



COUNCIL OF GOVERNORS

Minutes of the Meeting of the Sheffield Teaching Hospitals NHS Foundation Trust COUNCIL OF GOVERNORS held on Tuesday, 2nd September 2014, the Undergraduate Common Room, Medical Education Centre, Northern General Hospital

PRESENT: Mr. V. Powell (Chair)

PATIENT AND PUBLIC GOVERNORS

Georgina Bishop
George Clark
Anne Eckford
Dorothy Hallatt
Joyce Justice
Jacquie Kirk

Andrew Manasse
David Owens
Kathleen Parker
Hetta Phipps
Shirley Smith

Sue Taylor
Graham Thompson
Paul Wainwright
John Warner
Michael Warner

STAFF GOVERNORS

Frank Edenborough
Christina Herbert

Chris Monk

Craig Stevenson

PARTNER GOVERNORS

Jayne Dunn

Nicola Smith

Jeremy Wight

APOLOGIES

Sally Craig
Caroline Irving
Heather MacDonald

Kaye Meegan
Nick Payne

Leigh Sorsbie
Tony Weetman

IN ATTENDANCE

Sir Andrew Cash
Andy Challands
Hilary Chapman
John Donnelly
Mark Gwilliam

Shirley Harrison
Annette Laban
Kirsten Major
Jane Pellegrina (Minutes)
Neil Priestley

Trevor Rees (item 5)
Neil Riley
Ellen Ryabov (item 7)
Martin Temple
David Throssell

1 Member of the Public

COG/14/26

Welcome and Apologies

The Chairman welcomed recently elected Governors Dorothy Hallatt and Jacquie Kirk to their first Council of Governors' Meeting.

The above apologies were noted.

The Chief Executive reported that Mr Pedder is progressing well following surgery and sent his thanks for the best wishes that he had received.

COG/14/27

Declarations of Interest

No declarations of interest were made.

COG/14/28

Minutes of the Council of Governors Meeting held on 6th May 2014

The Minutes of the Meeting held on 6th May, 2014, were agreed and signed as a correct record by the Chairman.

However Michael Warner expressed concern regarding Minute COG/14/16 Draft Code of Conduct for Governors and agreed that this be discussed further outside the Meeting. The Chairman said that the outcome of that discussion would be reported back to the next Council of Governors Meeting.

ACTION: Neil Riley

COG/14/29

External Audit:

The Chairman introduced Mr Trevor Rees a Partner at KPMG, the Trust's statutory auditor.

Mr Rees said that the purpose of his papers (enclosures E and F attached to these Minutes) was to report to Governors on the work undertaken by KPMG during the year, to present the Annual Governance Report and the 2013/14 External Assurance on the Quality Report.

The scope of the work was outlined and Mr Rees said the following areas would be covered in his presentation:

1. The Trust's Accounts
2. Use of Resources
3. Quality Report

Key points of note were as follows:

1. The Trust's Accounts

The key risks that KPMG had considered were:

- Achievement of the cost improvement programme and budget/forecast outturn
- New reporting requirements of the Corporate Governance Code
- Management override of controls
- Changes in land and buildings values

Points of note in relation to the Financial Statements Audit were:

- This is an unqualified opinion, meaning that KPMG believe the figures in the accounts are true and fair and free from material fraud.
- There were no material adjusted or unadjusted audit differences.
- The Annual Report was consistent with financial statements and complied with Monitor's Annual Reporting Manual.

- One new audit recommendation was raised relating to the timeliness of the preparation of the annual report and the annual governance statement.

2. Use of Resources

KPMG had identified the following as key potential risks:

- Omission of material facts or misleading assertions in the Annual Governance Statement
- Delivery of the cost improvement programme

Based on the work undertaken KPMG were satisfied that proper arrangements are in place at the Trust to ensure that taxpayers' money is used economically, efficiently and effectively.

3. Quality Report

Mr Rees said the content of the Quality Report must meet Monitor's requirements and that KPMG's audit had sought assurance that significant matters are included in the report, that significant assertions were supported and that the content of the report was consistent with other sources of information e.g. the Inpatient Survey, feedback from governors and commissioners, complaints report, Board minutes and papers including quality reports, the national staff survey and the head of Internal Audit's annual opinion.

Outcomes on the two mandated performance indicators were as follows:

- Indicator 1 : Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers – 88% of patients were seen within this timescale against a target of 85%. Two improvement opportunities relating to the 62 day wait indicator had been identified by KPMG and agreed by the Trust
- Indicator 2 : Clostridium Difficile – The Trust did not achieve its Clostridium Difficile target of 77 by 3 cases. No improvement opportunities had been identified.

He said that KPMG had issued a limited assurance opinion on the content of the Trust's Quality Report and the reasonableness of the Trust's two mandated performance indicators in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual. He explained that the Auditor's assurance is limited by the scope of the work they are required to undertake by Monitor and this is not a negative conclusion for the Trust. In fact he said that from the Auditor's perspective 2013/14 had been another good year for STH.

Referring to Priority 4 (Friends and Family Test (patient element) – completeness of data collected and reported) on page 12 of the Quality Report Andrew Manasse queried whether the recommended use of a unique identifier for the patient on the postcard was compatible with anonymity. Mr Rees considered that with correct implementation of the recommendation anonymity could be preserved while ensuring data completeness.

The Chairman thanked Mr Rees for an informative presentation. The Council of Governors **APPROVED** the Annual Audit Letter.

COG/14/30

Matters arising:

(a) Update on 18 Week Performance (CoG14/17)

The Director of Strategy and Operations referred to her written report (enclosure B attached to these Minutes) that provides an update on the performance against the 18

week referral to treatment targets as reported to the Board of Directors in July and sets out progress against the agreed action plan to secure delivery of the target.

She said that the average waiting time for the majority of patients being treated at STH is eight weeks or less. The Trust continues to meet all the cancer treatment targets however prioritisation of these urgent pathways does impact on the 18 week performance in other non-urgent areas.

In June performance against the 18 week targets was below target with admitted and non-admitted patients treated within 18 weeks 86.7% and 94.1% respectively. This was not unexpected as the backlog of long waiting patients is prioritised. July saw the highest number of productive days in the year so far and coupled with the earlier than usual start to the summer holidays resulted in the target not being achieved that month, however, in August things are back on track. A task and finish group, chaired by Non-Executive Director Annette Laban, has been established and is meeting monthly to monitor the performance of all Directorates against agreed action plans with orthopaedics, urology, neurology and cardiology being particularly challenging. The Trust is committed to achieving the target from 1 October 2014

In response to a question from George Clark regarding the issues in orthopaedics Kirsten Major said that the two distinct streams of work, routine and more complex, make this a challenging area. She agreed with George Clark that out of area referrals can affect the situation and that sub-specialisation can also impact on waiting times. The Chief Executive said that a significant piece of work is being carried to create a single patient treatment list across the whole organisation but cautioned that the level of work required to achieve this should not be underestimated.

(b) Update on developments at Weston Park Hospital (CoG/14/24)

The Director of Strategy and Operations reported that an outline business case was to be presented to the Trust Executive Group Meeting the following day. It was **AGREED** that a further update on the proposed programme of work would be presented at the next Council of Governors meeting.

ACTION: Kirsten Major

(c) Five year Strategic Plan Summary (CoG/14/20)

The Director of Strategy and Operations said that the Strategic Plan Summary (enclosure C attached to these Minutes) is formatted to reflect Monitor's requirements and had been submitted on 30 June 2014. It summarises the Trust's strategy and how the organisation will respond to the challenges facing the sector. She said that from analysis of each service line the following key service lines will form a focus for the Trust:

- Emergency care/Non-electives and Major Trauma
- Musculoskeletal Services
- Specialised Services
- Primary and Community Services

In response to a question from Paul Wainwright, Kirsten Major said health inequalities are considered in the strategic planning process and in the way services are designed, particularly around access. The Chief Executive added that health organisations city-wide have prioritised health inequalities and are adopting an innovative approach. Jeremy Wight commented that the socio economic issues which determine health inequalities mean that the Trust's contribution can only be modest.

(d) Final Trust Response to Hard Truths (CoG/14/17)

The Medical Director referred to his written paper (enclosure D attached to these Minutes), outlining the Trust's response to the Mid-Staffordshire NHS FT Public Inquiry. He explained that it focussed on the final Government response *Hard Trusts: The Journey to Putting Patients First* and summarises the Trust's actions mapped against the objectives of the organisation's corporate strategy. The key actions had been summarised into the following headlines:

- Patient Experience
- Clinical Effectiveness
- Patient Safety
- Transparency
- Regulatory Compliance
- Workforce

Responding to questions from Anne Eckford and Graham Thompson the Chief Nurse said that the national work on a passport for healthcare assistants is ongoing and the Trust is well placed to respond to this and that the Nursing and Midwifery Council does not have any plans to reintroduce State Enrolled Nurses but within STH we do have Level Four Associate Practitioners.

It was **AGREED** that the Medical Director should provide a further update on implementation of the action plan after April 2015.

ACTION: David Throssell

COG/14/031

Trust Operations – Chief Executive's Report

The Chief Executive referred to his written report (enclosure G) and highlighted the following points:

- A good start had been made to the year and with the exception of the C.Diff and 18 weeks targets all other key targets had been met. The plan in place to meet the 18 weeks target from quarter 3 is looking closely at long-waiting patients. A report on this will be brought to the next Council of Governors Meeting.

ACTION: Sir Andrew Cash

- At the end of quarter 1 there is a deficit of £2m with a £1.5m (22.7%) under delivery on efficiency plans against plan which is expected to improve during the year.
- In quarter 1, for the fifth consecutive quarter, the A&E target was met, the current position in quarter 2 is 95.5%. A local media report on a generally positive CCG paper had disappointingly concentrated on a dip in weekend performance in A&E. Sir Andrew said that the Trust focuses on not cancelling routine surgery unless absolutely necessary.
- Overall the Trust's performance against cancer targets remains strong with all targets met over the last three years. However there is a particular challenge in quarter 2 to ensure that the 31 day subsequent diagnosis to surgical treatment target is met.
- STH recorded 9 positive C.Diff samples in June bringing the year to date performance to 34 cases against an internal threshold of 26 and Monitor's threshold of 31. The Trust's contract threshold is 94 cases but has set its own internal target of 78. The Healthcare Governance Committee is reviewing the C.Diff Action Plan every month.
- National arrangements for dealing with any cases of the Ebola virus are in place with the Royal Free Hospital the designated centre. However should there be a significant number of patients in the UK STH could be used as a surge site and Sir Andrew confirmed that the Trust is in a good state of preparedness with robust systems in place should this occur.
- Michael Harper, currently General Manager for Surgical Services, has been appointed as Chief Operating Officer.

- The Trust is investing £35m in IT. In September the Board will be asked to approve business cases for three IT system projects:
 - Electronic Patient Record
 - Electronic Document Management
 - Clinical Portal

Our 'Hospital of the Future' will also be opening later this year at RHH. This will be an innovation style lab, kitted out in a clinical environment with our proposed technology so staff can experience, influence and familiarise themselves with how we will use the technology to support patient care in the future. It will be located in the old Admissions Assessment Unit on the ground floor of the hospital.

- A new initiative is being launched nationally to provide diagnosis for patients affected by rare inherited diseases and provide a resource for research into the genetic basis of disease. The *100,000 Genomes Project* intends to deliver the sequence of 100,000 whole human genomes by 2017, from patients with rare inherited diseases and patients with a range of cancers. The next stage of the project is the appointment of Genomic Medicine Centres which will be commissioned to recruit patients to the project. The Trust will be bidding jointly with Sheffield Children's Hospital to be a Genomic Medicine Centre.
- Staff engagement is a priority for the Trust and a renewed focus will begin in October with the launch of '10 Big Questions'. Appropriate infrastructure will be put in place to support this.
- Buddying Arrangements:
 - North Lincolnshire and Goole FT have come out of special measures with the buddying arrangement formally terminated
 - United Lincolnshire Hospitals NHS Trust will continue in special measures for a further six months
- The Secretary of State had commissioned Sir David Dalton, Chief Executive at Salford Royal FT to investigate new models of acute care provision. Sir Andrew said he had been a member of the review team. The review was exploring how NHS providers can be incentivised to work in larger groups or chains led by the leaders of outstanding organisations. The Dalton Report will be published in October. The Secretary of State had also appointed Sir Stuart Rose to examine management and leadership in the NHS.

Responding to a question from Graham Thompson relating to the Dalton Report Sir Andrew said that the role of competition is at the nub of the argument concerning how best to ensure the effective provision of healthcare across the country as a whole.

COG/14/32

Staff Friends and Family Test

The Director of Human Resources referred to his written report (enclosure H) and said that the test had been piloted in quarter 1 with 3269 staff from Cardiothoracic, ENT, MIMP, Central Nursing, Chief Executives Office, Critical Care Admin staff, Urology, Weston Park, and Hotel Services invited to participate. The test was carried out between 23 May and 20 June via postcards and online. There had been a good (27%) response, 615 online and 278 via postcards, with the national average expected to be 12%. Of those we responded 87% would recommend the Trust to family and Friends for treatment and 67% would recommend the Trust as a place to work. Further testing will be undertaken in quarter 2.

Responding to David Owens' comment that the staff surveyed had been predominantly administration and clerical, Mark Gwilliam said that the areas to be surveyed had been selected from staff providing good and not good responses in the national staff survey with the data providing a mixture of areas. He confirmed that the survey is anonymous.

COG/14/33

Winter Planning

The Director of Strategy and Operations was joined by Ellen Ryabov for the item. In support of the previously circulated paper (enclosure I) a presentation (attached to these minutes) was provided evaluating winter 2013/14. Following the presentation the following points were raised:

Frank Edenborough said he believed there had been significant differences between winter 12/13 and the winter under review. In 13/14 there had been less Norovirus and flu and little snow and asked whether modelling had been undertaken to incorporate these factors? Kirsten Major said that this was not possible. She said that 13/14 had seen an improved level of performance from the organisation when compared with the previous winter despite similar levels of activity and acuity.

In response to Jayne Dunn's query about re-admissions following discharge Kirsten Major said the level had not increased. Jayne Dunn asked if a lack of care in the community was causing delays to discharge? Kirsten Major said relevant information could be shared.

ACTION: Kirsten Major

Michael Warner asked if the Clinical Decisions Unit is part of A&E? Kirsten Major said the Unit is physically located alongside A&E but it provides a separate pathway for appropriate patients.

COG/14/34

Governors' Matters

(a) **Council of Governors Nominations and Remuneration Committee – Appointment of two Non-Executive Directors**

The Assistant Chief Executive reported that following a competitive selection process outlined at the previous Council of Governors Meeting the Nominations and Remuneration Committee had appointed two new Non-Executive Directors – Ms Dawn Moore and Mr John O'Kane. He said that due to Mr Pedder's current absence from the Trust following surgery the Committee had approved an extension to the term of office of John Donnelly and Vickie Ferres to 30 September 2014 in order to enable Ms Moore and Mr O'Kane's official start date to be put back to 1 October 2014 when it was hoped Mr Pedder would return to work.

(b) **Notes of Governors' Forum Meeting held on 12 August 2014**

The Forum Notes (paper J) were tabled. Kath Parker highlighted the following:

- In response to points raised by Frank Edenborough regarding staffing levels, particularly junior medical grades, governors had agreed to take this up separately with the Medical Director who briefly explained that this is a national issue and not particular to STH
- The GovernWell training day had generally been well received.
- A sub-group of governors are working with Trust staff to plan the Annual Members' Meeting which is being held on 22 September
- There had been an interesting visit to the Charles Clifford Dental Hospital
- A presentation on the Trust's strategy for sustainability had been very successful and it was agreed that the exemplary work should be better publicised.
- Governors had been interested in a presentation from the Director of Human Resources on staff engagement and the staff survey results and were supportive of his work. Governors would appreciate an annual update.
- A group of governors are to review the arrangements for future Forum Meetings.

The Council of Governors **RECEIVED** and **NOTED** the notes of the Governors Forum held on 12th August 2014

(c) Review of Trust Constitution

The Assistant Chief Executive referred to his written paper (enclosure K) and said that following the major review of the Trust's Constitution in 2013/14 approved by the Council of Governors in April 2014 in the interests of good governance it had been agreed that the Constitution would be reviewed and updated annually. Following a review by the Assurance Manager the following non-material amendments are recommended for the approval of the Council of Governors:

- References to the *Trust Secretary* have been changed to the *Assistant Chief Executive*
- References to the *Independent Regulator* have been changed to *Monitor*
- References to Monitor's Provider Licence that came into force in April 2014 under the 2012 Health and Social Care Act have been inserted as appropriate

The Council of Governors **APPROVED** Version 3.1 of the Trust's Constitution, subject to separate approval by the Board of Directors and notification to Monitor.

COG/14/35

To Receive and Note:

The Council of Governors **RECEIVED** and **NOTED** the following:

- (a) Results of Elections to Council of Governors 2014
- (b) Reports on Presentations to Governors:
 - Cavendish Cancer Centre 2nd April 2014
 - Strategy for Sustainability 21st May 2014
- (c) Healthcare Governance Committee Annual Report 2013/14 and 2014/15 Workplan
- (d) Audit Committee Annual Report 2013/14 and 2014/15 Workplan
- (e) Finance, Performance and Workforce Committee Annual Report 2013/14 and 2014/15 Workplan

COG/14/36

Any Other Business

There were no items to discuss.

COG/14/37

Date of next Meeting

The next Meeting of the Council of Governors would be held at 5:00 pm on Tuesday 2nd December, 2014, in the Undergraduate Common Room, in the Medical Education Centre at the Northern General Hospital.

Signed: Date:
Chairman