

Guy's and St Thomas'   
NHS Foundation Trust

**Council of Governors**

**Minutes of the 49<sup>th</sup> meeting of the Council of Governors held on  
Wednesday 22<sup>nd</sup> July 2015 in the Robens Suite, Guy's Hospital**

**Present:**

Jasmine Ali	Tom Hoffman
Devon Allison	Tony Hulse
Thelma Bangura	Gyles Morrison
Kevin Burnand	Sam Newman
John Burns	Darren Oldfield
John Chambers	Robert Park
Yvonne Craig Inskip	John Porter
John Duncan	Barry Silverman
Jonathan Farley	Jenny Stiles
Sue Gallagher	Bryn Williams
Ken Hayes	Paula Young

**Apologies:**

Anita Campolini	Diane Reckow
Jo Champness	Martin Shaw
Kate Griffiths-Lambeth	Sheila Shribman
Ann Macintyre	Giles Taylor
Steve McGuire	Warren Turner
Frank Nestle	Sonia Winifred
Matthew Patrick	

**In Attendance:**

***Executive Directors:***

Sir Ron Kerr  
Ian Abbs  
Dame Eileen Sills  
Simon Steddon

***Non Executive Directors:***

Sir Hugh Taylor (Chair)  
Mike Franklin  
Girda Niles  
Robert Drummond  
Diane Summers  
Steve Weiner

***Other Attendance:***

Peter Allanson	Trust Secretary and Head of Corporate Affairs
Chris Bowler	Associate Director of Financial Planning
Sandrine Michel-Gibson	Governance Administrator
Dan Price	Private Secretary to the Chief Executive

**CG/15/22**

**Welcome, apologies and opening remarks**

The Chairman welcomed the newly elected and re-elected governors to the meeting. He also welcomed the Chair of Medway NHS Foundation Trust and the Audit Committee Chair from Portsmouth NHS Foundation Trust who were observing both the Board and Council of Governor meetings.

**CG/15/23**      **Minutes of the meeting held on 29<sup>th</sup> April 2015**

The minutes of the meeting held on 29th April 2015 were approved as a true record.

**CG/15/24**      **Matters Arising**

None were raised.

**CG/15/25**      **Reflection session on Board of Directors meeting**

Governors raised a number of questions and issues arising from the meeting of the Board including:

- whether further minor surgery could take place in the community: some minor procedures already took place in GP surgeries and the Fit for the Future work stream on outpatients was considering what other procedures could be done on a day basis, subject of the need for the Trust to set the required safety and quality and clinical governance standards;
- the issue of smoking and its relevance to co-morbidities – Most clinicians were aware of their patients' smoking habits but since the extended smoking ban had been introduced across the Trust the issue of a more systematic approach to cessation was being more widely discussed. This would require further discussion with commissioners on funding for this service;
- maintaining the interest of unsuccessful local applicants for nurse training. All UK nursing courses were over-subscribed - but efforts were made to keep track of local people who wanted to become nurses. The Trust was considering a programme to bridge the gap and it was hoped to move forward on self funded courses;
- update on the move of vascular services to St Thomas'. The Trust had been designated as the central network provider for vascular services for SE London and into Kent. Some procedures would still be offered by agreement at King's College Hospital but potentially with the Trust as delegated commissioner of the service;
- female genital mutilation. The Trust took its responsibilities on FGM very seriously and in Comfort Momoh had one of the most experienced and prestigious lead practitioners in the UK. She had developed a support network across Lambeth and Southwark and was working to increase staff awareness and vigilance;
- St Thomas' East Wing entrance. The Council noted that detailed discussions continued on this including with Transport for London on the siting of bus stops along Lambeth Palace Road. The Trust was grateful to Governors for alerting them to this issue;

- teenagers and the needs of the 18-24 age group, noting that they often disappear from their GP's view. This subject had been discussed by the Children's Services Committee which had recognised the need to improve hospital and community services for this group. This was an area to be acknowledged to the CQC as requiring further work and progress.

**CG/15/26 Appointment of a Non Executive Director**

On behalf of the Nominations Committee, Tom Hoffman described the process it had followed in reaching its recommendation. A firm of recruitment and search consultants with a track record of working to support diversity in senior appointments had been appointed. A shortlist of candidates of high calibre, such that in certain circumstances all four could have been recommended for appointment had been interviewed. The Committee's preferred candidate, Priya Singh, had a medical and legal background and worked at board level for the Medical Protection Society. She had an excellent understanding of the NHS and many of the issues it currently faced and would bring a wide range of attributes to the Board. **The Council of Governors accepted the recommendation and approved the appointment of Priya Singh for a term of 4 years with effect from 1<sup>st</sup> November 2015.**

**CG/15/27 External Auditors – Annual Report**

Paul Thomas from Deloitte LLP presented a “clean” report of the annual accounts to the Council of Governors with no material issues to report. They had confirmed that the late income from Project Diamond it was appropriately recognised in 2014-15. No concerns had been raised as part of the value for money review they were required to conduct.

The Quality Accounts reflected a limited review of three items – the 18 week referral to treatment target, the 62 day cancer wait target and, selected by the governors, the friends and family test. In common with many other trusts, the auditors had found errors in the recording of RTT waiting times. Although based on a small sample they were required to report their findings and give the Quality Accounts qualified approval. A number of recommendations had been made and accepted by the Trust (which indeed put had them in hand before the report was issued).

**The Council of Governors received the Annual Report and Accounts.**

**CG/15/28 Appointment of External Auditors**

One of the responsibilities of the Council of Governors was, from time to time, to appoint the Trust's external auditors. The panel, chaired by the Chairman of the Audit Committee had included a member of the Council, Tom Hoffman, who confirmed his support for the recommendation.

Two firms had been invited to pitch for the business and both had done well. However, the KPMG team was more impressive on NHS issues and the range of reporting issues and also scored better on costs and fees which would reduce over the lifetime of the contract. The panel had also concluded that it was good practice to change auditors from time to time and recommended that KPMG be appointed as external auditors to the Trust for a period of 5 year with

a break option after 3 years and subject to annual re-appointment approved by the Council of Governors.

**The Council of Governors approved the recommendation**

**CG/15/29**

**Operational Consequences of the current financial position**

The Associate Director of Financial Planning reminded the Governors that in 2014-15 the target outcome had been a £3mn surplus on the basis of a cost improvement programme of £60mn. The final results showed a cash surplus of £18.1mn but this masked cost over spends which had been offset by the receipt of some non recurrent payments such as Project Diamond and the release of reserves. Without these there would have been an underlying deficit to address of £21mn.

The initial planning assumption for the current year had been a cost improvement requirement of £66mn to deliver a £6mn surplus. Changes to national tariff, the loss of Project Diamond funds, a wider range of QIPP, the loss of £20mn CQUIN had worsened the position and led to the Board submitting a plan to deliver a deficit at the year end of £19mn. This was the first time the Trust had posted a deficit plan and more directorates than usual were faced with financial challenges. It was notable that the rate of increase in demand for the Trust's services had increased by 16% against a planning assumption of 10%.

The Trust did not consider money without considering quality, safety and efficiency. Any cost improvements had to be approved by the Chief Nurse and the Medical Director. The Director of Operations, Hospital Services, was now dedicating her time to securing the delivery of the plan through increasing the pace and rhythm of delivery with weekly meetings that prioritised matters, unblocked problems and held people to account. The Chief Executive had recently chaired a series of financial challenge sessions to assess the range and nature of support needed by directorates. As a result, senior colleagues were providing direct support to directorates and work streams, with an internal intensive support team to help including spreading skills and knowledge across the Trust.

Other initiatives would take longer to make an impact but it was important to plan for future development including improved surgical efficiency, procurement and income diversification. Using digital products to support the business plan and remove reliance on paper were essential to the future prosperity of the Trust.

The Trust had recently worked with Virginia Mason hospital from the US to see what could be learned from them – a rapid improvement event on continence had been successful and would be used for other service improvements. Staff would be encouraged to be innovative and develop new solutions to problems. Although the next few years would be challenging it was important to work for the longer term.

Governors asked what scope there was for reducing staff costs. Clearly there had to be alignment between the increase in activity and the staff to support it. It was not possible to turn patients away. The NHS constitution gave people the right to choose where they were treated. Nevertheless, all areas of the staffing budget would continue to be carefully scrutinised.

Governors also asked how realistic the savings challenge was in the light of current performance at month 3. While the challenge remained steep, and bigger than expected, there was short, medium and long term scope for improving efficiency and productivity and the Trust was responding well to the challenge. Matters would become clearer as the half year approached - which would be the point at which further action would be taken if necessary.

**CG/15/30 Governors reports**

**Lead Governor**

The Lead Governor welcomed the new and re-elected governors. He noted that the changes to the current regulatory framework could have implications for the work of governors but this was not yet clear. The impact of large numbers of trust being in long term deficit could have a impact on Foundation Trust status if more matters were handled centrally.

**Quality and Engagement Working Group**

Quality and Experience Working Group – the Lead suggested that it might be a good idea to ask patients and visitors for cost savings suggestions based on their experience of using Trust services..

**Service Strategy Working Group**

Service Strategy – the Council noted the report and accepted the suggestion that IT developments should be reviewed more frequently and that it should be a part of its considerations.

**Membership Development, Involvement & Communication Working Group**

The Council noted the report of the meeting.

**CG/15/31 Questions and answers**

The Council of Governors noted the matrix of issues that had been raised and the status of the responses from the Trust to them.

**CG/15/32 Any other Business**

There was none

**CG/15/33 Date and time of next meeting**

The meetings would be held on 28<sup>th</sup> October in the Governors' Hall, St Thomas' Hospital

<b>Board of Directors meeting</b>	3.45 – 5.30pm
<b>Council of Governors meeting</b>	6.00 – 7.30pm

Signed: .....

Date: .....