mrs Rolfe, Quality Governance, Compliance and Risk Manager to discuss the Quality Report (2017/18) and the 2018/19 quality improvement priorities as documented within the report.

The Lead Governor indicated that the matter had been discussed at the pre-meeting, with the Council of Governors agreeing that the local indicator which they would wish to be independently assess by the External Auditors would remain Delayed Transfer of Care.

However, the Council indicated that had they known in advance that significant improvements had been made in relation to delayed transfer of care, as identified in earlier discussions at the meeting, their choice of local indicator may have been different.

To ensure that the Council had relevant information or data to support their choice of local indicator, the forward work plan would schedule provision of data for the potential local indicators as part of the October meeting each year.

**ACTION – Chief Nurse**

**GOVERNOR REGULATORY AND STATUTORY REQUIREMENTS 2018/13 COMPANY SECRETARY REPORT**

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

Ms Milanec commented that it was evident from the feedback provided by the Council of Governors who had attended the regional ACS event, that there was an appetite for more information on the ACS by the Trust's Governors. As a result options would be pursued to arrange an in-house session on both the ACS and the Hospital Services Review.

**ACTION – Company Secretary**

The Council of Governors was reminded that the 2018 Governor Election process, for a number of public and staff constituencies, would commence shortly. The Governors were encouraged to support the process by distributing posters and by engaging with potential candidates.

With regard to the current Staff Governor vacancies, the Council of Governors was informed that a member from the nursing and midwifery class had come forward expressing a wish to join the Council and would stand as part of the formal 2018 election process.

However, as discussed at previous meeting the Constitution permitted, with the approval of the Council of Governors, members to be co-opted into a vacant Governor position.

The Lead Governor provided to the Council details pertaining to the staff member and their suitability to undertake the role. He concluded that having met the staff member he would recommend to the Council of Governors that Mrs June Lovett, Assistant Chief Nurse, be co-opted onto the Council of Governors as Staff Governor for Nurses and Midwives.
The Council of Governors approved the recommendation from the Lead Governor in relation to Mrs Lovett.

2018/14 REPORT FROM THE GOVERNORS NOMINATION COMMITTEE

i. Non-Executive Director Recruitment

The Council of Governors received the report which outlined the process undertaken during the recent recruitment of a new Non-Executive Director with a clinical/medical background as agreed at the October 2017 meeting.

Any successful applicant following the process would replace Mrs Atmarow whose term of office as a Non-Executive Director concluded at the end of March 2018.

Mr Havenhand reported that with the support of external recruitment consultants, four candidates had been interviewed by the Governor’s Appointments Panel on 15 December 2017.

The Governors Nomination Committee had considered the outcome of the appointment process and considered the recommendation from the Appointments Panel.

The Governors Nomination Committee recommendation to the Council of Governors was to appoint Dr David Hannah to the post of Non-Executive Director. This would be with immediate effect to enable a period of handover with Mrs Atmarow. The initial term of office would be a two years, in order to stagger the terms of office for Non-Executive Directors.

The Council of Governors approved the recommendation to appoint Dr David Hannah.

Mr Havenhand indicated that as the Council of Governors were already aware, Dr Paul Smith had resigned as Non-Executive Director in December 2017. As such, the Governors Nomination Committee would be considering the appropriate next steps in relation to the composition of the Board.

ITEMS FOR INFORMATION

2018/15 GOVERNORS NOMINATION COMMITTEE MINUTES

The Council of Governors received and noted the approved minutes from the Governors Nomination Committee meetings held on 19 September and 15 December 2017.

Mr Havenhand indicated that an amendment would be required to the minutes held on 19 September in relation to Mrs Atmarow (minute 2017/27).

2018/16 INTEGRATED PERFORMANCE REPORT (December)
The Council of Governors received and noted the Integrated Performance Report which had been considered at the December 2017 Board of Directors meeting.

2018/17  **GOVERNORS SURGERY**

The Council of Governors received and noted the report which provided feedback from service users at the Governors Surgery held in November 2017.

As discussed at the previous meeting, this session had utilised a series of questions which had provided the opportunity to gather more focussed information from service users. This approach would continue to be utilised future sessions, with questions to be tailored, as appropriate, to gather information on specific topics.

**COUNCIL OF GOVERNORS GOVERNANCE**

2018/18  **ISSUES TO BE ESCALATED TO BOARD OF DIRECTORS**

The Council of Governors concern regarding the financial position and likely end of year position would be escalated to the Board of Directors.

**ACTION - Chairman**

2018/19  **COUNCIL OF GOVERNORS WORK PLAN**

The Council of Governors received and noted their forward work plan, which would be updated to reflect the discussions held during the meeting.

2018/20  **QUESTIONS FROM ANY MEMBER OF THE PUBLIC PRESENT AT THE MEETING**

There were no members of the public observing the meeting.

2018/21  **DATE OF NEXT MEETING**

The next meeting of the Council of Governors would be on Wednesday 11 April 2018, commencing at 5.15pm.