

**COUNCIL OF GOVERNORS**

**MINUTES OF  
 MEETING HELD ON  
 12<sup>th</sup> JUNE 2013**

**BOARDROOM  
 EDUCATION CENTRE  
 ARROWE PARK HOSPITAL**

**Present:**

Michael Carr	Chairman
Richard Agar	Governor
Phil Baldwin	Governor
Paula Clare	Governor
Brian Cummings	Governor
Mandy Duncan	Governor
Ian Ferguson	Governor
Sue Hill	Governor
Derek Jones	Governor
John Karran	Governor
Barbara Kerr	Governor
Jane Langsdale	Governor
Rosemary Morgan	Governor
Donald Shaw	Governor
Paul Smyth	Lead Governor
David Steele	Governor
Iain Stenhouse	Governor
Paula Williams	Governor

**In attendance:**

David Allison	Chief Executive
Cathy Bond	Non Executive Director
Richard Dutton	Senior Independent Director
Sue Green	Director of Human Resources and OD
Jill Galvani	Director of Nursing & Midwifery
Lucy Lavan	Associate Director of Governance
Lyn Meadows	Non Executive Director
Evan Moore	Medical Director
Alistair Mulvey	Director of Finance
Anne Parker	Non Executive Director
Jean Quinn	Non Executive Director
Julie Adley-Sweeney	Membership Manager

**Foundation Trust Members:**

John Davies  
 Diane Harris  
 Brian Wood

**Apologies:**

Helena Eaton	Governor
Jeff Green	Governor
Bernie Howden	Governor
Robert Howell	Governor
Evelyn Hurren	Governor
Gwen Springall	Governor
Irene Williams	Governor
Jeff Kozer	Non Executive Director

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<p><b>CoG 13-14/ 001</b></p>	<p><b>Apologies for Absence</b> Apologies were noted as listed above.</p>
<p><b>CoG 13-14/ 002</b></p>	<p><b>Declarations of Interest</b> There were no declarations of interest.</p>
<p><b>CoG 13-14/ 003</b></p>	<p><b>Minutes of the Previous Meeting (13<sup>th</sup> March 2013)</b> The minutes of the previous meeting were reviewed for accuracy.  The minutes of the meeting held on 13<sup>th</sup> March 2013 were approved as an accurate record.</p>
<p><b>CoG 13-14/ 004</b></p>	<p><b>Matters Arising</b> In respect of Minute 12-13/020, it was noted that final confirmation of the contract with North Wales for the provision of neonatal services was awaited.  In respect of Minute 12-13/022, it was advised that the Board Assurance Framework was currently being updated to reflect the new Provider Licence and would therefore be shared with the Council of Governors at the September 2013 meeting.</p>
<p><b>CoG 13-14/ 005</b></p>	<p><b>Chairman's Business</b> It was noted that there had been two expressions of interest from Governors for the role of Governor Representative on the Quality and Safety Committee. Given that it would take some time to identify a Patient Representative for the Committee, the Board had agreed that both Governors, Donald Shaw and Sue Hill, would be invited to serve on the Committee for a period of 12 months, after which time, Governor representation would revert to one.  The Chairman advised that Sharon Gilligan had been appointed to the substantive post of Director of Operations with effect from 1<sup>st</sup> July 2013, and that an offer had been made to the preferred candidate for the post of Director of Strategy and Partnerships.  It was noted that Phase 2a of the Wirral Millenium Programme had been implemented successfully. This would provide improved functionality in the management of patient pathways, reduce the burden of written documentation, initially in midwifer, and enable automated ordering and results reporting of laboratory tests. These developments would re-position the Trust as a leader in the utilisation of technology to improve healthcare.  The Chairman advised that he had been invited to join the Expert Panel established by Monitor to advise governing bodies on the application of their constitutions. The Council of Governors confirmed its support for the Chairman in taking on this role.  The following new consultant appointments were noted:</p> <ul style="list-style-type: none"> <li>• Dr Kiran Joseph - Consultant Physician in Acute Medicine</li> <li>• Dr Gregory Hamilton Grantham - Consultant Community Paediatrician</li> <li>• Dr Brian Menezes – Consultant Geriatrician – six months fixed term contract</li> <li>• Dr E Mark Turner – Consultant Ophthalmologist (Medical) – six months fixed term contract</li> </ul>

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	<ul style="list-style-type: none"> <li>• Dr Thomas Williams - Consultant in Critical Care and Anaesthesia</li> <li>• Dr John Hollingsworth - Consultant in Emergency Medicine.</li> </ul> <p>It was noted that Dr Dominic Jenkins, CHD in Emergency Medicine had taken secondment from the Trust to take up a post in Qatar and that Dr Ranjeev Mehra had taken over as CHD, with Dr Beth McGuigan as CSL. It was hoped that a further Consultant appointment in Emergency Medicine would be made within the next few days.</p>
<b>CoG 13-14/ 006</b>	<b>Governors' Business</b> The Lead Governor invited Governors to register on the FTGA website, if they had not already done so and urged greater participation in the forums and review of information provided.
<b>Governance</b>	
<b>CoG 13-14/ 007</b>	<b>'Patients First and Foremost' – Summary of the Government's Initial Response to the Mid Staffordshire NHS FT Public Inquiry</b> The Director of Nursing and Midwifery presented an overview of the Government's response, noting the public apology that had been made to those affected by the tragic failings at Mid Staffordshire and also the Statement of Shared Purpose, encompassing ten commitments to the values of the NHS as set out in the NHS Constitution.  The key messages focused on preventing problems, detecting problems quickly, taking action promptly, ensuring robust accountability and making sure that staff are trained and motivated.  It was noted that a Chief Inspector of Hospitals, Professor Sir Michael Richards, had now been appointed and that recent reports from the Care Quality Commission and Monitor complimented the Government's response to the Inquiry.  It was noted that the Board of Directors had formally signed up to the Statement of Shared Purpose and would conduct a full and open discussion in public at its meeting in October 2013.  The Council of Governors signed up to the Statement of Shared Purpose and commitment to the values of the NHS as set out in the report.
<b>CoG 13-14/ 008</b>	<b>Revised NHS Constitution</b> The Council of Governors received the revised NHS Constitution and copies of the accompanying Handbook were made available to Governors.  It was noted that there was a statutory requirement to meet RTT and A&E targets remained along with a re-statement of a commitment to the values and principles that guide the NHS through a series of pledges that NHS providers must have regard to.  The Council of Governors re-confirmed its commitment to the values and principles enshrined in the revised NHS Constitution.
<b>CoG 13-14/</b>	<b>Report from the Health and Social Care Act Joint Working Group – Constitutional Amendments</b>

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009	<p>The Chairman advised that following a comprehensive review of the constitution by the Joint Working Group, there remained two outstanding issues concerning the definition of significant transactions and the composition of the Council of Governors.</p> <p>The Council of Governors received and discussed the report of the Joint Working Group, dealing with each of the proposed constitutional amendments in turn.</p> <p><b>i) <i>Definition of Significant Transactions</i></b></p> <p>The Chairman outlined the new duty of the Council of Governors to approve 'significant transactions' noting that it was for Foundation Trusts to agree a suitable definition or alternatively to state in their constitutions that no definition had been adopted.</p> <p>There was a need to balance the fact that the Board remained responsible for running the organisation and for taking decisions whilst the Governors, in representing the interests of the public and members, had a new role to undertake.</p> <p>The Council noted that there was no national guidance on how significant transactions should be defined and that whilst a number of Trusts had adopted the definition incorporating a threshold of 25%, as set out in Monitor's Compliance Framework, others had opted for lower thresholds. After thorough consideration, the Joint Working Group agreed to recommend a definition that set a threshold of 15%, subject to a clear expectation that the Board would continue to bring before the Council any matter of strategic importance or operational significance.</p> <p>In discussion it was noted that the Joint Working Group had considered a full range of options and had sought to reach a pragmatic position that paid proper recognition to the new duty for Governors in a way that was not overly onerous but reflected the responsibility for representing public and member interests, but without impeding the routine business of the Trust.</p> <p>In discussing what the proposed threshold of 15% would mean in practice, the Council noted that it was unlikely that it would be required to exercise this power and that the definition would apply only to a transaction that fundamentally changed the shape or nature of the organisation.</p> <p>One Governor commented that to have no definition would allow greater flexibility.</p> <p>Following conclusion of the discussion, the Chairman proposed a vote in respect of defining the threshold for a significant transaction at 15%.</p> <p>One Governor questioned the threshold of 15% and was advised that this threshold was a recommendation of the Joint Working Group and that members of the Council of Governors were being asked to vote for or against the recommendation. Other thresholds could only be considered once this motion was disposed of.</p> <p>The Chairman asked the Members of the Council of Governors present to cast their votes in respect of a definition that would incorporate a financial threshold no lower than 15%.</p> <p>There were 15 votes in favour and 2 votes against.</p> <p>As the Board of Directors had also cast a majority vote in favour of the recommendation,</p>

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	<p>the amendment to the Trust's constitution was carried.</p> <p><b>ii) <i>Composition of Council of Governors in respect of the two stakeholder governor seats allocated to the Partnership Steering Group</i></b></p> <p>The Chairman advised that the size of the Council of Governors had reduced from 37 to 24 seats and that the number of seats assigned to stakeholder Governors and the balance between elected staff , elected public and stakeholder seats had been considered by the Joint Working Group.</p> <p>Whilst there was no intent to undermine the good working relationships with Trade Unions and a continued commitment to ensuring a voice for employee interests in the appropriate fora, the Council of Governors was a membership body concerned with representing members and agreed external stakeholders.</p> <p>After full consideration of the size and composition of the Council, and taking into account the fact that many Trusts exclude trade union representatives from becoming governors due to conflict of interests, there had been a unanimous recommendation from the Group that both Partnership Steering Group seats be removed.</p> <p>It was noted that the Staff Side representatives of the Partnership Steering Group had been consulted informally and had expressed a preference for the status quo; alternatively, a change that would allocate one seat to a clinical representative and one to a non clinical representative would be acceptable and failing that a reduction to one seat rather than two.</p> <p>The Chairman invited the Lead Governor to comment on the rationale of the Joint Working Group in arriving at the recommendation. The Lead Governor advised that there had been a concern that the balance and influence of public governor members had been diluted following the reduction in the size of the Council from 37 to 24. Under the original composition, staff representation had been 19% and was now approximately 30%. Whilst the legal requirement for there to be a majority of elected public governors would still be met, the overall balance and composition was felt to be inappropriate in fulfilling the primary obligation to represent the interests of members and of the public.</p> <p>The Chairman invited Derek Jones, governor representative of the Partnership Steering Group to address the Council. A paper was tabled and a case for maintaining the Staff Side Governor seats was presented. A lengthy discussion followed, with some Governors commenting that the advice from the Trade Union representatives was helpful to the Council.</p> <p>Following the debate, the Chairman asked the Members of the Council of Governors present to vote on the proposal to remove both seats from the Council of Governors, reducing the size of the Council to 22 members.</p> <p>The Council noted that, similar to the previous motion, this was a recommendation of the Joint Working Group and members of the Council were asked to vote for or against.</p> <p>There were 9 votes in favour and 8 votes against. One Governor abstained.</p> <p>As the Board of Directors had also cast a majority vote in favour of the recommendation, the amendment to the Trust's constitution was carried.</p>

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	<p>Derek Jones and Phil Baldwin left the meeting.</p> <p>The Chairman expressed his thanks to both Governors for their contribution to the Council of Governors and re-iterated the Trust's commitment to continue to work successfully with Staff Side on all matters of employee relations.</p>
<p><b>CoG 13-14/ 010</b></p>	<p><b>Register of Interests – Council of Governors</b></p> <p>The Council of Governors reviewed the Register of Governors' interests and confirmed that there were no material conflicts of interest.</p> <p>Governors noted their personal responsibility to ensure that declarations were kept up to date.</p>
<b>Regulation and assurance</b>	
<p><b>CoG 13-14/ 011</b></p>	<p><b>Monitor Licence</b></p> <p>The Council of Governors received and noted the Monitor licence which replaced the Terms of Authorisation with effect from 1<sup>st</sup> April 2013.</p> <p>The Associate Director of Governance explained the sections of the licence noting in particular the general conditions that would apply to all providers of healthcare and the section containing conditions that are specific to NHS Foundation Trusts.</p> <p>A discussion followed concerning the practical implementation of the condition giving patients the right of choice of provider at every point of the pathway; and also the right of Monitor to impose a licence fee.</p> <p>It was noted that a review of each provision of the licence would be undertaken and considered by the Audit Committee.</p>
<p><b>CoG 13-14/ 012</b></p>	<p><b>National Inpatient Survey 2012</b></p> <p>The Director of Nursing and Midwifery presented a summary of the Trust's results in the 2012 National Inpatient Survey, which highlighted a significant improvement in a number of areas compared to the previous year. It was noted that there had been a reduction in the response rate compared to 2011.</p> <p>The Council was advised that although there were limitations with the national survey, which represents a snapshot in time, the Trust has a number of internal mechanisms for obtaining feedback, including its 'Learning With Patients' questionnaire.</p> <p>The improvement in the rating of hospital food was noted, but it was felt that the rating may not be reflective of the significant improvements that had been made in provision of meals and nutrition generally.</p> <p>Two Governors advised that they had participated in the recent PLACE visit and had been impressed with the quality of food sampled during the visit.</p> <p>The ongoing work to further improve nutrition was discussed and Rosemary Morgan, Staff Governor, advised that as a member of the Trust's Nutrition Steering Group she would be willing to present assurance data to the next meeting of the Council of Governors. This was supported.</p> <p>It was recommended that the Trust give consideration to ways in which feedback on the</p>

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	quality of hospital food could be made more visible to patients.
<b>CoG 13-14/ 013</b>	<p><b>Governor Elections Timetable</b></p> <p>The elections timetable was received and it was noted that the Notice of Election had been published in respect of the four Governor seats that were due for election in 2013. The timetable would progress as stated with closure of the elections and reporting of the results by the end of July 2013.</p>
Performance	
<b>CoG 13-14/ 014</b>	<p><b>Trust Performance</b></p> <p>The Chief Executive presented the performance metrics, noting that whilst the Trust had failed the A&amp;E access target in Quarter 4 of 2012/13 and had been challenged by continuing increased demand in the early part of 2013/14, performance of this target was now back on trajectory.</p> <p>A discussion followed around the adequacy of staffing levels across all areas of the Trust. The Council was advised that the Trust had invested in clinical staff over the last 12 months and that a Trust-wide review was underway and this would take account of benchmarks and acuity. It was noted that skill mix changes and new ways of working would follow, with a particular focus on enhancing staffing, where needed, on wards that care for the elderly.</p> <p>The Council of Governors also discussed the data relating to harm arising from medication errors.</p>
<b>CoG 13-14/ 015</b>	<p><b>Summary Report from Board of Directors' Meetings : 27<sup>th</sup> March 2013, 24<sup>th</sup> April 2013 and 29<sup>th</sup> May 2013</b></p> <p>The Council of Governors noted the report.</p>
Strategy and Development	
<b>CoG 13-14/ 016</b>	<p><b>Trust's Forward Plan and Corporate Governance Statement 2013</b></p> <p>The Chief Executive delivered a presentation on the Trust's Annual Plan 2013/14 which included an overview of competitor analysis, commissioning intentions and the threats and opportunities for the Trust. A discussion on quality, clinical and workforce issues, and productivity and CIP followed. The key priorities for 2013/14 were set out.</p> <p>The Council of Governors confirmed its support for the Plan and acknowledged the significant challenge posed by the CIP requirement.</p> <p>The Council of Governors discussed the ongoing joint work with the Community Trust and CCG to improve the provision of alternatives to A&amp;E and hospital admission where this was clinically appropriate.</p> <p>The Council of Governors noted that the Annual Plan 2013/14 had been submitted to Monitor at the end of May 2013 and reviewed the accompanying Corporate Governance Statement which comprised the declarations made by the Board in self-assessing its capacity and capability to deliver the plan. Two risks had been highlighted to Monitor in respect of the CIP challenge and consequent risk to maintaining a Financial Risk Rating of 3 and also in respect of the A&amp;E access target in the event that excess demand continues.</p>

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	<p>It was noted that the Board's declarations were supported by the Board Assurance Framework and that the Audit Committee had scrutinised the statements before making a recommendation to the Board in May 2013.</p>
<p><b>CoG 13-14/ 017</b></p>	<p><b>Membership Strategy</b></p> <p>The Associate Director of Governance presented a draft Membership Strategy document for consideration. The document reflected the discussions and areas for development that had been identified by Governors at the Governor Workshop held on 1<sup>st</sup> May 2013, including consideration of the recent FTN publication 'Managing Your Members', the new requirement for Governors to represent the interests of the public in light of the Health and Social Care Act 2012 and the recommendations of Robert Francis QC.</p> <p>The key aims of the Membership strategy, the drivers for member, patient and public engagement, the development of a representative membership and plans for membership engagement were set out. It was acknowledged that although Governors would drive forward the strategy, additional support would be required and the proposals to establish an Editorial Panel for the Membership Newsletter and new Terms of Reference for the Membership Engagement sub Committee were supported.</p> <p>Subject to the inclusion of a description of the remit of the Editorial Panel, the Membership Strategy was approved.</p> <p>It was agreed that the Council of Governor Sub Committees would be reviewed at the Development Day on 5<sup>th</sup> July 2013 and that nominations would be sought for members of these, including the Editorial Panel.</p>
<p><b>CoG 13-14/ 018</b></p>	<p><b>Governor Development Day – 5<sup>th</sup> July 2013</b></p> <p>The following topics were agreed for discussion at the Governor Development Day on 5<sup>th</sup> July 2013:</p> <ul style="list-style-type: none"> <li>• Presentation from ICE on the development of the Trust website</li> <li>• Discussion with the Director of Pharmacy</li> <li>• Governor training needs</li> <li>• Governor Sub Committees – Review of Terms of Reference and Membership</li> <li>• Process for annual self-assessment of the Council of Governors</li> <li>• Consideration of ways in which Governors might support partnership working (Refer Minute 13-14/021)</li> </ul>
<b>Audit</b>	
<p><b>CoG 13-14/ 019</b></p>	<p><b>Audit Committee Report</b></p> <p>The Chair of the Audit Committee reported that the annual report and accounts 2012/13, including the Quality Report had been reviewed along with the opinions of the external auditor and Director of Internal Audit. The external auditor had issued an unqualified opinion on the financial statements and limited assurance opinions on the Quality Account indicators.</p> <p>Following this review the Audit Committee had recommended the adoption of the Annual Report and Accounts 2012/13 by the Board of Directors and these were then submitted to Monitor in accordance with the required timetable.</p>

Ref	Minute
	It was noted that the Annual Report and Accounts would be formally received by Governors in September 2013.
<b>Standing Items</b>	
<b>CoG 13-14/ 020</b>	<p><b>Reports from Chairs of Governor Sub Committees: Quality and Patient Experience</b></p> <p>The Council of Governors received the Notes of the Meeting held on 2<sup>nd</sup> May 2013.</p> <p>It was noted that the Sub Committee had expressed thanks to the League of Friends in respect of their fundraising efforts and recent donation to the Trust.</p>
<b>CoG 13-14/ 021</b>	<p><b>Presentation from the Chair of the Finance, Performance and Business Development Committee</b></p> <p>Richard Dutton outlined the Committee's membership and remit, describing how its business is conducted and how assurance is provided to the Board. The headlines of the Trust's financial plan were set out, including the requirement for the Trust to save £44m over the next three financial years.</p> <p>In view of this challenge, the Council noted the process put in place to establish a Programme Management Office with support from KPMG, following a competitive tendering exercise and the CIP schemes that had been identified.</p> <p>A discussion followed around how quality of care can be maintained given the magnitude of the CIP. It was noted that each CIP was impact assessed prior to and during implementation and the composite impact of the CIP measured and assurance provided to the Quality and Safety Committee.</p> <p>The need for a whole system approach to meeting the CIP challenge was acknowledged, emphasising the importance of effective partnership working.</p> <p>The Council of Governors expressed a wish to give consideration to ways in which Governors might support improved partnership working at the Development Day on 5<sup>th</sup> July 2013.</p>
<b>CoG 13-14/ 022</b>	<p><b>Any Other Business</b></p> <p>The Chairman expressed sincere thanks to Anne Parker and Nick Williams who would both leave the Trust at the end of June 2013.</p> <p>Tribute was paid to Anne Parker for her valued contribution, particularly in supporting the development of excellent joint working arrangements between the Board of Directors and Council of Governors.</p> <p>Richard Agar, Public Governor raised a point of process in relation to the vote taken on the proposal to remove the two Council seats assigned to the Partnership Steering Group. He suggested that the wording of the Health and Social Care Act 2012 required a majority of Governors voting to uphold the decision. It was noted that the Standing Orders of the Constitution allowed for the person presiding at the meeting to cast a deciding vote in the event of an even number of votes for and against.</p>
<b>CoG</b>	<b>Date and Time of Next Meeting</b>

Ref	Minute
<b>13-14/ 023</b>	Wednesday 18 <sup>th</sup> September 2013 at 4.00pm followed by the Annual Members' Meeting at 6.30pm.

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**Chairman**

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**Date**