East Kent Hospitals University NHS
NHS Foundation Trust

COUNCIL OF GOVERNORS MEETING
MONDAY 5 SEPTEMBER 2016
Closed Session 09:50am
Public Session 10:00

Please find attached the agenda for the next Council of Governors Public Meeting to take place at **Julie Rose Stadium, Willesborough Road, TN24 9QX**

AGENDA

*Refreshments available from 9.30*am

CLOSED SESSION To be held from 09:50 to 10:00				
1.	Minutes of the closed meeting held on 24 May 2016	**Appended**	10"	Nikki Cole Trust Chair
2.	Chairs and NED Objectives	**Information CoG (Closed) 01/16**		Nikki Cole, Trust Chair Barry Wilding Senior Independent Director
PUBLIC SESSION Please note that this session starts at 10:00				
1.	Chair's Introductions		10"	Nikki Cole Trust Chair
2.	Apologies for Absence and Declarations of Interest			Nikki Cole Trust Chair
3.	Minutes from the last Public Meeting held on 21 July 2016 and matters arising	**Appended**		Nikki Cole Trust Chair
GOVERNANCE 10.10 – 10.40 (section timing)				
4.	Lead Governor Election outcome	**Endorsement**	10"	Nikki Cole Trust Chair
5.	Model Terms of Reference	**Discussion CoG 45/16**	10"	Alison Fox Trust Secretary
6.	CoG and Committee Effectiveness	**Discussion CoG 46/16**	10"	Alison Fox Trust Secretary
MEMBERSHIP 10.40 – 11.20 (section timing)				
7.	Communications & Membership Committee report. To include:	**Discussion CoG 47a/16 CoG 47b/16 Draft Strategy**	(40")	Matt Williams Chair CMC Elected Governor
	a. Draft Membership Strategy			

BREAK 11.20 – 11.35				
REPORTS FROM COMMITTEES 11.35 – 12.50 (section timing)				
8.	Council of Governors (a) and Board of Directors Meetings (b)	**Discussion**	75"	
	• Finance and Performance Committee	**CoG 48a/16** **CoG 48b/16**		Michèle Low Satish Mathur
	• Nominations & Remuneration Committee	**CoG 49a/16** **CoG 49b/16** **CoG 49c/16**		Philip Wells Richard Earland
	• Quality Committee	**CoG 50a/16** **CoG 50b/16**		Sarah Andrews Ron Hoile
	• Strategic Workforce Committee	**CoG 51a/16** **CoG 51b/16**		Alan Holmes Colin Tomson
COUNCIL OF GOVERNOR GOVERNANCE				
BUSINESS: 12.50 – 13.00 (section timing)				
9.	**QUESTIONS FROM MEMBERS OF THE PUBLIC**		10 "	
10.	**ANY OTHER URGENT OR IMPORTANT ITEMS**			Please notify Committee Secretary of matters to be raised – deadline 48 hours before meeting
11.	**DATES OF FUTURE MEETINGS**	See below		

This ends the Public Session

Lunch – 13.00 – 13.45

AFTERNOON SESSION

13.45 Integrated Performance Report (IPR) and Board Assurance Framework (BAF)

Using these reports to hold NEDs to account: development session led by Nikki Cole

14.25 Priorities and Progress – Chair and CEO
To include: CQC update, Grant Thornton report and STP update

14.45 **CLOSE**

Dates of future meetings:

Day	Date	Time	Location
Thursday	24 November	10:00 – 15:00	Best Western Abbots Barton Hotel 36 New Dover Road, Canterbury, CT1 3DU

REPORT TO:	**COUNCIL OF GOVERNORS' MEETING**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**COUNCIL OF GOVERNORS' COMMITTEES TERMS OF REFERENCE**
REPORT FROM:	**TRUST SECRETARY**
PURPOSE:	**Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

At the July meeting of the Council of Governors it was agreed that there were some sections of the terms of reference which should be consistent across all CoG Committees. This paper identifies those areas and provides a draft for discussion.

LINKS TO STRATEGIC OBJECTIVES:	**Patients:** Help all patients take control of their own health. **People:** Identify, recruit, educate and develop talented staff. **Provision:** Provide the services people need and do it well. **Partnership:** Work with other people and other organisations to give patients the best care.

RECOMMENDATIONS AND ACTION REQUIRED:

The Council is asked to discuss and agree the proposed standard sections for the CoG Committee terms of reference.

Proposal

Annex A lays out a template for the terms of reference identifying possible standard sections and proposing a draft text for discussion – these sections are highlighted in blue. The section below provides the reasoning for some of the suggestions made, the remainder are hopefully self-explanatory:

Purpose

A standard wording is not suggested as each Committee will differ, apart from including the responsibility to report to the Council. However, the section should cover both the responsibility to hold NEDs to account and also to represent members.

It was suggested in the CoG FPC meeting that the wording of how the responsibility for holding NEDs to account should be standard.

A previous proposal for making this a standard section in a template for the terms of reference read:

1. Seek assurance from the Chair of the Board of Directors' Name of Aligned Committee that the NED members are effectively supporting the delivery of the key elements of that Committee's purpose and in a way which manages Trust financial and staff resources to deliver best value. Particularly with reference to:

    - Specific named areas

2. Ensure that the interests of members and the public are represented and taken into account by the Name of Aligned Committee.

3. Any other areas to be added for that particular committee.

4. Provide a report on the business of the Committee to the Council of Governor meetings.

However, this only works well for the three CoG Committees which are aligned to a performance focussed BoD Committee: Quality, Workforce and Finance.

Frequency of meetings

No standard wording proposed as each Committee will differ. It is suggested that the number of meetings per year is kept to the minimum required to complete the business of the meeting.

Membership and Attendance

The number on the committee was agreed following a proposal made by the NRC to Council in May. There are three points suggest in this section for the Council to consider for inclusion in the agreed template:

- The office of the Committee should be held for one year from April. This will mean that the term of the current chairs will end in April 17. Governors may also wish to consider whether the membership of the Committees is refreshed annually. If so, it may be sensible for that process to be led by the CoG NRC.
- The draft suggests that members are asked to attend a minimum number of meetings. Another question raised at several Committees was whether virtual attendance via electronic means would be counted.
- Attendance by Governors who are not members of the Committee was discussed robustly in all the Committee discussions on the draft terms of reference. There was

no dissention from the principle that non-member Governors could attend meetings and would be asked to let the committee administrator know their intention as a courtesy.

When the terms of reference were first drafted it was proposed that the Committee chair could decide beforehand to give those members voting rights. However, in discussion some committees removed the possibility that non-members could have voting rights. The basis for this decision was one of equity – Governors would need to know well in advance if this was to be done so that everyone had the same opportunity to attend. It was also noted that the Committees are constitutionally unable to make decisions on behalf of the Council so all decisions must be agreed at a Council meeting when all Governors have voting rights.

At the meeting in July this matter continued to prompt a lot of discussion and it was agreed to debate this further at the September meeting.

Quorum

All Committees were content with setting quorum at 4 Governor members of the Committee. There has been debate in several Committees as to whether the NED Chair should also be included with the view put forward that it is not possible to hold NEDs to account if they are not represented at the meeting, thus the NED Chair, or their representative, should be part of the quorum.

Recommendation

The Council is asked to discuss and agree the proposed standard sections for the CoG Committee terms of reference.

Annex A
TRUST LOGO

COUNCIL OF GOVERNORS'

NAME OF COMMITTEE

TERMS OF REFERENCE

Suggested draft for standard text to be used for all committees.

Constitution

The Committee is a committee of the Council of Governors. It has no delegated power to make deisions on behalf of the Council.

Purpose:

The Committee will undertake the following.

- Non-standard section.
-
- Provide a report on the business of the Committee to the Council of Governor meetings.

Frequency of Meetings:

Meetings of the Committee will be held – no standard suggested.

Membership and attendance:

There will be eight Governor members on the Committee. One member will be elected as Chair of the Committee and will hold office for the period of one year from April. Members are asked to attend a minimum of [Non-standard, figure dependant on the frequency of meetings]. [QUESTION: Does virtual attendance count?] All Governors are welcome to attend meetings of the Committee however they will not have voting rights.

Current Membership

Members listed and Chair identified.

Attendees:

Non-Executive Director: Chair of the aligned BoD Committee.

Trust staff: not standard.

Quorum:

The Committee shall be quorate when at least four Governors are present. Question: should the presence of the NED chair or their representative be included in the quorum?

Support:

The Committee will be supported administratively by the Corporate Secretariat. It shall receive advice from the Trust Secretary, or their representative, and named senior Trust staff in the professional area covered by the Committee.

REPORT TO:	**COUNCIL OF GOVERNORS' MEETING**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**COUNCIL OF GOVERNORS AND COMMITTEE EFFECTIVENESS**
REPORT FROM:	**TRUST SECRETARY**
PURPOSE:	**Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

It is good corporate governance practice for the effectiveness of committee meetings to be reviewed on an annual basis. This paper proposes a process and timetable for a review of the effectiveness of the Full Council and its committees for 2016.

LINKS TO STRATEGIC OBJECTIVES:	**Patients:** Help all patients take control of their own health. **People:** Identify, recruit, educate and develop talented staff. **Provision:** Provide the services people need and do it well. **Partnership:** Work with other people and other organisations to give patients the best care.

RECOMMENDATIONS AND ACTION REQUIRED:

The Council is asked to discuss and agree the proposal for an effectiveness review.

Background

An annual review of committee effectiveness is considered to be good corporate governance practice offering an opportunity to understand where there may be gaps in performance and identify ways to improve processes.

The last review planned for Council of Governor meetings was in 2014 with the preparation of a survey to go to all Governors covering the following areas:

- Roles and responsibilities – 5 questions
- Council of Governor meetings – 11 questions
- Council of Governor Committees – 6 questions
- Effectiveness of the Council of Governors – 9 questions
- Working with the Trust – 7 questions
- Skills/knowledge development for Governors – 4 questions

A decision was taken in 2015 that the level of change within the organisation was such that a review at that time would not have been useful. Now that the Trust, and the Governors, are emerging from that period of change it seems to be a good point to undertake the 2016 review, the results of which will also provide some baseline information to help assess how the Council progresses.

Next Steps

It is proposed that the Nominations and Remuneration Committee work up the process, timeline and questionnaire for the 2016 CoG and CoG Committee effectiveness review in order to report the outcome of the survey to the first meeting of the Council in 2017. An update on progress to be provided to the Full Council meeting on 24 November.

REPORT TO:	**COUNCIL OF GOVERNORS' MEETING**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**REPORT FROM THE CoG MEMBERSHIP, ENGAGEMENT AND COMMUNICATIONS COMMITTEE**
REPORT FROM:	**MATT WILLIAMS COMMITTEE, CHAIR**
PURPOSE:	**Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

The CoG Membership, Engagement and Communications (MECC) Committee met on 15 August 2016.

The key item of business was consideration of the first draft of the Council of Governors' Membership and Members' Engagement Strategy. The final draft of the document is presented here for consideration and ratification by the Full Council.

The meeting also received a verbal report from Gill Gibb, NED Chair of the Charitable Funds Committee, and an update from Natalie Yost on the first edition of the new Trust Magazine.

LINKS TO STRATEGIC OBJECTIVES:	**Patients:** Help all patients take control of their own health. **People:** Identify, recruit, educate and develop talented staff. **Provision:** Provide the services people need and do it well. **Partnership:** Work with other people and other organisations to give patients the best care.

RECOMMENDATIONS AND ACTION REQUIRED:

The Council is asked to:

- Consider and ratify the CoG Membership and Members' Engagement Strategy.

Committee Chair's Overview

As the new Chair of the Committee I took the opportunity to meet with Gill Gibb, the NED Chair of the Charitable Funds Committee – which is aligned to the MECC. She shared her thoughts on the role of the Charitable Funds Committee, which were later reflected in the meeting.

In working with the Trust and Governors in putting together the draft strategy it became clear that the Trust wished, and the Committee members feel, that the role of Governors in communicating with members, and feeding back their views, needs to enhanced. This is regocnised and, hopefully, reflected in the draft.

CoG Membership and Members' Engagement Strategy

The bulk of the meeting time was devoted to looking at the first draft of the strategy and a range of changes and additions were suggested. These were incorporated into a second draft which was circulated to MECC members for virtual agreement. The resulting third draft was then sent to all Governors on 22 August for early comment and the responses received have been addressed in the final draft presented here for Council's consideration and ratification.

The MECC next meeting is on 19 October when the main agenda item will be the development of the action plan to deliver the agreed strategy over the three year timeframe. Recruitment and engagement activities will continue to take place as planned and it is recognised that there may be a need to undertake some virtual planning around public engagement depending on the way consultation on the STPs moves forward nationally.

Trust Magazine – Your Hospitals, Your Health

Natalie Yost brought copies of the first edition of the Trust's new look magazine to the meeting and explained how it would be made widely available in public areas across East Kent. The cost of publication and circulation was relatively low and it was anticipated that the magazine would become self-funding by making advertising space available. Space in each edition of the magazine will be dedicated to Membership and Governor news and messages and assistance will be provided from Natalie's team to develop the copy. The Committee commented positively on the content and design of the magazine.

Charitable Funds Committee

Gill Gibb attended her first meeting of the MECC and spoke about the role the NED in communications within the Trust and externally. Gill also gave members a brief summary of the work of the Charitable Funds Committee explaining that their current focus was on ensuring that the funds were being allocated for use. Rupert Williamson, Fund Raising Manager, also attended the meeting which gave Members the chance to increase their understanding of the Committee's work and plans.

East Kent Hospital University Foundation Trust

Council of Governors'
Membership and Members' Engagement Strategy

September 2016 – August 2019

CONTENTS

1. Introduction

The Council of Governors' Membership and Members' Engagement Strategy is the key document supporting the delivery of the Council's statutory duty to represent the interests of the members of the Trust as a whole and the interests of the public.

During 2016 the Trust has gone through a significant period of change and a decision was taken to review and revise the existing Strategy ahead of the scheduled end date of March 2017. The strategy is designed to dovetail with the Trust's Communications and Engagement Strategy, and as a platform for the speedy development of a full Membership Engagement operational plan.

This strategy covers a three-year period from September 2016 to August 2019, with annual reviews to take place each August.

2. Background

East Kent Hospitals University NHS Foundation Trust (EKHUFT) is one of the largest hospital trusts in England, with five hospitals serving a local population of around 759,000 people and employing 8,000 staff. The Trust also provides many health services from other NHS facilities across East Kent including renal services in Medway and Maidstone.

The Trust has a national and international reputation for delivering high quality specialist care, particularly in kidney disease, stroke and vascular services.

The Trust plays a vital role in the education and training of doctors, nurses and other healthcare professionals, working closely with local universities and Kings College University in London.

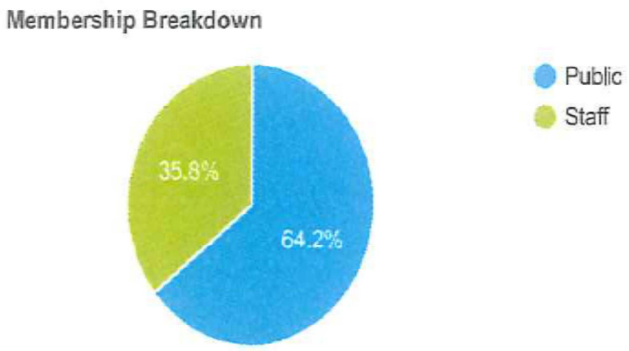
The Trust is on an improvement journey. In March 2014 the Trust underwent an inspection by the Care Quality Commission which highlighted concerns around staffing ratios and waiting times. It resulted in the organisation being placed into special measures by Monitor. The Care Quality Commission inspection in July 2015 highlighted significant improvements and praised the caring nature of staff. The CQC upgraded the Trust from inadequate to requires improvement.

There have been fundamental changes in the leadership team, including both the Chief Executive and the Trust Chair, which has led to a comprehensive re-focusing of the work of the Trust. The Trust Board is committed to working with an active Council of Governors elected by a representative and engaged public and staff membership, recognising the contribution this can make to the Trust's on-going success.

It is important, therefore, that this strategy is designed to support the Trust's strategic priorities of:

- Patients – help all patients take control of their own health
- People – identify, recruit, educate and develop talented staff
- Provision – provide the services people need and do it well
- Partnership – work with other people and other organisations to give patients the best care.

The membership currently stands at a total of 18,136 of which 11,615 are public members and 6521 are staff members:



In implementing this strategy, care will be taken to recognise that membership includes both staff and public members.

3. Role of Members

NHS Improvement (NHS I), in the document 'Representing the interests of members and the public', describes the purpose of members as:

> *'All foundation trusts have a membership body that elects the governors of the trust from its members. This is part of their accountability to local communities. Members of foundation trusts include patients and service users, staff, carers and anyone with an interest in healthcare. Having a dedicated membership can provide trusts with a ready pool of feedback, local knowledge and support, but governors need to be aware that they have a responsibility to represent the interests of members of the trust and the public'.*

As a Foundation Trust EKHUFT recognises that the Council of Governors directly represents the patients, staff and the local communities it serves and that building and encouraging membership involvement provides a real opportunity to influence the work of the Trust and wider East Kent healthcare landscape. Representing the interests of, and engaging with, members is a key responsibility of Governors. The Trust recognises the need to encourage a membership that represents the patients it serves and the diversity of the East Kent communities.

4. Benefits to the Trust in Having an Engaged Membership

An active and engaged Governor led Membership provides many opportunities for the Trust to promote and expand public and patient involvement. The Trust can also benefit from feedback from members to shape delivery and development of services. It also provides a conduit for messages the Trust may wish to distribute within the East Kent communities.

An active and engaged membership provides opportunities to:

- provide more comprehensive feedback in consultations & surveys;
- create ' subliminal ambassadors' for the Trust;
- provide a pool of volunteers to participate in such things as:
    - patient user groups
    - focus groups
    - research projects

- provide editorial assistance to help improve publications - such as information leaflets;
- provide a network for disseminating key Trust messages;
- cascade structure for word of mouth dissemination of information about activities, such as recruitment drives, use of A&E campaigns etc. and success stories; and
- increase fundraising opportunities for our Hospital Charity.

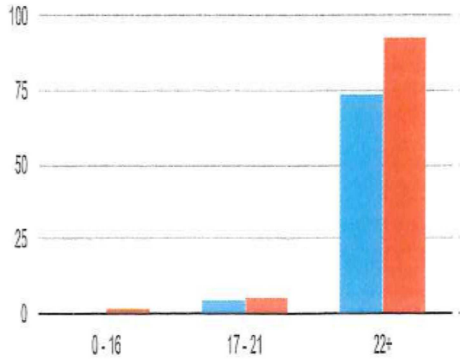
5. Membership & Engagement

This section sets out the priorities for the next three years in order to grow and develop a Membership which supports the work of the Governors and provides a valuable resource to the Trust for patient and public engagement. Implementation of these activities needs to be undertaken with due regards for the use of public funds, ensuring that the outcome adds value and supports the Trust's work.

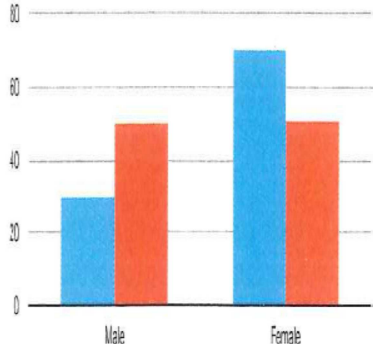
a. Current Membership

The following charts provide a view of the demographic breakdown of the membership with respect to Age, Gender, Ethnicity and Socio Economic Groupings. The blue bars represent the actual % of members in each category and the orange bars are the % that it should be to truly represent the communities of East Kent, based on the population data collected in the 2011 census.

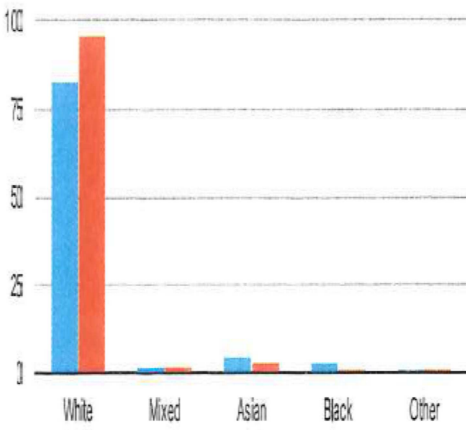
Age



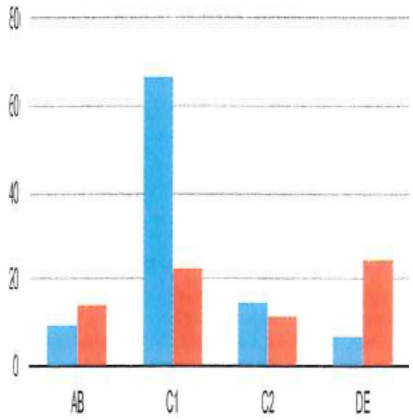
Gender



Ethnicity



Socio Economic Groupings



A: upper middle class
B: middle class
C1: lower middle class
C2: skilled working class
D: working class
E: those at lowest level of subsistence

It is important that all membership recruitment, communication and engagement be Governor focused and Governor led. As noted elsewhere, it is important that this strategy links to and supports the Trust's Communication and Engagement Strategy, however it must remain focused on its raison d'être – to provide the framework for Governors to represent and work with their members to ensure that patients and the public are able to understand and influence the work of the Trust.

b. Strategic objectives of Membership Engagement

These are:

- the Trust will embrace and utilise the statutory dictated membership system to assist in delivering its key objectives;
- to increase the interaction between members and Governors giving the opportunity for membership to guide governors' decisions;
- to build a membership that truly represents the community including challenging to reach groups;
- increase membership to a total of 20K;
- in recognition of how the public receive and absorb information, provide resources to communicate with members across all appropriate channels;
- to create an ongoing communication that promotes the work of Governors and the Trust's public engagement;
- to ensure all relevant Trust communications fully encourage engagement with members; and
- to identiyy, and utilise, every relevant 'touch point' to promote membership.

c. Membership Recruitment

Staff membership is an opt-out system: new joiners are automatically made staff members when they join the Trust and are offered the opportunity to opt out if they wish to do so. This section on recruitment therefore applies to public members.

The following objectives have been identified:

- maintaining an accurate membership database which meets regulatory requirements and can aid membership development;
- ensuring that the process for becoming a member is simple and accessible;
- increasing the membership to 20K;
- focusing this growth to improve the demographic representation of the membership to ensure that the membership truly represents the East Kent Community including:

    - challenging to reach communities who are seldom heard;
    - those with learning difficulties
    - BMA (black and minority ethnic) Communities
    - those under 25
    - LGBT (Lesbian Bi Gay Transgender) Communities
    - Health condition specific groups, for example stroke and mental health.

- offering members different levels of engagement.

To identify the demographic areas to prioritise a diversity analysis of the existing membership will be undertaken and specific, measurable recruitment targets will be set.

In preparing this strategy consideration has been given to feedback from public during recruitment exercises and discussions with Governors to look at the reasons why people did not, or chose not, to become members; to answer questions such as, 'Why should I be a member?' and 'What's in it for me?'.

Key messages have been developed to use when recruiting to address these barriers, focussing on promoting the positive benefits of membership, as summarised below.

Barriers	**Key message response**
Makes no difference	Materials and presentation to focus on how members effect change
Never used their services	Friends and family have, one day you may, think of the community
Too busy	Different levels of involvement, important to stay informed
Did not know about it	Increase and broaden publicity and fully embrace social media, focus on challenging to reach groups.
Bit old and white for me	Focus on challenging to reach groups in membership drives and address relevant community issues
Can't afford it	Membership is free
Seems a bit boring	Focus on diversity of forms of involvement
They wouldn't want me	Focus on inclusivity
What do I get	Focus on the slow burn messages and identify real benefits to be offered with membership – NHS Discounts has been used in the past.

'Not for me' is a strong theme that needs addressing and understanding why the public respond in this way will be an important factor in improving the quality of the membership.

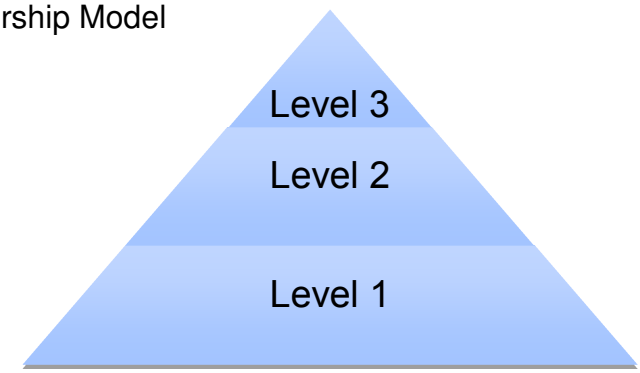
It is recognised that the recruitment strategy must be balanced to the resources available and must make a measurable return for the investment made. It has therefore been decided to focus on the following recruitment methods; where-ever possible this work will be dovetailed with engagement work carried out by the Trust and developing partnership working with other organisations.

- Targeted and regular recruitment drives on Trust sites.
- Developing membership recruitment materials to be 'relevant' to the diversity of east Kent communities.
- All relevant media channels will be used to raise the profile of membership in the local community, including social media.
- Work with equality and diversity organisations.
- Encourage younger potential members to join via university and colleges, linking with the student volunteer schemes.
- Developing opportunities to work with other local health organisations to promote membership.
- Distribute membership information widely throughout the community.
- Identify opportunities to present the work of the Trust and benefits of membership at community groups and public meetings.

To recognise that there is a variation in the level of engagement that public members are seeking when they join, a pyramid model will be adopted to offer a choice of three levels depending on the degree of engagement the member is seeking:

- Level 1 – for those who just wish to be kept informed and provide feedback
- Level 2 – for those who wish to actively engage
- Level 3 – for those who are thinking of becoming a governor

Pyramid Membership Model



Membership is defined in section 5 of the Trust's constitution and all levels of membership in this model are deemed to be public members.

d. Membership Engagement

The Membership needs to be an active resource for the Trust and must add value to the work that it does. The links to the Trust's own Communications and Engagement Strategy are therefore essential and Members must be heard and know that they are heard.

Opportunities for engagement will include:

- membership of Trust groups;
- reviewing and commenting on written communications – such as Trust leaflets;
- participating in surveys;
- attending Trust or partner organised events, including consultation and public meetings;
- attending member focused 'education' events;
- following, and participating in, membership social media.

Providing members with the opportunity to engage with their Governor representatives via:

- promoted 'Meet the Governor' opportunities at various locations and events;
- on line 'meet the governor';
- Trust public meetings; and
- feedback via all forms of media;

In implementing this work due care will be taken to ensure that communication is accessible to all users. Support will be sought from the Trust's Equality and Diversity group to ensure that this is achieved.

e. Membership Communication Tools

Maintaining a two way dialogue with the membership will allow members to influence developments within the Trust.

Methods of communication to include:

- Websites;
- Trust magazine;
- direct or face to face communication;
- social media;
- Email communication including members e-newsletter;
- presenting at 'community' groups;
- printed materials; and
- Trust Hubs for staff member engagement.

In implementing the strategy, decisions will be taken about the timeframe for re-fresh cycles so that members can have a clear expectation when regular communications will be received and that this can be sustained within the resources available to the Governors.

6. The Role of Governors

NHSI states:

'*Governors have an important part to play by listening to the views of their members, the public and other stakeholders, and representing their interests in the trust. This means, for example, gathering information about people's experiences to help inform the way the trust designs, reviews or improves services effectively. Governors also have a role in communicating information from the trust to members and to the public, such as information about the trust's plans and performance. Successful engagement calls for an on-going working relationship between a foundation trust and its members and the public, with patients and service users at the heart of this...'.*

Governors will be encouraged to take an active role in developing membership, in turn adding to their understanding of the community needs and therefore the CoG effectiveness. This will include:

- Governors will be given the opportunity to participate in all public and membership events
- Governors will be given the opportunity to take part in online meet the governor sessions
- Where appropriate, governors will be used to deliver media/public relations opportunities
- Governors will be given the opportunity to provide copy for Trust magazine, membership newsletters and Trust websites
- Governors can be active in membership social media groups

7. Delivering the Strategy

The CoG will 'own' the strategy and it will be delivered via the MECC with support from the Governor and Membership Lead post and linking with the Communications and Engagement team. The MECC will develop and monitor an action plan to deliver the

priorities identified in the strategy within an agreed timeframe and with measurable objectives.

It is recognised that the financial resources which can be provided by the Trust will be limited and that these must be focused in areas to support the journey away from special measures. The success of the strategy will, therefore, depend heavily on the commitment of individual Governors.

The Governors' role will need to be reflected in the documentation supporting Governor elections and the induction process for new Governors. The Trust recognises that Governors will need support and training to deliver this role and is committed to providing that.

8. Evaluating the Strategy

The Council of Governors will monitor delivery of the objectives set out in the strategy by monitoring the effectiveness of the strategy and ensuring that it remains meaningful and relevant. This will be done by way of regular reports from the MECC.

The following outcomes are suggested as indicators of success:

- Evidence that membership views have contributed to Council decisions
- Increases in survey response rates
- Members joining the Trust as volunteers
- Increase in communication networks and success of 'word of mouth' campaigns
- Increase in on line communication with members
- Membership numbers and demographic changes

REPORT TO:	**COUNCIL OF GOVERNORS' MEETING**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**REPORT FROM CHAIR OF THE CoG FINANCE AND PERFORMANCE COMMITTEE**
REPORT FROM:	**MICHÈLE LOW , Elected Governor, Shepway COMMITTEE CHAIR**
PURPOSE:	**Discussion & agreement**

BACKGROUND AND EXECUTIVE SUMMARY

The CoG Finance & Performance Committee met on 5 August 2016. This paper reports on the headline issues covered and makes recommendation for consideration by the Council. The BoD Chair of FPC has reported fully on Finance for this meeting.

LINKS TO STRATEGIC OBJECTIVES:	**Patients:** Help all patients take control of their own health. **People:** Identify, recruit, educate and develop talented staff. **Provision:** Provide the services people need and do it well. **Partnership:** Work with other people and other organisations to give patients the best care.

RECOMMENDATIONS AND ACTION REQUIRED:

The CoG Finance & Performance Committee is recommending the following for consideration/agreement by Council:

- Ratify the appointment of the Committee Chair
- Agree the terms of reference for the Committee noting the sections which are pending decisions at this meeting
- Note the key discussion points & future agenda items

Appointment of the Committee Chair

Members unanimously agreed Michèle Low as the Chair of the Committee.

Draft Terms of Reference

The agreed draft is attached at Annex A, for approval. The sections highlighted in blue should reflect the other CoG Committees' terms.

Reports from the Board of Directors (BoD) Finance and Performance Committee (FPC) Chair

The bulk of the meeting was spent considering the Board Assurance Framework (BAF), the Integrated Performance Report (IPR) and report from SM. The following are brief highlights only given the full BoD report.

Particular areas of concern discussed were the resource implications of the move to Payment by Results (PbR) contracts and the linked issue of quality of data collection given that capturing activity accurately was critical to invoicing under PbR. Data quality is high on the BoD FPC and will benefit from further investment as resources allow. It was reassuring to note that the ratings in the BAF did reflect the areas of concern raised during the general discussions.

The IPR was a well-constructed and useful document which can be further developed. Members would like to see clearer Income & Expenditure data in it.

The Kings Fund report on the NHS Financial Deficit. SM summarised the key points from the report which provided important context for considering the Trust's financial position in relation to the national problem of deficits. This document was forwarded to all Governors after the meeting.

'Strengthening financial performance and accountability in 2016/17' issued by NHS I in July

This contains proposals for significant changes to the guidance around NHS targets, KPIs and fines. The potential impact of these changes on financial and sustainability plans were great. Members would like to ensure that BoD FPC members were aware of the document and would closely monitor its potential impact.

Future meetings

Going forward for the future work of this committee, it was important that this be done in a way which avoided going into the detail but remained at a high level, focussing on the bigger picture, while adding value.

- The occasional use of planned deep dive agenda items could help members understand complex issues and gain confidence that NEDs were seeking assurance about the Board's performance in these areas. The subject of such deep dives would be identified during future meetings.
- The Board Assurance Framework (BAF), the Integrated Performance Report (IPR), and the report from the Chair of the aligned Board Committee, would form the basic pack of information to be provided to Governors.

Members would like more information on the Income & Expenditure report in the IPR. Future agenda items will include: Income & Expenditure (deficits), Cost Improvements progress (CIPs), Agency spend. An annual discussion schedule will be drawn up.

It will be essential for the Committee to resist going into too much detail, but to retain a strategic overview of the Trust's financial performance.

Outcome and Recommendations

The Council is asked to:

- Ratify the appointment of the Committee Chair
- Agree the terms of reference for the Committee noting the sections which are pending decisions at this meeting
- Note the various discussion points and future agenda items

Annex A

East Kent Hospitals University NHS
NHS Foundation Trust

COUNCIL OF GOVERNORS
FINANCE AND PERFORMANCE COMMITTEE
TERMS OF REFERENCE

Areas expected to be considered in the paper on consistency across committees so pending decision at the Full Council meeting.

Constitution
The Finance and Performance Committee (FPC) is a committee of the Council of Governors. It has no delegated power to make decisions on behalf of the Council.

Purpose:
The Committee is responsible to the Council of Governors for the following:

1. To seek assurance from the Chair of the Board of Directors' Finance and Performance Committee (FIC) that the Board is delivering the Trust's Financial Strategy, Annual Finance Objectives and Financial Improvement plan, and managing any associated risks identified in the Board Assurance Framework.

2. To ensure that the Non-Executive Directors are effectively supporting the delivery of the key elements of the FPC's purpose as laid out in their terms of reference

3. To ensure that the interests of members and the public are represented and taken into account by the CoG and BoD FPCs.

4. To provide a report on the business of the Committee to the Council of Governor meetings.

Frequency of Meetings:
Meetings of the Committee will be held on a quarterly basis.

Membership and attendance:
There will be eight Governor members on the Committee. One member will be elected as Chair of the Committee and will hold office for the period of one year from April. Members are asked to attend a minimum of three out of four meetings per year. All Governors are welcome to attend meetings of the Committee.

Current Membership:

		Paul Bartlett
Michèle Low	Chair	Paul Durkin
Chris Warricker		Reynagh Jarrett
John Sewell		Roy Dexter
Mandy Carliell		

Attendees:
Non-Executive Director Chair of the BoD FIC Committee: Satish Mathur
Trust staff: by invitation

Quorum:
The Committee shall be quorate when at least four Governor members are present.

Support:
The Committee will be supported administratively by the Corporate Secretariat. It shall receive advice from the Trust Secretary and the Director of Finance, or their representatives.

EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

REPORT TO:	**COUNCIL OF GOVERNORS**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**FINANCE AND PERFORMANCE COMMITTEE CHAIR REPORT**
BOARD SPONSOR:	**CHAIR OF THE FINANCE AND PERFORMANCE COMMITTEE**
PAPER AUTHOR:	**CHAIR OF THE FINANCE AND PERFORMANCE COMMITTEE**
PURPOSE:	**Discussion**

KEY ISSUES WHICH WILL BE FLAGGED TO THE 9 SEPTEMBER 2016 BOARD

- Financial improvement reported. Partly driven by income from extra work.
- Performance risks – e.g. A&E trajectories with unprecedented demand. Current status of clinical performance as per the IPR. But unplanned activity still ahead of plan.
- Contract Performance Notices received from CCGs
- Control Total issue re 2016/17 plans
- CIP narrowing of gap but plans required for an additional £5m of CIPs
- Clinical Strategy financial implications. Assumptions being refined and developed.
- Soft FM update
- PAS implementation – risk on operational delivery and assurances around communication plans and project plans.
- Cash situation still risky.
- IPR : further review required but continuing improvements in data quality and presentation.
- Planned introduction of SLR will be positive and plans to be presented to Committee.
- The Committee is also keen to see how the demand and capacity model is being used in the Trust.
- It is clear that progress is being achieved but challenges remain and will need to be prioritised.

SUMMARY OF KEY AGENDA ITEMS AND BUSINESS:

1. MEETING HELD ON 2 AUGUST 2016

Finance at Month 3 (June 2016)

- I&E performance improved for month four. It was anticipated this trend would continue. Monthly outturn position £0.6m deficit. Forecast remained at £10m-£12m deficit.
- The Trust is managing its cash resources but there will be need for further cash injection during the year,
- Payroll costs had reduced, although use of agency remained high, particularly within Urgent Care Long Term Conditions Division. The Committee was assured

the reasons for the level of spending were clear.All Divisions had trajectories to reduce spend.
Committee would be looking for more detail as part of the next scheduled presentation from the Divisions.
.

- Independent sector usage (for less complex procedures) continued to meet increased demand.
- The Committee requested an update report on CCG's data challenges.
- There continues to be a gap between CIP financial targets and the value of CIP plans. Committee requested a report from the Turnaround Director for the September meeting to close the CIP gap linking to the run rate position. The risk adjusted total CIP plan at month 3 was shown as £13m excluding income growth. Financial plans require £20m of CIPs..
- Contract Performance Notices have been received from CCGs which could result in penalties and cash being withheld. This has not occurred to date. The Trust is addressing the issues raised.

Month 3 Performance Report

- Increased non-elective activity continued. ED performance reported below trajectory at 85%, but anticipated to be brought back in line by September. The Committee requested an assurance report from the ECIP Programme Manager providing an independent assessment of emergency department performance.
- Monthly STP trajectories were now being submitted.
- The Committee requested an assurance paper to a future Committee on cancer performance. This report would identify the number of patients waiting up to 62 days, those waiting beyond 62 days and those beyond 104 days, and would outline the actions being taken to address the waiting list.
- Concern was noted around delayed transfers of care. The Committee noted planned work with partners in terms of a daily case load review.
- The Trust was making an application for National Funding for Urgent Care configuration.

Capital Programme Update

- The Capital Paper reported progress against the £14.3m capital allocation for the year.
- The Committee asked that staff affected by building works be adequately consulted.
- The Committee discussed concerns around equipment replacement and training needs analysis. The Committee noted this would be discussed by the Quality Committee.

Service Line Reporting

- The Committee welcomed a financial update on a service line reporting basis. The Committee was assured this reconciled to the finance report and recognised the benefits to model future service provision and identify financial gains.
- A paper would be received at the next meeting with a proposal for investment in SLR. This would be considered by the Trust's Management Team in the first instance.

2016/17 Plan Update : Control Total Implications

The Committee requested more detail on the implications (and scenarios) of accepting the control total set by NHSI. The scenarios prepared for the PRM have now been circulated to Board memebers. The FD explained the magnitude of the differences between the Trust's own plan and the financial impact if the suggested

Control Totals were imposed.

Soft FM Contract Update
The FPC continues to receive updates ahead of a paper to be brought to the October Board of Directors in closed session due to commercial sensitivities.

PAS Replacement Project
The Committee received assurance around communications and project plans in place ahead of implementation.
The Committee would receive an update at its November Committee meeting ahead of go live.

Board Assurance Framework
The Committee reviewed the financial elements of the Board Assurance Framework. The area reported as 'Red' related to pathology transition related to external risks.

2. MEETING HELD ON 5 JULY 2016

Finance at Month 2 (May 2016)
- The Trust still does not have a control total for 2016/17
- NHSi has announced that Providers are forecasting a £500M deficit in 2016/17
- All STP groups have been asked to come up with a plan for back office and pathology consolidation/savings
- STPs have also asked to flag if any services in an area are unsustainable financially and could be passed to another provider
- Financial performance is currently in line with the board approved plan
- FPC discussed risk and agreed that risks related to each paper should be reflected on during discussions.
- The level of CIPs was discussed as the risk adjusted CIPs are at £13m which is below plan.
- FRR was discussed as it is very sensitive to meeting plan.
- Risks are flagged in the paper but are not yet built into the forecast. Currently the forecast only includes delivery of £20M not £30M of CIPs. The FPC asked for a plan for how the CIP gap to £20m was to be delivered.
- The achievement of STF was discussed. There are significant uncertainties as NHSi have not yet defined the control totals or rules on STF qualification.
- Risks of contracting were discussed. The challenges from the CCGs and the response from the Trust was discussed. Challenges were £1.6m for the month. The majority of the challenges have been refuted or corrected. There was a TIA Day case challenge (circa £1.3m estimate for the year) which was reasonable and we are likely to lose this money. Also we will not be able to charge for some best practice tariffs. CQUIN is also unlikely to be fully paid due to know issues. Other penalties are likely to cost the Trust £500K. The challenge the Trust faces is to deliver the elective work in order we can still achieve planned income levels. As a result of the conversation it was felt there was a need to discuss the relationship between the Trust and CCGs at the forthcoming Trust/CCG Board to Board.
- A review of risk and high level forecast was requested for the FPC in August along with an impact assessment.

Performance Report
- The IPR and activity reports were discussed.
- There were 700 attendances in A&E on 4th July which was more than the Trust had ever seen in a single day. This was 12% above plan
- In addition referrals were running above plan. (4% in month and 7% YTD). The

CCGs are trying to cross correlate this increase with lower consultant to consultant referrals.
- Cancer services are doing better on delivery and were moving toward trajectory.
- DM01 – diagnostics are on plan but at a cost
- The 18 week RTT is behind plan due to high referrals and the need for CGG's to take work from the backlog as agreed in the contract. In addition the CCG triage service is directing more than expected work to the Trust.
- The emergency pressure is creating bed challenges which could have an impact on elective surgery. This is also meaning that agency reductions can't be delivered as the emergency patient numbers are still high. It was agreed this would be raised at the Trust/CCG Board to Board.
- Mental health patients were also discussed as although they are small in number the nurse support requirements have a big impact on ED.
- There was a discussion on the fact all theatre sessions had not been delivered and despite an increase in patients per session the Trust is struggling to increase productivity.
- There was a discussion around what CCGs could do to help demand management
- There was also a discussion that some of the new medical models could not be expanded, even if working, as there was a lack of staff to deliver them.

Clinical Strategy (CS) Update
There had been a prior discussion on the CS at the board. This board approved review was revised and submitted as part of the K&M STP plan. The slides show the updated position. These options leave a deficit of £23M in the Trust once CIPS and bed closures are factored in. The assumptions are very challenging and require £90M of savings over 5 years. Once even these are factored into the Kent & Medway plans these still leave a £200M gap across the region. Assumptions on the reconfiguration are high level currently and therefore hold a risk. Further review of these cases is required. There was a feeling the current plan was as good as possible at this stage and the figures and risks were noted but the plan was considered as the most appropriate way forward. There was a challenge that the large bed reduction was not delivering a significant new way of working which would deliver a bigger impact.

Soft FM Update
An update was received on the SERCO request for additional money to support the national living wage. The Trust has flagged it is not responsible for the living wage increase per our contract. There is a positive dialogue and a benchmarking exercise is underway against other providers. Carter back office work will also inform this discussion. It is felt the threat to stop the service has now been removed but there is likely to be a cost impact.

Finance Risk Register Review
The finance risk register was discussed and main risks reviewed. Risk control was discussed. It was agreed that more attention needed to be focused on risk mitigation in future FPC meetings. It was recognised there is a need to define an approach to improving medical notes and therefor depth of HRG coding. It was flagged the Board needs to consider where it requires risks to sit whether with the risk owner or Finance area with non-financial owners.

Developing the Finance Team
The Finance team and Finance Governance was discussed. Much movement has been made on the Finance Governance issues flagged by GT. The wider trust

Leadership Development Programme will be used to formalise development goals for Finance staff. An SLR development paper will be coming to the FPC in August. The FPC thought this should be considered a positive development.

PAS/Maternity Replacement Update
The maternity system has now been implemented and is the first of any SACP sponsored projects to go live. PAS changes were discussed and the risk planning for go live was considered. The main risks were flagged. FPC noted that by implementing the 18 week reporting module ahead of the new PAS cutover the risk profile of the project had been improved.. A review of all clinics and activity was being undertaken to see what activity could be reduced stopped around go live. The system data will be downloaded 7 times before go live as test runs. MTW will go live first and this will help flag any issues before the Trust goes live. There may be further work on communications required and the need for a revised communications plan was discussed. The potential for lost income from the change was flagged.

Timing of Divisional Feedback
This was discussed and agreed this should occur for only half an hour, one Division per month on a rolling basis from October. There should be clear guidelines on what needs to be presented.

ACTION FOR COG:

To discuss and note the report.

To note Appendix 1: Key performance issues discussed at the August FPC.

APPENDIX 1

MONTH 3 FINANCIAL PERFORMANCE – DISCUSSED AT AUGUST FPC

- Month 3 I&E deficit £0.6m v average Apr/May £2.3m deficit
- YTD £5.3m deficit v £6.4m deficit (local) plan
- Payroll costs £28m v average Apr/May £28.2m
    - Permanent staff: £25m v average Apr/May £24.7m
    - Overtime £0.35m v average Apr/May £0.4m
    - Bank £0.4m v average Apr/May £0.4m
    - Agency £1.6m v average Apr/May £2.2m
    - Locum £0.1m v average Apr/May £0.3m
    - Additional sessions £0.4m v average Apr/May £0.4m
- IS £0.45m v average Apr/May £0.5m
- Total Income £46.8m v average Apr/May £45.6m
- Cash £19.5m (11 July 2016)

SUMMARY OF MONTH 3 PERFORMANCE – DISCUSSED AT AUGUST FPC

The FPC considered the latest performance as presented in the Integrated Performance Report. Key issues flagged to the Committee at the August meeting:

YTD over-performance in primary care referrals of 6%. The biggest area of concern is Orthopaedics which is seeing referrals in excess of 19% above contracted levels.

June performance against the A&E 4 hour standard was 85.39% against a trajectory of 90.17% and a national compliance requirement of 95%.

The Trust did not achieve the trajectory set for the 62 Day Cancer standard in June; performance was 76.18% against a trajectory of 77.60% and a national compliance requirement of 85%.

RTT Incomplete Pathways performance for June was 87.57% against a recovery trajectory of 90.45% and a national compliance requirement of 92%.

The Trust achieved compliance with both the STF trajectory and the national compliance requirement of 99% for Diagnostic tests within 6 weeks for June 2016 with a performance of 99.86%.

REPORT TO:	**COUNCIL OF GOVERNORS' MEETING**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**REPORT FROM CHAIR OF THE NOMINATION AND REMUNERATION COMMITTEE**
REPORT FROM:	**PHILIP WELLS, Elected Governor, Canterbury COMMITTEE CHAIR**
PURPOSE:	**Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

The CoG Nomination and Remuneration Committee last met on 15 July 2016 and a report on that meeting was presented to the Council of Governors' meeting on 21 July.

At that meeting the process was agreed for recruiting to the NED vacancy which will be created when Richard Earland's term of office comes to an end in December this year.

This report provides an update to Council on the progress made to date.

LINKS TO STRATEGIC OBJECTIVES:	**Patients:** Help all patients take control of their own health. **People:** Identify, recruit, educate and develop talented staff. **Provision:** Provide the services people need and do it well. **Partnership:** Work with other people and other organisations to give patients the best care.

RECOMMENDATIONS AND ACTION REQUIRED:

The CoG Quality Committee is asked to note the contents of this report.

NED Recruitment exercise - update

The recruitment process has progressed to plan so far, apart from a slight slippage on the date on which the advertisement was issued. The following steps have taken place:

- 28 July – selection panel met to appoint an external recruitment partner. The panel consisted of -

    - Philip Wells
    - Barry Wilding
    - Reynagh Jarrett
    - Michael Lyons

  Harvey Nash was the company selected.

- 5 August – draft of the candidate pack circulated to CoG NRC members for comment
- 16 August – advert went live and has been advertised on NHS Jobs and through Harvey Nash. Harvey Nash have used various methods of attracting interest via an EKHUFT Microsite, social media and networks.

The process is then scheduled to proceed as follows:

- 31 August – open evening for potential candidates.

  This will include a presentation led by Philip Wells as CoG NRC Chair with contributions from –

    - Nikki Cole, Trust Chair
    - Barry Wilding, Senior Independent Director
    - Sarah Andrews, Lead Governor
    - Jane Ely, Chief Operating Officer

  The HR team will also be present and there will be an informal session after the presentation.

- 5 September – advertisement closes. Copies of the completed applications will be sent to members of the CoG NRC shortly afterwards.

- 16 September – shortlisting meeting to consider the applications

- 28 September – interviews and appointment

  The panel is –

    - Philip Wells
    - Nikki Cole
    - Jane Burnett
    - Michael Lyons
    - Sunny Adeusi

Following the appointment, an induction programme will be planned for the successful candidate based on their experience and start date.

REPORT TO:	**COUNCIL OF GOVERNANCE**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**REPORT FROM THE NOMINATIONS COMMITTEE**
BOARD SPONSOR:	**CHAIR OF THE NOMINATIONS COMMITTEE**
PAPER AUTHOR:	**CHAIR OF THE NOMINATIONS COMMITTEE**
PURPOSE:	**Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

The Nominations Committee is a Committee of the Board and fulfils the role of the Nominations Committee for executive directors described in the Trust's constitution and the NHS Foundation Trust Code of Governance.

The Trust chairman and other non-executive directors and chief executive (except in the case of the appointment of a chief executive) are responsible for deciding the appointment of executive directors.

The appointment of a chief executive requires the approval of the Council of Governors.

MEETING HELD ON 23 AUGUST 2016

The Committee received the final report following the External Board Governance Review Grant Thornton for noting. The Committee agreed there was nothing specific to add to the Board Development plan already in place.

The Committee agreed to commission RSM Consulting UK to delivery Estates and Asset Management Board workshop. The Committee recognised the importance for the Trust to understand the risks of good asset management. Members asked for the session to be co-designed with the Trust's Director of Estates.

The Executive Team undertook a comprehensive review of succession planning and talent management for Executive, Divisional, and business critical posts. The Committee would receive a further update in March/April.

The Committee reviewed the current NED commitments and particularly noted those attributed to Richard Earland whose term ends at the end of December 2016. A further paper will be considered at the November meeting.

The Committee heard that Richard Earland would be conducting a review of the Board Assurance Framework, Risk Register and Integrated performance Report discussions at Board and Board Committees towards the end of his term end. The aim was to review whether the Board was appropriately covering these items in line with the Well Led Governance Framework.

RECOMMENDATIONS AND ACTION REQUIRED:

Discuss and note the report.

REPORT TO:	**COUNCIL OF GOVERNORS**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**REPORT FROM THE REMUNERATION COMMITTEE**
BOARD SPONSOR:	**CHAIR OF THE REMUNERATION COMMITTEE**
PAPER AUTHOR:	**CHAIR OF THE REMUNERATION COMMITTEE**
PURPOSE:	**Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

The Remuneration Committee is a Committee of the Board and fulfils the role of the Remuneration Committee (for executive directors) described in the Trust's constitution and the NHS Foundation Trust Code of Governance.

The purpose of the committee will be to decide on the appropriate remuneration, allowances and terms of and conditions of service for the chief executive and other executive directors including:

(i) all aspects of salary (including performance related elements/ bonuses)
(ii) provisions for other benefits, including pensions and cars
(iii) arrangements for termination of employment and other contractual terms

To recommend the level of remuneration for Executive Directors and monitor the level and structure of remuneration for very senior management.

To agree and oversee, on behalf of the Board of Directors, performance management of the executive directors, including the chief executive.

This report provides a report to the Board of Directors to address the following:

1. What key business was discussed by the Committee?
3. What action has the Committee taken?

MEETING HELD ON 23 AUGUST 2016

The Committee agreed the Trust should commission the Hay Group to conduct an independent review of its Executive Director and Very Senior Manager Pay Policy. The Trust's current pay policies are outdated and it was important the policy provided sufficient flexibility to align to the Trust's new people strategy and future workforce models as determined by the clinical strategy. Internal executive review of the pay policy was deemed to be inappropriate as this is a potential conflict of interest.

The Committee received a verbal update regarding an approach to reviewing options around Trust pay terms and conditions. A detailed paper will be received by the Committee in November 2016 for consideration.

An update was received from the CEO following a review executive director remuneration. In addition, the Committee received an update on the appointment of the Deputy CEO position. Assurances were received that executive director pay was appropriately benchmarked.

RECOMMENDATIONS AND ACTION REQUIRED:
Discuss and note the report.

REPORT TO:	**COUNCIL OF GOVERNORS' MEETING**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**REPORT FROM THE CoG QUALITY COMMITTEE**
REPORT FROM:	**SARAH ANDREWS, Elected Governor, Dover COMMITTEE, CHAIR**
PURPOSE:	**Noting and Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

The CoG Quality Committee met for the second time on 3 August 2016.

Two priorities were addressed:

i) Receipt of reports from Ron Hoile, Non-Executive Director (NED) and Chair of the Board of Directors (BoD) Quality Committee, and
ii) 2) Preparation for the forthcoming Care Quality Commission (CQC) Re-Inspection in September.

LINKS TO STRATEGIC OBJECTIVES:	**Patients:** Help all patients take control of their own health. **People:** Identify, recruit, educate and develop talented staff. **Provision:** Provide the services people need and do it well. **Partnership:** Work with other people and other organisations to give patients the best care.

RECOMMENDATIONS AND ACTION REQUIRED:

The Council is asked to note and discuss the report.

Committee Chair's Overview

This was the second meeting of the Committee with welcome given to Ron Hoile, NED Chair of the Board of Directors (BoD) Quality Committee . Ron presented the report from the July meeting of that Committee and gave a verbal report of the relevant business from their August meeting held earlier in the day.

The Committee also welcomed Jane Christmas, Deputy Director of Nursing in attendance. With Ron she responded to matters raised and provided members with updates on progress against the Improvement Plan and the preparations for the CQC Re –Inspection visit commencing on September 5th.

Key Items discussed

Reports from the BoD Committee

Members considered extracts of the Board Assurance Framework (BAF) and Integrated Performance Report (IPR) relating to quality issues and the report from Ron Hoile on the work of the BoD Quality Committee . The following key issues were noted:

- In response for a request for assurance Jane Christmas emphasised the actions being taken to address the deterioration in performance in relation to responding to complaints. She explained that she had extensive experience with complaints management. Links to the divisional teams were being strengthened with support provided to the Patient Experience Team staff to make changes in working practices to reduce the inherent stresses within the role and improve performance.

- Ron Hoile reported on the establishment of the Mortality Information Group with responsibility for providing oversight of all deaths within the Trust. He explained morbidity and mortality was one area that the BoD Committee was particularly focussed on and had discussions with the executive team about how this should be monitored and the use of the global trigger tool. Ron Hoile explained that the Committee had asked that the Board make a decision about whether to reinstate the use of the trigger tool taking into account best practice information from other Trusts. He was pleased to report that hospital death rates were reducing and there had been no 'never events' in period.

- Ron Hoile further explained that Venous thromboembolism (VTE) data continued to be monitored by the BoD Committee with steps now being taken to measure performance by consultant team.

- Medical devices and training had been identified as an issue and the BoD Committee had received assurance that induction processes were robust so that clear records were kept of staff competencies.

- Ron Hoile reported that the BoD Committee had discussed the issues impacting quality of care which were outside the Trust's control, citing two examples - patients being admitted to hospital with pressure ulcers and cancer patients being concerned about their GP's level of understanding of their condition.

- The results from the last cancer patient survey had shown a deterioration in performance by the Trust, however, the survey had taken place over a year ago and it was felt that the situation had improved since then. The Committee looked forward to receiving assurance about this perception once up to date survey results are received.

- The Committee received assurance from Ron Hoile that the recent C. Diff. outbreak was contained, and further that deep cleaning affected areas was extremely thorough. The Committee noted that it was essential that the Trust avoid becoming complacent and maintained its robust approach to infection prevention and control measures.

- Ron Hoile confirmed that the BoD Committee had also discussed the equipment replacement programme; learning from incidents and had received an adult safeguarding report. He explained the BoD Committee reviewed the quality risk register on a regular basis and were assured that the BAF, whilst still under development, was working well.

Improvement Plan Update and CQC visit

Jane Christmas advised that the CQC would carry out the Re-Inspection over three days commencing on September 5th, with a team of 23 inspectors, who would be based in Ashford. Three clinical areas had been identified as the focus and a key theme for the visit would be looking at the 'well led' criteria. A mock inspection had taken place which had gone well and had identified some areas for improvement. John Sewell noted the importance of making sure that staff in the Urgent Care Centre at Canterbury were able to explain its role clearly and suggested that signage remained a potential problem. These points would be fed back to the Improvement Board.

Outpatients

The Committee noted that concerns about outpatient appointments was an issue that was still being raised with Governors by members in both formal and informal settings. This was an incomplete action which had been carried forward from the Patient and Staff Experience Committee and it was requested that a report be brought to the next meeting summarising the issues which had been raised and the Trust's response.

Outcome and Recommendations

The Council is asked to note and discuss the report.

REPORT TO:	**COUNCIL OF GOVERNORS**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**QUALITY COMMITTEE CHAIR REPORT**
BOARD SPONSOR:	**CHAIR OF THE QUALITY COMMITTEE**
PAPER AUTHOR:	**CHAIR OF THE QUALITY COMMITTEE**
PURPOSE:	**Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

The Committee is responsible for providing the Board with assurance on all aspects of quality, including strategy, delivery, governance, clinical risk management, clinical audit; and the regulatory standards relevant to quality and safety.

The following provides feedback from the August Quality Committee meetings. The report seeks to answer the following questions in relation to the quality and safety performance:

1. What went well over the period reported?
2. What concerns were highlighted?
3. What action has the Committee taken?

MEETING HELD ON 3 AUGUST 2016

The following went well over the reporting period:

- HSMR continues to fall and remains below the national average. SHMI remains static at 96.
- Elective crude mortality shows a reduction compared to last month following an increase in May 2016.
- There have been no new never events reported in June 2016.
- Incident reporting has risen, due diligence is underway to seek assurance that this is due to an increased reporting awareness.
- FFT response rates continues to improve as a result of targeted action. Overall FFT recommendation of the service has increased marginally to 96.
- While complaints response times increased to 94% and the backlog accrued by the corporate Patient Experience Team has been addressed.
- Overall Harm Free Care improved in June to 93.6% compared to 92.3% in May but remains below both the overall national average of 94.16% and the acute hospitals only national average of 94.06%).
- New Harms only has gone up to 98.5% (better than the national average which means that our patients are receiving care that causes less harm than is reported nationally;
- There has been a decrease in pressure ulcers reported in June (with a decrease of eleven ulcers and three avoidable ulcers compared with the previous month).

Concerns highlighted over the reporting period:

- The Committee requested a decision around the future of the Global Trigger Tool be taken to the Trust's Management Board. An update would be provided in September.
- The Committee requested a further report in October around compliance with the recommendations in the Mazars Report.
- The Committee will be inviting the Director of Strategic Development and Capital Planning to a future meeting to present assurance around equipment maintenance/training needs analysis.
- The Committee asked for detail around implications of missing the Sepsis CQUIN. This

will be received at the September meeting.
- A replacement programme was in place for MRI equipment, to be in place by January 2017. The current equipment had been risk assessed and back up plans were in place.
- The Committee was concerned around the level of staff understanding of their roles, responsibilities and accountabilities within the Urgent Care and Long Term Conditions Division and asked that the Management Team review the Divisional organisational structure.

Other topics discussed where concerns or actions were taken:
- Results from the National Cancer Patient Experience Survey were received. The Committee proposed that improvement work being undertaken in terms of patient experience link to the work of the clinical strategy and key findings from the survey should be shared with the CCG.
- The Committee received the Infection Prevention and Control Annual Report and is recommending this to the Board for Approval.
- The Committee recognised work being undertaking the Surgical Services Division to monitor the clinical audit programme. Methodology would be shared across divisions.
- The Committee would be reviewing the quality risk register 'live' at the next meeting. The focus would be on risk mitigation.
- A report would be received at the September Committee to provide assurance around different mechanisms of learning from serious incidents.
- The Safeguarding Children Annual Report 2015/16 was received. The Committee noted the increased workload of the team. There had been a positive increase in the number of interactions with the team.
- The Adult Safeguarding Annual Report 2015/16 was received. The Committee noted the revised requirements of the Deprivation of Liberty Safeguards as a key challenge. There had been a positive increase in the number of interactions with the team.

RECOMMENDATIONS AND ACTION REQUIRED:

Discuss and note the report.

REPORT TO:	**COUNCIL OF GOVERNORS' MEETING**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**REPORT FROM CHAIR OF THE CoG WORKFORCE COMMITTEE**
REPORT FROM:	**ALAN HOLMES, Elected Governor, Canterbury COMMITTEE CHAIR**
PURPOSE:	**Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

The CoG Workforce Committee met for the first time on 19 August 2016 and this report provides the Council of Governors with an update on the issues covered and makes recommendation for consideration by the Council.

LINKS TO STRATEGIC OBJECTIVES:	**Patients:** Help all patients take control of their own health. **People:** Identify, recruit, educate and develop talented staff. **Provision:** Provide the services people need and do it well. **Partnership:** Work with other people and other organisations to give patients the best care.

RECOMMENDATIONS AND ACTION REQUIRED:

The Council of Governors are asked to:

- Ratify the appointment of Alan Holmes as the Chair of the Committee.
- Receive the terms of Reference pending decisions to be taken by Council around ensuring consistency across CoG Committees.

Items discussed

The Committee approved Alan Holmes as the Chair.

Terms of Reference

The Committee noted that at the meeting of the Full Council on 21 July it was proposed that some elements of the Committee Terms of Reference should be the same across the Committees. A paper will be brought to the September Full Council meeting proposing wording for these elements. Members therefore only discussed the sections of the draft terms of reference which related only to the CoG FPC. The agreed draft is attached at Annex A, for approval.

Objectives and Priorities

The Committee spent a lot of time discussing these items and how to meet the challenges of holding the Non-Executive Directors to account in relation to workforce issues without straying into operational detail. Members also felt that it was important to ensure that the Trust was both performing well in relation to workforce issues and also that workforce planning for the future was robust. No decisions were taken about setting specific objectives and priorities with the view developing that these would become apparent as the business of the new committee developed.

Report from the Board of Directors Strategic Workforce Committee

Colin Tomson, NED Chair of the BoD Strategic Committee, gave members a summary of the key issues covered at their meeting that morning, the details of which are covered in his report to Council (51b/16).

Members of the Committee asked questions about the following issues:

- Pro-active recruitment of Trust staff by agencies on hospital sites – it was suggested that this was being undertaken to recruit to the Trust's bank staff system but clarification would be sought.
- Progress with the leadership programme – Colin provided an update and an explanation for the timeframe being followed.
- Cultural change in the organisation – Colin confirmed that this issue was one which the BoD Workforce were clearly focussed on and were assured that progress was being made but that there was more that needed to be done to make sure this was consistent and sustainable.
- Workforce planning – there was a lot of discussion around this issue and it was suggested that this may be an area where members would benefit from a presentation from the Director of HR to gain clarity about the Trust's approach. In this way members would be better informed and able to robustly challenge the BoD Workforce Committee.

The meeting also considered the Board Assurance Framework report provided and noted that there were a lot of actions with July deadlines. Colin Tomson was able to explain what progress had been made and assured members that the BoD Committee reviewed the BAF regularly.

Annex A

COUNCIL OF GOVERNORS'
WORKFORCE COMMITTEE
TERMS OF REFERENCE

Areas expected to be considered in the paper on consistency across committees so pending decision at the Full Council meeting.

Constitution
The Committee is a committee of the Council of Governors. It has no delegated power to make decisions on behalf of the Council.

Purpose:
The Workforce Committee will undertake the following.

1. Seek assurance from the Chair of the Board of Directors' Strategic Workforce Committee that the NED members are effectively supporting the delivery of the key elements of that Committee's purpose and in a way which manages Trust financial and staff resources to deliver best value.

2. Ensure that the interests of members and the public are represented and taken into account by the Strategic Workforce Committee.

3. Provide a report on the business of the Committee to the Council of Governor meetings.

Frequency of Meetings:
Meetings of the Committee will be held on a quarterly basis.

Membership and attendance:
There will be eight Governor members on the Committee. One member will be elected as Chair of the Committee and will hold office for the period of one year from April. Members are asked to attend a minimum of three out of four meetings per year. All Governors are welcome to attend meetings of the Committee. Prior to the start of the meeting, the Chair of the Committee has the discretion to open the meeting to all Governors, including the right to vote.

Current Membership:
Alan Holmes Chair
Carole George
David Bogard
Debra Teasdale
Eunice Lyons-Backhouse
Jane Burnett
Robert Goddard
Sarah Andrews

Attendees:
Non-Executive Director Chair of Strategic Workforce Committee: Colin Tomson
Trust staff: by invitation as required.

Quorum:
The Committee shall be quorate when at least four Governors are present.

Support:

The Committee will be supported administratively by the Corporate Secretariat. It shall receive advice from the Trust Secretary, or their representative, and the Director of Human resources or their representative.

EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

REPORT TO:	**COUNCIL OF GOVERNORS**
DATE:	**5 SEPTEMBER 2016**
SUBJECT:	**STRATEGIC WORKFORCE COMMITTEE**
BOARD SPONSOR:	**CHAIR OF THE STRATEGIC WORKFORCE COMMITTEE**
PAPER AUTHOR:	**CHAIR OF THE STRATEGIC WORKFORCE COMMITTEE**
PURPOSE:	**Discussion**

BACKGROUND AND EXECUTIVE SUMMARY

The Committee is responsible for providing the Board with assurance on all aspects relating to the workforce, including strategy, delivery, governance, risk management.

This report presented reflects Committee activity for the July and August 2016 meetings.

The Council of Governors received a report following the June SWC at its July CoG meeting.

The report seeks to answer the following questions in relation to workforce:

- What went well over the period reported?
- What concerns were highlighted?

MEEDING HELD ON 19 AUGUST 2016

The following trends were reviewed:

- Turnover in June increased slightly to 11.3 % and the vacancy rate increased from 9.2% in May to 9.7% June. Turnover was highest in HR (16.5%) and lowest in Strategic Development (9.7%). UCLTC continues to have the highest turnover of all the clinical divisions (13.3%).
- The sickness rate for May was 4.0% against a target of 3.5%. Divisions have submitted a monthly trajectory for the reduction of sickness and management actions continue in hotspot areas to reduce rates in line with the trajectories. Sickness absence is highest in Specialist Services at 4.8% and is lowest in HR at 2.3%.
- Overtime use decreased in June to 7.9%.
- Statutory training compliance was 87% in June which is above target of 85%, compliance is highest in Finance at 92% and lowest in Quality, Safety and Operations at 77%.
- Analyses of the staff who have 'never completed one or more statutory training courses' shows a 6% reduction.
- Appraisal rates increased in June to 73.1%, but remains below our target of 90%.

The following concerns were highlighted at the August Committee Meeting:

- The Committee received a verbal update on the development of the Emergency Department Assurance Report (staffing). ***Work was planned to undertake a risk assessment (review against attendances) and business case development. A paper would be brought to the September meeting.*** The Committee also discussed the need to demonstrate joint staffing solutions with key partners. Executive colleagues were asked to consider this as part of the emerging strategic plan.
- There was concern around a number of workforce indicators which reported a deteriorating position for the Urgent Care and Long Term Conditions Division. Assurance was received that

challenges within emergency care was discussed at Executive Performance Reviews.
- Work continues in the Divisions to understand the reasons for non-completion of mandatory training and setting timescales for full completion. ***The Committee asked for business partners to develop a clearer picture and trajectory around statutory/mandatory training compliance (determine exclusions such as maternity leave, etc).***
- Concern was noted around the reporting data contained within the workforce elements of the IPR. Further work was required to ensure accuracy ahead of the next report to Board.
- Work was ongoing to support managers to record local inductions have taken place. This was in relation to temporary staff. An audit may be undertaken if reporting does not improve.
- An update was received on progress with the development of the People Strategy. Following feedback received from the Staffside Committee it was recognised that there needed to be a wider level of engagement and there was concern the timetable agreed by the Committee in May would not allow for this. ***The Committee was keen the implementation plan should be realistic and take account of consultations, risks and contingencies. The Director of HR was tasked with speaking to the Trust Chair around Board expectation.***

The Committee received the following reports and assurances:
- The Committee received a presentation from the Surgical Services Division and Clinical Support Services Division (CSSD) providing an overview of their workforce plans (achievements, risks and mitigations). Highest risks for Surgery were noted as: Cultural change; reducing medical agency spend; and trainee doctor and middle grade recruitment. Highest risks for CSSD were noted as: recruitment to hard to fill posts; retention and continued decrease in turnover; and delivery of workforce CIPs. ***The Committee were assured by the innovative work being undertaken in the Divisions, for example development of the Resident Medical Officer concept in Clinical Support Services Division. It was requested that the benefits be linked to cultural change as part of the next presentation.***
- Divisions and Corporate areas have been working on appraisal reporting throughout July to ensure that all appraisals are completed and recorded. The HR teams are working with divisions to ensure future data integrity and accurate and timely recording of appraisal dates. The Human Resources Department has written to staff.
- The Committee undertook a deep dive review of agency usage. Usage predominantly covered vacancies (mostly clinical staff). There was a significant issue within emergency department and CDU linked to unforeseen operational pressures and vacancies at the time of planning. Nursing agency reported good progress. Supply of agency doctors at agency cap rate was a challenge and a concern for the Trust. Although cumulatively the Trust reported below the cap, July exceeded the ceiling set. Work was ongoing to: reduce costs in liaison with the Procurement Department; and the development of a Divisional tracker. ***The Committee recognised discussions were planned as part of the East Kent Strategy to develop collaborative solutions for Kent going forward. The Committee hoped this could be played out nationally when in place.***
- The Committee received a cultural change programme update around the respecting each other campaign, leadership development programme and issue of the medical survey.
- After having due regard to the comprehensive Equality Impact Assessment presented, the Committee agreed a recommendation would be put to the Board of Directors regarding the junior doctors contract. An electronic voting process would be conducted and the outcome would be noted at the September Board of Directors as part of the Chairman's action report.
- An assurance report was received concluding the Trust had complied with its statutory duty in terms of Pensions Auto-Enrolment.
- The workforce elements of the Board Assurance Framework were received. SRR8 (recruitment and retention) remains the highest risk. There was also discussion regarding the appropriate owner of SRR12 (leadership capacity and capability). The Director of HR will be discussing with the CEO.
- The Committee received an updated detailed Workforce Race Equality Scheme action plan following discussion at the July Committee meeting.

MEETING HELD ON 22 JULY 2016

The following trends were reviewed:

- Temporary staff usage in May reduced from 9.5% to 9%.
- Turnover in May remained static at 11.3%.
- The vacancy rate was 9.2% increasing from 8.03% in the previous month.
- Work continues in reducing the time taken to recruit which fell by one week to 13 weeks in May 2016.
- The sickness rate for April was 4% against the Trust target of 3.5%, this is an increase in month from 3.9%.
- Statutory training compliance was at 87% for May which remains above the target of 85%.
- 709 staff were identified as not completing one or more statutory training courses (this is a reduction of 44 from April). Progress is slow in this area and the Director of Human Resources is taking direct action to address this.
- The staff appraisal rate has continued to decline and in May it was at 70%, which is a further decrease from April and remains below the 90% target. Concerted action has been taken by some of the Divisions and there is some improvement in June (73%) but still more to do to ensure improved compliance.

The following concerns were highlighted at the July Committee Meeting:

- The Urgent Care and Long Term Conditions Division presented their Divisional Workforce Plan to include achievements, risks and mitigating plans. ***The Committee requested to understand more around the dynamics of the capacity and flow within the emergency department as part of the next presentation to the Committee, together with short term and long term workforce plans for this area.***
- The Committee received the six monthly Ward Establishment Review report. Appended to the report was an Emergency Department Assurance Report. ***However, further work and consideration was required by the Trust's Management Board and an update would be brought to the August meeting.***
- The Committee was concerned around appraisal performance at Divisional level and requested this be fed back through executive performance reviews.
- A report was received on agency expenditure. ***The Committee noted the key drivers for this spend linked to vacancies and increased activity through emergency departments. However, there was a concern that the agency ceiling set by NHSI would not be delivered. A deep dive topic was requested for the August meeting.***

The Committee received the following reports and assurances:

- Results of the staff friends and family test continued to report an upward trend. Focussed work was ongoing within hotspot areas. ***The Committee requested a cultural change case study/deep dive should be undertaken to demonstrate turnaround within a hotspot area to ascertain the overall progress of cultural change.***
- The Trust had identified a preferred supplier for the Leadership, Assessment and Development Programme. The Committee was confident the programme would be positive for both transformational change and staff development.
- The Committee received an update on the Trust's retention plan and were encouraged by the plans in place to improve retention rates. In summary, the presentation included: actions being taken to understand Trust leavers; and the development of the new starter experience.
- An update was received on the progress of the people strategy. ***The Committee would receive the draft strategy at the August meeting.***
- The Committee approved the Workforce Race Equality Standard for publication, subject to further refinement to better describe the positive work undertaken in the Trust and outcome***. An updated action plan would brought to the August meeting.***
- The Committee received a report from the Director of Medical Education. The Committee received an update on visits to the Trust. In particular, the HEKSS had visited Kent and Canterbury, focussing mainly on the changing model within the Emergency Care Centre which had been achieved. The Committee was also assured work was ongoing to continually improve training opportunities within the Trust with the aim of improving recruitment and retention.
- An annual activity report on tribunal claims, settlement agreements and mutually agreed resignation schemes was received and noted. There were relatively small numbers of tribinals which had resulted in mostly successful outcomes.

- An update on the junior doctors contract position was noted. ***The Committee would receive the Equality Impact Assessment at the next meeting.***

ACTION:

To note and discuss the report from the Strategic Workforce Committee**.**