

**COUNCIL OF GOVERNORS MEETING
THURSDAY 24 NOVEMBER 2016
10.15 am**

Please find attached the agenda for the next Council of Governors Public Meeting to take place at:
The Cathedral Room, Best Western Abbots Barton Hotel, 36 New Dover Road, Canterbury, CT1 3DU

Please note that the public meeting is preceded by a closed session starting at 09.30.

Pursuant to the Trust's Constitution all members' of the public, including press, are excluded from the closed session due to the confidential nature of the business to be discussed concerning contracts, negotiations and staff.

AGENDA

Refreshments available in the meeting room from 9.00 am, lunch will be served in the same area

CLOSED SESSION To be held from 09:30 to 10:15				
1.	Minutes of the closed meeting held on 21 July 2016	Appended	(5")	Nikki Cole Trust Chair
2.	Actions arising	Appended		Nikki Cole Trust Chair
3.	Process for Future NED Recruitment	Agree	(10")	Nikki Cole Trust Chair
4.	Baselines for 2016/17 performance objectives		(20")	Alison Fox Trust Secretary
5.	Well Led Governance Review – Grant Thornton Action plan	Discussion 03a/16 - 03d/16	(10")	Alison Fox Trust Secretary
PUBLIC SESSION Please note that this session starts at 10:15				
1.	Chair's Welcome		(10")	Nikki Cole Trust Chair
2.	Apologies for Absence and declarations of interest specific to this meeting			Nikki Cole Trust Chair
3.	Minutes from the last Public Meeting held on 21 July 2016	Appended		Nikki Cole Trust Chair
4.	Matters arising	Appended		Nikki Cole Trust Chair
STRATEGIC 10.25 – 10.50				
5.	Joint Governor/NED meeting February 2017 - planning	Discussion	(10")	Nikki Cole Trust Chair

GOVERNANCE 10.50 – 11.05				
6.	Annual review of Register of Interests and Fit and Proper Person Declarations	To note CoG52a/16 CoG52b/16	(5")	Alison Fox Trust Secretary
7.	Elections 2017 - update	To note CoG53/16	(10")	Alison Fox Trust Secretary
MEMBERSHIP 11.05 – 11.35				
8.	Communications & Membership Committee report. Key items: <ul style="list-style-type: none"> o Annual Members Meeting – review o Membership Strategy – update o Charitable Funds Report 	Discussion CoG 54/16	(30")	Matt Williams Chair CMC Elected Governor with:
BREAK 11.35 – 11.50				
REPORTS FROM COMMITTEES 11.50 – 13.00				
9.	Chair's Report	Discussion CoG 55/16	(10")	
	Chief Executive's update	Verbal	(10")	Matthew Kershaw Chief Executive
	Finance and Performance Committee Key items <ul style="list-style-type: none"> o Summary of current situation o Cost Improvement Programme o Integrated Performance Report o Board Assurance Framework o Turnaround Director post o Payment by results 	Discussion CoG 56/16	(10")	CoG Chair: Michèle Low
	Nominations & Remuneration Committee Key items <ul style="list-style-type: none"> o NED recruitment o CoG and Committee effectiveness o NED commitments 	Discussion CoG57/16	(10")	CoG CHair Philip Wells
	Quality Committee Key items <ul style="list-style-type: none"> o Outpatient services o Trust Quality Account o Ward Peer Reviews o CQC inspection update o Doctors' re-validation 	Discussion CoG 58/16	(10")	CoG Chair: Sarah Andrews
	Strategic Workforce Committee Note: next meeting to be held on 25 November.	To note	(5")	CoG Chair Alan Holmes



	Audit and Governance Committee Key items ○ Report on Annual Effectiveness Review of External Auditors and extension of contract	Discussion CoG 59/16	(10")	CoG Chair: Chris Warricker
10.	Governor Development Workshop - feedback	To Note CoG 60/16	(5")	Philip Bull Elected Governor, Shepway
BUSINESS 13.00 – 13.15				
11.	QUESTIONS FROM MEMBERS OF THE PUBLIC			
12.	ANY OTHER URGENT OR IMPORTANT ITEMS			Please notify Committee Secretary of matters to be raised – deadline 48 hours before meeting
13.	DATES OF FUTURE MEETINGS Meeting schedule 2017	To note CoG 61a/16 CoG 61b/16		

BREAK FOR LUNCH 13.15 – 13.45

There will be a briefing session for Governors following the lunch period covering the following items:

- Single oversight
- Seven day working
- STP update

The session is planned to end at 15.00

UNCONFIRMED MINUTES OF THE COUNCIL OF GOVERNORS PUBLIC MEETING
5 SEPTEMBER 2016, 10.00am
Julie Rose Stadium, Willesborough Road, TN24 9QX

PRESENT:

Nikki Cole	Trust Chair (Chairman)	NC
Alan Holmes	Elected Governor – Canterbury	AH
Carole George	Elected Governor – Dover	CG
Chris Warricker	Elected Governor – Canterbury	CW
Eunice Lyons Backhouse	Elected Governor – Rest of England & Wales	ELB
John Rampton	Elected Governor – Staff	JR
John Sewell	Elected Governor – Shepway	JS
Junetta Whorwell	Elected Governor – Ashford	JW
Mandy Carliell	Elected Governor – Staff	MC
Marcela Warburton	Elected Governor – Thanet	MW
Matt Williams	Elected Governor – Swale	MW
Michèle Low	Elected Governor – Dover	MLo
Paul Durkin	Elected Governor – Swale	PD
Philip Bull	Elected Governor - Shepway	PBu
Philip Wells	Elected Governor – Canterbury	PW
Sarah Andrews	Elected Governor – Dover	SA
Debra Teasdale	Partnership Governor – Canterbury University	DT

IN ATTENDANCE:

Barry Wilding	NED	BW
Colin Tomson	NED	CT
Gill Gibb	NED	GG
Satish Mathur	NED	SM
Liz Shutler	Director of Strategic Development & Capital	LS
Alison Fox	Trust Secretary	AF
Amanda Bedford	Committee Secretary (minutes)	AB

MIN.NO		ACTION
45/16	<p>CHAIR'S INTRODUCTION</p> <p>NC welcomed those in attendance to the meeting. She advised she would be absent for some of the proceedings to attend a meeting with the CQC; BW would Chair in her absence.</p>	
46/16	<p>APOLOGIES FOR ABSENCE AND DECLARATION OF INTEREST</p> <p>NC noted that, as this was the first day of the Care Quality Commission (CQC) re-inspection and the end of the holiday season, there were a number of apologies. Liz Shutler was attending to represent the Executive team.</p> <p>Apologies for absence were noted from:</p> <p>Jane Burnett Elected Governor – Ashford Margo Laing Elected Governor – Dover Paul Bartlett Elected Governor – Ashford</p>	

	<p>Reynagh Jarrett Elected Governor – Thanet Roy Dexter Elected Governor – Thanet David Bogard Elected Governor – Staff Robert Goddard Elected Governor – Staff Geraint Davies Partnership Governor – SEACAMB Michael Lyons Partnership Governor – Volunteers Richard Earland NED Ron Hoile NED Sunny Adeusi NED</p> <p>PB advised that he was involved in the Southgate Coastal Rheumatology Review project for Deal, which he had declared at a meeting of the Council of Governors (CoG) Quality Committee.</p> <p>NC advised that she was intending to accept an invitation from a company, ST2, as a Non-executive Director. The company were involved in Project Edison in Redcar.</p>	
47/16	<p>MINUTES OF PREVIOUS MEETING AND MATTERS ARISING</p> <p>The minutes of the meeting held on 2016 were agreed as an accurate record with the following amendment:</p> <ul style="list-style-type: none"> Page 11, third paragraph from the bottom, should read: <ul style="list-style-type: none"> ‘.. the Trust had put in a bid to participate..’ not, ‘.. the Trust had been chosen by the Government to participate..’ <p>CW noted that the Constitution requires meeting papers to be circulated no later than three days prior to the meeting date and commented the circulation of the draft minutes had not met that requirement. NC noted the points and said that papers would be circulated within time in the future. ACTION</p> <p>CW suggested that it would be good practice to get the draft minutes out within ten working days of the meeting to try and encourage more engagement between the Trust and the Council. NC agreed that this was good practice and would be CONSIDERED.</p> <p>Matters arising from the previous minutes were as follows:</p> <ul style="list-style-type: none"> AF provided an update on the Visibility Programme noting that a review had taken place, and good feedback had been received from the Executives and the staff. The Programme was being co-ordinated by Comms. A formal update would be provided at the next meeting. All other matters were closed. <p>ACTION: AF to provide an update on the Visibility Programme at the next Council of Governors meeting.</p>	<p>NC</p> <p>NC</p> <p>AF</p>
48/16	<p>LEAD GOVERNOR ELECTION OUTCOME</p> <p>NC announced the outcome of the election for the Lead Governor noting that there were 25 potential votes as Jane Martin, Partner</p>	

	<p>Governor, had resigned so was not eligible to vote. There were four abstentions, Michèle Low received 14 votes, Chris Warricker four votes and three no votes. The Council ENDORSED the appointment of Michèle Low as Lead Governor.</p> <p style="text-align: right;">NC & LS left the meeting during this item.</p>	
49/16	<p>MODEL TERMS OF REFERENCE</p> <p>AF presented the paper and invited additional thoughts or comments from members.</p> <p>MW noted that the terms of reference did not include the requirement to make recommendations to the Council of Governors. JS commented that it was recognised that the Council could not delegate decision making to its Committees. MLo suggested that there would be few occasions for Committees to make recommendations to the Council.</p> <p>MLo said that she remained concerned that the Committee structure might tempt Governors to become too closely involved with the work of the Board Committees.</p> <p>AF confirmed that it was intended that the template be used across all the Council Committees. CG commented that there was a need for continuity and she would be concerned if the committee structure and template was continually changed</p> <p>CW noted that one of the Governors' statutory duties was to hold the NEDs to account and suggested the wording in the Terms of Reference needed to reflect this and be specifically related to the performance of the Board in the area covered by this committee.</p> <p>AB drew the Council's attention to Annex A of the report and suggested that points one to four, on page two, be incorporated under the heading Purpose and asked if that would provide the template the Council were seeking. The Council agreed that those changes would be sufficient.</p> <p>The Committee considered whether the attendance of the NED Chair of the aligned Board Committee should be included in the quorum for the meeting. SA suggested that the CoG Committee could not conduct its business effectively without NED representation. It was agreed that the NED Chair, or their nominated NED representative, would be included in the quorum.</p> <p>Members considered and agreed that virtual attendance at meetings would be acceptable. SA suggested that the forthcoming training for Chairs include a section on managing meetings effectively with virtual participants.</p> <p>The Council AGREED the template as set out on page 4 with the addition of points 1 to 4 on page 2 under the 'Purpose' heading. Virtual attendance was accepted and quorum to include attendance of</p>	

	<p>the aligned NED or their NED representative.</p> <p>ACTION: AB to revise the current terms of reference of all Committees to meet this template.</p>	AB
50/16	<p>CoG AND COMMITTEE EFFECTIVENESS</p> <p>AF presented the report and invited comment; the following was noted:</p> <ul style="list-style-type: none"> • SA said that the proposal was sensible and she recognised it as good practice to review the work of committees. However, she cautioned that the Council should consider the results of a review carefully before taking action; it should be taken into account that the structure had only recently been changed and only a few meetings of each Committee had taken place. • PW questioned whether it was within the remit of the CoG Nominations and Remuneration Committee terms of reference to manage this process, as proposed in the paper. As Chair of the Committee he was happy to do so if that was the will of the Council. • CW said that it was disappointing to note that the previous item had dealt with the terms of reference yet immediately there was an item which did not seem to cover the action proposed. AF noted the Terms of Reference for Nominations and Remuneration did cover the membership of the committees and committee effectiveness was linked to that. • PB noted the discussion on the template for Terms of Reference provided the Council with a foundation for all committees to which items that were specific to those committees could be added. • AH suggested that the Council needed to concentrate less on how they operated and more on taking action and moving issues forward. • AF advised the Grant Thornton Review had come back. It had noted that the structure of the CoG committees and the alignment with the Council of Governors was a good way for the Council progress. • JS asked why it would be necessary to review the committee structure once the Trust was out of Special Measures. AF noted there was an array of different structures available, and that the Grant Thornton review had advised that the existing structure was appropriate for the Trust in the current situation. She advised this would not necessarily need to change once out of special measures. <p>The Council AGREED the proposal that the CoG 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, with an interim report to the November Council meeting.</p>	Agenda
51/16	<p>COMMUNICATIONS & MEMBERSHIP COMMITTEE REPORT To include: Draft Membership Strategy</p>	

	<p>MW presented the Communications and Membership Committee Report noting that development of a draft Membership Engagement and Communication Strategy (the Strategy) had been the main item of business at the last meeting. He thanked all those who had contributed to that process. MW noted that the Committee had also received a helpful report from GG about the work of the Charitable Funds Committee at the Committee meeting.</p> <p>MW commented that the Strategy focussed on communication with Members rather than the wider public and covered issues such as ensuring proper representation of all communities, including youth, and finding the right balance between level of member involvement and providing value to the Trust. It was important for the Trust to recognise and realise the benefits of having a membership. Inevitably there was some reference to operational issues although the focus was on strategic matters, with alignment to the Trust's own strategy. The next meeting of the Committee would look in depth at implementation and prioritisation of actions.</p> <p>Governors raised several points relating to the demographic analysis of the membership, noting areas where this was weak and could be improved. AH expressed concern that some of the figures provided did not reconcile correctly. CG commented that the information provided in the Strategy was an indicator only and the Committee were planning to look at the data in greater depth.</p> <p>JR challenged the wording used to provide the background on why the Trust was placed in Special Measures and the wider description of the Trust. It was agreed to review and amend this as appropriate. It was hoped that there would be a more positive message to give about special measures by the time the strategy entered the public domain.</p> <p>ACTION</p> <p>PD asked when a membership leaflet would be available for Governors to use for meetings with the public. It was confirmed that the content was being revised and the leaflet would be made available to Governors as soon as possible.</p> <p>GG advised that the NEDs had looked over the Trust's communications and engagement strategy and assured the Governors that it did cover communication with the wider public. The document was a work in progress that would be presented to the Council for consideration. GG advised that the strategy was a multimedia one that would address all pertinent issues, including how key messages were broadcast to the hard to reach groups. MW emphasised that the CoG Strategy included appropriate links to the Trust strategy and highlighted that the role of the MECC included holding GG to account as the NED with responsibility for Communications.</p> <p>MLo re-iterated that the Governors had statutory responsibilities to the wider public. She noted that the Council owned strategy, which was primarily focused on members, should also take account of the wider public as that was the Council's statutory duty. SA noted the</p>	<p>AB</p>
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	<p>importance to the Council of engaging members of the public and advised that she looked forward to the strategy becoming a plan soon.</p> <p>PB noted that the Governors needed to be in complete agreement, in support of the strategy, regardless of what part of the local health system they represented. CT suggested that once the Council had undertaken the geographical profiling, if gaps were found in youth membership there were various agencies that had formal structures to engage interested people. He suggested that Ambassadors could be utilised, and noted that advocates could be supported through providing further information, and briefing, which would be helpful to the organisation. He advised there were other interested people in East Kent who may be members of the Kent Community Health Trust or CCG panel members, and Natalie Yost was well positioned to provide a pathway to them. JS cautioned against an over reliance on partnership working.</p> <p>MW asked Governors to contact him or any other member of the Committee before the next Council meeting if they had any suggestions to make.</p> <p>The Council AGREED the draft of the Membership and Engagement Strategy noting the ACTION to be taken to revise the content of the background section.</p>	
52/16	<p>REPORTS FROM COMMITTEES: Council of Governors and Board of Directors meetings Finance and Performance Committee (FPC)</p> <p>MLo presented the report from the CoG FPC, which included suggestions for future agenda items and invited further proposals from Governors. She noted that more financial information was required in the IPR, such as clear information on income and expenditure, deficits, the cost improvement programme and Agency spend.</p> <p>During discussions the following points were noted:</p> <ul style="list-style-type: none"> • BW commented that the IPR had improved significantly and was now a useful tool, although there was further work to be done. • PD asked that care be taken to ensure acronyms were defined at the point of first usage. • In response to a request from PB that the Medical Director or his representative attend Council meetings so the Council could gain a medical perspective of the Cost Improvement Programme (CIP), it was noted that all CIPs are reviewed in both the Board FPC and Quality Committees. • CW asked if assurance could be provided that all Cost Improvement Plans (CIPs) required to generate an additional £5M, as specified in paper CoG 48b/16, were recurring cost savings as specified in the Trust's objectives and asked that the NEDs provide an update on the status of those plans. He noted page 47 of the Integrated Performance Report (IPR) mentioned that CIP delivery included 'income scheme recognition' and asked for an explanation of this comment. CW asked how the Revenue Programme 	

	<p>mentioned in the IPR related to the CIPs programme.</p> <ul style="list-style-type: none"> • BW advised there was usually a mixture of one-off non-recurring savings and recurring savings in the CIPs. CW noted the objective was to deliver £20m in recurrent savings by March 2017. He sought clarification as to whether that included one-off cost savings. BW noted the query and advised that given that none of the NED members of the Board FPC were present at the meeting, a structured response would be provided before the next Council session. <p style="text-align: right;">ACTION</p> <ul style="list-style-type: none"> • AH supported the points raised by CW and commented that he would have expected all NEDs to be able to provide an answer. • JS asked for reassurance that deadlines were being met in relation to submission of the STP. He commented that Monitor had anticipated that Trust Governors would be able to see drafts of strategic plans early enough to influence the content, however this was unrealistic given the changing timescales and the resent financial guidance re-set. • LS advised that the five-year plan had been presented in July. All partners across Kent and Medway supported the East Kent footprint going ahead to consult before the rest of Kent and Medway. LS noted the next deadline was 18th September for financial submissions. Regarding local plans, the Trust was planning to consult before the end of the calendar year. The Trust would present to the Clinical Senate in November on Models of Care, and a business case would be presented to the NHS England Investment Committee. • JS suggested that the combination of the financial reset in July and the pressures of being in special measures meant that the Trust was required to focus firmly on recovery actions and wondered how new models of care could be implemented. LS advised that the Models of Care they were proposing were not much different to those already in use. She noted the model would have to be monitored carefully to ensure financial targets and measures were met. <p style="text-align: center;">NC & LS re-joined the meeting during this item.</p> <p>The Council RATIFIED MLo as the Chair of the CoG Finance and Performance Committee.</p> <p>The Council AGREED the Terms of Reference of the CoG Finance and Performance Committee.</p>	<p style="text-align: center;">BW</p>
	<p>Nominations and Remuneration</p> <p>PW presented the Nominations and Remuneration Committee R report and provided a brief update on progress with the NED recruitment. He advised that the interview panel was confirmed for on 28th September, and that NC would chair. The Committee had clarified that although the Trust was in the Special Measures, NHSI had confirmed that they did not need to be involved in the interview process.</p>	

	<p>Quality</p> <p>SA presented the Quality Committee Report, highlighting the following:</p> <ul style="list-style-type: none">• The Committee had sought assurance on progress with the management of complaints and welcomed the explanation provided by Jane Christmas, Deputy Director of Nursing about the actions being taken to address the problems.• The Committee were provided with brief details of recent Clostridium Difficile cases and received assurance that action had been taken.• The Committee had requested more information about revalidation of doctors.• There was an outstanding item from the disbanded Patient and Staff Experience Committee relating to outpatient arrangements which the Committee would continue to focus on this.• The Committee would be involved in the preparation of a Quality Account in 2017 and would begin planning this at their next meeting. <p>The Council discussed the Report and the following points were raised:</p> <ul style="list-style-type: none">• JS asked whether the recent changes to the performance targets set by the Department, with the associated financial penalties for failure to meet them, would create a danger that performance in other areas, such as sepsis, would be negatively impacted. <p>NC replied that the Trust had to balance patients, partners, provision and the staff, working to its objectives. Meeting some central targets were not necessarily within the Trust's gift when other health economy partners were involved in the patient pathway.</p> <ul style="list-style-type: none">• CG noted that report indicated that performance had deteriorated in relation to the patient cancer survey although the Board Committee believed that the situation was improving and this would be confirmed once the next survey results were out. CG asked when the next survey results were due, and when the Council would get feedback confirming the perception was a reality? <p>SA advised that if RH were in attendance he could provide further detail and could answer precisely. SA believed the survey could be expected in Spring.</p> <p>CT commented that the Board Committee remained sighted on this issue and were aware that the leads in each area were producing a detailed action plan to deliver improved performance. CT said that, at present, he could not give assurance that the target would be reached, however, there was evidence that the right practical work was occurring.</p> <ul style="list-style-type: none">• PB commented that the targets meant that there was high visibility on certain areas of care, such as cancer care. It was important to recognise the hidden area of chronic disease management; if such patients waited overly long on the outpatient pathway, there was a	
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	<p>risk of avoidable hospital admission. A lot could be done, particularly in the STP, regarding changing chronic disease management.</p> <ul style="list-style-type: none"> • JW referred to the Safeguarding Children annual report and asked if the report was related to children under school age, and if they were picked up from the ward. NC said that the Safeguarding Act and was specifically for anybody under the age of sixteen. The increase noted in the workload was believed to be as a consequence of the high profile that the team had achieved. NC noted that all Board members had been trained to be able identify and understand safeguarding issues. In response to a question from JW, NC confirmed that issues identified within the trust would be referred onto social services or the police for further investigation. NC confirmed this was the case. <p style="text-align: right;">DT left the meeting during this item.</p>	
	<p>Workforce</p> <p>AH introduced the report and noted that the effectiveness of the Committee would need to be judged in the long term.</p> <p>The Council discussed the Strategic Workforce Committee Report and the following points were raised:</p> <ul style="list-style-type: none"> • JS noted that the new format of the Integrated Performance Report was now more accessible. He commented on the apparent increasing trend for the proportion of Agency staff on wards, particularly in the last eight months. He was concerned with the July Agency figures for Urgent and Long Term Conditions, which had risen to 46.6% meaning that almost half of the staff in this area were Agency staff. JS noted this was a national trend and was likely exacerbated by the Junior Doctors strike action. He suggested that this meant that meeting Agency spend targets was completely out of reach; the Trust was now spending £2.5m per month on Agency staff. JS sought assurance that there were mitigating actions in place. • CT agreed with JS's comments, suggesting that one key contributory factor was the competition between NHS organisations for staff. He reminded Governors of the focus being placed on making the Trust an organisation that people wanted to work in. This linked in with overall retention, and quality and cultural behaviour. Each Division had an Agency Group looking at the profile of demand to see where it was possible to substitute or engage temporary staff full time on the books. There had been some progress in Urgent Care, where they had been able to increase the number of consultants through an on going recruiting programme. Other areas were more problematic; the Trust had recently lost two Geriatricians to the Community Trust. However, in itself, this was supporting a more collaborative approach to care between the Trusts so may prove beneficial. <p>CT advised that the BoD Strategic Workforce Committee had requested a deep-dive into the Agency pay control groups. He said that it was unlikely that the Trust would hit the first financial target although there be an improvement in costs. CT stressed</p>	

	<p>that the Trust must balance quality and safety of care with the Financial pressures.</p> <ul style="list-style-type: none"> • LS concurred with CT's comments and advised that each Division had a target for reducing Agency spend. She noted that, although three out of four of the Divisions were meeting those targets, it was problematic for Urgent Care and Long Term Conditions given the intensity of the work involved to maintain three emergency units on each site. Some fundamental clinical changes were needed for the Trust to be able to move forward. • CG asked for assurance around the improvement of appraisal rates. CT confirmed that the BoD Committee was concerned and noted that a programme had been started, where the Division leads would present on particular topics to the Committee regularly. Through that, the Committee were able to gain assurance that the issues were being taken seriously. Evidence would be provided on which direction the Divisions were moving, what the trajectories were, and what the problems were. One division continued to under perform on appraisal rates and details of the way this was being addressed had been provided. A deep-dive by the Committee was planned for occur around mid-year; CT noted that he was concerned not just at the number but also the quality of the appraisal. • CW noted that the Finance Committee had raised some issues around the quality of information in the IPR. He asked the NEDs to explain if they thought the IPR was fit for purpose and could they provide assurances that the identified concerns would be addressed. • CT commented that there was a technical fault within the system, and they hoped to have that fixed before the next IPR report was run. • BW noted the current IPR was a substantial improvement on the previous report, although there were some gaps. He believed the STAR rating was helpful. BW advised there would be more financial information in future IPR reports. • CW asked for an update on the Matron Review. CT said that he expected to see that within the next couple of months; more details would be provided outside of the meeting. <p>ACTION</p> <ul style="list-style-type: none"> • JS asked if temporary locum agency staff were included in the staff surveys, such as Friends and Family; considering that Agency staff made up such a significant part of the Trust it would seem sensible to do so. BW advised the NEDs would look into that and let JS know. <p>ACTION</p> <ul style="list-style-type: none"> • AH noted that staff numbers were easy to measure, however, staff morale was more difficult. Sickness rates and exit information could provide an indicator and he noted there had been an improvement in Midwifery, in sickness rates and leaving rates, which suggested staff morale there was good. However, this did not extend to the rest of the Trust. AH commented that the median time in which people left was the measure of how staff were feeling and suggested the Trust look at leaving rates. He hoped the Council could develop a strategy to encourage the Board of Directors to start examining the data in different ways to see if that 	<p>CT</p> <p>BW</p>
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	<p>could give them a better insight into what was happening. He asked the Governors if they had any ideas on how to develop a plan to let him know.</p> <p>ACTION</p> <p>The Council of Governors RATIFIED AH as the Chair of the Committee.</p> <p>The Council of Governors AGREED the Terms of Reference for the CoG Workforce Committee, taking into account the changes agreed at item 49/16 above.</p>	Governors
53/16	<p>QUESTIONS FROM MEMBERS OF THE PUBLIC</p> <p>There were no members of the public present.</p>	
54/16	<p>ANY OTHER URGENT OR IMPORTANT ITEMS</p> <p>MW reminded the Council that the MECC had been involved in the planning for the Annual Members meeting (AMM). He noted there would be opportunities for Governors to take an active role .AB advised she was currently finalising the at the Agenda for the AMM, and there was a proposal that the Governors might be involved in meeting and greeting people and mingling, as opposed to having a stall of their own.. EBL was pleased to note that arrangements were being made for members of the public needed transport to the AMM.</p> <p>JR wanted information on any progress made on the Chairman's Objectives. NC advised that the Board was reporting against the objectives and would report against the Council of Governors for the next meeting.</p> <p>ACTION</p> <p>The Chair closed the meeting at 12:28 pm.</p>	
55/16	<p>DATES OF FUTURE MEETINGS</p> <p>The next Council of Governors meeting would be held on 24 November 2016.</p>	

Date of next meeting:

24 November 2016, at 10.00, in Best Western Abbots Barton Hotel, Canterbury

**EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST
COUNCIL OF GOVERNORS MEETING (PUBLIC) – 24 SEPTEMBER 2016**

ACTION POINTS FROM THE COUNCIL OF GOVERNORS MEETING (PUBLIC) HELD ON 5 SEPTEMBER 2016

MINUTE NUMBER	DATE OF MEETING	ACTION DESCRIPTION	LEAD	DUE BY	PROGRESS
OUTSTANDING ACTIONS FROM PREVIOUS MEETINGS					
There were no outstanding items from previous meetings.					
ACTIONS FROM THE LAST MEETING HELD					
47/16	05.09.16	Meeting papers to be circulated no later than three days prior to the meeting date.	NC	Immediate	Noted and action taken. Completed
47/16	05.09.16	Consider the good practice of circulating draft minutes within 10 working days of the meeting.	NC	Next meeting	It is agreed that this is good practice and every effort will be made to meet this target in the future. Completed
47/16	05.09.16	Visibility Programme update	AF	Next meeting	For confirmation at meeting.
49/16	05.09.16	Terms of reference for all Committees to be revised to meet the template agreed at the meeting.	AB	Next meeting	Revised drafts presented to all but CoG Workforce Committee. Some minor grammar changes suggested in the process. Once the CoG WF meeting has taken place a final review of all terms of reference will be carried out to ensure they are consistent and copies circulated to all Governors. Ongoing
51/16	05.09.16	CoG Membership Engagement and Communication Strategy to be updated based on the discussion at the meeting.	AB	Next meeting	Completed
52/16	05.09.16	Questions raised by CW on the CIPs programme to be answered outside of the meeting.	BW	Immediate	Response circulated to Governors. Completed
52/16	05.09.16	An update to be provided on the Matron Review.	CT	When completed	Ongoing
52/16	05.09.16	Were temporary agency staff included in staff surveys.	BW	Next meeting	Only staff paid via EKHUFT payroll are included. Completed

REPORT TO:	COUNCIL OF GOVERNORS' MEETING
DATE:	24 November 2016
SUBJECT:	Register of Governor Interests and Fit and Proper Persons Declarations
REPORT FROM:	Alison Fox, Trust Secretary
PURPOSE:	To Agree
BACKGROUND AND EXECUTIVE SUMMARY	
This paper presents an updated Register of Governor Interests to Council and the annual confirmation of the Fit and Proper Persons declaration.	
LINKS TO STRATEGIC OBJECTIVES:	<p>Patients: Help all patients take control of their own health.</p> <p>People: Identify, recruit, educate and develop talented staff.</p> <p>Provision: Provide the services people need and do it well.</p> <p>Partnership: Work with other people and other organisations to give patients the best care.</p>
RECOMMENDATIONS AND ACTION REQUIRED:	
The Council is invited to note the declarations received and agreed the register of interests.	

Background

Sections 38 to 40 of the Trust's constitution requires that the Trust has a register of members of the Council of Governors which will be validated annually and available for inspection by members of the public, except in certain specified circumstances.

In addition, good corporate governance practice to ensure that all Board members meet the Fit and Proper Persons test (FPPT) and for this to be reviewed annually.

At the March 2015 Council of Governors' meeting it was agreed that Governors would also be asked to meet this test and to make an annual self-declaration that nothing has changed that would mean they no longer met the FPPT since the DBS and insolvency checks made on appointment/election. The minute from that meeting is reflected below:

AF reported the fit and proper person test applies to Board of Directors as well as Governors. The Trust would be using insolvency registers and DBS searches. All Governors currently elected had been subject to these checks. AF asked for a view from Governors as to whether these checks were carried out each year or whether Governors would prefer to self-certificate. Governors agreed an annual self-certification process would be undertaken.

Register of Interests

An updated copy of the register is provided, at CoG 52b/16, based on the responses to an email for Governors to confirm their interests sent on 6 September 2016. Once ratified at the meeting, a copy of the register will be made available on the Trust's website.

Declaration

Governors were asked to sign a declaration that they are fit and proper persons in an email sent on 1 November 2016; a blank copy is appended at Annex A for information. To date 16 Governors have responded to the request and provided a signed declaration.

REPORT TO:	COUNCIL OF GOVERNORS' MEETING
DATE:	24 November 2016
SUBJECT:	Council of Governor Elections 2017
REPORT FROM:	Alison Fox, Trust Secretary
PURPOSE:	To Note
BACKGROUND AND EXECUTIVE SUMMARY	
This paper outlines the process for the elections to fill the vacancies which will arise at the end of February 2017 when governor terms come to an end.	
LINKS TO STRATEGIC OBJECTIVES:	<p>Patients: Help all patients take control of their own health.</p> <p>People: Identify, recruit, educate and develop talented staff.</p> <p>Provision: Provide the services people need and do it well.</p> <p>Partnership: Work with other people and other organisations to give patients the best care.</p>
RECOMMENDATIONS AND ACTION REQUIRED:	
The Council is invited to note the content.	

Vacancies

The following Governors will reach the end of their terms of office on 28 February 2017:

Constituency	Name	Term
Dover	Carole George	1
Staff	David Bogard	2
	Mandy Carliell	2
Shepway	John Sewell	2
Thanet	Marcella Warburton	1
	Roy Dexter	1
Canterbury	Philip Wells	2
Ashford	Junetta Whorwell	1

Election timetable

The Trust became a foundation trust in February 2009; Governor terms of office therefore always terminate in the same month. The election timetable is proscribed by legislation and this means that the key period for attracting applicants always falls over the Christmas holiday period. To mitigate this the longest period possible has been scheduled for applications to be made.

The key milestones for the election timetable are:

Publication of Notice of Election and Nominations open	14th Dec 2016
Deadline for receipt of Nominations	16th Jan 2017
Publication of Statement of Nominations	17th Jan 2017
Deadline for candidate withdrawals	19th Jan 2017
Notice of Poll/Issue of ballot packs	31st Jan 2017
Last possible date for Notice of Poll/Issue of ballot packs	2nd Feb 2017
Close of Poll 5.00pm	23rd Feb 2017
Count and Declaration of Result	24th Feb 2017

Communication

Separate plans are being developed by the Communications team to advertise the Staff and Governor vacancies, which will include the website and electronic communication to members. Initial plans are to take advantage of the timing of the process to use a 'New Year, New You' theme as a 'hook'.

There will be sessions in December and January across the patch for potential applicants to attend to learn more about the role.

Induction

It is recognised that the induction process needs to be fully reviewed and updated and this will be completed before the end of the elections. It is planned to include mention of the first induction session and Full Council meeting in the publicity material so any successful candidates who are new to the role will have pre-warning of key meeting dates.

REPORT TO:	COUNCIL OF GOVERNORS' MEETING
DATE:	24 NOVEMBER 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 Communication Committee met on 17 October 2016 and this report provides the Council of Governors with an update on the issues covered and makes recommendation for consideration by the Council.

The key item of business

- Terms of reference – revised based on the discussions at the September Full Council meeting.
Annex A – terms of reference
- Charitable Funds Committee Report
- Governor Website area
- Annual Member's meeting
- Trust Magazine
- CoG Membership Engagement and Communications Strategy
- Membership numbers update

The detail of the discussion on these items is presented below.

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 this report.

Chair's overview

At the meeting of the MECC I updated members on a number of actions I had taken as Chair on behalf of the Committee:

- attending pre and post planning meetings for the Annual Members Meeting (AMM)
- meeting with NY and AB to discuss how to take forward the CoG Membership Engagement and Communication Strategy (CoG Strategy)
- a phone discussion with Gill Gibb to discuss committee issues
- contributing to emails about the AMM to go to members
- early exploration of public engagement methods with governors who are active around 'Meet the Governor' sessions
- attending the Chairs Agenda Setting meeting

Other activity to note since that meeting includes:

- the CoG Strategy will go to the next Board meeting
- attending Chair's training
- discussion with NY and AB to hone the detail of the proposed pyramid model
- supporting development of a draft text for the first governors electronic email to be discussed at the next MECC meeting on 1 December
- supporting development of the timeline for implementation of the CoG Strategy to go to the next MECC meeting.
- The membership data base is being cleansed

Summary of key discussions at the meeting:

Charitable Funds Committee Report

A summary of the work of the Charitable Funds Committee was outlined in the report at MECC 09/16. The following points were highlighted in the discussions.

- Three applications for funding had been approved at the last meeting;
- The aim of the Committee was to manage the balance of income and expenditure so that the maximum amount was allocated to projects while keeping the charity sustainable. This would include reducing the level of assets over the coming years.
- The monies were spread across a lot of separate funds, some of which were very specific on how they could be used.
- The guidance on what charitable funds can be used for within the NHS.

RW was invited to consider how the Governors could support the Charity's work and this would be added as a discussion item for the next agenda.

Terms of Reference

The meeting considered and agreed the revised terms of reference which took into account the agreement reached at the September Council of Governors meeting relating to areas of consistency across the committees. AB advised that some minor changes had been suggested to the wording under the purpose section, at the Audit and Governance Committee meeting the previous day; members agreed to these changes.

Governor Website area

The Committee received a brief update on progress. A working version should be completed shortly and MECC members agreed to trial the pilot version before making the website available to all Governors. The website will primarily be a reference site available to

governors only, password protected for each governor. It was noted that there are also plans in place for updating the public website in relation to Members and Governors.

Annual Members Meeting

A summary of the feedback gathered following the meeting was tabled at the meeting. The Committee considered the lessons to be learned for the following year while recognising that the circumstances this year were difficult, including the impact of the CQC visit.

The following points were noted:

- It was important to be clear about the objectives for holding the AMM and suggested there were three options:
 1. Fulfil its statutory duties and keep investment to a minimum, focusing its energy on other public/members events. Perhaps simply adding the AMM to a COG meeting, perhaps holding it over a lunch time.
 - 2 Fulfil its statutory duties and leave the event pretty much as is, but address the points raised in Amanda's notes - venue, access, content etc
 3. Fulfil its statutory duties but build on the existing format and timings to create a higher profile bigger and broader event - catering to members, media, hard to reach communities, staff members... - using it as a key part of the marcomms strategies.

The meeting favoured an option combining 2 and 3. Factors which need to be taken into account in future planning were:

- Timing of the meeting
 - Cost both financial and staff time
 - An effective agenda which showcases the Trust in a positive light; staff presentation
 - Encouraging press presence
- A mechanism needed to be in place to support a range of questions during the Q&A and prevent the session being overtaken by those wanting to raise personal experiences. Well publicised attendance by the PET would be preferred and it was suggested that the Chair could emphasise at the start of the meeting that concerns about personal experiences were not appropriate for the Q&A session, but could be raised with the PET after the meeting.
 - The Committee felt that the number of personal issues raised at the meeting could be indicative of an underlying problem and agreed to ask the CoG Quality Committee to look at the Trust's complaints response performance and training provided to staff.
 - Planning for 2017 needed to start early and would benefit from the improvements in the Trust's communication strategy. The Committee agreed that an agenda item should be planned into their schedule at the right point to have a brainstorming session with the relevant members of the Communications team.

Trust magazine

NY clarified that the magazine was not circulated in the free newspapers; it was distributed to 300 drop off points across Kent. The magazine was also available in dedicated stands across the Trust sites.

It was suggested that the Trust could take as much advantage of electronic screens in NHS organisations and social media platforms as possible to promote the news contained in the magazine.

The Committee requested that the following information be included in the Governor section of the next edition of the magazine, due for issue in December:

- 2017 Elections for governors
- Profiles of a staff, public and partner governor – excluding any governors due for re-election in 2017
- A date for the next AMM if possible – likely to be in September
- Call for members to supply email addresses as a primary contact

Strategy

The Committee began to consider the implementation of the Membership Engagement and Communication Strategy which was approved at the meeting of the Full Council on 5 September.

Items considered were:

- Meet the Governor – on site
- Meet the Governor – off site at community events, attending or speaking
- Ward Reviews
- Governor electronic members newsletter – bimonthly
- Materials available for meetings with the Public developing a Governor/Membership brand and a consistent approach
- The levels of membership involvement
- Developments in relation to the Trust's 'We Care' brand.
- ID badges – should be easily readable
- Locating existing directories for community groups etc would be helpful.
- Two Meet the Governor sessions were scheduled in the diary for October and November

Natalie Yost explained to the Committee that, now the Trust's Communication strategy had been developed and new action plans developed, she had been able to turn to engagement. She felt that the Trust's Staff engagement was good; the public engagement needed development. There was, however, little resource available in her team to support this. The first step was underway – scoping what was being done and identifying the gaps.

The intention was to bring together all those who wanted to be more involved with the trust – volunteering, working on trust groups etc – into one manageable system. In talking with MW that week it was realised that this was similar to the proposed pyramid structure for membership. It was essential that Trust engagement and membership engagement were closely interlinked and not seen as separate – member and public engagement was one and the same.

Points raised in the discussion which follow this included:

- There had to be clarity about members and public and how these interlink, without becoming too entwined in nomenclature
- The volunteer service provides an important function which has to be supported and promoted as having a key role.
- The strategies have to ensure that there is a way for those who want to be involved in the Trust to be able to do so easily and in a managed process.

- There must be true representation of the population across East Kent and exclusivity.

It was agreed that the next step would be for these discussions to be used to develop an implementation time line for the strategy to be brought to the next meeting.

Membership Update

The membership database has recently migrated to a new system; membership numbers and demographic information should be available to the next meeting.

There had only been two issue of significance sent to the Governors' email address both directed to the relevant public Governors and acted on.

X

REPORT TO:	COUNCIL OF GOVERNORS
DATE:	24 NOVEMBER 2016
SUBJECT:	REPORT FROM THE BOARD OF DIRECTORS
BOARD SPONSOR:	CHAIRMAN
PAPER AUTHOR:	ASSISTANT TRUST SECRETARY
PURPOSE:	To Note

BACKGROUND AND EXECUTIVE SUMMARY

This report provides the Council of Governors with an overview of items discussed at the Board of Directors meetings held in public since the last report.

9 SEPTEMBER 2016

The following decisions were made:

- The Board of Directors approved the Board Governance Review Action Plan.

The following agenda items were received and discussed:

Chief Executive's Report:

The monthly report from the Chief Executive provided the Board of Directors with key issues related to: Improvement Journey / CQC; Emergency Department (ED) Recovery Plan; Financial Recovery; Clinical Strategy Update; Leadership Event; Board Governance Review; Good News Stories; Trust Seal Activity; Chief Executive Activity

Medical Director's Report

Areas covered by this report included:

1. Junior doctors industrial action
2. The deteriorating patient
3. Kent & Canterbury Emergency Care Centre redesign
4. Mortality steering group
5. Headlines from the Medical engagement Survey

7 OCTOBER 2016

The following decisions were made:

- The Board of Directors approved the **Letter of Declaration' and Self-Assessment against NHS Core Standard for Emergency Preparedness, Resilience and Response (EPRR)**.
- The Board of Directors approved the People Strategy.
- The Board of Directors approved the Communications and Engagement Strategy.
- The Board of Directors approved the R&D Strategy and Annual Report.

Other agenda items were received and discussed:

Patient Story

The story reflected a current complaint that has been investigated during August and early September 16. The Board of Directors were privileged to hear the story first hand from the patient. Assurance was received the issues that arose will be taken away and resolved by the Division with learning that spans across the Trust shared and implemented. The story related to a largely satisfactory experience, but reflected disorganisation and silo working of differing departments that left the patient feeling anxious and also concerned that joined up

care was not in place. In addition a breach of his confidentiality took place.

CEO Report

The monthly report from the Chief Executive provided the Board of Directors with key issues related to: Improvement Journey / CQC; Emergency Department (ED) Recovery Plan Financial Recovery; **Operational and Contracting Planning Guidance & Single Oversight Framework**; Clinical Strategy Update; William Harvey Hospital Trauma Review; **Letter of Declaration' and Self-Assessment against NHS Core Standard for Emergency Preparedness, Resilience and Response (EPRR)**; Demand and Capacity Planning; Good News Stories; Chief Executive Activity

Medical Director's Report

Areas covered by this report included:

1. Junior doctors industrial action
2. Kent & Canterbury Emergency Care Centre redesign
3. VTE assessment recording
4. National Joint Registry Report
5. Medical appraisal
6. Medical job planning

Standard reports received at each meeting:

Corporate Risk Register / Strategic Risk Register

The Board of Directors received the latest Corporate Risk Register. Board Committees receive the sections of the risk registers relevant to them for detailed scrutiny. This is, in turn, reported to aligned Council of Governor Committees.

Integrated Performance Report

The latest performance was discussed at each meeting. Updates will be provided to the Council of Governors as part of the Board Committee Reports. The latest Integrated Performance Report is published on the Trust's website:

<http://www.ekhft.nhs.uk/patients-and-visitors/about-us/documents-and-publications/our-performance/>

Trust Improvement Plans

The Board received the latest CQC Improvement Plan and Emergency Recovery at each meeting.

Board Committee Feedback

Reports were received from each of the Board Committee Chairs. NED Chairs are aligned to Council of Governor Committees where feedback is reported. A copy of the Board Committee Chair reports are available as part of the Board meeting packs on the Trust website. The Council of Governor Committees report formally to Council.

The next meeting of the Board of Directors will be held on 9 December 2016.

IDENTIFIED RISKS AND MANAGEMENT ACTIONS:	NA
LINKS TO STRATEGIC OBJECTIVES:	N/A
LINKS TO STRATEGIC OR CORPORATE RISK REGISTER	N/A
RESOURCE IMPLICATIONS:	N/A

COMMITTEES WHO HAVE CONSIDERED THIS REPORT	N/A
PRIVACY IMPACT ASSESSMENT: N/A	EQUALITY IMPACT ASSESSMENT: N/A

RECOMMENDATIONS AND ACTION REQUIRED:

To note the report.

REPORT TO:	COUNCIL OF GOVERNORS' MEETING
DATE:	24 November 2016
SUBJECT:	REPORT FROM CHAIR OR THE CoG FINANCE AND PERFORMANCE COMMITTEE
REPORT FROM:	MICHÈLE LOW , Elected Governor, Shepway COMMITTEE CHAIR
PURPOSE:	Agreement

BACKGROUND AND EXECUTIVE SUMMARY

The CoG Finance and Performance Committee met on 10 November 2016 and this report provides the Council of Governors with an update on the issues covered and makes recommendation for consideration by the Council.

The key issues discussed were:

- Terms of reference
- Report from the Board of Directors' Finance and Performance Committee covering:
 - Summary of the Trust's current financial and performance position
 - Board Assurance Framework
 - Cost Improvement Plans
 - Payment by results
 - Turnaround Director post
- Regular items for the Committee and information provided

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 the Full Council:

- The Committee **RECOMMENDS** that Council should have further assurances from NEDs in relation to the significant cost of delayed discharge and **INVITES** Council to propose how this can be done.
- The Committee **RECOMMENDS** to Council that it should seek further information on timescales to improve the BAF system and a process to complete the report properly, and **NOTED** that it would expect to see improvements at its next meeting.
- The Committee **RECOMMENDS** to Council that the CoG Chairs' Agenda Setting meeting should consider how the Council can review the information it receives, prior to a full debate on the matter in Council

Summary of key discussions at the meeting:

Terms of Reference

The Committee agreed the revision of the terms of reference based on the decision taken at the Full Council meeting held on 5 September that sections of the terms of reference for CoG Committees would be standardised.

Report from the Board of Director (BoD) Finance and Performance Committee (FPC)

Summary of the Trust's current overall financial and performance position

The Trust was nearly £11M in deficit. While this was an improvement on the previous year's performance, it was behind the year-end plan of £19M. It was considered unlikely that the Trust would achieve this, partly because:

- Agency costs (particularly clinical) were higher than planned because of the difficulties of staff retention and recruitment
- High demand for services
- Delays in discharges
- One-off costs related to making improvements.

The Board had difficult decisions to make to balance competing pressures while maintaining safety and quality. This meant some planned projects and new initiatives would be delayed in order to improve financial performance.

There were additional pressures around the newly-determined control target, linked to receiving monies from the central Sustainability and Transformation Fund (STF), of £600K which the Trust would be expected to accept.

The Committee **RECOMMENDS** that Council should have further assurances from NEDs in relation to the significant cost of delayed discharge and **INVITES** Council to propose how this can be done.

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

BoD FPC had considered the financial elements of the BAF at their last meeting; the system was now much improved although some further work was still needed to embed it.

Three key areas of concern around performance : RTT waiting times, A+E, Cancer; the BoD is sighted on data quality (see below).

A risk relating to Financial Special Measures would be added to the BAF.

The BAF was one of the evidential tools the BoD FPC used to hold the Executive Team to account.

The Committee noted that the BAF document contained errors and omissions, e.g. an absence of progress reports against risks where the Turnaround Director was involved (see below). The Trust Secretary is working on improvements and the imminent Board development session would be focused on risk management and risk tools.

The Committee **RECOMMENDS** to Council that it should seek further information on timescales to improve the BAF system and a process to complete the report properly, and noted that it would expect to see improvements at its next meeting.

Cost improvement plan (CIP) programme

The BoD FPC addressed two key issues in seeking assurance from the Executive in relation to CIPs: (1) is there an adequate plan at operational level and (2) are the plans delivering? The BoD Committee's view was that the current plan developed was reasonable in the circumstances and expected it would improve in the coming year. However, there was a predicted shortfall, and it was subject to service pressures (eg) reducing staffing costs.

CW noted that the summary paper on CIPs previously available to Governors, or an alternative, had not been provided and questioned whether the BoD's control had diminished. SM assured the Committee that the BoD regularly reviewed and challenged the Executive, having sufficient information to do this, and referred Governors to other materials in the public domain (eg board papers).

Information to Council

Prompted by the discussion on CIPs and income and expenditure information in the IPR, the Committee did not reach a conclusion on the level and type of financial information that should be put to this CoG committee, and more widely to other CoG committees, that would enable Governors to meet their statutory duty to hold NEDs to account, focussing on strategy while avoiding operational detail.

The Committee **RECOMMENDS** to Council that the CoG Chairs' Agenda Setting meeting should consider how the Council can review the information it receives, prior to a full debate on the matter in Council.

The Committee further agreed to review annually the financial and performance information submitted to the BoD as it sought assurance on how NEDs held the Executive to account. The Trust's Executive Finance Director and the Chair of BoD's Audit Committee would be invited to support this review.

Nursing homes

A recent article in the Times provided by JS suggested that the Trust was planning to open its own nursing homes. It was noted that the Chief Executive would be providing an update on planning at the next Council meeting.

Payments by results and data quality

Data quality was critical to ensuring that payment by results, rather than block payments for certain activities, resulted in accurately charging the CCGs. The need for investment in data had to be balanced against financial pressures. The BoD FPC monitored PbR closely, and payment systems were under review.

Turnaround Director Post Value for Money

The appointment had been one of the recommendations made in the CQC visit report. The BoD considers that there had been value from the expertise and independence brought to

the post, including the approach to communicating with the regulator and the legacy of skills passed on to the Trust's team. It was difficult to provide a quantitative analysis of the value gained. The post has now been replaced with a new senior post in the relevant team, and the Committee expected a summary of the BoD's review for the next meeting.

Regular items for the Committee to consider and annual discussion plan

The following were identified as regular items:

- IPR – key items and by exception
- BAF – to receive the report and an overview from the BoD FPC Chair of the key risk areas
- Finance update from the BoD FPC Chair including reference to:
 - CIP
 - Sustainability and Transformation Fund (STF)
 - Income and Expenditure account

The BoD FPC annual planner would be shared with the Committee to support future planning.

REPORT TO:	COUNCIL OF GOVERNORS' MEETING
DATE:	24 November 2016
SUBJECT:	REPORT FROM CHAIR OR THE NOMINATION AND REMUNERATION COMMITTEE
REPORT FROM:	PHILIP WELLS, Elected Governor, Canterbury COMMITTEE CHAIR
PURPOSE:	Discussion

EXECUTIVE SUMMARY

The CoG Nomination and Remuneration Committee met on 17 October 2016 and this report provides the Council of Governors with an update on the issues covered and makes recommendation for consideration by the Council.

The key issues discussed were:

- Terms of reference – revised based on the discussions at the September Full Council meeting.
Annex A – terms of reference
- NED recruitment to replace Richard Earland – update on outcome.
- NED recruitment to replace Ron Hoile – agreement of process.
- NED Commitments
- Council and Council Committee Effectiveness
Annex B – draft survey questionnaire

The detail of the discussion on these items is presented below.

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 recommending the following for consideration/agreement by the Full Council:

- Ratification of the revised Terms of Reference
- Ratify the NRC's recommendation to Full Council, by way of a virtual vote, to appoint Keith Palmer to the vacancy which will arise when Richard Earland leaves at the end of the year
- Agree the draft Effectiveness Survey and timeline

Summary of discussion on key items:

Terms of Reference

The meeting considered revised terms of reference which took into account the agreement reached at the September Council of Governors meeting relating to areas of consistency across the committees. It was recognised that the Committee was unusual in that the Trust Chair was an attendee at meetings and there were two aligned Board of Director Committees. In addition, the nature of the Committee was such that holding NEDs to account was a less significant part of their role.

Recognising the demands on NED time, the Committee therefore agreed that for quoracy purposes attendance of one NED would be interpreted as including the Trust Chair, and the NED Chairs of the aligned Committees would be asked to attend at least once each year.

It was noted that the revised draft did not make specific reference to whether governors attending the meeting who were not members of the Committee would have voting rights. It had been agreed at the September Council meeting that attending governors would not have voting rights and it was agreed that specific reference to this should be included in the terms of reference.

The draft is presented at Annex A for **RATIFICATION** by the Council.

NED Recruitment

Update on recruitment for a replacement for Richard Earland

PW thanked all those who had been involved in the process. NC confirmed that the interview panel had selected a candidate and that, in accordance with custom and practice the Full Council had been asked to ratify the decision virtually. Two Governors had raised objections: the request to ratify the appointment should be made at a Full Council meeting and that the information provided with the virtual request had not been sufficient to enable governors to reach an informed decision.

There was an extensive discussion on this issue during which the following points were noted -

- Delaying ratification of the appointment until the next Council meeting in November would provide a negative impression to the candidate and asking them to wait more than a month for an offer was unreasonable.
- As selection of a NED was a Council responsibility all Governors did have a right to sufficient information on which to base that decision;
- however, it was reasonable for the NRC to expect colleagues to have trust in the robustness of the recruitment process they manage on the Council's behalf and the skills and expertise members bring to their deliberations;
- and there had to be some delegation of the process to make it manageable and reasonable for the candidates.
- The constitution stated that the appointment would be made on a majority vote – this had only been achieved as failure to vote was currently interpreted as a vote in favour, which was custom and practice.

It was agreed that an email would be sent to all Governors outlining the discussions at the meeting and providing further information about questions asked at the interview and the

strengths shown by the preferred candidate. The deadline for responses to the virtual ratification request would be extended to 21 October and a nil return would not be considered to be a vote in support of the recommendation. Harvey Nash were asked to contact the preferred candidate and offer apologies for the delay in the process.

These actions were taken and 19 of 25 governors responded with 18 votes in agreement, one declining. The NRC's recommendation to Full Council, by way of a virtual vote, to appoint Keith Palmer to the vacancy which will arise when Richard Earland leaves at the end of the year was therefore agreed and the Full Council is asked to **RATIFY** this decision.

At their meeting, the Committee also requested that an item be included on the closed session for the Full Council meeting on 24 November to allow Governors to discuss and agree how to manage the final stages of the appointment to the additional vacancy which has arisen following Ron Hoile's recent resignation.

Feedback was provided from the Harvey Nash representatives on the recruitment process. There had been a good response to the vacancy, with 16 candidates of interest. The key learning was that this could be improved further by refining the skills and experience brief. It was agreed that in future recruitment exercises applicants would be requested to provide a cover letter which demonstrated their understanding of the role, why they believed they were suitable and what they would bring to the job.

Process for a replacement for Ron Hoile

The Committee received and agreed the draft timetable for the process to recruit to the vacancy arising following Ron Hoile's resignation. As he would leave at the end of the year it was important to begin the process as quickly as possible; the timing of the ratification by the Full Council would allow for the process to be agreed at the meeting on 24 November.

After a lengthy discussion the Committee agreed not to include open evening as these had not been successful in the past. Applicants would have the opportunity to have an informal discussion with the Trust Chair if they wished and candidates called for interview would be offered a site tour accompanied by a Governor on the interview day.

NC advised the meeting that the NHS I expected there to be one NED on the Board with clinical experience, however this could be in any field and did not need to be a medical practitioner. Candidates would be required to articulate and understand the challenges in an acute setting. The Committee agreed the draft candidate pack presented in the papers; this was the same candidate pack as before apart from changing the skills and experience section. Harvey Nash were asked to ensure that the nature of the role was made very clear to candidates, including the time commitment and the geographic area covered by the Trust. The draft of the text for the advertisement was agreed; a letter of application to be requested rather than a covering letter to reflect the earlier discussions.

NC proposed that she be pro-active in bringing the vacancy to the attention of fellow Chairs as an opportunity for staff in their organisations who may be ready for board experience. This was agreed.

The Committee discussed the constitution of the shortlisting and interview panels and agreed that all members would be involved in the shortlisting process. It was agreed that the interview panel would consist of PW as the CoG Chair, NC as the Trust Chair, two Governors members of the NRC [Reynagh Westcar-Jarrett and Margo Laing] and one NED [Gill Gibb] with two reserve Governors on site to provide tours if required [Michael Lyons and Carole George]. Shortlisting to take place on the 6 December and the interview date on the 20 December; interviews to take place at either WHH or QEQM.

NED Commitments

The Committee had first sight of a paper to be taken to the BoD Nominations Committee proposing some changes to their Committee chairs and membership and re-considering, and re-distributing, NED involvement in other Trust groups, internal and external Committees and Trust processes, such as consultant interviews. Virtual attendance would be acceptable.

NC explained that this work had been prompted by the report from Grant Thornton on governance and current time load for NEDs – 9 to 10 days a month rather than the advertised 3 day a month commitment. The proposals also took into account the need to re-distribute the responsibilities taken on by Richard Earland.

The changes in membership was designed to allow the NED experts in the Finance and Quality Committees to participate more fully in the discussions and have the NEDs with most experience with a chair's role managing the two most important committees. If agreed by the BoD Nominations Committee on the 22 November, the changes would be implemented in January. An update on the outcome of that meeting to be reported to the Full Council meeting on 24 November.

The Committee discussed the NED commitment to their meetings and agreed that attendance from just the NED Chair of the BoD Nominations committee would be acceptable. When appointing a new Trust Chair, the Senior Independent Director would also attend. The Trust Chair to attend when recruitment of NEDs was being considered and as part of the NED appraisal process.

The Committee suggested that the Board may wish to re-consider the number of NEDs aligned to the five Trust sites. It would also be interesting to know how much time NEDs had spent at their aligned sites.

Council and Council Committee Effectiveness

The Committee agreed the timetable for the process and considered the first draft of the questionnaire. It was agreed that some of the questions were historical and no longer relevant so should be removed. In general the questions needed to be re-phrased in the first person to invite the view of the responder, some were currently phrased in a way which asked the responder to assess what others understand. Questions relating to the Lead Governor role and effectiveness of the individual committees to be added.

The Committee agreed to respond virtually to a revised draft for presentation to the Council, which is appended at Annex B.

It was agreed that the review would be anonymous, although discretion would be given to allow the Governor and Membership Lead to raise any serious concerns arising from a response with the Lead Governor or Trust Chair.

It is **PROPOSED to Council** that the survey will be issued on 2 January with the deadline for returns set at 16 January and the outcome presented to either the joint meeting of the Council and NEDs on 2 February or the Full Council on 30 March.

When issuing the survey the following points will be included:

- Completing the 'comments' column to be encouraged
- a reminder that responses should be drafted in keeping with Trust values and committee etiquette
- an invitation to speak with Philip Wells or a member of the Committee if a responder had any concerns which they wished to raise directly rather than anonymously.

It was recognised that this review would set a baseline given that the last review had been some time ago. The outcome would be used to develop induction, training and agenda planning.

Annex A**COUNCIL OF GOVERNORS'
NOMINATIONS AND REMUNERATION COMMITTEE
TERMS OF REFERENCE****Constitution**

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

Purpose:

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.
2. Ensure that the interests of members and the public are represented and taken into account by the BoD Remuneration and Nomination Committees.
3. The committee is responsible to the Council of Governors for the following:
 - Considering and making recommendations to the Council of Governors on the appointment of the Chairman and Non Executive Directors. The Committee is to satisfy itself that its recommendations fulfil Trust needs in terms of skills and experience.
 - Agree the process for recruitment of the Chairman and Non Executive Directors taking into account the views of the Board of Directors on the process in general and the qualifications, skills and experience required for the position.
 - For NED appointments, the Chairman of the Trust will be asked to Chair the appointments panel. For appointments to the Trust Chair position, the panel will be chaired by the SID or next senior NED.
 - The Committee will ensure appointments are based on merit and objective criteria as well as meeting the 'fit and proper' persons test described in the Provider Licence.
 - To make recommendations to the Council of Governors on the re-appointment of the Chair and/or Non Executive Directors where it is sought and is constitutionally permissible. The Committee will look at the existing candidate against the required role description.
 - To consider and make recommendations to the Council of Governors on the remuneration and terms of appointments of the Chairman and Non Executive Directors.
 - To contribute to an annual review of the structure, size and composition of the Board of Directors and to make recommendations for changes to the NED element of the Board of Directors to the Council of Governors where appropriate. When undertaking this review, the Committee will consider the balance of skills, knowledge and experience of the Non Executive Directors.
4. 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 as and when necessary to meet the Committee's duties in relation to Non-Executive Appraisal and appointment of Non-Executive Directors.

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.

All Governors are welcome to attend meetings of the Committee and are asked to advise the Chair or Governor and Membership Lead in advance. Only members of the Committee will be eligible to vote should the need arise.

Current Membership:

Philip Wells (Chair)

Carole George

Geraint Davies

Jane Burnett

Margo Laing

Matt Williams

Michael Lyons

Reynagh Jarrett

Attendees:

Non-Executive Director Chairs of the BoD Nominations and Remuneration Committees:

Trust staff: Director of HR or her representative as required.

Quorum:

The Committee shall be quorate when at least four members are present and the Trust Chair or the NED Chair of either the BoD Nomination or Remuneration Committees, who should each attend one meeting a year. Virtual attendance at meetings is accepted.

Support:

The committee will be supported administratively by the Corporate Secretariat and receive professional advice from the Director of HR/Corporate Services, the Chairman and the Trust Secretary.

Annex B

Appraisal - COUNCIL OF GOVERNORS EFFECTIVENESS SURVEY			
Section 1: Roles & Responsibilities			
No.	Statement	Answer	Comments
1	I have a clear understanding of the roles of the Governor, including those within the Health and Social Care Act 2012	Strongly Disagree Disagree Undecided Agree Strongly Agree	
2	Governors demonstrate a clear understanding of what it means to hold the Trust's Board of Directors to account.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
3	The Council of Governors adopt a rigorous process for the appointment of new Non-Executive Directors.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
4	The Council of Governors adopt a rigorous process for the appraisal of the Chair and Non-Executive Directors.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
5	Overall, the Governors, via the Council or Committee meetings alongside other activities, make a valuable contribution to the Trust.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
Section 2: Full Council of Governor Meetings			
No.	Statement	Answer	Comments
6	Agendas and supporting documents are circulated in sufficient time for each meeting.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
7	The agendas contain an appropriate mix of items.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
8	Governors have sufficient opportunity to identify 'topics of interest' to add to the Council of Governors programme/meeting planner.	Strongly Disagree Disagree Undecided Agree Strongly Agree	

9	Meeting papers contain sufficient information to allow me to participate in discussions.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
10	Everyone has an opportunity to contribute to the discussion.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
11	Action points are followed up in a timely fashion	Strongly Disagree Disagree Undecided Agree Strongly Agree	
12	The time allocated to Council of Governor meetings is adequate.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
13	The Council of Governors meet at the most appropriate time.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
14	The Council of Governors meet sufficiently regularly to discharge its duties.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
15	Overall, Council of Governor meetings are productive.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
Section 3: Council of Governor Committees			
No.	Statement	Answer	Comments
16	Council of Governor Committees make an effective contribution to the work of the Governors.	Strongly Disagree Disagree Undecided Agree Strongly Agree	

17	I have the opportunity to be involved in the Committees that interest me.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
18	The Committees receive appropriate support from the Trust.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
19	The current number and structure of Council Committees are appropriate to carry out the Council's statutory duties.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
20	The Committees effectively engage with the Council of Governors as a whole in undertaking their work.	Strongly Disagree Disagree Undecided Agree Strongly Agree	

Section 4: Effectiveness of the Council of Governors

No.	Statement	Answer	Comments
21	A vehicle exists that allows Governors to effectively communicate with members.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
22	Governors effectively engage with and represent the views of the Trust membership.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
23	Governors are effective in communicating with the membership about the activities they undertake on its behalf.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
24	The Council of Governors effectively discharges its role of holding the Board of Directors to account for the performance of the Trust.	Strongly Disagree Disagree Undecided Agree Strongly Agree	

25	The Council of Governors is able to influence the direction of the Trust's future strategy.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
26	The Council of Governors is the appropriate size to effectively carry out its statutory duties.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
27	I believe the role of the Lead Governor enhances the effectiveness of the Council of governors.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
28	Relationships within the Council are constructive and work effectively.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
29	The Council of Governors use the Annual Members' Meeting to communicate with its members and encourage their participation.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
30	The Council of Governors plays an active role in developing the Trust's membership strategy (recruitment and engagement).	Strongly Disagree Disagree Undecided Agree Strongly Agree	
Section 5: Working with the Trust			
No.	Statement	Answer	Comments
31	Governors can readily approach the Chair with a query or issue.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
32	Governors are able to approach any Board member with a query or issue.	Strongly Disagree Disagree Undecided Agree Strongly Agree	

33	The Board of Directors is supportive of the Council of Governors.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
34	Governors have sufficient contact with the Trust's Executive Directors	Strongly Disagree Disagree Undecided Agree Strongly Agree	
35	Governors have sufficient contact with the Trust's Non-Executive Directors.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
36	The Trust provides Governors with sufficient information to enable them to perform their roles.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
37	The Trust provides sufficient support to the Governors to enable them to effectively discharge their role.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
Section 6: Skills/knowledge development for Governors			
No.	Statement	Answer	Comments
38	I have sufficient skills, knowledge and experience to make an effective contribution as a Governor.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
39	Governor's specific training and development needs are identified and the appropriate training is provided.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
40	External development opportunities are drawn to Governors' attention and made available.	Strongly Disagree Disagree Undecided Agree Strongly Agree	

41	The induction programme for new Governors sufficiently meets their initial familiarisation needs.	Strongly Disagree Disagree Undecided Agree Strongly Agree	
42	Comments Please enter any comments you have about this appraisal.		

REPORT TO:	COUNCIL OF GOVERNORS' MEETING
DATE:	24 NOVEMBER 2016
SUBJECT:	REPORT FROM THE CoG QUALITY COMMITTEE
REPORT FROM:	SARAH ANDREWS COMMITTEE, CHAIR
PURPOSE:	Discussion

BACKGROUND AND EXECUTIVE SUMMARY

The CoG Quality Committee met on 9 November 2016.

This report provides the Council of Governors with an update on the issues covered and makes recommendation for consideration by the Council

The key issues discussed were:

- Terms of Reference
Annex A – Terms of Reference
- Report from the Board of Directors' Quality Committee
- Outpatient concerns
- Ward Peer Reviews
- Member/Governor Enquiries Log
- Re-validation of Doctors
- CQC Inspection update
- Quality Report – commentary and Governor indicator

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 recommending the following for consideration/agreement by the Full Council:

- Agree that the Director of Nursing be invited to work with the CoG Quality Committee to agree a Governor Indicator which will be of value to the Trust.

Summary of key discussions at the meeting:

Terms of Reference

The meeting considered and **AGREED** the revised terms of reference which took into account the agreement reached at the September Council of Governors meeting relating to areas of consistency across the committees. AB advised that some minor changes had been suggested to the wording under the purpose section, at the Audit and Governance Committee meeting the previous day; members agreed to these changes.

Report from the Board of Director's Quality Committee

RE provided the Committee with a summary of the key issues considered at the BoD Quality Committee meeting that morning.

Medical Director Patient Safety Report

Never event: brief details of a never event had been reported to the Committee and that a root cause analysis had been carried out. The report on the incident would be considered by the Board in a confidential session, looking particularly at the lessons to be learned.

Venous Thromboembolism (VTE): Trust VTE performance was beginning to improve. A clinician had suggested to the Committee that a good driver to encourage clinical engagement in improving performance in recording would be to be very clear about the link between VTE and financial penalties. It was noted this link applied to a number of clinical requirements built into contracts.

Infection control: The Trust was maintaining infection levels within the required limits; the Medical Director had assured the BoD Committee that the approach was one of zero tolerance and lead from the top. The Committee noted the efforts being made within the Trust to clearly communicate to staff the expectation on them in relation to maintaining infection control.

A risk had been identified with respect to staff retirements within the microbiology department and the BoD Strategic Workforce Committee had been requested to ensure that there was a plan in place to manage that.

Serious incident investigation: there were concerns within the Trust about the robustness of investigations into serious incidents at divisional level and the timelines of reporting on outcomes. The Executive Lead was tasked with taking this forward with clinical and nursing leads at divisional level to improve the situation, and to maintain reports to this Committee.

Quality and Safety Report

The extensive report provided to the BoD Quality Committee had shown over time an improvement in quality measures which then plateaued and the latest report indicated a slight fall. Whilst there were areas of continuing improvement some measures had shown a dip. Two wards identified as being of concern. The Committee noted that it was encouraging to see in the report details of the immediate actions being taken to address the reduction in performance. The next step would be to see evidence of recovery and progress against the actions.

RE confirmed that the BoD Quality Committee had questioned what the risks were to achieving year end quality improvement targets. There remained some lack of transparency within the reporting, despite the large amount of data provided, although it was recognised that there would be an impact from the level of winter pressures, staffing levels and the ability to learn lessons. There was a process underway to improve the reporting within Committees to ensure the right information was presented and that agendas were well planned to focus attention on the right issues at the right time. The work was being led by the Trust Secretary and would be implemented at Board level in January. It would be helpful to align the CoG Quality Committee agenda planning to this process.

Single Sex Accommodation

A rise had been seen in reporting episodes of mixed accommodation. When benchmarked with other Trusts it was noted this may reflect a difference in reporting method nationally as the Trust measures across time, others take one daily snapshot. An action plan had been requested with a timed trajectory. Regardless of reporting methodology mixed provision is not acceptable.

Fire Safety

The BoD Quality Committee had identified from scrutiny of divisional minutes a possible theme around fire safety across the site whereby accommodation changes may inadvertently have impacted on fire safety integrity. The BoD Committee would receive a response to this question at a future meeting and this would be relayed to the CoG Committee.

Children's' Assessment Centre External Inspection

A positive report had been received, with few recommendations.

Complaint response performance

The CoG Membership Engagement and Communication Committee had referred a question to the Committee about the Trust's approach to complaint handling and performance. JC confirmed that the Trust's process was focussed on achieving the earliest possible resolution with complainants by reaching a quick understanding of the concerns and responding to these appropriately and fully. The process should not be adversarial. RE provided the Committee with an explanation of how the BoD Committee monitors complaints performance, that this was a continual process and that they were assured by the information they were receiving from a number of sources.

Board Assurance Framework (BAF)

RE and GG confirmed that the BAF was considered to be a useful tool although it was recognised that there were improvements to be made in the presentation, in the timeliness of updating and how well it was embedded in the organisation. There was a Board development session planned that week to focus on the BAF process.

Outpatient improvements

The issue of Outpatient Department performance was one item carried forward from the CoG Patient and Staff Experience Committee. Maximising utilisation of outpatient departments across the Trust, effectiveness of one stop clinics and communication with patients were areas of concern.

The BoD Quality Committee had received an update on the Trust's Outpatient Strategy, which was a work in progress, and remained sighted on this. Members relayed many personal experiences brought to their attention as Governors. It was agreed that all Governors would be invited to forward any concerns raised with them about outpatient services to AB; these would then be collated and shared with operational staff. RE welcomed this approach, which he would share with BoD Quality Committee colleagues. The Committee will maintain an interest in the progress of the Strategy and look to the NEDs to provide assurance that they are satisfied.

Ward Peer Reviews

JC explained that the Ward Peer Reviews were intended as a development of the patient safety visits and matron reviews. The aim was to create a process that would engage staff and promote development of quality on the wards, improving patient care. The first reviews had shown that the methodology needed to be refined and that there were some training needs for the review teams. A pilot programme of visits would be taken forward over the next few months and a full programme of annual visits to all wards and departments would be launched in February. Early in the New Year an invitation would be issued to all Governors to take part which would provide details of the methodology and training available.

Members/Governors Enquiries Log

The database captures all enquiries made by or to Governors and the actions taken to address them. The database would be considered at every meeting of the MECC with the aim of identifying themes and trends which would then be relayed to the relevant CoG Committee. The answers to individual queries raised would be relayed to each relevant Governor and, if appropriate, to the member/patient.

Re-validation of Doctors

As the responsible officer for re-validation of doctors, with a duty to report to the Board, the Medical Director provided the Committee with an explanation of the process; what this involved, how this was managed and the implications for doctors if they failed to comply with the regulations. RE was the NED identified to support the process.

There was a five year cycle underpinned by annual medical appraisal against key domains: 360 degree feedback including patients; continuous professional development; competency; complaints and serious incident responses. Support was provided within the Trust to assist doctors to engage. There was a national process involving the GMC for doctors who fail to engage with re-validation. The Trust's last annual audit report which gave an appraisal completion rate of 87.9% compared to an average for the south of England of 83.9 and the national of 88.1%.

RE advised the Committee that he believed that the way in which the Medical Director had approached re-validation by engaging and supporting doctors had been positive and effective.

The Committee was provided with information on how the Trust was tackling the issues of undecipherable signatures on notes and ensuring that locum and temporary doctors working in the Trust were properly validated.

CQC Inspection and Improvement Plan

The report on the CQC visit was expected towards the end of the year. SA noted that three Governors had been interviewed by the team. RE and GG confirmed that the Board was well sighted on the areas raised by the CQC following their visit and were assured that the right steps had been taken both pre and post inspection.

Quality Report Commentary and Governor Indicator

The Committee received a draft timetable for production of the Governors' Commentary on the Trust's 2016/17 Annual Quality Report. This was based on the assumption that the guidance from the centre would be similar to the previous year.

There was some discussion about requesting that a Governor indicator be included in the quality audit. It was agreed to **RECOMMEND** to Council that the Director of Nursing be invited to work with the Committee to agree an indicator which would be of value to the Trust's own quality monitoring process and make best value of the cost of the audit.

Security Services

MWh raised a question following an incident which occurred at QEQM about who had responsibility for ensuring public security/safety when such incidents occur. The Committee requested that this question be responded to in the BoD Quality Committee report to the next meeting .

REPORT TO:	COUNCIL OF GOVERNORS' MEETING
DATE:	24 NOVEMBER 2016
SUBJECT:	REPORT FROM THE CoG AUDIT AND GOVERNANCE COMMITTEE
REPORT FROM:	CHRIS WARRICKER COMMITTEE, CHAIR
PURPOSE:	Discussion

BACKGROUND AND EXECUTIVE SUMMARY

The CoG Audit and Governance Committee met on 18 October 2016.

This report provides the Council of Governors with an update on the issues covered and makes recommendation for consideration by the Council

The key issues discussed were:

- Report on Annual Effectiveness Review of External Auditors
- Feedback from Board of directors Integrated Audit and Governance Committee
- Terms of Reference

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 recommending the following for consideration/agreement by the Full Council:

- that the contract with external auditors KMPG be extended for a further two years.
-

Summary of Key items discussed:

Report on Annual Effectiveness Review of External Auditors

The Committee noted paper 10/16 summarising the outcome of the review and received a verbal report from BW on the discussions which took place at the Board of Directors' (BoD) Integrated Audit and Governance Committee (IAGC) meeting that morning. The IAGC had agreed to recommend to the Council of Governors that the KMPG contract be extended for a further two years on the basis that the tendering exercise undertaken three years ago had delivered a good rate for the services provided and the review of the auditors' performance had generally been good, with a few areas of minor concern. IAGC were also mindful of the cost and potential disruption involved if a tendering exercise was undertaken at this point in time.

BW reported that there had also been an extensive discussion at IAGC about the qualification of the Quality Account, and the missed window of opportunity to provide further data to auditors to alter the opinion. A detailed action plan for Trust staff was in place to ensure that the process was improved going forward. AGC members noted that concerns

about data collection and quality had been a constant theme over recent years. BW confirmed that this was recognised at Board level and that action was being taken.

CoG AGC members sought further assurance from BW and the following points were noted:

- KMPG had been the external auditors at the time of the CQC inspection which led to the Trust being placed in special measures. BW said that it was not possible to know whether a different auditor could have made a difference although in his view this was unlikely. The KMPG audit manager was very experienced in the NHS sector.
- The effectiveness review had highlighted that some Trust staff involved in the audit process had not been satisfied with the KMPG performance. WM explained that while the senior members of the KMPG team had remained in place, as per the requirement of the contract, there had been changes within the junior team. This had led to some difficulties while new team members settled in, despite the quality of the briefings provided by their predecessors. This was honestly and helpfully reflected in the comments made in the review and the resourcing issues were raised with KMPG as part of the de-briefing process. Assurance had been provided by KMPG that this would be improved going forward.
- CW referred to the issue which arose in relation to the 2015/16 annual accounts around depreciation. BW confirmed that, in his view, the auditors had acted appropriately and with vigour by raising their concerns with the Board, listening to the Board discussions and understanding the reasoning put forward for the Board's ultimate decision.
- The delays which had occurred with the process related mainly to the Quality Audit with both trust and auditor staff contributing. WM confirmed that the lessons learned would be carried forward to ensure that the teams worked well together.
- WM confirmed that the auditors had been challenging and efficient with a clear understanding of their role and the regulations and guidance.
- KMPG had been the Trust's external auditors for seven years. They have a seven year rotation rule which means that the lead partner would not work with one Trust for longer than that period.
- After seeking clarity outside of the meeting WM was able to confirm that KMPG would not be increasing its fees should the contract be extended for a further two years.
- CW requested clarification about the materiality levels and WM confirmed that this was set nationally and that KMPG applied the principle of 'creeping materiality' which meant that costs would be aggregated where applicable and threshold applied to that sum. CW asked WM to provide more detail about the criteria used for materiality. WM confirmed later in the meeting ISA320 governs the rules on materiality and this allowed for individual firms to set the standard. The regulator for the NHS, the Financial Reporting Council, had advised that it should not exceed 1% of gross expenditure and KMPG always set it close to this standard. The National Audit Office set a reporting threshold of £250K.

The AGC decided **to recommend** to the Council of Governors that the contract with external auditors KMPG be extended for a further two years. In reaching this decision the following was taken into consideration:

- Undertaking a tendering exercise would be counterproductive given the current uncertainty in the financial markets following brexit.
- The quality of responders to the previous tender had left the Trust with a limited field to choose from and there were concerns that the situation was unlikely to be different for a tendering exercise undertaken at this time.
- Two members of the AGC had been involved in the last tendering exercise and were able to confirm that they had been in full agreement with choice of KMPG.
- There would be no increase in the auditor's fees.

Feedback from Board of Directors' Integrated Audit and Governance Committee

BW provided a report to the Committee on the key issues considered at the BoD Integrated Audit and Risk Committee that morning:

Quarterly Self certification of in year review to go to NHS I: there were no issues.

Board Assurance Framework (BAF): BW noted that this was considered at each meeting with a view to testing the governance process; it was for other committees to look at the individual risks and gain assurance that action was being taken. BW said that he considered this the most important document received by the Committee. He provided members with a brief explanation of how risks were scored and how the Committee monitored the robustness of the process, being careful not to be pulled into the detail of the risks. He confirmed that risks were grouped into themes to ensure that any inter-relations between the risks were evident.

Corporate Risk Register: this was much improved with more detail included. The BoD Committee had undertaken a deep dive into the estates risk to test the process and had been re-assured by the result, although some areas for improvement had been identified, including providing more detail so it was clear where there was work in progress. The BoD Committee had also received a risk heat map which allowed them to assess whether the work done previously to judge risk appetite had been on track. This was where the BoD Committee had looked at the complete risk picture to judge where priorities should lie; which risks needed to be mitigated and to what extent, within the resources available. BW said that there was more work to be done to refine both the BAF and the Risk Register.

The Committee questioned whether the risk assessment process would be changed for the coming year to take into account the greater partnership working developing as a result of the STP as this would mean that elements of many risks would lie outside of the Trust's control. BW confirmed that the process would need to adjust to the changes, however, it was not yet clear how this would be achieved.

The Committee asked how the BoD Committee gained assurance that the actions described in the BAF and Register had been taken. BW confirmed that this question was one that his Committee looked at carefully; a request had now been made for the action section to be RAG rated to show when the actions were on target, green, or had fallen behind, amber or red. Changes in target date would also be track changed and highlighted in the future. The aim was to ensure that the BoD Committee could gain assurance that progress was being made.

MLa raised a query about the effectiveness and value for money delivered by the Turnaround Director's post and whether there would be a new appointment made. The Committee agreed to refer this question to the CoG FPC to raise with their aligned NED Chair.

Quality Account: the BoD Committee had looked at the areas that had been qualified and had received assurance that action was being taken to avoid similar problems in the coming year.

Clinical Audit: the BoD Committee had concerns about the process, which were shared by the BoD Quality Committee and they would be following through on this. Jonathon Purdy, Deputy Medical Director, was taking responsibility for the programme and he would be attending the next meeting of the BoD IAGC.

Internal Audit report: three reports had been received – CQC plan, cash management and cyber security. All were acceptable. BW advised members that the BOD Committee had been disappointed with the progress against actions resulting from internal audit

recommendations. Some of the problems had arisen as a result of staffing changes in HR. If progress was not made then individual managers with responsibility for delayed actions would be called to attend the BoD IAGC 1 person.

Report from Counter Fraud: there had been a significant reduction in car parking frauds and the problem relating to staff overpayments was being addressed by WM.

Terms of Reference

The Committee considered the draft terms of reference presented to the meeting and agreed a number of changes. A change was suggested to the 'standard' wording of item 1 under purpose, which it was intended that all CoG Committees would adopt, to reflect the Governors' responsibility to hold NEDs to account.

The draft is presented for **RATIFICATION** by the Full Council, Annex A

**COUNCIL OF GOVERNORS'
AUDIT AND GOVERNANCE COMMITTEE
TERMS OF REFERENCE**

Constitution

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

Purpose:

1. Holding to account the NED members of the Board of Directors' (BoD) Integrated Audit and Governance Committee by seeking assurance from the NED Chair that the BoD Committee is effectively supporting the delivery of the key elements of that Committee's purpose as laid out in their terms of reference.
2. Ensure that the interests of members and the public are represented and taken into account by the Integrated Audit and Governance Committee.
3. In particular the Committee will undertake the following:
 - Working with the Board of Directors' Integrated Audit and Governance Committee (IAGC) to establish the criteria for the appointment, re-appointment or removal of the Trust's external auditors, including the method for monitoring the quality of the external audit as set out in HEFMA NHS Audit Committee Handbook;
 - Presenting to the Council of Governors the procurement process that it has followed for the appointment of the external auditors, the results of the procurement processes and recommendations
 - Receiving the external auditor's plan and work timetable for the year, to review the external auditor's performance and review any year end audit recommendations
 - Receiving the internal auditors plan, work timetable and annual report, for information only
 - Seek assurance from the Chair of the IAGC that internal control processes are in place and working effectively
 - Working with the Trust Secretary to ensure the Trust's Constitution complies with latest legislation and NHS I guidance
 - Considering any locally proposed amendments to the EKHUFT Constitution
 - Reviewing the effectiveness of NED engagement with Council Committees and Working Groups and report conclusions to the Council
 - Identify any emerging priorities for Council debate and engagement and make recommendations to the Council for its future agendas
4. 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 as and when necessary to meet the Committee's duties in relation to Non-Executive Appraisal and appointment of Non-Executive Directors.

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.

All Governors are welcome to attend meetings of the Committee and are asked to advise the Chair or Governor and Membership Lead in advance.

Current Membership:

Chris Warricker, Chair
David Bogard, Elected Staff
John Sewell, Elected Shepway
Margo Laing, Elected Dover

Michèle Low, Elected Shepway
Philip Wells, Elected Canterbury
Reynagh Jarrett, Elected Thanet
Roy Dexter, Elected Thanet

Attendees:

Non-Executive Director Chair of the BoD Integrated Audit and Governance Committee

Quorum:

The Committee shall be quorate when at least four members are present and the NED chair from the aligned Board of Director Integrated Audit and Governance Committee, or their NED representative. Virtual attendance at meetings is accepted.

Support:

The committee will be supported administratively by the Corporate Secretariat and receive professional advice from the Director of HR/Corporate Services, the Chairman and the Trust Secretary.

REPORT TO:	COUNCIL OF GOVERNORS' MEETING
DATE:	24 November 2016
SUBJECT:	Governor Development Workshop - Feedback
REPORT FROM:	Philip Wells, Elected Governor Shepway
PURPOSE:	To Note
BACKGROUND AND EXECUTIVE SUMMARY	
This paper provides feedback on the workshop held by NHS Providers on 31 October; one Governor attendee was invited from each NHS Foundation Trust.	
LINKS TO STRATEGIC OBJECTIVES:	<p>Patients: Help all patients take control of their own health.</p> <p>People: Identify, recruit, educate and develop talented staff.</p> <p>Provision: Provide the services people need and do it well.</p> <p>Partnership: Work with other people and other organisations to give patients the best care.</p>
RECOMMENDATIONS AND ACTION REQUIRED:	
The Council is invited to note the report.	

Report from Philip Bull

I was pleased to be invited to this worthwhile workshop which had the following agenda:

1. The NHS in a regional context (Sir Hugh Taylor, Chair Guys and St Thomas' NHS Foundation Trust)
2. Working in partnership with the Care Quality Commission.(CQC)
3. Understanding the Trust Constitution (NHSP)
4. An approach to holding non executive directors to account.(From Frimley NHSFT)
5. A solutions orientated approach to overcoming challenges. (Kent Community health NHS foundation trust)

Sir Hugh Taylor opened the morning session, explaining his motivation 'to make things as good as they possibly can be', outlining the specific challenges that relate to London and talking about the STP . Most of the funding issues we have been briefed effectively in East Kent, so no surprises there , although it is not clear about how specialised commissioning is going to work (not in the STP) and this of course critical to the ' centres of excellence' in London. The future of capital and retained surplus is also not clear.

What is clear is the rising demand, planning assumptions were based on a 5 to 8% rise which has materialised into 15 to 17% in different specialty areas, which is simply being reflected in waiting lists.

Quality vs efficiency was a big focus, with a budget of 1.4 billion and next years savings target unthinkable, needing heroic plans, with anxiety regarding the risks and a difficult scene for the governors.

Sir Hugh was keen to state that he viewed his Governors as the ears, eyes and voice of the constituents, patients, public and staff, with a focus on quality.

Much to my delight, he was proud of what they had done with ID badges, but I will elaborate on this at the next COG meeting!

He talked about Staff, 13% of whom have an EU background. High turnover is a feature of the demography of London. There was a timely reminder that we still are part of one of the cheapest health systems in the developed world. Social care was described as "desperate" in London and Public health as we are aware has taken a big hit.

On a more positive note developments, such as the 'elderly care at home rapid response service', are seen as really worthwhile.

Moving on to the CQC session, the importance of good stable leadership is well and truly recognised. The CQC are undergoing changes in their role and operation and there is a consultation document going out in December. They understand that we want to see their reports QUICKER! It was mentioned that some trusts have meetings with non-execs on their own as a group...I think we have got this covered in our own way.

The PM session on understanding the constitution was something which in East Kent we have covered in detail, the only point to note was 'how does the board determine the independence of its non-execs'

At Frimley, the approach to holding non execs to account was described by 2 governors, both of who felt that their management teams were excellent. You may be aware to the success story of the merger with Wexham and Heatherwood, both in special measures, but moving to 'GOOD' within 14 months of the merger, simply by transferring clinical and managerial expertise.

Interesting to compare frequency of meetings (COG x2 per year, bod/cog 4 per year) and attendance at AGM, which had clinically focussed sessions. This just reminded me that I think we have now got our arrangements just about right.

Moving on to the 'solutions orientated approach to overcoming challenges', I noted with interest that OXLEAS, for example allow governors to attend the part 2 of the trust board meetings, with access to papers, to be returned at the end of the meeting, and to act as observers on board policy meetings, and involvement in the Quality and Safety walkabouts.

I was unable to stay for the final session, but our engagement and communications committee has this in hand.

In summary, I was impressed by how well we have been educated and developed in East Kent. There were no great surprises and some reassurance that we are all in the same boat together. One is humbled by the effort that fellow governors make across the country.

Returning to the hospital where I trained , I was pleased to find a vibrant and well maintained hospital, very shiny in places, but the medical school now stands empty and the bar is a clinical skills lab!

2017	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S									
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KEY	CoG Full council meetings	JNT Joint meeting with Board	AM Annual Members Meeting	Board meetings, info
	CoG Committee: MEC M'ship, Engagement & Communication		WF Workforce	B Board BD Board Dev.
	AgS Agenda Setting	AGC Audit and Governance	Q Quality	Bank Holiday
		N&R Nominations & Remuneration	FPC Finance & Performance	School Holiday