

**COUNCIL OF GOVERNORS PUBLIC MEETING
THURSDAY 14 December 2023 AT 10.30AM – 12:00AM
CORPORATE MEETING ROOM 2ND FLOOR KENT AND CANTERBURY HOSPITAL, ETHELBERT
ROAD, CANTERBURY and VIA WEBEX**

This meeting will be conducted in line with the Trust Values below:

- People feel cared for as individuals
- People feel safe, reassured and involved
- People feel teamwork, trust and respect sit at the heart of everything we do
- People feel confident we are making a difference.

AGENDA

23/

OPENING/STANDING ITEMS

No.	Item	Time	Purpose	Type	Presenter
034	Chairman's introductions	10:30	To Note	Verbal	Chairman
035	Confirmation of Quoracy		To Note	Verbal	Chairman
036	Apologies for absence and Declaration of Interests		To Note	Verbal	Chairman
037	Minutes of Previous Meeting held on 13 th July 2023		Approval	Enclosure	Chairman
038	Matters Arising from the Minutes		Approval	Enclosure	Chairman
039	Ratification of Virtual Votes since the last meeting		Approval	Enclosure	Chairman

ITEMS

No.	Item	Time	Purpose	Type	Presenter
040	Chairman's Report	10:40	Discussion	Enclosure	Chairman



041	Chief Executive Officer's Report	10:55	Discussion	Enclosure	CEO
042	Lead Governor Report	11:05	Discussion	Verbal	Lead Governor
043	Update from Chief Nursing Officer	11:10	Discussion	Verbal	Chief Nursing Officer
044	Constitutional Review (Task and Finish Group ToR)	11.20	Approval	Enclosure	GML
045	Financial Update for 2023/24	11.30	Discussion	Enclosure	Interim Director of Finance
046	External Audit Appointment 2023/24	11:35	Approval	Enclosure	Interim Director of Finance

CLOSING MATTERS

No.	Item	Time	Purpose	Type	Presenter
047	Any other questions	11:55	Discussion	Verbal	Chairman
048	Date of next meeting		To note	Verbal	Chairman





**CONFIRMED MINUTES OF THE COUNCIL OF GOVERNORS PUBLIC MEETING
ASHFORD INTERNATIONAL HOTEL, SIMONE WEIL AVENUE, ASHFORD TN24 8UX
THURSDAY 13th JULY 2023 09:30AM - 11:40PM**

PRESENT:

Niall Dickson	Chairman	Chair
Tracey Fletcher	Chief Executive Officer	TF
Andrew Catto	Non-Executive Director	AC
Stewart Baird	Non-Executive Director	SB
Carl Plummer	Elected Governor - Folkestone & Hythe	CP
Andrea Ashman	Chief People Officer	AA
Paul Verrill	Elected Governor - Dover	PV
Richard Brittain	Elected Governor - Swale	RB
Richard Oirschot	Non-Executive Director	RO
Luisa Fulci	Non-Executive Director	LF
Monique Bonney	Elected Governor - Swale	MB

IN ATTENDANCE:

Neville Daw	Governor and Membership Lead	GML
Lucy Coglán	Council of Governors Support Secretary	LC
Tonino Cook	Senior Advisor to the Chairman	TC

ONLINE VIA TEAMS

Olu Olasode	Non-Executive Director	OO
Janine Thomas	Staff Governor	JT
Simon Corben	Non-Executive Director	SC
Dylan Jones	Chief Operating Officer	DJ
Linda Judd	Partnership Governor	LJ
Michelle Cudjoe	Director of Midwifery	MC

MINUTE NO. CoG/23/**23/017 CHAIRMAN'S INTRODUCTIONS**

The Chairman welcomed attendees to the meeting.

23/018 CONFIRMATION OF QUORACY

The Chair confirmed the meeting was quorate.

23/019 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies had been received from: Ben Stevens - Chief Strategy & Partnerships Officer, Claudia Sykes - Non-Executive Director, Chris Holland - Non-Executive Director, Paul Schofield - Elected Governor-Thamet, Carl Shorter - Lead/Elected Governor-Folkestone & Hythe and John Fletcher - Elected governor-Ashford

23/020 MINUTES FROM THE LAST COUNCIL OF GOVERNORS' MEETING HELD ON 27 APRIL 2023

The minutes from the previous meeting were **APPROVED** as accurate.

23/021 MATTERS ARISING FROM THE MINUTES

Chair's initials

23-012.3 - Finance and Performance Committee Assurance Report - SC to bring to the next meeting an Estates Update paper - Update 13/08/23 - On agenda for this meeting - TO CLOSE

23/022 RATIFICATION OF VIRTUAL VOTES SINCE THE LAST MEETING

There was one vote for the council approval of the Governors' statement for the quality accounts 2022/23. The council RATIFIED the votes.

23/023 CHAIRMAN'S REPORT

There had been a trio of CQC visits to the Trust, of which two were awaiting outcomes. The Trust would reflect on the lessons learnt. The Chairman reflected there was amazing work done every day within the Trust. The Chairman commented he had recently visited Buckland Hospital where more than 50,000 scans had been carried out since the start of the year. The hard work from the staff was appreciated.

The organisation needed to be transformed and lessons needed to be learnt from the Reading the Signals report, which included changing attitudes and behaviours to ensure the Trust was a listening and learning organisation. This needed to be done at pace whilst recognising a cultural change would take time. There was a short-term integrated Improvement Plan (IIP), which would shape endeavours for the next financial year. The Board was to embark on a project to establish the Trust's long-term strategy. The Trust would do all that it could to ensure the organisation would get all the resources it required - RB asked how the Trust planned to do this. The Chairman responded work would be done in line with the Integrated Care Board (ICB) at Kent and Medway and TF and the Chairman were due to meet with local MP's to take this forward. TF commented herself and Ben Stevens - Chief Strategy and Partnerships Officer were meeting with the ICB's accountable officer and strategy lead as well as the NHSE Chief Operating Officer to discuss taking this forward. RB asked if feedback could be provided to the Council after the meetings with MP's had taken place - TF responded this could be picked up at the next Council meeting - **ACTION**

23/024 CHIEF EXECUTIVE OFFICER'S REPORT

TF highlighted the following:

- Industrial action had started within the Trust with junior doctors and then consultants. It had been reported across the country this was potentially causing further divisions within organisations and this was being managed.
- The well-led inspection had taken place by the CQC and verbal feedback had been received. The feedback was not negative, although there were negative aspects within it which related to areas that were identified within the organisation and the governance processes, which needed to be improved on. However, it was recognised the Trust were working on these. The well-led written report was expected in around 4-6 weeks' time.
- A section 29 letter had been received regarding the areas following the un-announced inspection which the Trust needed to focus on around urgent care, medicine and children's services. A response and action plan needed to be complied by the Trust by early September 2023 and this was being worked on.
- Following on from a question RB had raised out side of this meeting around how this organisation, the Community Trust and Kent County Council (KCC) were working together - TF informed she had met with the Community Trust and KCC and it was important that all three organisations were of the same understanding which then filtered down the organisations. The change within the last few months was the teams within the organisations coming together in a way it hadn't before. An individual had been

Chair's initials

commissioned who had worked at a national level as part of ECIST to work with the three organisations to help bring the teams together.

RB commented and thanked both the Chairman and TF on their hard work and offered support from the Council. The Chairman commented the Executives and Non-Executives were also very committed.

JT asked how the Trust and Board were communicating with the LNC - concerns had been raised from staff members around the lack of engagement around the industrial action. TF commented she felt the Trust were failing to get messages out to consultant bodies around arrangements for the industrial action. AA commented regular meetings were held with the LNC representatives. The challenges around pay were an ongoing discussion and there had been challenges around the rates for the strikes with meetings with individual consultants being held, and also with the LNC. The Trust had an obligation to consider where it sat as a system (Kent and Medway System) as well as a Trust, therefore discussions were being had on a regional as well as a local basis. Listening to feedback was also important and understanding the nature of the ask.

JT felt the hard work being done was not being fed down to the teams and was concerned there would be apathy should there be industrial action in the future. TF responded work needed to be done with the clinical directors to ensure immediate conversations were had.

23/025 LEAD GOVERNOR REPORT

The paper was taken as read and MB invited questions behalf of BM.
No questions were asked in relation to this report.

23/026 NEDS OVERVIEW REPORT - BOARD COMMITTEE CHAIR REPORTS TO PUBLIC BOARD:

026.1 QUALITY & SAFETY COMMITTEE

The Chairman introduced AC to update the council on the important quality challenges presented to the May 2023 meeting and propose a quality discussion with council members. AC highlighted the quality challenges the team were currently addressing and these are as follows;

- The management of the deteriorating patient - Prior to this meeting the Quality and Safety Committee (Q&SC) received detailed assurance about the work that both the Chief Nursing and Midwifery Officer (CNMO) and Chief Medical Officer (CMO) were undertaking. AC had a meeting with a governor colleague recently and somebody who had an sub-optimal experience in relation to the early identification and management of sepsis. This was an area AC gave assurance to the council that the Q&SC was and will continue to focus on. Externally it was recognised this had been a source of focus for regional leadership and the ICB. The trust had received a small amount of funding from the ICB, which would enable the trust to strengthen some of the deteriorating patient processes.
- The management of Clostridium was discussed at this committee as well as the Board of Directors. There was reasonable assurance given around whether all the measures were available to help limit the onset and spread of C-Diff. The key thing to focus on was the area where there could be gains, AC felt was around antibiotic stewardship, which was understanding how clinicians prescribed antibiotics and the monitoring of them. The committee was monitoring this and a newly appointed consultant pharmacist who held portfolio responsibility for antibiotic stewardship had been invited to the committee later in the year.

Chair's initials

- The CQC reporting and governance processes was another focus for the committee. A big challenge was how would the trust ensure the 'should-do' and 'must-do's' of the CQC actions were followed through and consistently delivered and implemented, particularly around cost cutting improvement actions. Assurance was given this was being monitored in this committee.
- A large amount of work/time was spent by the executives on report writing and this needed to be balanced with the amount time spent engaging with teams on the front line. An effectiveness survey had been carried out, which AC would report back in a few months' time, about what committee members felt the Q&SC worked. Active discussions were being held to try and streamline and make the committee use the time effectively.
- There had been concerns around controlled drugs assurance, particularly arrangements around prescribing and monitoring of controlled drugs. The committee was focused on getting the assurance needed around this and that systems and processes were safe for staff and patients.
- Ophthalmology backlog was also an area of concern, however there was a reasonable level of assurance that the team were adopting best practice

RB raised a concern of both his, and constituents, which was the learning around mortality issues and what was the trust doing about recognising where it had failed and ensuring those metrics were put into place to ensure it did not happen again. Could assurance be given that the trust was learning from this and keeping on top of it, to ensure staff did not make the same mistakes that were leading to avoidable deaths. AC responded and commented he felt the trust mortality governance processes were very good. There was a Structured Judgment Review (SJR) process that had been embedded. This was a process whereby deaths were scrutinised, discussions were had within clinical teams and where the opportunity to understand what went wrong and what could be improved was disseminated. There was a medical examiner who independently scrutinised deaths and this was also a well embedded process. The themes and trends were starting to be collected from the deaths and the challenge was no how to triangulate the information from the SJR review and the medical examiner process with all other sources of quality information. The other challenge around learning was how to learn across the organisation.

RB commented around recent clinical failings whereby the legal team had taken the decision to anonymise the staff details of those involved in such incidents and asked how the council can scrutinise and ensure lessons were learnt if they did not know the details of these staff. TF commented the decision of anonymisation was specifically to do with one case that was under media speculation. Anonymisation was a practice that would be used as part of investigating, but was not to detract from the learning.

AC commented often when things went wrong it was more of a system learning issue.

AC asked for agreement for him to engage with the Council of Governors as a group for the opportunity to have a more detailed quality discussion and for them to bring their constituents concerns. The council **AGREED** this proposal.

TF commented in changing the culture of the organisation the trust wanted people to be really open. Anonymisation was not the answer to this, but the trust wanted to shift the culture about people being open and for this to be done in a safe space.

PV commented he had been treated with the upmost respect and kindness by AC following a family bereavement that resulted in an investigation. There were difficulties around the PALS complaint process and this needed to be made more simple. TF agreed and commented the process did need to be made easier and less confrontational.

Chair's initials

026.2 PEOPLE & CULTURE COMMITTEE

SB updated the council and the following was highlighted:

- Staff sickness was good particularly around stress and anxiety
- Staff turn-over was good with more staff being retained than ever particularly with nursing and healthcare assistants and as a result the vacancy rate was low. There were still problems with hard to recruit posts especially around ED and ITU.
- Statutory and mandatory training was compliant and there were 'hot spots' that were being monitored.
- Staff engagement which was primarily the staff survey (national survey which was done annually and then quarterly surveys) - there had been huge drops. The culture and leadership programme had been launched and the committee had the first visibility over the next six months and this would go out to all elements of the trust at every level to understand what the trust were doing wrong from a workforce point of view.
- There had been no assurance around appraisals and progress was not being made. This had been escalated as a risk to the trust
- Nursing recruitment had been slowed down. The pressure from escalation areas meant there were new nurses to train, however, the senior nurses who would carry out the training were currently deployed elsewhere and this need to be stabilised
- The Chief Nursing and Midwifery Officer's (CNMO) quarterly report on workforce had been received and this was positive. The pastoral team who had been implemented approximately one year ago had won an award and staff were being listened to.
- Tribunals were being monitored to establish what the trust could have done differently.
- Some risks had been re-graded due to the ongoing activity

PV asked what was the trusts dependency on overseas recruitment. AA commented the domestic recruitment programme was continuing and there had been 500 overseas nurses brought into the trust in the last 12 months. There was due to be a further 150 nurses recruited within this financial year, however, this had been scaled back to 65, due to recruitment being successful. The Chairman commented the trust there had been commended effort put into welcoming and supporting of overseas nurses and he congratulated the team for this.

MB asked what was being done to support the overseas nurses, specifically in regards to accommodation. AA responded there was a huge amount of work being done to help support these staff. The trust had looked into whether they could act as a guarantor, however, from a legal perspective the trust was not able to act as a financial guarantor to individuals. The trust were trying to connect the nurses with landlords and housing associations in the local communities to help there to be understanding that these people have guaranteed employment with the trust even if they had not been able to build a credit rating. This was being supported by 2gether Support Solutions as they oversee the on-site trust accommodation. SB commented there was a formal trust response to the accommodation issue which would be discussed at the August People and Culture Committee.

026.3 FINANCE & PERFORMANCE COMMITTEE

The report was taken as read and RO highlighted four key areas as below:

- Cost Improvement Programme - In month 2, £200k of cost improvements had been achieved against the plan of £3.1m. Since then approximately £11m of ideas had been identified, of which £9m would impact this year, against a target of £40m. Care group recovery meetings were now being held bi-weekly focusing on pro-activity in the first week and relation to finance and workforce in week 3. The trust had re-established its

Chair's initials

non-pay and further grips and controls had been put in place, which it was hoped would drive down big costs

- Patients no longer fitting the criteria to reside - It was agreed to move to reporting the national reported numbers of patients residing at midnight as opposed to 5pm. This would give a revised target for the trust of 119 as opposed to the current target of 174, however, progress to date had been slow in reducing the numbers. The trust had been successful in employing an additional senior resource to focus on discharges at the William Harvey Hospital, and this individual started on the 26th June 2023.
- The committee received an initial capital report which was presented for the next 5 years. This showed just focusing on critical works and replacement of equipment - which had past it's useful life by 2 years, the trust required £270m of capital just to meet these projects, of which it was projected there would £130m available. This represented funding down from £140m over the next 5 years. The next steps in relation to the capital shortfall was to flag this to the ICB, NHS England and regional teams. This was a major risk for the trust in relation to meeting health and safety issues, and the potential of harm to patients in relation to equipment and infrastructure.
- The month 2 resides - The trust deficit was £19.7m for the first two months the sum £1.9m more than the original plan deficit of £17.8m. As a result of the current adverse performance and the lack of progress with the cost improvement programme, delivery for 2023/2024, financial plans for this year would be extremely challenging.

MB asked what could the ICB and NHS England do - could a one-off agreement be made to help with the £140m. RO responded this had been discussed and the intention was to have a more detailed report which flagged which items were breaching health and safety legislation. Once this was finalised it would be escalated to the ICB and to NHS England. MB asked how will the trust deal with the issue of staff needing low levels of finance to help keep them going when the finance team may be rejecting items due to controls being in place. RO responded this needed to be allocated in the right way and there was a process in place.

026.4 CHARITABLE FUNDS COMMITTEE

LF updated the council on behalf of CS and the following was highlighted:

- Two application had been approved; 1 - Counselling support service for haemophilia patients and 2 - Improving the palliative care facilities at WHH
- There was £2.2m in the funds and half a million was committed, so there was £1.7m available and it was decided this year to spend £1.2m. It was encouraged for people to come forward with ideas. It was recognised how lengthy the process was to have projects approved and this was being looked at to make it more streamlined
- A three-year strategy was agreed, forecasting up to £600k per year, £1m next year, then £1.25m and then £1.5m and this would come with additional resources and there was a programme of work to do this.

026.5 INTEGRATED AUDIT AND GOVERNANCE COMMITTEE

OO wanted to bring to the attention of the council the external audit and accounts and laying accounts before parliament and submission. The accounts and audit deadline was the 30th June 2023. Last year there was a delay in submission, this year it was on track, unfortunately the deadline was missed due to a matter arising near completion relating to national reporting standard on lease. This meant that if the matter wasn't resolved the trust would risk having its accounts qualified. It was therefore referred back to finance to ensure the estimates in the account was accurate.

There was ongoing work to strengthen the board assurance framework and ongoing work on risk management.

Chair's initials

There had been good work done across the finance team and 2gether around single tender waivers.

23/027 OPERATIONAL UPDATE

This was not discussed. The Chair asked if DJ could provide a written report to council on the current issues within operations.

23/028 ESTATES AND FACILITIES UPDATE

The paper was taken as read. SC commented it was disappointing the Trust had not made the final 8 for the New Hospital Programme, however, the decision behind this could be understood. As this was a rolling programme, the Trust needed to be prepared to make a case in the future. Returning to a balanced position was essential. SC highlighted item 2.9 of the paper, which was the focus of the discussions that would be had with the ICB and the region over the coming months. It had been seen through the CQC reports there were significant areas where services were being delivered in spaces that were not designed for such services - this needed to be addressed - Linked to this it needed to be established what additional capital was needed to meet simple obligations under the Health and Safety at Work Act. The decision matrix that happened between from region to ICB to Trust in terms of prioritising the capital the Trust had to ensure the risks associated with doing so were escalated back through the system to ensure everyone was aware of the difficult decisions the Trust had to make. £67m was the level of capital that was needed to be eliminated the critical infrastructure risk - this was categorised, when the surveys of the estate were undertaken, and these were; high, significant and moderate. The high and significant were brought together as critical infrastructure risks (fire safety, ventilation etc). The survey from 2021 came to a figure of around £68m and it was anticipated this would be significantly more. The team were looking to do a refreshed survey. The figures did not include fees, consequential works and VAT. Delivery needed to be improved on.

MB commented after going on site visits she was concerned on how this would be delivered as there hadn't been the engagement with some of the staff on the ground. Very minimal changes could have an impact on their day to day working and productivity. How would the Trust get to those staff members for those recommendations and how would they access the development of the real estate to ensure it was delivered within the wards. JD commented there was work that was needed to be done to make it easier for staff. Staff close to patient care needed to know what the process was and the process needed to work for them. MB also raised an issue from a recent site visit where the contractors noise level was extremely loud and distracting for staff members trying to work and patients who were awaiting their appointments - how could this be improved going forward. TF responded the way the organisation would be set-up to have a stronger focus on the sites, which would aid the discussions and be clearer about ownership at a senior level. The Director of 2gether was working with the 2gether team to align a similar structure to the sites. The trust needed to ensure the process was closing the loop. There were environmental audits carried out to ensure the trust were clear about risk and visibility. TF addressed MB's concern around noise and stated there are times where certain things needed to be done that would create a lot of sound, however, the trust needed to work with the contractors to carry out these works when it would be less intrusive to staff providing services. MB felt the staff needed to be involved more in the design stage to help maximise the opportunities in the work being done. TF responded the pace in which the team tried to create the designs had the fallout of not engaging with as many people as possible.

LJ commented she was concerned about the amount of time purchases take to go through the system - this needed to be addressed.

Chair's initials

The Chairman commented the trust were very short of funding and it was thought there needed to be restrictions put in place and MS how this was managed. MS responded the environmental audits were works which had to be done. Proper processes needed to be followed, however this needed to be messaged a lot more widely.

SC felt it was fundamental that the trust built relationships with contractors who understood the sensitivities the trust were delivering and who would work with and not against the trust. There were national frameworks the trust should be using and work was being done with 2gether to put introductions around this to ensure the trust had a 'term contractor' who could do both the small, and larger schemes.

23/029 INTEGRATED IMPROVEMENT PLAN UPDATE (IIP)

AA updated the council on behalf on BS. The key focus was upon the trusts response to Reading the Signals, pillars of change and 'We Care' quality improvement programme and looking at requirements under maternity quality and safety improvement plans. This was a fundamental piece of work and underpinned what was is required to get out of the National Oversight Framework level 4 and move into level 3. There were strategic improvement committee meetings, and these took place once a fortnight. This programme of work which would stand for 12-18months and the committee was supported by the Improvement Director, Moira Durbridge and her colleagues. There was progress against each of the programme areas. Medical requirements to appoint to some of the hard to recruit posts and consultant opportunities were a challenge and maternity had some specific challenges. There were individual areas of responsibility, however, there were collective oversight accountability and responsibility with the exec team.

RB asked what mitigations had been put into place as stated in the key risks within the papers in relation to delays in cancer pathways and framework implementations. AA responded some of the mitigations had been discussed during this month. There was a strengthened grip and control on how requirements were monitored. One of the biggest challenges the trust faced around the delivery of the financial planning was the use of temporary agency staff. RO commented one of the key things focused on was a better flow through the hospital - reducing the no longer fitting the criteria to reside, getting discharge through quicker and reducing escalation beds would have a huge impact on reducing the amount spent on bank and agency staff.

23/030 MATERNITY HIGHLIGHT REPORT

MC highlighted the following:

- Since the publication of the Reading the Signals report, the single delivery plan was also published which was a direct output from the Reading the Signals and other high-profile national cases
- An engagement session had been held with internal and external stakeholders and with women and families who used the maternity services. This took place at the end of June 2023 and the current maternity improvement programme was benchmarked against the output of the single delivery plan. MC shared and explained an artists' impression of the day.
- The organisation had produced a maternity dashboard in relation to key action area 1.
- In the second workstream, standards of clinical behaviour was being looked at, which linked in with the Reading the Signals report around technical care not being enough
- There had been huge pieces of work undertaken in relation to fundamentals of care and the Board of Directors had approved the return of the Midwifery Led Unit (MLU) to the

Chair's initials

maternity department, which was positive for women and families. This would also improve engagement with midwives.

- The bereavement facility at the WHH site would be improved.
- It had been approved to have a dedicated area where midwives could control medication
- Staff were willing and wanting to improve which had made it easy to drive the initiatives in the last 6 weeks. There was lots more to do and the focus was on fundamentals of care in the first instance.

AA commented she attended the engagement day and the impact had been felt amongst staff.

MB asked MC how she felt things would be in six months' time and of the strategies that were in place, was there any the MC felt needed changing. MC commented there had been tweaks being made and the biggest change had been around the engagement with the team. The prioritisation of some of the projects would be tweaked. Safety was the priority - all issues linked into standards of care. The work needed to be done at pace, but this needed to be balanced with nurturing staff. In the last six weeks that MC had been in post, there had been improvement in engagement with the team and the appetite for change. Governance processes had been looked at along with how this could be shared and how lessons had been learnt. In the next six months MC would like to see the MLU re-opened and the bereavement care pathway, that was not an un-equitable service.

JD commented the trust would like to ask the CQC to come back to look at the work that has been done and to give external validation of the improvement. JD also commented it was important for the board to respond quickly to whatever the maternity department say they need. RB asked for an update on antenatal scan backlog. MC responded there was still a backlog of ultrasound scans to be done and work was being done at all levels, including external stakeholders on how this could be done in a more-timely way. There had been assurance from Medway that they would be able to support some capacity, which was a solution. This problem had been compounded by a 60% sickness rate within the sonography team. The telephone system had been changed and communication had been had with women. JD commented there was an issue nationally around sonography, however, the issues this trust faced were greater in terms of demand, capacity, sickness and absence. The trust had done all they could internally to re-divert resource, make sure too many scans were not being done, change processes and communication with women and families. The ICB were now going to take control on re-diverting resource. Where screening could not be done in time, other screening processes were being put into place to keep patients safe. The team were remaining open and transparent about issues. The Chairman asked if an update on this issue was circulated to the board and the council.

23/031 22/23 AND 23/24 END OF YEAR FINANCE REPORT

MS commented the council were briefed with regards to the year-end position at the last meeting and invited any questions. MS wanted to highlight the £19.3m deficit.

23/032 ANY OTHER QUESTIONS

23/033 DATE OF NEXT PUBLIC MEETING

The next meeting will be 26 October 2023.

Signed _____

Date _____

Chair's initials

REPORT TO COUNCIL OF GOVERNORS

Report title: Ratification of Virtual Votes

Meeting date: 14 December 2023

Board sponsor: Trust Chairman

Paper Author: Governor and Membership Lead

Appendices:

N/A

Executive summary:

Action required:	<i>To Note</i>
Purpose of the report:	<p>This paper provides a report on the confidential ballots held at the Extraordinary Council meeting on 14 September 2023 and 24 November 2023. The motions required at least 75% of Members present at the meetings for them to be passed.</p> <p>No other Virtual votes have taken place since the last full Council meeting on 13 July 2023</p>
Summary of key issues:	<p>The Council of Governors held an Extraordinary meeting on 14 September 2023 and 24 November 2023. This meeting aimed to discuss Potential Breach's of the Trust's Constitution and Code of Conduct for two Public Governors.</p> <p>As a result of these meetings, the Council of Governors has terminated Mr B Rylands, Public Governor for Folkestone and Hythe, and Mr R Brittain, Public Governor for Swale from their positions as Trust Public Governor for dishonesty. Following an internal investigation, the Council of Governors concluded that they have not met the required standards as set in the Trust's Constitution, including the Nolan Principles of Public Life, which all Trust Governors must abide by.</p> <p>The Council of Governors will look to continue with elections for it's vacant seats in the new year.</p>
Key recommendations:	The Council of Governors is asked to Note the outcomes of the virtual voting carried out since the last meeting.



Implications:

Links to 'We Care' Strategic Objectives:	<ul style="list-style-type: none"> • Our patients • Our people • Our future • Our sustainability • Our quality and safety
Governor Statutory Duties:	All
Previously Considered by:	None
Resource:	None
Legal and regulatory:	
Subsidiary:	None

Assurance route:

Previously considered by: None



REPORT TO COUNCIL OF GOVERNORS

Report title: Chairman's Report

Meeting date: 14 December 2023

Board sponsor: Chairman

Paper Author: Chairman

Appendices:

Appendix 1: Non-Executive Director Commitments

Executive summary:

Action required:	Information
Purpose of the report:	The purpose of this report is to: <ul style="list-style-type: none"> • Update the Council of Governors on the activities of the Board; and • Bring any other significant items of note to the Council of Governors attention.
Summary of key issues:	Update the Board on: <ul style="list-style-type: none"> • Current Updates/Introduction; • Activity of the CoG; • Work of the Board of Directors • Visits/Meetings.
Key recommendations:	The Council of Governors are requested to NOTE the contents of this Chairman's report.

Implications:

Links to 'We Care' Strategic Objectives:	<ul style="list-style-type: none"> • Our patients • Our people • Our future • Our sustainability • Our quality and safety
Link to the Board Assurance Framework (BAF):	N/A



Link to the Corporate Risk Register (CRR):	N/A
Resource:	No
Legal and regulatory:	No
Subsidiary:	No

Assurance route:

Previously considered by: N/A



REPORT TITLE: Chairman's Report

1. Purpose of the report

To report any decisions taken by the Board. Update the Council of Governors on the activities of the Board and to bring any other significant items of note to the Board's attention.

2. Introduction

First, I would like to extend my thanks to Stewart Baird, Vice-Chairman, for his role in supporting the Trust during my leave of absence.

Since the last meeting, the Trust has continued to remain under considerable pressure as we begin to feel the demands of Winter. The pressures on our services are unprecedented, and this will be compounded by the latest wave of industrial action and we will be working with our staff and their representatives to do everything we can to minimise the impact on patients.

The ongoing pressures arise from the fact we have a considerable number of patients in our hospitals who should be being looked after elsewhere, including the community, social care and other services outside of our acute sites. This continues to damage their wellbeing, and those who are unable to benefit from our services as a result.

In addition to our blocked pathways, our front door and Emergency Departments (EDs) are also experiencing a significant increase in attendances. The total time a patient spends in our EDs has increased for the fourth month in a row, with this month representing the largest increase in admitted patients. In order to tackle this, we have begun to roll out many new initiatives, this includes additional operational taskforces at each site to support patients to leave hospital, as well as supporting patient-centred care at the heart of decision making. Furthermore, the Trust continues to make use of external opportunities, including bidding for regional and national money to support our systems.

Alongside the considerable operational strain on our services, there continues to also be pressure on our financial position. As reported previously, the increased levels of staffing due to escalation areas and staff sickness, which comes with high associated agency costs, alongside non-delivery of cost savings (£13.8m) has resulted with the Trust having a deficit position of £68.2m against a planned year-to-date deficit of £45.5m. The Trust continues to make significant measures to implement financial controls, and stabilise our financial position as we move into the most difficult period for our health services.

At the same time, the Board has decided to commission an external review of our governance arrangements which should report before the end of the year. It has been a longstanding concern that there are too many obstacles between the front line and top of the organisation – our ambition must be to create a streamlined system of communication and engagement between Ward and Board.

3. Board Changes



The Board of Directors has had many challenges over the past few months, however, I am pleased that the Trust has been able to appoint Tim Glenn, as the new Interim Chief Finance Officer (CFO), Sarah Hayes as the Trust's Chief Nursing and Midwifery Officer (CNMO) as well as Des Holden, the new Chief Medical Officer (CMO).

I would specifically like to thank Nic Gooder, Jonathan Purday, and Michelle Stevens, for their commitment to the Trust during this time, and for filling in for the CMO and CFO roles respectively. I am glad they will continue to remain within the Trust moving forward.

Finally, I would like to thank Jane Dickson for her time as the Trust's Interim Chief Nursing and Midwifery Officer (CNMO), and more recently, as our Interim Chief Operating Officer (COO) for Emergency and Unplanned Care. Jane has been a considerable asset to the Board, and I wish her the best in her future endeavours.



Appendix 1 – Non-Executive Director (NED) Commitments

NEDs November 2023 commitments have included:

<p>Non-Executive Directors</p>	<p>NEDs meeting Meetings with NEDs Meetings with Executive Directors Extra-Ordinary Charitable Funds Committee (CFC) meeting Extra-Ordinary Closed CoG meeting Finance and Performance Committee (FPC) meeting Integrated Audit and Governance Committee (IAGC) meeting Closed IAGC meeting Extra-Ordinary IAGC meeting People and Culture Committee (P&CC) meetings Quality and Safety Committee (Q&SC) meeting 2gether Support Solutions (2gether) Board meeting Spencer Private Hospitals (SPH) Board Strategy Day Meeting with Kent and Medway (K&M) NHS Integrated Care Board (ICB) Chair Meeting with K&M NHS ICB Chair and Chief Executive Meeting with NHS England Improvement Director Meeting with 2gether's Chairman Meeting with SPH Chairman Meeting with 2gether's Audit Chair Meeting with Freedom to Speak Up (FTSU) Guardians Culture and Leadership Programme (CLP) Interviews Good Governance Institute (GGI) Governance Review Interviews</p>
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REPORT TO COUNCIL OF GOVERNORS

Report title: Chief Executive's Report

Meeting date: 14 December 2023

Board sponsor: Chief Executive

Paper Author: Chief Executive

Appendices:

None

Executive summary:

Action required:	Discussion
Purpose of the Report:	To provide the Council of Governors with key updates from within the organisation, NHS England (NHSE), Department of Health and other key stakeholders.
Summary of key issues:	This report will include a summary of the operational and financial performance as well as other key activities.
Key recommendations:	The Council of Governors are requested to DISCUSS and NOTE the Chief Executive's report.

Implications:

Links to Strategic Theme:	<ul style="list-style-type: none"> • Quality and Safety • Patients • People • Partnerships • Sustainability
Link to the Board Assurance Framework (BAF):	The report links to the corporate and strategic risk registers.
Link to the Corporate Risk Register (CRR):	The report links to the corporate and strategic risk registers.
Resource:	N
Legal and regulatory:	N
Subsidiary:	N

Assurance route:

Previously considered by: N/A

CHIEF EXECUTIVE'S REPORT

1. Purpose of the Report

To provide the Council of Governors with key updates from within the organisation, NHS England (NHSE), Department of Health and other key stakeholders.

2. Operations update

2.1 Winter planning

As we approach the winter months, the Trust's primary focus remains on patient safety. The Trust has been diligently planning to cope with the anticipated increase in demand for healthcare services over the winter period. To address the challenge of increased patient numbers, we have taken a comprehensive approach to maximise and optimise available capacity. This includes an assessment of staffing levels, resource allocation, bed provision in patient-facing and non-patient facing areas, alongside the utilisation of improved technology.

The Trust has been invited to bid for NHSE investment funding to enhance Electronic Bed Capacity Management Systems; the first tranche of investment would be provided in this financial year. This funding would be used to bolster the staffing for the site teams and improve technology used to manage the bed allocations, supported by enhanced hardware and software, enabling our site teams to access live information more easily from board rounds to the Operational Control Centre (OCC)/Care Coordination Centre (CCC). This will facilitate improved flow and enhance data-driven decision making within the clinical site management team. This real-time bed state and digital site reporting will enable the Integrated Care Board (ICB) to assess whole system risks and support mitigating actions where appropriate. Accurate data will also support early escalation and de-escalation to mitigate risks.

The Trust continues to work with colleagues across the Healthcare Partnership (HCP) to ensure additional capacity is available for patients in need of continued care beyond their stay in the acute setting. HCP colleagues are also signposting patients to alternative services, community Urgent Treatment Centres (UTCs), and other direct access facilities, to alleviate the strain on the Trust's Emergency Departments (EDs) and streamline patient pathways.

The recently established a Discharge Taskforce at each site has a particular emphasis on Criteria Led Discharge and addressing barriers to efficient patient flow. Criteria Led Discharge ensures that patients are discharged based on predefined clinical criteria which is patient-centred and clinically appropriate. The taskforce will also be monitoring and managing patients with Long Length of Stays (21+ days) by ward and specialty with specific Executive Team focus on patients with very high lengths of stay (50+ days). This taskforce is supported by PRISM at the Queen Elizabeth the Queen Mother Hospital (QEQM) and KPMG at William Harvey Hospital (WHH).

By reducing patient Length of Stay, and ensuring patients are cared for in the most appropriate care setting, beds can be released supporting flow through our EDs for all patients that need to be admitted.

2.2 Maintaining Planned Care

A core part of the Trust's strategy, in particular over winter, is to preserve elective activity, protect our cancer patient pathways, and continue to improve access to our core diagnostic services to enable us to provide timely and necessary care for our patients. Our strategy for this winter involves a structured escalation plan to balance the demands of emergency care and protect elective procedures.

In October, the Trust has seen an improvement in our Cancer Faster Diagnosis Standard from 60% to 63.9%. Notable improvements were observed across all tumour sites. Furthermore, there was an improvement of 6.6 percentage points in-month in our DM01 (Diagnostics Standard) position, rising from 54.1% to 60.7%, the first improvement in the position since June 2023 and attributed to a reduction in our CT vetting backlog and an improvement programme within MRI.

Despite this, our elective recovery position continues to deteriorate; this aligns to our revised trajectories for planned care factoring in capacity and demand. The Trust currently has seven patient breaches at 104 weeks, 305 at 78 weeks, and 1,831 at 65 weeks. The primary driver for this relates to our ongoing Endoscopy backlog (12,894 scopes), capacity challenges within Otology, alongside an unvalidated Referral to Treatment (RTT) of 24,538 greater than 12 weeks which places the organisation at 50.5% RTT performance. Additionally, our patients are experiencing long wait times for first outpatient appointments within Gastrointestinal (GI), Max-Fax and Cardiology.

Some key workstreams to address these challenges have commenced and include:

- A Task and Finish Group for Endoscopy Recovery supported by the ICB has been in place since 09 October 2023 looking at wider system capacity and the option for Quantitative Faecal Immunochemical Test (QFIT) testing of the existing backlog.
- £345K of cancer funding to bring in a locum Radiologist to improve reporting turnaround times and associated administrative support around benign letter completion.
- Prism are now in the implementation support phase of their theatre improvement programme, re-launching the Trust 6-4-2 processes and the set-up of the Theatre Improvement Group.
- An ICB led Acute Provider Collaborative has commenced to review ENT demand and capacity with deliverables expected in February 2024.
- An identified need to deliver some short-term support for validation and also a medium-term plan to provide RTT training support across challenged areas to help improve performance.

As we navigate the challenges associated with winter pressures, our commitment to patient safety and quality care remains unwavering. The collaborative efforts of our teams, coupled with the strategic initiatives outlined in this report, position us to proactively address and manage the demands of the upcoming winter season. The Discharge Taskforce, in particular, will play a pivotal role in enhancing our discharge processes and contributing to the overall efficiency of our healthcare services.

3. Financial performance and NHSE control measures

At the end of M7 (October) 2023 the Trust has a year to date (YTD) deficit of £68.2m against a planned YTD deficit of £45.5m.

Key drivers of the YTD position continue to be the non-delivery of recurrent cost savings (£13.8m) and pay overspend including increased levels of staff use due to escalation areas, one to one care and the associated high cost of agency premium.

Financial controls to reduce the run-rate, which have been adopted in line with the national level 4 (NHS Oversight Framework (NOF4)) requirements, are in place. In October the Trust maintained the improvements seen in September in relation to temporary staffing costs, however, there is much more we need to do to improve the financial controls and the pace of delivery across the Trust. To that end the Trust is in the process of increasing capacity within its core cost control and improvement teams to increase the grip and pace at which savings can be made.

As announced at the recent Board of Directors meeting, Tim Glenn has joined the Trust as Interim Chief Finance Officer on a 12-month secondment from the Royal Papworth Hospital NHS Foundation Trust, where he was the Deputy Chief Executive and Chief Finance Officer. Tim will work closely with Michelle Stevens, who has provided cover for this role over the past six months.

4. National Staff Survey

The NHS Staff Survey was launched on 18 September and closed on 24 November 2023. All 9,751 staff were invited to take part in the survey with 4,011 respondents, giving a response rate of 41%.

A comprehensive range of outreach-related fieldwork was undertaken during the ten-week period the survey was open to ensure response rates were as high as possible, and to give a clear mandate from the results. In addition, all six reminders were timed to coincide with peak staff attendance (pausing at half-terms, for example) in order to maximise the return.

A weekly response rate temperature gauge was introduced to drive healthy competition across Care Groups and this has been published Trust-wide at the end of each week, with the winning Care Group(s) celebrated (Kent & Canterbury and Royal Victoria; 49% (clinical) and Corporate; 64% (non-clinical)). An innovative and interactive dashboard was also developed which allowed for a transparent overview of responses across the Trust; rates which ranged from 12% to 94% across sub-specialties. This enabled the identification of hotspot and bright spot areas – and crucially, targeted intervention throughout.

The staff experience team were deployed across the organisation to target low response areas and provide timely support. Much of their work was to showcase ‘you said, we did’, the activity that has taken place since last year, whilst dispelling common myths and answering frequently asked questions.

This year the organisation was also supported by NHS England who focussed their efforts on engaging Care Group Leadership Teams and encouraging permission giving so that a wider body of staff share their feedback. At this stage, it would appear that the overall response rate will close behind last years’ position and the national average (45%).

Ultimately, the NHS Staff Survey represents an annual barometer of the way staff experience the organisation. Response rates themselves act as an early indicator of staff engagement, as a proxy of overall staff sentiment.

The Council of Governors are encouraged to discuss what may have led to the lower response rate achieved this year as this will likely influence overall results. More fieldwork took place than ever before, although apathy has been regularly encountered, related to dissatisfaction with the extent to which local changes have taken place that affect staffs’ daily experience.

The manner by which we respond to these early findings long before the embargo is lifted in March 2024 will determine engagement with this critical indicator in future.

5. Fire Safety Audit – Kent and Canterbury Hospital (K&C)

Initial findings of a recent planned Fire Safety Audit carried out by Kent Fire & Rescue Service at the K&C (Brabourne and Clarke Wards) have been received.

The audit which was focused on all fire safety measures in accordance with the 2005 Fire Safety Order has identified four key areas of focus which include ward compartmentation, change of use, fire safety training for clinical staff and risk assessments.

Work is ongoing to redress the issues that have been identified in advance of the final report, including remediation requirements, being issued.

6. Health Education England Education Quality Reports

The following [Health Education England education quality reports](#) have been published this week, following reviews carried out in July this year:

- Training in Trauma and Orthopaedic (T&O) Surgery
- Dental Core Training in Oral and Maxillofacial Surgery

Doctors in training in Trauma and Orthopaedics felt generally well supported by consultants, able to raise concerns and the Elective Orthopaedic Centre in Canterbury provided good training opportunities.

However, there were a number of areas for improvement where we have made changes, including to the responsibilities of doctors in training, amending rotas and reducing the amount of travelling between sites. We have introduced the Royal College of Surgeons Non-Technical Skills for Surgeons (NOTSS) course designed to improve situation awareness, decision making, communication and teamwork and increased team engagement, to support improved teamworking and culture across the sites.

The results of the General Medical Council's (GMC's) survey of T&O trainees shows significant improvement in East Kent between 2022 and 2023 which we are determined to build on.

The Core dental trainees in Oral and Maxillofacial Surgery reported positive feedback about their learning and training, including support for those wishing to pursue specialty training. However, there was still a need to improve the culture within the department.

All consultants have undertaken the Royal College of Surgeons Non-Technical Skills for Surgeons (NOTSS) course and the nationally recognised 'Civility Saves Lives' programme and all staff groups have taken part in "open door" sessions with consultants.

We have introduced an appropriate middle-tier on-call rota which will be fully recruited to in January 2024 and training has been overhauled with a very structured timetable of teaching during the week with all Consultants involved in the teaching sessions.

The postgraduate training doctor post and six dental core trainee posts are currently being covered by locally employed doctors and locums known to the department while discussions continue about the return of dental trainees to the Trust, following the suspension of the training posts earlier this year.

7. Good News Stories

I am pleased to note below good news stories that have happened in November.

K&C Elective Orthopaedic Centre wins GIRFT accreditation
 The centre is one of 24 surgical hubs to be accredited by NHS England's Getting It Right First Time (GIRFT) programme.

Virtual tours of QEQM and WHH neonatal units help families
 The tours aim to help reduce families' anxieties.

Call 4 Concern rolls out to acute sites
 After a successful WHH pilot, the Call 4 Concern service for patients or visitors who are concerned that a patient is deteriorating is now live at our acute sites.

Medical SDEC units go live at QEQM and WHH
 The units focus on providing a service to lower acuity emergency patients and support ED patient flow.

Latest phase of the QEQM ED renovation is complete!
 The rebuilt resuscitation unit is now open, with five new, state-of-the-art bays.

Extended visiting hours
 Visiting hours are now 7am to 8pm for most wards, allowing visitors more flexibility to support their loved ones.

8. Conclusion

The Council of Governors are requested to **DISCUSS** and **NOTE** the Chief Executive's report.

REPORT TO COUNCIL OF GOVERNORS

Report title: Constitutional review (Task and Finish Group ToR)

Meeting date: 15th December 2023

Board sponsor: Chairman

Paper Author: Governor and Membership Lead

Appendices:

Appendix 1. Scope

Appendix 2. ToR

Executive summary:

Action required:	Approval
Purpose of the Report:	This paper presents to the Council of Governors the proposed scope and ToR for the Task and Finish Group on the Constitutional review and a review of the Governors Code of Conduct.
Summary of key issues:	For Council to recommend the following <ul style="list-style-type: none"> • The scope of the Constitutional review and Governors Code of Conduct • The Terms of Reference, including the make up of the Task and Finish Group •
Key recommendations:	The Council is requested to approve <ul style="list-style-type: none"> • Setting up a Task and Finish Group to review the Constitution and the Governors Code of Conduct. Annex 1, • The Terms of Reference. Annex 2

Implications:

Links to 'We Care' Strategic Objectives:	Our sustainability
Link to the Board Assurance Framework (BAF):	



Link to the Corporate Risk Register (CRR):	
Resource:	
Legal and regulatory:	
Subsidiary:	

Assurance route:

Previously considered by:



COUNCIL OF GOVERNORS TASK AND FINISH GROUP Trust Constitution and Governor Document Review

PROPOSAL PAPER

At the meeting on 24 November 2024, Governors requested that consideration be given to reviewing the following documents:

- Trust Constitution;
- Governor Code of Conduct

The requirement to review these documents has arisen as a result of recent issues within the Trust and Council, which has highlighted shortfalls and gaps in the Constitution and Code of Conduct. Given the need for Governors clearly to understand their purpose and role as elected public office holders, there is a need for the Trust's constitutional and procedural documents to be clearly articulated, measured against best practice.

In order to review these documents it is proposed that a time-limited CoG Task and Finish Group be established, taking the following action:

- **Trust Constitution**

This is effectively the Trust's governance 'rule book' and is based on the accepted national model. The Task and Finish Group should review the content and:

- recommend changes needed to respond to organisational change and in the light of recent events;
- ensure that the Constitution is relevant and responsive to current demands, benchmarking with other trusts and organisations, as appropriate;
- remove hyperlinks within the documents as these can become out-dated;
- consider whether there are any changes needed to allow the Trust to operate more effectively, especially in respect of Governor elections, Governor on-boarding arrangements and Membership eligibility and limitations.

- **Code of Conduct**

It is proposed that the Group should review the Code of Conduct in the context of work being undertaken to create a new Council Responsibilities Pack, making recommendations to Council, as appropriate.

Work Plan

If the proposals above are agreed, it is proposed that the Task and Finish Group should two work streams:

A. To review the Constitution;

B. To review the Code of Conduct in the context of any proposed constitutional changes.

Work stream A Plan

This needs to be completed to a timeframe which ensures that any changes proposed can be presented to the Annual Members' Meeting in September 2024. The plan would be to have a first draft for Council to review by April 2024, and for final Council and Board approval to be sought by May 2024.

Work stream B Plan

It is proposed that the new draft Code of Conduct to be presented to Council at the February 2024 meeting.

MEMBERSHIP?

COUNCIL OF GOVERNORS TASK AND FINISH GROUP Trust Constitution and Governor Roles Document

Terms of Reference

The Task and Finish Group is to be established to oversee the following

- Review and update the Trust's Constitution;
- Consider whether the following documents are fit for purpose:
 - Trust Constitution
 - Code of Conduct

The Group will should consist of the following set of Governors

- Governors: 5 Public
2 Staff
1 Partnership Governor
- Trust Secretary or Deputy Trust Secretary
- Chair of the Board of Directors' Integrated Audit and Governance Committee
- Governor and Membership Lead

REPORT TO COUNCIL OF GOVERNORS

Report title: External Audit Appointment 2023/24

Meeting date: 14th December 2023

Board sponsor: Interim Director of Finance

Paper Author: Assistant Director of Finance

Appendices:

Contract Award Recommendation

Executive summary:

Action required:	Approval
Purpose of the Report:	This paper presents to the Council of Governors the recommended action to appoint Grant Thornton to provide External Audit services for 2023/24.
Summary of key issues:	<p>The current contract with Grant Thornton was due to expire on the 30th June 2023 and was to provide External Audit services for financial year 2022/23 priced at £150,000 + VAT.</p> <p>At present Grant Thornton are contracted on a 6 month extension to the 31st of December 23.</p> <p>For 2023/24 the proposal is that a direct award is made to Grant Thornton for that year with an optional 1-year extension. The cost is £180,000 + VAT as per NHS Commercial Solutions Framework pricing. This contract will start on the 1st of January 2024.</p> <p>It's a Foundation Trusts Statuary duty to have an agreed contract with an external audit provider on the 31st of December 2023 for the Year end audit of 2024/25</p>
Key recommendations:	The Council is requested to approve the direct award for Grant Thornton to provide the External Audit service for 2023/24 with an optional 1-year extension for £180,000+VAT.

Implications:

Links to 'We Care' Strategic Objectives:	Our sustainability
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Link to the Board Assurance Framework (BAF):	
Link to the Corporate Risk Register (CRR):	
Resource:	
Legal and regulatory:	
Subsidiary:	

Assurance route:

Previously considered by:



REPORT TITLE: External Audit Appointment 2023/24**1 Contract History**

Grant Thornton were successful in a tender carried out in 2018 to provide services for 3 years commencing 2019/20 with an option to extend to 2022/23.

The contract with Grant Thornton expired on the 30th June 2023. A contract extension was issued for 6 months and is due to expire on the 31st of December 2023.

2 Current Contract Position

Grant Thornton are within contract until 31st of December 2023 so the proposed solution would have Grant Thornton potentially contracted to December 2025. The Trust have a statutory requirement by 31st of December 2023 to have external auditors for the 2024/25 audit.

3 Proposed Solution

For 2023/24 the proposal is that a direct award is made to Grant Thornton for that year with an optional 1-year extension. The cost is £180,000 + VAT as per NHS Commercial Solutions Framework pricing.

The attached report from the Procurement team clearly outlines the steps taken and the compliance with procurement legislation for the recommended action.

The Council will note the increases in Audit fees over the last number of years (the original tender price for 2019/20 was £72,400). As noted in the procurement report, tendering for External Audit services is a challenge with little or no interest being shown by the big accountancy firms. As the Trust is a Group, this is comparatively rare in the NHS and adds significant levels of complication to both the preparation and audit of those accounts – this coupled with increased inflationary pressure and the lack of competition in the market.

4 The Future

The Trust has been approached to take part in a joint bid with ICB/other providers. At present, those involved are:

East Kent Hospitals University NHS Foundation Trust
Kent and Medway ICB
Kent and Medway NHS and Social Care Partnership Trust
Maidstone and Tunbridge Wells NHS Trust
Medway NHS Foundation Trust
Dartford and Gravesham NHS Trust

After an initial meeting of representatives from the above organisations it was apparent that any joint tender will be an 18-month exercise. It was agreed that any joint action would therefore be aiming at providing cover for the period commencing 2025/26.

Organisations would therefore need to ensure they have cover for the remaining period of the current financial year (2023/24) and the next financial year (2024/25).



The current recommended action of a 1-year contract with a 1-year potential extension provides the required services and cover to enable the Trust to continue to participate in the joint exercise.

The joint exercise would appear to be a potential vehicle for overcoming the lack of competition in the market (as a 6-body contract should appear more appealing) – it does also contain risks as the Trust (and Procurement) have not taken part in a process like this for these services before. The Trust, whilst willing to participate will need to keep a clear view on timelines as the project develops.

The Trust will keep the Board apprised of the developments in the project as it develops.

5 Recommendation

The Council is requested to approve the direct award for Grant Thornton to provide the External Audit service for 2023/24 with an optional 1-year extension for £180,000+VAT.

