

**MINUTES OF THE MEETING OF THE COUNCIL OF GOVERNORS
HELD ON WEDNESDAY 10 APRIL 2019
IN THE BOARDROOM, LEVEL D**

- Chair:** Mr M Havenhand, Trust Chairman
- Public Governors:** Mr G Jenkinson, Public Governor Wentworth Valley
Mrs V Lindsay, Public Governor Rotherham North
Mrs H Littlewood, Public Governor Rother Valley West
Mr D Moore, Public Governor Rother Valley West
Mr G Rimmer, Public Governor Rother Valley South & Lead Governor
- Staff Governors:** Mrs J Lovett, Staff Governor
Mrs C Ripley, Staff Governor
Mrs A Rolfe, Staff Governor (Co-opted)
- Partner Governors:** Mrs J Flanagan, Partner Governor Voluntary Action Rotherham
Cllr P Jarvis, Partner Governor RMBC
Mr S Adalat, REMA
- Apologies:** Ms B Bennett, Public Governor Rotherham South
Mrs J Brookes, Public Governor Rotherham South
Mrs J Dalton, Public Governor Rother Valley South
Dr S Hudson, Public Governor Rest of England
Dr C Low, Partner Governor Sheffield Hallam University
Lt Col R MacPherson, Public Governor Wentworth South
- Members of the Board of Directors and other Trust staff in attendance:**
Mrs L Barnett, Chief Executive
Mr J Barnes, Non-Executive Director / Senior Independent Director
Mrs H Craven, Non-Executive Director
Mr M Edgell, Non-Executive Director
Dr C Gardner, Interim Medical Director
Ms L Hagger, Non-Executive Director
Dr D Hannah, Non-Executive Director
Ms A Milanec, Director of Corporate Affairs/Company Secretary
Mr S Sheppard, Director of Finance
Ms A Wood, Chief Nurse

2019/22 WELCOME AND ANNOUNCEMENTS

The Chairman welcomed all those present to the meeting with Mr Shakoor Adalat attending his first meeting as Partner Governor for the Rotherham Ethnic Minority Alliance (REMA).

2019/23 APOLOGIES FOR ABSENCE & QUORACY CHECK

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

2019/24 **DECLARATION OF INTEREST**

Mr Havenhand declared a conflict in relation to a later agenda item at which point he would leave the meeting.

The Chair reminded colleagues that should any conflict become apparent during the course of the meeting they would need to be declared.

QUALITY AND SAFETY

2019/25 **PATIENT STORY**

The Council of Governors noted the patient story which related to a young boy who had been supported in his dietary requirements by the school nurse team.

PROCEDURAL ITEMS

2019/26 **MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting held on 15 January 2019 were agreed as a correct record subject to two minor amendments.

2019/27 **MATTERS ARISING**

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

2019/28 **ACTION LOG**

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

2019/29 **CHAIRMAN'S REPORT**

The Council of Governors received the Chairman's Report.

Mr Havenhand highlighted that in April 2019 the South Yorkshire and Bassetlaw Integrated Care System (ICS) had commenced the next phase of its development.

As the work of the ICS would become more relevant to its constituent organisations, which included Rotherham, the Council of Governors would continue to receive updates through the Governors Forum and Council of Governors meetings, as appropriate.

ACTION - Chairman

In order to support the Trust's understanding with regard to the Board of Directors diversity requirements, Mr Havenhand had supported two events organised by the NHS Leadership Academy for leaders from Black and Ethnic minority backgrounds. This had been as a mentor volunteer and chair of a Board simulation process.

The summary findings of the externally commissioned Well-led governance review had been presented to the February Governors Forum. At the April

Board of Directors meeting further consideration would be given to the resulting recommendations and the work of the task and finish group established to progress the requirements.

A key finding from the review had been the requirement to review the number of Board Assurance Committees and their frequency of meetings.

This work had concluded, with the Board of Directors agreeing that the Strategic Workforce Committee would come to an end, with their last meeting having been in March 2019. However, aspects of its remit would be taken forward by the remaining Board Assurance Committees, and in the main by the Strategy and Business Planning Committee (previously called the Strategy and Transformation Committee).

The Council of Governors sought assurance that the work of the Strategic Workforce Committee would continue to be progressed in the new arrangements.

Mr Havenhand explained that the Director of Workforce would, with the support of Executive colleagues, ensure that all matters were addressed, whether at an operational or board level. The Workforce Plan, which was being finalised, would bring together the various elements and strategies and through this document, the workforce expectations would be delivered.

As the Workforce Plan had yet to be considered by the Strategy and Business Planning Committee prior to the Board of Directors, it was agreed that at a suitable point further information would be provided to the Governors, ideally at their Forum.

ACTION – Director of Workforce

Additionally, it was noted that the Board of Directors had agreed that the number of meetings they held per annum would reduce, with no meetings to be held in August and December. This number was comparable with other Boards within the ICS.

Mr Havenhand continued that whilst he was assured of the way forward with regard to the revised Board Assurance Committee structure, should the arrangements prove not to be effective, they would be reviewed by the Board of Directors.

The Council of Governors noted the Chairman's report.

2019/30

REPORT FROM NON-EXECUTIVE DIRECTOR CHAIRS OF BOARD COMMITTEES

The Council of Governors received and noted the reports from each of the Board Assurance Committees. The Chairman invited each Non-Executive Committee Chair to provide supplementary information to their written reports.

i. Audit Committee

Mr Barnes provided an update on the work of the Audit Committee with the report being taken as read.

The Council of Governors was informed that the Internal Auditors had undertaken one of their reviews in relation to GDPR (General Data Protection Regulations). The outcome rating had been one of no assurance (the lowest which could be assigned). As this was an important area for the Trust to demonstrate compliance, the Trust had immediately implemented an action plan to improve the position with the support of colleagues throughout the Trust.

Following a short period in order to complete the recommendations, the position had been reviewed again by the Internal Auditors in March 2019. The result was an improvement to a limited assurance rating. However, this may still have implications in relation to the Head of Internal Audit opinion.

The Committee had also been reviewing the contracts for both Internal Audit and Counter Fraud Services which expire in July 2019. As such, the tender process would commence shortly. It was noted that whilst the Council of Governors was directly involved in the appointment of the External Auditor, the appointment of Internal Audit and Counter Fraud services was an operational matter.

Mr Barnes suggested that in order to ensure timely reporting of Committee matters to the Council of Governors, consideration was being given to changing the dates for future Audit Committee meetings.

ii. Strategic Workforce Committee (SWC)

The report presented by Mr Havenhand had been prepared by Mrs Atmarow, prior to her term of office concluding, and outlined the work of the Committee in quarter four.

Mr Havenhand confirmed that following the Board Committee restructure, the work plan aligned to SWC would be distributed as appropriate between the Board and its assurance Committees. Those which were of an operational nature would be taken forward collectively by the Executive Directors.

iii. Quality Assurance Committee (QAC)

Mr Edgell provided further information with regard to the work of the Quality Assurance Committee (QAC).

QAC continued to review, at each meeting, the action plan to address the recommendations ('must do' and 'should do') following the Care Quality Commission (CQC) inspections in 2018.

Additionally, the Committee was monitoring that recommendations from previous inspections were completed, and considering the steps required to attain an outstanding CQC rating in the future.

The nine Quality Improvement Priorities continued to be reviewed as part of a rolling programme, with consideration having been given at recent meetings to the 2019/20 priorities.

With regard to mortality, the Hospital Standardised Mortality Ratio continued to improve, and from April 2019 a two-stage mortality review process would be established.

Mr Edgell concluded that the Committee continued in its intention to identify potential issues and ensure that mitigating actions were quickly taken.

iv. Strategy & Transformation Committee (STAC)

Mr Havenhand provided a brief summary of recent discussions at the STAC meeting, which moving forward would be called the Strategy and Business Planning Committee.

The Committee continued to receive case studies exemplifying the key areas of transformation and had recently received oversight of the 2019/20 business planning cycle and Operational Plan.

On the proposal to establish a Wholly Owned Subsidiary, it was noted that the Board of Directors had recently taken the decision not to pursue the matter further at this time.

In terms of collaboration, discussions continued with Barnsley Hospital NHS Foundation Trust in clinical areas. Additionally, Mr Steve Ned had been appointed as joint Director of Workforce across both organisations.

v. Finance and Performance Committee (FPC)

Mrs Craven provided further information in relation to the work of the Finance and Performance Committee.

The Committee was assured that appropriate systems and processes were now established to support the Division, who continued to provide routine updates to the Committee.

Since December 2018, at each meeting the draft 2019/20 Financial Plan had been considered, this had been supported by a single item session on this matter. Through these discussions some risks had been identified, with mitigating action having been established.

In addition to the financial elements, the Committee also continued to monitor operational performance. As there had been some disappointing performance, the Committee was seeking assurance and resilience plans for a number of areas.

In terms of the four-hour target, it was noted that in addition to the internal action plan the Trust continued to work in conjunction with ECIST (Emergency Care Intensive Support Team) and the NHS Improvement Academy.

REPORTS FROM THE EXECUTIVE DIRECTORS

2019/31 CURRENT FINANCIAL POSITION AS AT NOVEMBER 2018

The Council of Governors received and noted the financial report (up to 28 February 2019) which had been considered by the Board of Directors at their March 2019 meeting.

Mr Sheppard reported that at month eleven the position had shown that the income and expenditure position was ahead of plan by £0.12m. The deficit was £19.146m against the plan of £19.265m. Additionally, the cost improvement programme had delivered £8.7m of schemes, which was ahead of trajectory by £0.3m.

The month twelve / year-end position, whilst still the subject of review by the External Auditors, had shown that the Trust had achieved its financial metrics including the cost improvement and capital programmes.

With regard to the CQUINs (Commissioning for Quality and Innovation) position which had required additional consideration in 2018/19, it was reported that the 2019/20 targets did not have significant financial values attached to their achievement. The measures for the targets and any additional resource requirements continued to be negotiated with the Rotherham Clinical Commissioning Group.

Mr Havenhand commented that whilst the financial position remained one of a deficit, the improved financial governance and monitoring arrangements implemented over the last four years had cumulated in the year end position. As a result, the Trust had been able to agree a control total with the Regulator for 2019/20.

These governance principles would be replicated in order to support quality improvements and achievement of the Operational Plan.

The Council of Governors noted the month eleven financial report.

2019/32 OPERATIONAL PLAN 2019/20

The Council of Governors received a copy of the Operational Plan 2019/20 which had been approved, subject to minor amendment, by the Board of Directors.

Mrs Barnett confirmed that the Plan set out the commitments for 2019/20. It detailed the key objectives and supporting enablers. These in turn would support implementation and achievement of the Care Quality Commission recommendations.

One of the five operational objectives was to deliver the Quality Improvement Plan (Safe and Sound). As explained by Ms Wood, the safe and sound approach aimed to place quality at the heart of everything the organisation did.

A number of safe and sound steering groups had been established, with the organisation already showing their support to the framework. Best practice

tools were being considered, in addition to support being sought from external agencies. The Safe and Sound approach would be launched at the end of April 2019.

The Council of Governors noted the Operational Plan 2019/20.

2019/33 **CARE QUALITY COMMISSION UPDATE**

The Chief Nurse provided a verbal update on the Care Quality Commission (CQC).

Ms Wood reported that the Trust's action plan to address the 'must do' and 'should do' recommendations following the CQC inspections in 2018 had been submitted by the required deadline. The CQC had been complimentary of the actions proposed and had requested no further amendments.

Task and finish groups, which had been established to take forward the action plan, met fortnightly, with progress monitored by the Quality Assurance Committee.

Mr Havenhand commented that a number of reports presented to the Council of Governors during the meeting highlighted the Trust's intention to strengthen and improve the approach to the quality of care.

GOVERNOR REGULATORY AND STATUTORY REQUIREMENTS

2019/34 **DRAFT ANNUAL QUALITY REPORT 2018/19**

The Council of Governors received the latest draft of the Annual Quality Report 2018/19.

Ms Wood indicated that the format as presented was, in the main, prescribed by the Regulator. However, where possible, it had been enhanced with examples of activities undertaken by the organisation.

Some sections had yet to be completed as they required finalisation of year-end data and feedback or statements from external stakeholders, including the Council of Governors.

The Council of Governors was requested to feedback any comments to the Lead Governor who in turn would provide the Governors Statement for inclusion in the Annual Quality Report.

ACTION: Lead Governor

2019/35 **COMPANY SECRETARY REPORT**

The Council of Governors received and noted the Company Secretary Report presented by the Director of Corporate Services/Company Secretary.

Ms Milanec highlighted that the nominations period for the 2019 Governor elections had closed on 3rd April. A number of Public constituencies had received no nominations, with contested elections to be held in only one public constituency. However, ten nominations had been received for the four Staff

Governor seats which would lead to contested elections, with voting to open on 29 April 2019.

Governors were reminded of the training on public and member engagement to be facilitated by NHS Providers on 10th July 2019. This session would support the findings of the Governor Effectiveness survey (agenda item 38/19).

Additionally, three Governors had attended a regional Governors event hosted by NHS Providers, on the 4th April 2019. The presentation slides, and notes from the attendees would be shared with the wider Council of Governor in due course.

ACTION – Lead Governor

In terms of the Board of Directors, the Council of Governors noted and supported the appointment of Ms Hagger as Vice Chairman of the TRFT Board.

In noting the consultation on NHS Improvement and NHS England's document 'Implementing the NHS long term plan: proposals to possible changes to legislation', it was agreed that once finalised the Council of Governors would receive a copy of the Trust's response to the consultation.

ACTION – Director of Corporate Affairs / Company Secretary

The Council of Governors noted the Company Secretary report.

2019/36

EXTERNAL AUDITORS CONTRACT RENEWAL

The Council of Governors received the report presented by Mr Barnes, Non-Executive Director Chair of the Audit Committee, relating to the External Auditors contract.

As the appointment of the External Auditor was a statutory duty for the Council of Governors, Mr Barnes reminded members that PWC had been appointed in October 2016 on a three-year contract. This would expire in October 2019; however, there was a provision to extend the arrangement for a further year, plus one year.

The matter had been discussed by the Audit Committee, who would recommend to the Council of Governors that a further one-year extension be offered to PWC.

The Council of Governors approved the extension of the contract for a further one year from October 2019 to October 2020.

It was questioned if the External Auditors had undertaken any additional work during 2018/19 for which they had received remuneration above the contract. Although, the exact position could not be specified, it was confirmed that any such work would be declared in the Annual Report and Accounts 2018/19.

Post meeting note

The External Auditors had received other remuneration which would be documented in Note 5.2 of the 2018/19 Annual Accounts.

2019/37

GOVERNORS NOMINATION COMMITTEE REPORT

The Council of Governors received the report from the Governors Nomination Committee (the Committee) held on 8 February 2019.

Mr Havenhand confirmed that the Non-Executive Directors appraisal process had commenced, and would be supported by the Lead Governor. For the Chairman's appraisal, this would be undertaken by the Senior Independent Director and Lead Governor.

To support these appraisals, Governors were reminded of the requirement to complete the electronic survey for each Non-Executive Director, including the Chairman.

The Committee had considered the terms of office for the Non-Executive Directors, as documented within the report.

The NHS Foundation Trust Code of Governance suggested that the term of office for Non-Executive Directors should not exceed six years, and be subject to rigorous review. To ensure the progressive refreshing of the Board and its skills and diversity the Committee had reviewed the current membership of the Board of Directors.

As the term of office for Mrs Atmarow had concluded on 31 March 2019, the Committee had considered the findings of the Care Quality Commission inspections and the future requirements of the NHS Long Term Plan to help inform the skills and knowledge requirements for the future.

The Committee had concluded that there was a requirement for expertise in relation to mental health matters. Due to the tight timeframe advertisement of the post had taken place and one candidate interviewed by a Governors Appointment Panel, which had included the Trust Chairman.

As such, the Committee would recommend appointment of Mr Michael Smith as Non-Executive Director, for a one-year term of office commencing 1st April 2019 to 31 March 2020. The Council of Governors approved this recommendation.

With regard to the wider requirement for refreshing the Non-Executive Director members of the Board, the Council of Governors approved the proposed recruitment timetable, due to the number of Non-Executive Directors whose terms of office would conclude later in the year.

Additionally, the Committee had undertaken the annual review of the remuneration for the Non-Executive Directors and would recommend no uplift in 2019/20. The Council of Governors approved this recommendation.

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

At this point in the meeting the Chairman and all attendees / observers other than the Senior Independent Director left the room.

The Council of Governors, supported by the Senior Independent Director, discussed the position with regard to the Trust Chairman, whose current term of office would conclude in January 2020.

It was confirmed that the Committee had been provided with feedback on Mr Havenhand's performance from the other Non-Executive Directors through the Senior Independent Director. These comments were relayed to the Council of Governors.

The recommendation from the Committee was that, subject to satisfactory annual appraisal, Mr Havenhand be offered a third term of office.

The Council of Governors concurred with the comments that Mr Havenhand was a highly respected, and effective leader of the Board of Directors. Additionally, due to the changing environment within the NHS it would be important to ensure continuity over the next three years.

The Council of Governors approved a further three-year term of office for Mr Havenhand from January 2020. This would be based upon satisfactory annual appraisal.

The Chairman and colleagues returned to the room at this point.

2019/38 COUNCIL OF GOVERNORS EFFECTIVENESS REVIEW

The Council of Governors received the two reports which supported the review of the Council of Governors collective performance.

The first document was an assessment against the NHS Foundation Trust Code of Governance in relation to the specific duties for the Council of Governors / Governors and other pertinent sections of the Code.

The second document was the results of a survey undertaken by each Governor, to gather their personal view on performance in a number of areas.

As anticipated, both documents highlighted that an area which required strengthening was engagement with public and members. This included gathering feedback and outlining future plans.

The NHS Providers event attended by three Governors at the beginning of April had also covered these elements. The slides from the session, in addition to comments from attendees would be shared with the wider Council of Governor.

ACTION – Lead Governor

Additionally, the training to be facilitated by NHS Providers in July 2019 would provide to all Governors knowledge in this area.

Ms Milanec requested that those Governors, who had answered 'no' to questions 6 and 7 in the survey, provide more information as to the reasons for this response and suggestions where improvements could be made.

ACTION - Governors

Mrs Barnett indicated that in order to address the response to question 10 '*There are examples of strategy being informed by the input of Governors*' where only 58% of Governors had agreed with the statement, this would be reflected upon in quarter one when the Strategy was being reviewed.

ACTION – Chief Executive

In concluding the discussion, the Chairman indicated that it would be appropriate to reflect upon the survey findings and provide assurance to the Governors that consideration would be given to improve the position in a small number of areas.

Ms Milanec and Miss Stewart were thanked for producing the comprehensive review document.

2019/39 CODE OF CONDUCT (REVISED)

The Council of Governors received its revised Code of Conduct, which similar to the one for the Board of Directors, was reviewed on an annual basis.

The Council of Governors approved the revised Code of Conduct.

ITEMS FOR INFORMATION

2019/40 INTEGRATED PERFORMANCE REPORT

The Council of Governors received and noted the Integrated Performance Report which had been considered at the March 2019 Board of Directors meeting and which related to performance in February.

2019/41 FEEDBACK FROM GOVERNORS SURGERY

The Council of Governors received and noted the feedback gathered by the Governors at their 20 February 2019 Governors surgery. The information from these sessions was considered by the operational Patient Experience Group.

2019/42 GOVERNORS NOMINATION COMMITTEE MINUTES

The Council of Governors received and noted the approved minutes of the Governors Nomination Committee held on 15 May 2018.

Details pertaining to the discussions from the meeting held on 8 February 2019 were documented under agenda minutes 37/19.

COUNCIL OF GOVERNORS GOVERNANCE

2019/43 ISSUES TO BE ESCALATED TO BOARD OF DIRECTORS

There were no issues to be escalated to the Board of Directors.

However, the matter relating to the Governor Effectiveness Survey (minute 2019/38) would be raised to ensure that the appropriate action was taken to progress the areas highlighted as part of the questionnaire.

2019/44 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.

Governors were reminded that should they have any items which they considered should be discussed by the Council, they should be initially informed to the Lead Governor.

2019/46 QUESTIONS FROM ANY MEMBER OF THE PUBLIC PRESENT AT THE MEETING

There were no members of the public observing the meeting.

It was commented by one of the Partner Governors, and supported by the Lead Governor, that it could be perceived that there had not been many challenges or questions raised during the course of the meeting.

However, this was a reflection that the culture of 'no surprises' between the Board and the Council of Governors, and the current leadership style, ensured that the Governors continued to be kept informed on a number of key matters.

2019/47 CLOSE OF MEETING

The next meeting of the Council of Governors would be held on Wednesday 17 July 2019.

At this point, the Chairman wished to place on record his appreciation to a number of Governors for whom this would be their last meeting as their term of office concluded at the end of May 2019.

They were Bev Bennett, Jo Brookes, Val Lindsay and Catherine Ripley. Additionally, Les Hayhurst had relinquished his role as he had recently moved home address and no longer resided in the constituency to which he had been elected.

The Chairman and Lead Governor wished to thank these Governors for their commitment to the role and contributions over the years they had been members of the Council of Governors.

Martin Havenhand
Chairman