

**Oxford Health NHS Foundation Trust**

**Council of Governors**

Minutes of the Meeting on 04 November 2015 at

18:00 at The Spread Eagle Hotel, Thame, Oxfordshire

In addition to the Trust Chair, Martin Howell, the following Governors were present:

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| Mike Appleyard | David Mant |
| John Bidston | Judi Randall |
| Gillian Evans | Chris Roberts *(Lead Governor)* |
| Maureen Ghirelli | Mark Tattersall |
| Julia Grinsted | Louise Willden |
| Alan Jones | Sula Wiltshire |
| Lynda Lawrence | Judy Young |
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In attendance:

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| John Allison | Non-Executive Director |
| Jonathan Asbridge | Non-Executive Director |
| Stuart Bell | Chief Executive *part meeting* |
| Alyson Coates | Non-Executive Director |
| Anne Grocock | Non-Executive Director |
| Maxine Hayden | Corporate Governance Administrative Assistant |
| Dan Leveson | Head of Strategy & Programmes |
| Mike McEnaney | Director of Finance |
| Clive Meux | Medical Director *part meeting* |
| Kerry Rogers | Director of Corporate Affairs/Company Secretary (Minutes) |
| Laura Rogers | Audit Senior Manager, Deloitte LLP |
| Hannah Smith | Assistant Trust Secretary (Minutes) |
| Yvonne Taylor | Chief Operating Officer |
| Lyn Williams | Non-Executive Director |
| Chris Wright | Cost Improvement Programme Manager |

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| **COG 41/15**  a | **Introduction and Welcome**  The Chair brought the meeting to order and welcomed all those present offering in particular his congratulations to Chris Roberts and Soo Yeo whom following the agreed ‘election’ process had been successfully appointed to Lead and Deputy Lead Governor roles respectively. |  |
| **COG 42/15**  a  b  c  d | **Apologies for Absence**  Apologies were received from: Martha Kingswood; Geoffrey Forster; Gary Gibson; June Girvin; Max Hailey; Andrew Harman; Judith Heathcoat; Diana Roberts; Pat Ross; Anwar Soopun (retiring); David Thurston (retiring); and Soo Yeo.  Absent without formal apology were: Dave Pugh; Taufiq Islam; Reinhard Kowalski; Samantha Mandrup; Martin Dominguez; Hafiz Khan; and Carol Penny.  Apologies had been received from the following members of the Board of Directors: Ros Alstead, Director of Nursing and Clinical Standards; Sue Dopson, Non-Executive Director; and Mike Bellamy, Non-Executive Director.  The meeting was confirmed to be quorate. |  |
| **COG 43/15**  a | **Declarations of Interest**  The Council of Governors confirmed that interests listed in the Register of Governors’ Interests remained correct and there were no declarations arising out of matters pertaining to the agenda. |  |
| **COG**  **44/15**  a  b  c  d  e  f | **Minutes of Last Meeting –16th September 2015**  The Minutes of the meeting were approved as a true and accurate record of the meeting.  ***Matters Arising***  **COG 29/15(b) - 18/15(b) Nominations from Buckinghamshire Healthcare NHS Trust and Chiltern CCG for the Council of Governors**  Both had been invited to nominate representatives and would continue to be followed up until nominations were received.  **COG 30/15(c) External Audit Report on the audit of the 2014/15 financial statements**  Further to the Council of Governors’ request to hear the report of the External Auditor in advance of the Annual Members Meeting (and Annual General Meeting) it was confirmed that the September general meeting of the Council of Governors was now scheduled annually to take place in advance.  **COG 34/15(d) Working Together**  It was confirmed that the Working Together Group had been established and the Chairman requested this be discussed further as part of his update report later on the agenda.  **COG 37/15(b) Council of Governors’ Nominations and Remunerations Committee – Lead Governor**  The process of appointing to both Lead and Deputy Lead Governor roles had concluded successfully as reported in the introduction to the meeting, with Chris Roberts appointed as Lead Governor and Soo Yeo as Deputy Lead Governor.  **COG 37/15(e)** **Patient Experience sub-group**  Further to the recommendation of the sub-group to include patient stories on the Council of Governors’ agenda, it was confirmed a story could be scheduled for the March 2016 meeting subject to discussion at item COG 50/15(d)-(e) below. | **KR** |
| **COG**  **45/15**  a  b  c  d  e  f  g  h  i  j  k  l | **Update Report from the Chair**  The Trust Chair provided an oral update and was pleased to confirm that a Working Together Group had been scheduled.  Chris Roberts expressed a degree of concern about governor engagement in the process of improving communications within the Council of Governors and between the Council of Governors and the Board of Directors. It was noted that to engender support from amongst the governing body, Maxine Hayden had corresponded with Governors asking for feedback on the preferred methods of communication. It was unfortunate that to date, only 3 Governors had responded. The same situation was noted to have arisen with regard to the Care Quality Commission (**CQC**)Governor focus group. Again only 3 governors had been available which ultimately led to the abandonment of the meeting, with the Lead Governor (Lynda Atkins) helpfully speaking to the CQC in a tele-conference. Chris confirmed a keenness to understand if ways existed that might make easier a Governor’s ability to be more involved.  Alan Jones explained he continued to lack confidence that communications via email were always getting through and explained a number of attempts to establish a position and understand why a number of emails had been affected by issues such as the spam safeguards. Chris Roberts concurred that he too had experienced similar issues which had since been resolved.  The Director of Corporate Affairs/Company Secretary explained that she had tactically timed support from the Information Technology Team in order to ensure minimal impact on the priority implementation of the Electronic Healthcare Records system. However she had already commenced discussions with the team to explore an extranet type of platform that would include the ability to improve communications and support real time contact and messaging forums.  The Chairman acknowledged that clearly it was important for the working group to develop a solution with the Trust.  Chris Roberts described the issue of the timing of meetings and working groups being difficult for working Governors, if attendance was required during working hours. This issue was supported by other Governors. Gillian Evans agreed and expressed a desire to improve contact between the Governors but also felt that many remained unclear about their remit and that support in this regard should be considered by the working group.  *The Medical Director joined the meeting.*  Discussion ensued about visits to services and the difficulties of knowing how best this should be organised such that Governors got a sense of the quality of Trust services first hand. The Chairman explained that the need for formality in organising such visits was due to the type of care and services the Trust delivered requiring visitor and patient safety to be of particular concern. It was acknowledged that the working group could explore this further, and that formal opportunities already existed for governors for example through the Patient-led Assessments of the Care Environment (**PLACE**) audits.  It was agreed that the timing of future sub-group meetings should reflect the issues described. Further discussion took place with regard to the relevance of the Governors’ focus and whether the Council was being appropriately served through the content of its agenda and supporting papers. Governors debated whether time on certain matters could be limited to accepting that papers had been read in advance so that more time could be spent on strategic issues or exceptions, for example such as the future of Warneford and community hospitals, both considered to be items of significant public interest.  It was acknowledged that such strategic matters were of direct relevance to the Council of Governors, and the Director of Corporate Affairs and Company Secretary reminded Governors of one of their key responsibilities being to hold the Non-Executive Directors to account (individually and collectively) for the performance of the Board of Directors. The importance of quality, finance and other performance matters receiving the appropriate attention and debate was reiterated. It was agreed that initiatives such as the Governor Forum, which would be explored through the working group, would play a key role in influencing the agenda going forwards.    *The Chief Executive joined the meeting*.  Judy Young highlighted the need to include a focus on improving communications with members which it was acknowledged would be captured also in the work of the working group and through the leadership of the Director of Corporate Affairs/Company Secretary.    The Chairman concluded the item by encouraging all Governors to get involved in the working group, suggesting it would play a key role in setting the tone and context of future meetings of the Council.  **The Council noted the update and supported the actions arising for progression through the working group.** |  |
| **COG 46/15**  a  b  c  d  e  f  g  h  i  j  k  l | **Update Report on Key Issues from the Chief Executive**  The Chief Executive provided an oral update on the major items that the Board had been focussing on since the Council had last met.  ***Monitor investigation***  He provided an overview of the Monitor investigation which although the outcome remained unknown, appeared to be reaching an appropriate conclusion following the meeting with Monitor and the Trust earlier in the week. There was a strong indication that a recommendation to their relevant committee would be for matters not to be progressed via a formal intervention route. Monitor had looked in detail at the Trust’s Cost Improvement Plans (**CIPs**) and would continue their usual oversight of performance against plan. Monitor would outline formally the milestones against which the Trust would be expected to deliver within defined timescales and, subject to their oversight committee accepting recommendations, it was likely the Trust’s governance risk rating would return to green, with the investigation being concluded without formal regulatory intervention. The Chief Executive explained he was aware that the Monitor committee meeting had been deferred but at this time it was as strong an indication as he could give to the meeting.  ***CQC inspection***  The CQC inspection had continued for a period of 3 weeks including a series of unannounced visits with over 100 inspectors visiting over 140 teams. Brief feedback at the end of the first week had not indicated any immediate cause for concern though this was no indication of the potential outcome. An understanding of the outcome would only be through the draft report and the Trust would be afforded the opportunity to change the draft through the factual accuracy process, the report not being due until after Christmas. The Chief Executive stated that he felt the inspection process had reflected the complexity of the organisation. He noted that the majority of core services had been inspected: mental health, community, social care (Oxford Reablement Service) and GP (Luther Street). Even then, Governors noted the CQC had not inspected dentistry, GP out of hours (**OOH**) or podiatry services. It was confirmed that the CQC would inspect these services in the future.  ***Executive team changes***  Changes in the Executive team were highlighted:   1. Clive Meux would be retiring as Medical Director at the end of March 2016 after 5 years in post. Having advertised the position, interviews were due to take place on 27th November to include an event for stakeholders at which it was anticipated that a small group of governors would attend; and 2. Yvonne Taylor had been appointed CEO of a company called IC 24. Consequently, the Chief Operating Officer (**COO**) post was also out for advert. Yvonne would leave the Trust after Christmas and it was intended to hold the interviews as soon as possible with similar stakeholder involvement planned. Pauline Scully had agreed to act up as COO from January until the end of March 2016 if necessary. Emma Leaver would act up for Pauline Scully as Service Director of the Children and Young People Directorate.   ***Devolution from central government***  The proposition for devolution of central government powers, although still in its infancy, was described. The devolution scope had been broadened to include health and the Trust had been engaged in an Oxfordshire devolution proposal although there remained a lot of detail to work through. The Chief Executive highlighted advantages in the direction of travel proposed which could provide an opportunity to reunite various health funding that, over a number of years and governments, had been moved into separate areas of the system. The results of NHS reform had seen commissioning responsibilities being split across Clinical Commissioning Groups, NHS England as specialist commissioners and public health becoming part of local authority commissioning.  It was clarified that proposals had been invited across the country, with none yet to advance to the stages of the Manchester Devolution system, but examples of proposals in other locations were referenced to the Governors evidencing widespread interest. Although Oxfordshire had put forward a proposal, at this stage Buckinghamshire had not. The significance of this for Oxford was emphasised and an invitation to 10 Downing Street recently received would allow for further exploration of the likely success of the Oxfordshire proposal.  It was acknowledged that should the proposal progress to the next stages, it would require the formal approval of the Board of Directors and involvement of the Governors.  Maureen Ghirelli asked specifically who would be involved in the visit to Downing Street. The Chief Executive confirmed that he would attend together with the Chief Executive of Oxford University Hospitals (**OUH**) and the leader of the County Council in Oxford. The importance of involving service providers, as well as commissioners of services, was emphasised to increase the chance of success of devolution.  ***Partnership working***  The Outcomes Based Contract (**OBC**) for Adult Mental Health Services in Oxfordshire had now been signed. In Buckinghamshire, partnership arrangements with Barnardo’s had formally commenced for Children and Adolescent Mental Health Services in Buckinghamshire. A significant amount of work was also ongoing between the Trust; OUH; Oxfordshire Clinical Commissioning Group (**OCCG**) and the County Council preparing the plan for winter.  Oxfordshire, like many regions, had significant numbers of patients in acute hospital beds awaiting discharge to residential or domiciliary care. As such the fresh approach being initiated by OUH to assess where the right place was for patients to receive care was welcomed; invariably the right place was not in hospital beds. There were nursing capacity considerations to contemplate and the same in the residential care home sector in Oxfordshire. The Trust would look to ensure better use of staff and support for nursing homes to include the practices of therapists, links and pathways with the acute hospital and the reach of GP support with the goal of improving rehabilitation capability across the sector.  David Mant agreed it was unacceptable to have up to 160 patients in hospital every week who could be clinically safer and more appropriately cared for elsewhere than on a hospital ward. However, nursing homes would need additional support in order to provide adequately for care needs.  **The Council of Governors noted the update and the intention where relevant to continue to keep the Council appraised of developments.** |  |
| **COG 47/15**  a  b  c  d  e  f  g | **Business Planning Process FY17**  The Head of Strategy & Programmes presented Paper CG 21/15, previously circulated with the agenda, and the details of the launch of the FY17 business planning process outlining the annual planning cycle. Governors were reminded of the process of submitting a 12 month annual plan to Monitor which incorporated the financial plan and strategic and quality improvement narrative.  The Chairman clarified that any reference to “members’ council” was referring to the full Council of Governors and would be corrected for the future.    It was clarified for Governors that this process ran in tandem with the Annual Report and Accounts process and that the determination of quality indicators and final sign off of Quality Accounts was part of the latter and subject to its own milestone plans.    The Chairman noted that it be helpful for governors to be reminded of their responsibilities with regard to the forward plans of the Trust. The Head of Strategy & Programmes confirmed this would be picked up as part of the Governor planning session on 9th February 2016.    Sula Wiltshire commented on the potential for real dynamism in the Trust’s plans particularly if the Oxfordshire devolution proposal was to get the green light.    Chris Roberts asked that consideration be given to the need for any further meetings on the plan following the February session. As the Council of Governors was not formally required to approve the Trust’s Annual Plan it was confirmed that a seminar format was helpful should the need arise.  **The Council of Governors noted the business planning process and the statutory requirement for the Trust to have regard to the views of the Governors in its development.** |  |
| **COG 48/15**  a  b  c  d | **Non Audit Services provided by the Trust’s External Auditors**  Alyson Coates presented paper CG 22/15, previously circulated with the agenda, and reminded the Council of Governors of the requirements of audit governance. The Trust is required, where its external auditor also provides non audit services to the Trust, to protect the independence of the external audit process and to declare in an annual report the particulars of non-audit engagements. The process of approving non-audit services is overseen by the Audit Committee which is required to be assured that the External Audit firm can carry out non-audit services without compromising the independence of the external audit services they provide.  The Council was reminded of the discussion at the last meeting on the considerations appropriate in safeguarding the position. As set out in the report, a final complementary piece of non-audit Directorate support work would take place this financial year which would be the final piece that the firm would undertake in order to offer independent assurance on the Trust’s CIP. The Board had recognised the leverage that the work had given to enable progress on CIPs at a rate unlikely to have been achieved without this consultancy.    The Chairman confirmed that in the next financial year the Trust would look at finding different ways of securing consultancy support should it be deemed necessary.  **The Council noted the report.** |  |
| **COG 49/15**  a  b  c  d  e  f  g  g  h  i  j  k  l  m  n | **Update on Trust Financial Position/Finance Report**  The Director of Finance presented Paper CG 23/15, previously circulated with the agenda, and provided an overview of the Trust’s financial position. For the period ending 30 September 2015, the Trust had Earnings Before Interest, Taxation, Depreciation and Amortisation (**EBITDA**) of £5.1 million, which was £0.5 million better than plan, and an Income and Expenditure (**I&E**) deficit of £1 million, which was £0.5 million ahead of plan.    The Trust reported a cash balance of £12.1 million, £0.1 million better than plan, and a cash year end forecast of £14.1 million which was an improving position against plan.  CIP delivery was £1.7 million year-to-date which was £0.8 million behind the year-to-date target but plans were in place to recover the position over the coming months with the plan remaining to deliver CIPs of £5.1 million for the full year.  The capital programme was slightly behind plan with expenditure of £2 million year to date, which was £0.6 million below planned expenditure.    Regarding the forecast outturn, the Trust had reviewed and amended its forecast at the half year point to reflect improved anticipated proceeds on the sale of land (£2.7 million) and improved revenue and management of cost pressures (£1 million). The year-end position was forecast to be:   * I&E £1.8 Million deficit; £3.7 million better than plan; * EBITDA of £7.8 million; £1.2 million better than plan; * CIP delivery £4.9 million; £0.2 million below plan; and * Financial Sustainability Risk Rating (**FSRR**) expected to be ‘2’ given the need to be close to breakeven to achieve ‘3’.   The results were delivered through a combination of tighter budgetary controls and additional savings in corporate areas, but had been achieved against considerable cost pressures. The Trust had achieved a FSRR of “3”, as at month 6, which was better than the planned achievement of “2”.  The pressures included agency costs. Due to the national situation and NHS Trust deficits across the country, Monitor was overseeing delivery of new frameworks to apply to: interim and consultant appointments; higher paid salaried executives; senior managers; and agencies. Agency expenditure now had to be reported on a monthly basis to confirm the percentage of nursing agency spend against total spend. The Trust was exceeding its target of 5% but had plans to get closer to the target.  Chris Roberts noted national government initiatives on agency fees and asked if new rules had been imposed and if they were likely to improve the Trust’s position. The Finance Director advised that the consultation would be ending within the week, following which more clarity would be known. He confirmed that the Trust regularly assessed agency charges and had recently switched frameworks such that the Trust was now compliant with the requirement to adopt national framework agreements for agency staff. It was anticipated that the Trust would not initially meet 100% of the price caps but to address this it would work with those who managed and used the frameworks, including with the agencies on their pricing structures. A number of agencies were engaging with the Trust and movement on pricing was being achieved.  The Chief Executive noted the challenge which the Trust faced in order to ensure that services were delivered with the appropriate specialist skills as some agencies which provided the specialist staff required fell outside frameworks. The Trust was regularly faced with decisions whether or not to staff services in this way.  Sula Wiltshire queried if Monitor’s recent requirements related solely to nursing or other agency staff groups. The Finance Director confirmed that the reporting requirement currently related to nursing but that the pricing caps were relevant to the staff/consultancy groups referenced previously.  Lynda Lawrence highlighted that, from a community hospital perspective, staffing through agencies was perceived as expensive and was not preferred. However, for some staff there was a greater incentive to work additional hours through an agency than through picking up extra shifts. At present, staff looking to pick up extra shifts could do this through a sessional contract which would pay at the mid-point of their banding; this was not incentivising for staff who had already progressed through to a higher point in their pay banding. She suggested that the Trust was likely to achieve better continuity of care and commitment if staff were paid differently for additional hours. The Finance Director acknowledged the validity of the point and confirmed that on the back of implementation of the Trust’s new rostering system sessional rates of pay would be reviewed.  Maureen Ghirelli asked whether the Trust could negotiate, at a national level, to offer favourable pay weighting in a similar way to London Trusts and given that Oxfordshire had been accepted to be more expensive than London in places. The Chief Executive replied that the relative expense of Oxfordshire had not yet been recognised by Government or NHS England. He went on to suggest it may be necessary for a resource allocation formula for CCGs to recognise an Oxford equivalent of London weighting. It was considered unlikely this position would change any time soon, but that if it did, it could conversely fuel house price inflation. The Chief Executive described the importance of ensuring affordable housing would be available for key public service staff across all areas and that this was equally an issue in South Buckinghamshire due to accessibility to London.  Mike Appleyard requested that in future Governors be provided with performance figures relative to actual outcomes for patients and by way of example referenced access waiting times. The Chief Executive responded positively and confirmed the Trust already published such information through Board meetings. Mike Appleyard acknowledged that to be the case, but requested oral explanations during the Council of Governors meeting which would supplement what was written and provide useful context beyond the written reports. The Chairman suggested this might be a useful topic for the working together group to consider such that Governors start to influence the information on the agenda or in reports.  Alan Jones challenged whether NHS England was doing all it could to capitalise on NHS buying power. The Chief Executive explained attempts through the national set of caps were an example of this effort. He went on to explain caution had to be applied in order to make sure action remained within the law and was not seen as a restraint of trade/exercise of monopolistic purchasing power to drive down prices. The national consultation was an opportunity for the agency industry to feed into the process and influence accordingly.  **The Council noted the report and the actions to deliver the Trust’s year-end financial plan.** | **KR** |
| **COG 50/15**  a  b  c  d  e  f  g  h | **Update Report from Council Sub-groups**  ***Council of Governors’ Nomination and Remuneration Committee***  There was nothing to report since the last meeting but a process would be undertaken to appoint to vacant positions on the Committee to replace Liz Turvey and Maureen Cundell. It was AGREED Chris Roberts, as Lead Governor, would join the Committee to succeed Lynda Atkins.  ***Quality and Safety sub-group***  It was reported that the next meeting of the Quality & Safety Group would be held on 19 November 2015.  ***Finance sub-group***  The Director of Finance highlighted that it was necessary to postpone the last meeting due to the potential for low attendance because of the timing of the meeting. The next meeting was now scheduled to take place on 27th November 2015. It was confirmed that Liz Turvey and Anwar Soopun would be stepping down from the sub-group and that additional volunteers to join the meeting would be welcome. Topics of likely discussion at the next meeting would include a deep dive into agency usage/spend.  The Chairman suggested that if volunteers were not forthcoming, a separate communication would be issued to highlight vacancies and formally seek volunteers.  ***Patient Experience sub-group***  The Medical Director reiterated the previous proposal to incorporate a patient experience narrative at future Council of Governor meetings given its success in setting tone and context at Board meetings. Mandy McKendry, Patient Involvement and Experience Project Lead, had helpfully described the process at the meeting and as such, the sub-group recommended that the Council incorporate a patient story into its agenda, to be presented at the outset of each general meeting. It was explained that this could take a number of forms to include a story/experience being read out, presented in a video, and through audio or via a presentation.  Sula Wiltshire expressed her support to what she considered was an important matter for the Council of Governors and it was acknowledged that the correct balance was critical.  The Chair confirmed there had been many thought provoking and moving presentations at Board and that it was a useful development to extend these to the Governors. It was suggested that the eating disorders video which encapsulated patient involvement should be considered for early presentation. The Medical Director proposed that the plan would be to include presentations from across all the different directorates.  **The Council of Governors AGREED with the proposal for patient stories and noted the updates from Committees and sub groups.** |  |
| **COG 51/15**  a | **Questions from the Public**  No members of the public were present during the meeting. |  |
| **COG 52/15**  a | **Any Other Business**  None. |  |
|  | **There being no further business the Chair declared the meeting closed at 20:00hrs.** |  |