

GOVERNORS' COUNCIL

Minutes of a Meeting of the Sheffield Teaching Hospitals NHS Foundation Trust
GOVERNORS' COUNCIL held on Tuesday 13th September 2011, in the Chatsworth Suite,
Rivermead Training Centre, Northern General Hospital

PRESENT: David Stone (Chair)

PATIENT AND PUBLIC GOVERNORS

Richard Barrass	John Holden	Hetta Phipps
Yvonne Challans	Caroline Irving	Danny Roberts
George Clark	John Laxton	Michael Warner
Roz Davies	Shirley Lindley	Susan Wilson
Anne Eckford	Andrew Manasse	

STAFF GOVERNORS

Frank Edenborough	Mark Hattersley	Vivien Stevens
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PARTNER GOVERNORS

Richard Webb	Jeremy Wight
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APOLOGIES

Rhiannon Billingsley	Mary Lea	Jack Scott
Georgina Bishop	Heather MacDonald	Graham Thompson
Andrew Cash	Kaye Meegan	John Warner
John Donnelly	Mike Richmond	

IN ATTENDANCE

Hilary Chapman	Jane Pellegrina	Andrew Riley
Sue Coulson	Julie Phelan	Neil Riley
Mark Gwilliam	Vic Powell	
Kirsten Major	Neil Priestley	

Damien Murray (item GC/11/21)

OBSERVERS

Andy Challands	Penny Brooks	Robert Massam
Phil Brennan		

PUBLIC

2 members of the public

Prior to the meeting the Chairman welcomed Roz Davies and Richard Barrass, newly elected Governors, to their first meeting of the Governors' Council.

GC/11/21

Annual Governance Report

The Director of Finance introduced this item and Damien Murray, Engagement Lead for External Audit, was in attendance.

Mr. Murray referred to his written report circulated with the agenda papers (Enclosure A). He explained that the purpose of External Audit's work was to ensure that the accounts for 2010/11 were a true and fair view of the Trust's financial position and reported under IFRS and as directed by Monitor in the Financial Reporting Manual. He reported that he had conducted the audit in accordance with the NHS Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor. The report was made solely to the Governors' Council in accordance with the NHS Act 2006 although it had been previously discussed by the Trust's Audit Committee on 26th May 2011

He reported that:-

Financial Statements - There were no material errors identified from the audit of the financial statements. The majority of amendments to the accounts related to improvements in the disclosure of information.

Value for money – no matters identified to indicate that the Trust did not have in place adequate arrangements for securing economy, efficiency and effectiveness.

Quality Report – Testing had taken place on three performance indicators including one chosen by Governors. No matters were identified which indicated that the content of the Quality Report was not in accordance with the NHS Foundation Trust Annual Reporting Manual

Audit Fee – The audit fee had increased as stated below due to changes in Monitor's Code:

£1750 plus VAT for the audit of whole of government accounts

And

£5338 plus VAT for the assurance work on the Quality Report

He explained that the Audit Commission had issued two opinions this year, which was different to previous years, one on the Quality Report (limited assurance opinion) and one on the Accounts:-

- Accounts – The financial statements gave a true and fair view of the state of affairs of Sheffield Teaching Hospitals NHS Foundation Trust's affairs as at 31st March 2011 and of its income and expenditure for the year then ended; and had been properly prepared in accordance with the accounting policies directed by Monitor as being relevant to NHS Foundation Trusts.
- Quality Report - He reported that overall it was a very positive report. Based on the results of the audit, nothing had come to his attention to indicate that the content of the Quality Report was not in accordance with the NHS Foundation Trust Annual Reporting Manual. He explained that looking ahead to 2011/12 External Audit would be required to give a limited assurance report on the two mandated indicators which was not required for 2010/11. Also in future years there would be a more onerous requirement on External Auditors re the Quality Report but the exact requirements had not been determined as yet.

In response to a question from John Laxton, Vic Powell, Non Executive Director, confirmed that the Audit Committee was entirely satisfied with the how the audits on the Financial Statements and Quality Report had been conducted and had not raised any queries.

The Chairman stated that the Governors' could take comfort from a good report.

GC/11/22

Minutes of the Meeting of the Governors' Council held on Tuesday 7th June 2011

The Minutes of the Meeting of the Governors' Council held on Tuesday 7th June, 2011, were **APPROVED** as a correct record and signed by the Chairman subject to noting that Shirley Lindley and Neil Riley were present at the meeting.

GC/11/23

Matters arising:

(a) Number of Staff Governors

(GC/10/24(a)) Neil Riley explained the background to this item. It was agreed at a meeting in March 2011 that increasing the number of Staff Governors was a matter which needed to be given careful consideration. However it was decided at that time that consideration would be deferred until the transfer of Community Services had taken place and that a Clinical Director had been appointed for the Community Services Care Group.

He reported that the Trust was now in a positive position in both these areas and it would be timely for Penny Brooks, Clinical Director for the Community Services Care Group, to engage the staff within her Directorate to seek their views on how they would see their needs being represented in terms of Staff Governors.

If the outcome of discussions was to increase the number of Staff Governors, the Trust's Constitution would need to be amended. Neil Riley explained that, although the Constitution was changed a few years ago in relation to the number of Partner Governors, it had not been substantially reviewed since 2004 and therefore he felt that it was now timely for a detailed review to take place.

A number of Governors voiced their support to increasing the number of Staff Governors and for a wider review of the constitution to be undertaken. The following points were made by Governors:-

- Appointed Governors to be allowed sufficient time to undertake their duties
- Suggested 2 Governors per each staff category so that the workload could be divided
- Consider using different groupings of staff

It was **AGREED** that Neil Riley would set up a small Working Group to take this matter forward.

Action: Mr. Neil Riley

(b) Biomedical Research Units

(GC/11/13) Hilary Chapman reported that, since the last meeting of the Governors' Council to which it was reported that funding for the Trust's 2 Biomedical Research Units had been withdrawn, representatives of the Trust had attended a meeting in London with the NIHR in order to try and understand the reasoning behind their

decision to withdraw funding. The NIHR robustly defended their process and judgement and explained that the bar had been raised and the reason given was that the Trust had failed to achieve academic excellence. The Trust was also informed that there was no appeal process against the decision.

She reported that the Trust would now need to manage these services from within the organisation and the Trust was looking at ways of securing alternative sources of funding.

Richard Barrass reported that the Cardiac Patient Panel had expressed their disappointment at the decision to withdraw funding and had offered to help in anyway possible e.g. letter to MPs to enlist their support regarding identifying alternative funding to continue the work of the BRUs.

The Chairman emphasised that if the Trust was to make representations it was important that it was in a co-ordinated approach.

(c) Quality Report 2010/11

(GC/11/18) Neil Riley reported that the Trust was making steady progress in terms of the five key priorities in last year's report with the exception of Priority 5 which related to reducing the number of operations cancelled for non clinical reasons. The number of these types of cancellations had increased during Quarter 1. Subject leads had provided a Quarter 1 update and TEG would be looking at those at the end of September. They would also be shared with the Trust's external partners such as the Overview and Scrutiny Committee, LINKs and NHS Sheffield.

As required by Monitor the Trust External Auditors had audited the Trust's Quality Report and provided the Trust with an Assurance Report. Overall it was a positive report and included three recommendations for inclusion in the 2011/12 planning:

- To include additional outcome measures for the priority areas in the Quality Report
- To include an analysis of complaints within the Quality Report 2011/12
- Retain the laboratory referral forms for 18 months to enable retrospective audit

Neil Riley reported that planning for the production of the 2011/12 Quality Report had commenced. The report would need to include all Community Services and therefore a member of Community Services would be invited to sit on the Steering Group. The Steering Group would also include Governors.

(d) Strategy Refresh

(GCGC/11/19) Kirsten Major, Director of Service Development, referred to written paper (Enclosure C) which set out the key milestones and timetable for the completion of the Strategy Refresh by the end of March 2012.

She explained that earlier that day the Trust had held an event which was attended by all the workstream leads, members, Governors and staff. The Governors who had attended the session all commented that the event had been extremely useful, informative and well organised.

Between 14th September and 21st September three papers would be drafted for the Trust Executive Group:-

- Description of progress on merger and outcomes from quick wins

- Strategy refresh, combined with Transforming Community Services ambitions.
- Description of Community Services Management Structures

All the above papers would be considered and approved by the Trust Executive Group (TEG) on 28th September, 2011 prior to being presented to the Board of Directors on 19th October, 2011 and the Clinical Management Board on 21st October, 2011. The Strategy would also be presented to a future meeting of the Governors' Council.

In addition to those papers, TEG would consider the business case for the development of a Major Trauma Centre.

John Holden asked for an update on the Major Trauma Centre. Kirsten Major explained that it was part of one of the Workstreams and it had been incredibly difficult to put the full business case together based on accurate data. TEG would consider all the risks, both financial and clinical, and cost benefits associated with that development and form a judgement on it on 28th September, 2011.

GC/11/24

Governors' Matters:

(a) Governors' Forum – Notes of Meeting held on 18th August 2011

John Laxton referred to the written notes of the Governors' Forum circulated with the agenda papers (Enclosure D).

He highlighted the following items:

- Item 6 - Feedback from Governors' attendance at Trust Committees: this gave members an insight into the contribution made by Governors to the work of the Trust.
- Item 7 – Feedback from Governors' Board Briefing Sessions
- Item 8 – Feedback from Membership, Recruitment and Communications Group: it was hoped that more Governors would attend events which provided an excellent opportunity to talk with the public about hospital services etc.

Anne Eckford reported that community services staff were extremely appreciative that the Chief Nurse had made time to work some shifts alongside them. The Chief Nurse/Chief Operating Officer thanked her for the feedback and stated that she had learned a lot from working with the community staff.

It was agreed that at the next meeting Penny Brooks would report progress on how the Community Services Care Group was shaping up.

Action: Neil Riley/Penny Brooks

Jeremy Wight referred to item 7 and the reported problems with recruiting cleaners. The Chief Nurse/Chief Operating Officer explained that the Trust had a loyal cohort of cleaners but staff turnover was high.

The Governors' Council **RECEIVED** and **NOTED** the notes of the Meeting of the Governors' Forum held on 18th August 2011.

GC/11/25

Trust Operations:

Chief Executive's Report

In the absence of the Chief Executive, the Chief Nurse/Chief Operating Officer presented his written report (Enclosure E) circulated with the agenda papers and highlighted the following items:

- Emergency Services. The Trust had made a good start to quarter 2 with performance for the quarter to date against the 4 hour standard standing at 96.9% against a target of 95%. The extended range of indicators would apply for quarter 2 and the Trust was now monitoring performance on this basis.
- Cancer Services. The Trust has made a good start in quarter 2 against the whole range of cancer targets although it was anticipated that the final month of the quarter (September) may well be more challenging, particularly for urological cancers.
- In financial terms, the Trust is in a reasonable financial position at the end of month 3 with a modest deficit of £148.5k.
- In terms of patient activity, the level of elective inpatient activity was 3.4% above target for the year but was lower than last year. New outpatient activity was 2.2% above target and follow ups 1.8% below target. Non elective activity was 3.3% above expected levels but lower than last year. The performance against the 18 Weeks target in June was on target for both non admitted and admitted patients.
- Right care, right time, right place –city wide strategy: The Trust is working in partnership with NHS Sheffield, the local Authority, the Health and Social Care Trust and GPs to implement a strategy which results in the right patients being cared for in the right place at the right time and in the most efficient way. The joint plan included a range of initiatives to reduce delayed discharges and avoidable admissions such as:
 - increasing intermediate care capacity for frail older patients, including those within the speciality of orthogeriatrics and patients suffering from dementia
 - speeding up the process for those patients that will need to progress to long term nursing care
 - developing a primary care led assessment process for GPs to access as an alternative to hospital admission
 - aligning social care and community care teams to prevent fragmentation of care.
 - extending the level of service coverage for the admission avoidance/early discharge services
 - ensuring all medical and orthogeriatric wards release dedicated nurse time to "champion" the prompt discharge of all patients
 - developing a joint model with Sheffield Health and Social Care Trust for the early intervention with patients with dementia
- Infection Control
 - The MRSA year to date performance was 0 cases of MRSA against a year to date target of 3
 - MSSA - The Trust continued to return data on the number of cases of MSSA bacteraemia to the Health Protection Agency. Cases were labelled as either Trust attributable or community acquired. For July, 7 Trust attributable cases of MSSA bacteraemia were recorded. After 7 months, the total Trust attributable cases of MSSA stood at 56.

- E.coli - The Trust commenced returning data on the number of cases of E.Coli bacteraemia to the Health Protection Agency. Cases are labelled as either Trust attributable or community acquired. For July, 21 Trust attributable cases of E.Coli bacteraemia were recorded.
- SHA Clustering - It had been announced that SHAs would be clustered from October 2011 into 4 clusters as follows:
 - London
 - North (comprising of North West, North East and Yorkshire and Humber)
 - Midlands (West Midlands, East Midlands and East of England)
 - South (South West, South Central and South East Coast)

Those four areas would also provide the initial footprint for the NHS Commissioning Board's commissioning sectors from April 2013.

In terms of the "right care, right time, right place" strategy, Frank Edenborough asked where Social Workers fitted in. Richard Webb reported that Social Workers were employed by the Council and worked to different drivers. He stated that it was encouraging that the NHS, the Local Authority, the Health and Social Care Trust and GPs were all working together to understand the problems and to agree a common approach to resolve them.

George Clark asked if the Trust recorded data on the number of wound infections. The Chief Nurse/Chief Operating Officer reported that that type of data was only recorded in selected areas. To record that data for the whole Trust would require a significant amount of additional resources.

GC/11/26

Clostridium Difficile

Hilary Chapman, Chief Nurse/Chief Operating Officer, referred to her written report (Enclosure F) circulated with the agenda papers.

The key points to note were:-

- The Trust was not currently on the required trajectory to meet its *C.diff* target for 2011/2012.
- The target for the year was 134 and the Trust had recorded 109 cases by the end of August.
- There was no clear single cause for the higher rates of *C.diff* the Trust was currently experiencing. Contributory factors are environmental contamination, high occupancy rates, antibiotic prescribing and case mix.
- An action plan to reduce incidence was being implemented

The following governance arrangements were in place to monitor compliance with the C.Diff target:-

- STHFT Board of Directors received a regular monthly update on performance on infection prevention and control including *the C.diff* target.
- The Healthcare Governance Committee also reviewed progress on infection prevention and control monthly including progress against the *C.diff* target. They also received quarterly updates regarding the progress with the implementation of the infection control programme 2011/2012.
- Detailed discussion about the *C.diff* target, action plans, antibiotic prescribing and cleanliness take place at the Trust Infection Control Committee held quarterly.
- The monthly operational meeting of the Infection Control team included discussion regarding operational issues relating to the achievement of the target.

- A weekly operational meeting involving the Infection Control team, Domestic Services, Estates and the Deputy Chief Nurse takes place specifically to monitor progress with and implementation of the *C.diff* action plan.

She reported that in addition to the actions set out in the Trust's action plan the Trust had invited additional external professional advice from Professors Durden and Stevens, formerly of the Department of Health, and Dr Bharat Patel of the Health Protection Agency in the form of an external review. The overriding purpose of the review was to provide assurance to the Board that everything that could be done was being done to ensure that this position improved as rapidly as possible. The report had been received and was being checked in terms of accuracy. The recommendations would be incorporated into the overall Trust action plan and the Hilary Chapman would report back to Governors at the next meeting.

Jeremy Wight stated that NHS Sheffield shared the Trust's concern regarding *C.diff* and explained that in some cases *C.diff* was not causing the patient's illness. Hilary Chapman confirmed that the Trust was testing patients correctly and in line with HPA rules.

In response to a question, Hilary Chapman explained that the Trust had visited high performing Trusts e.g. Addenbrooks to see if there were any lessons to be learned. The key issue was cleaning and the Trust had invested £1 million into that area.

The Governors' Council **RECEIVED** and **NOTED** the current level of performance on *C.diff* and the actions that had been instigated to improve performance.

GC/11/27

Transforming Community Services

Andrew Riley, Corporate Development Director, updated members on transforming Community Services and reported the following progress:

- Transfer of staff under TUPE from NHS Sheffield provider arm to the Trust had been achieved
- Community corporate management costs had been successfully reduced by £1 million recurrently
- A ninth Care Group had been created
- A new Clinical Director had been appointed and had taken up post
- A number of "quick win changes" had been identified for implementation by end of December 2011 in diabetes, sexual health, heart failure, telecare, chronic obstructive pulmonary disease and access to information systems.
- Created a shared vision for integrated health services and developed a supporting transformation programme to deliver that vision by 31st October, 2011

The final target was to ensure that the work taking place on the strategy was consistent with work going on within the wider Sheffield community.

Roz Davies emphasised the need to look on an international basis when identifying new innovations.

GC/11/28

Health Bill: Update

Kirsten Major, Director of Service Development, updated Governors on the Health and Social Care Bill. The key points to note were:

- The Health and Social Care Bill received its first reading in the House of Commons on 19th January 2011. Since that time, the Department of Health had sponsored a listening exercise and therefore there was a pause in the process to respond to concerns.
- The Bill returned to the House of Commons this month and received majority support (66 votes), allowing it to pass to its first reading in the House of Lords on 8th September. The second reading would take place on 11th October, 2011, and would enable a general debate by members. There would also be Committee and Report Stages and a third reading in the Lords before the consideration of amendments and Royal Assent.
- Key changes to the Bill related to the following areas:
 - The involvement of secondary care in Clinical Commissioning Groups (formerly GP Clinical Commissioning Groups);
 - The extension of Monitor oversight of Foundation Trusts until 2016 to allow FT governors to be further developed to undertake greater scrutiny and performance oversight;
 - Foundation Trust Board meetings to be held in public;
 - The creation of Clinical Senates
 - An enhancement of the role of Health and Well-Being Boards in local commissioning for health care;
 - A change to the failure regime that will require Monitor to identify and intervene problems in advance of failure and crisis;
 - A duty to promote integration;
 - A relaxation of the deadline for all Trusts to become Foundation Trusts by 2014
- Parallel to these Parliamentary processes the Health Select Committee in the House of Commons had recently called for evidence in relation to the extent to which the NHS was responding to the £20 billion productivity and efficiency challenge.
- In terms of implementation of the reforms, the National Commissioning Board (NCB) would operate in shadow form from October 2011 and take on its full responsibilities from April 2013. The recently established PCT clusters would operate as local arms of the NCB and oversee the move from shadow to authorised Clinical Commissioning Groups (CCG) in local areas. If CCGs had not achieved authorisation by that point, the NCB would assume their duties.

Within Sheffield, there would be one CCG, operating in shadow from 1 October and would be supported by four locality based Steering Groups.

- Between now and 1 April 2013 the following changes would take place:
 - All current PCT functions would transfer either to the PCT Cluster (South Yorkshire and Bassetlaw) or the CCG;
 - There would be a confirm and challenge process led by the cluster of CCGs prior to consideration of authorisation by NCB;
 - The cluster would operate as the local arm of the NCB; and
 - There would be a single and separate contract for all of the specialist services that STH provide.

Uncertainty remains around the funding and future of Networks. This was most notable around Cancer and Cardiac services where the Networks were used as key negotiating for commissioners and providers.

Report from Governors' Council Nominations Committee:

(a) Recruitment and selection arrangements for the appointment of a Chair

John Holden, Vice Chair Nominations Committee, updated Governors on the recruitment and selection arrangements for the appointment of a new Chairman.

The key points to note were:-

- The process for the appointment of a new Chairman was agreed at a meeting on 15th August, 2011 and Odgers Recruitment Consultants had been appointed to support the process.
- The job description and person specification had been agreed and the Board of Directors and Governors' Council had been consulted on both.
- The post had been advertised in the "Sunday Times" on line for one month from on Monday 12th September, 2011 and would also be posted in the Sheffield Star on 15th September, 2011. The closing date for applications was 6th October, 2011.
- The Nominations Committee would meet on 7th October, 2011 to agree a "long list". Odgers would then undertake preliminary interviews and the Nominations Committee would reconvene on 24th October, 2011, to agree a "short list".
- All shortlisted candidates would meet with the Chief Executive.
- There would be 2 stages to the interview process:
 - On 14th November, 2011 shortlisted candidates would be interviewed by 3 panels comprised of Clinical Directors, Nurse Directors, General Managers, Executive Directors, Non Executive Directors and Governors. Each panel would concentrate on a specific subject i.e. leadership, governance and the QIPP challenge. Feedback would be passed to the Appointments Panel who would undertake formal interviews on 15th November, 2011. The Appointments Panel would comprise, John Holden, John Laxton, Vivien Stevens, Andrew Manasse, Jeremy Wight Vic Powell (Senior Independent Director), Andrew Cash, an independent assessor and would be supported by Neil Riley.
 - Following the formal interviews, a report would be prepared setting out the Nominations Committee's recommendation which would be presented to the Governors' Council for ratification.
- It was agreed that in order for the Governors' Council to consider the Nominations Committee's recommendation it would be necessary to bring forward the next meeting of the Governors' Council, scheduled for 6th December, 2011, to either 16th/17th November, 2011 rather than arrange an extraordinary meeting of the Council.

Action: Neil Riley

GC/11/30

Confirmation of Appointment External Auditors

Neil Priestley, Finance Director, referred to his written report (Enclosure G) circulated with the agenda paper. He explained that the Trust's existing 5 year External Auditor appointment ended with the 2010/11 financial year. A formal tender process had been agreed by the Governors' Council and the Audit Committee and that process had now been completed.

The key points to note were:-

- Shortlisted providers interviewed and assessed by a panel and its recommendations agreed by the Audit Committee.
- Following interview, Audit Commission excluded from further consideration due to uncertainties about its future and its ability to deliver a three year contract
- KPMG and PWC equal on scoring assessment but KPMG significantly cheaper and, therefore, better overall value for money.

He explained that the Audit Committee supported the panel's assessment that KPMG should be selected as the Trust's External Auditor for the 3 years from 2011/12 and agreed that this recommendation be made to the Governors' Council.

The Governors' Council:

- **AGREED** that KPMG should be selected as the Trust's External Auditor for the 3 years from 2011/12.
- **NOTED** that there was an option for the 3 Year contract to be extended by a further 2 years
- **EXTENDED** its thanks to the Audit Commission for its work as the Trust's External Auditor over many years.

GC/11/31

To Note:

- (a) Governors' Visit to Stroke Services, Royal Hallamshire Hospital

The Governors' Council **RECEIVED** and **NOTED** the report on the visit to Stroke Services on 16th May, 2011, circulated with the agenda papers (Enclosure H)

- (b) Governors' Visit to the Cystic Fibrosis Unit, Northern General Hospital

The Governors' Council **RECEIVED** and **NOTED** the report on the visit to the Cystic Fibrosis Unit, Northern General Hospital on 12th July 2011 circulated with the agenda papers (Enclosure I)

- (c) Patient Experience Report April - June 2011

The Governors' Council **RECEIVED** and **NOTED** the Patient Experience Report for the period April – June 2011

(d) Results of Elections to Governors' Council

The Governors' Council **RECEIVED** and **NOTED** the results of the Elections to the Governors' Council as set out in the written report (Enclosure K) circulated with the agenda papers.

(e) Date of the Annual General Meeting - 26th September 2011

The Trust Secretary stated that the Annual General Meeting would be held at 2.00 pm on Monday 26th September, 2011, in Lecture Theatre 1, Medical Education Centre, Northern General Hospital.

GC/11/32

Any Other Business

(a) Private Patient Facilities

George Clark stated that private patient facilities were raised at the previous meeting and asked if the Trust had looked into providing such facilities. Kirsten Major explained that it was part of the strategy refresh.

(b) Flu Vaccination

Anne Eckford stated that she had read in the media that the uptake of the flu vaccination by NHS staff was low and wondered if that was the case at STH. She had also heard that staff were finding it difficult to get released from their work to enable them to be vaccinated.

The Chief Nurse/Chief Operating Officer reported that she had not heard of any problems in staff not being released from duty. She explained that last year the uptake from staff had been poor so consideration was being given to sending teams into clinical areas in order to make it easier for staff to be vaccinated. Also there would be improved communications encouraging staff to come forward.

(c) Health Bill

John Laxton felt that the in preparation for the Health Bill the Trust should look at areas where it was most vulnerable in terms of competition.

GC/11/33

Date and time of Next Meeting

Further to discussions earlier in the meeting it was agreed that the date of the next meeting would be brought forward to either 16th/17th November, 2011. Governors would be notified of the final date in due course.