

**Minutes of the meeting in public of the Council of Governors held on
Thursday 26 July 2018 at 1.30pm in Lecture rooms A and B, Education Centre,
Chesterfield Royal Hospital**

Present:**Chairman**

Dr Helen Phillips, Chair

Public Governors

Mrs D M Weremczuk, Lead Governor and Public Governor, Bolsover Constituency
Mrs P Boyle, Public Governor, North East Derbyshire
Dr L Clarke, Public Governor, High Peak constituency
Mr A Craw, Public Governor, Chesterfield constituency
Mr M Gibbons, Public Governor, North East Derbyshire constituency
Mr D Millington, Public Governor, North East Derbyshire constituency
Mr B Parsons, Public Governor, Chesterfield constituency
Mrs M Rotchell, Public Governor, Chesterfield constituency

Staff Governors

Mr P Whitehouse, Staff Governor, Allied Health Professionals, Pharmacists and Scientists

Appointed Governors

Cllr J Boulton, Appointed Governor, Local Authority Partners
Mrs T Moore, Appointed Governor, Education Partners
Mrs A Parnell, Appointed Governor, Voluntary Sector Partners
Mrs L Tory, Appointed Governor, Voluntary Sector Partners

In attendance

Ms L Andrews, Director of Nursing and Patient Care
Mr T Campbell, Chief Operating Officer
Mrs L Challis, Non-Executive Director
Dr G Collins, Medical Director
Mr S Morrill, Chief Executive
Mr L Outhwaite, Director of Finance and Contracting
Miss J Smith, Deputy Director of Workforce and Organisational Development
Mrs N Smith, Governor and Membership Officer
Ms B Webster, Non-Executive Director
Dr J Wight, Non-Executive Director

Member apologies

Mrs S Bean, Public Governor, Chesterfield constituency
Miss E Bradley, Staff Governor, All Other Staff
Mrs M Brown, Appointed Governor, Education Partners
Mr J Burton, Public Governor, Southern Derbyshire and West Nottinghamshire constituency
Cllr K Caulfield, Appointed Governor, Local Authority Partners
Mrs R Grice, Public Governor, Chesterfield constituency
Dr M Grundman, Public Governor, Derbyshire Dales and North Amber valley constituency
Mr R Jackson, Public Governor, South Sheffield & Rotherham
Mrs R Ludford, Public Governor, Chesterfield constituency
Dr M Luscombe, Staff Governor, Medical and Dental
Dr D Lyon, Public Governor, Chesterfield constituency
Dr J Reece, Public Governor, North East Derbyshire constituency
Mr J Rigardsford, Public Governor, Derbyshire Dales and North Amber valley constituency
Cllr J Ritchie, Appointed Governor, Local Authority Partners
Mrs J Smith, Staff Governor, Nursing and Midwifery
Mrs J Stringfellow, Appointed Governor, North Derbyshire CCG

Attendee apologies

Mrs Z Lintin, Director of Workforce and Organisational Development
Mr M Killick, Non-Executive Director
Mrs G Maiden, Acting Foundation Trust Secretary
Mrs A McKinna, Non-Executive Director
Dr D Pickworth, Non-Executive Director
Mr D Urpeth, Non-Executive Director

CG72/18 **Chairman's welcome and note of any apologies (verbal)**

Dr Phillips welcomed the members and attendees to the meeting.

The apologies for absence were received and noted.

CG73/18 **Declaration of interests (enclosure A)**

The Council received the register of Governors' interests for July 2018.

There were no other declarations of interest.

CG74/18 **Verbal questions and comments from the public (verbal)**

David Pipes, RPC PPG Chair raised concerns over staff engagement relating to the Wholly-Owned Subsidiary given some of the comments posted on social media by members of staff. Mr Pipes also challenged the length of TUPE terms in relation to the proposed 25 year contract.

It was agreed to take questions from the public regarding the Wholly-Owned Subsidiary as part of the related agenda item later on the agenda.

CG75/19 **Minutes of the meeting held on 7 June 2018 (enclosure B)**

The Council received and approved the minutes from the meeting held in public on 7 June 2018.

CG76/18 **Matters Arising from the Minutes (Enclosure C)**

The Council received and noted the report on matters arising from previous meetings.

Action CG58/18: Mr Parsons asked for an update on the appointment of a replacement Head of Health and Safety. Mr Outhwaite confirmed that Mr Marrow, under agreement from his new employer, was still providing additional support to Chesterfield Royal Hospital until the new appointment was substantive. Mr Parsons was keen to express his concern regarding the appointment of such a role within the organisation.

Mr Outhwaite agreed to provide the Council of Governors with an update at the next meeting.

LO

CG77/18 **Wholly owned subsidiary (enclosure D)**

Mr Outhwaite provided the council with context following the decision made at the Board of Directors the previous day approving the business case to establish a Wholly-Owned Subsidiary.

In addressing concerns regarding staff engagement and communication, he was keen to emphasise that the subsidiary would be 100% owned by Chesterfield Royal Hospital with Accounting Officer lying with the Chief Executive, and should it fail, the company's interests and assets, including any deficits, can only revert back to Chesterfield Royal Hospital.

Mr Outhwaite reminded the council that all staff affected would transfer under TUPE retaining their current terms and conditions and NHS pension scheme. Within the business case, any new staff joining the subsidiary would have access to a pension scheme with a voluntary contribution of between 2-8% which would be matched by the Trust, noting that an 8% contribution would broadly match that of the NHS pension scheme.

In order for the Trust to deliver savings of £7.9 million, despite performing in the upper quartile of all Foundation Trusts, the board was challenged at looking for innovative ideas to deliver cost savings rather than looking at reducing staff numbers (potentially around 136), which the Board of Directors supported.

Across Derbyshire, many Trusts are looking at similar options given that all NHS Foundation Trusts have the statutory freedoms to make that decision. Local PFI Trusts already benefit from some of the advantages of those presented by running a Wholly-Owned Subsidiary.

Governors had a number of queries relating to the establishment of a Wholly-Owned Subsidiary and how it would operate and be governed.

In response to these Mr Outhwaite confirmed how assets would transfer, and outlined potential financial circumstances where the company would transfer back to its 'parent'. Through the articles of association this was the only route if it 'failed'. It could not therefore be sold on.

He went through some of the staff TUPE terms. Governors had questions relating to their transfer and protection given, noting the option for existing staff to transfer on new terms and conditions if they preferred that employment offer. The logistics of this would be worked through as part of the consultation.

In relation to governance, Mr Outhwaite reiterated line of sight to the parent company and through to council via Non-Executive Directors.

The council of governors thanked Mr Outhwaite for his robust and thorough answers to governors concerns.

CG78/18

Issues from the Governors' pre-meeting

A number of issues had been raised by governors in their pre-meeting:

Sound system: Dr Phillips informed the council that until an adequate sound system was available to use in the education centre, future council of governor meetings would move off site.

LO/NS

Voluntary sector cuts: Mrs Parnell and Mrs Tory expressed their disappointment in the recent announcement by the Clinical Commissioning Groups to cut £1.2 million across the voluntary sector. The impact that this will have on hospital support services will have huge consequences to the Trust as well as Royal Primary Care. It was noted that the Clinical Commissioning Groups have created a list of services that will be affected by the cuts, including learning disabilities.

Bullying: Concerns regarding bullying were raised following a conversation with a nurse who mentioned how low staff morale currently was across the Trust and concerns were cited by governors on the impact this was having on the staff survey results. Mrs Challis reminded the council of the signposting for staff to the Freedom to Speak Up Champion, Jenni Fellows. One of the biggest hurdles was encouraging staff to come forward with a name which Mrs Fellows continued to ensure all staff felt comfortable and able to do so.

The council recognised that staff need to see actions taken and behaviours changing before staff morale will start to improve.

Loan sharking: Mr Craw had raised this concern previously via the nominations committee but felt it important to bring back to the council of governors for an update. Ms Smith confirmed that a service offering financial and wellbeing advice and support was introduced back in 2017 call NEYBER, which over 100 members of staff have already signed up to. This information can be accessed via the staff app.

Wholly-Owned Subsidiary: Governors had wished to acknowledge the decision made at the board of directors meeting on 25 July 2018 to set up a Wholly-Owned Subsidiary.

CG79/18

Staff Survey update (enclosure E)

Miss Smith presented the staff survey update focusing on progress made against the action plan at both Trust-wide and local level across the organisation, also incorporating the “Leading the Chesterfield Way” initiative and the recent Pulse Check results which were announced on 17 July 2018.

Despite fewer respondents, the Trust received a positive 46% response rate with an average of 8% improvement across all 15 questions. However, this still highlighted ‘day to day frustrations’ as an area which requires further improvement and this can be addressed through year 2 of Listening into Action.

Flexible working posters have been developed in connection with the People Committee, whilst the appraisal season currently stands at 48% complete with a positive trajectory to achieve 90% by the end of September 2018.

Miss Smith added that the Executive Team have met to establish which teams across the organisation require further support and focus via an Executive lead.

Miss Smith clarified that the remaining 10% omitted from the appraisal target of 90% was an allowance for those staff on long term absence, secondments etc. Miss Smith confirmed that the HR Partners were aware of Divisional trajectories and those who still had an outstanding appraisal.

Following a query raised earlier on the agenda regarding bullying in the workplace, Mrs Rotchell questioned whether the 'Leading the Chesterfield Way' programme covered this issue? Miss Smith confirmed with the council that Leading the Chesterfield Way outlined the standards expected from all leaders across the Trust and that this included behaviours. Time for reflection of leadership style and 360 feedback was covered as part of the programme. Mrs Andrews additionally confirmed that the current appraisal process allowed for a line manager's line manager review which meant that staff could discuss any issues outside of speaking directly with their line manager if they felt this was necessary. The Trust had also seen an increase in the number of staff who now felt able to speak to the Freedom to Speak Up Guardian, Jenni Fellows.

CG80/18 **Audit and risk committee assurance report (enclosure F)**

Mrs Challis presented the assurance report in Mr Killick's absence, noting it had been Mr Killick's first meeting as chair. She added that the committee welcomed his new fresh ideas and highlighted that the committee are far more focused since the merging of the Audit and Risk committees.

CG81/18 **Quality assurance committee assurance report (enclosure G)**

Mr Wight highlighted that Mr Martin Shepherd, head of medicines management, provided the committee with the annual report for Medicine which was well received.

The committee are only partially assured on the Integrated Performance Report (IPR) and High Level Risk report (HLR), in particular relating to quality.

CG82/18 **People committee assurance report (Enclosure H)**

Mr Wight explained that both workforce and staff engagement remained partially assured, however, the 'Leading the Chesterfield Way' framework was now fully assured since actions had been put in place against the People Strategy priorities.

CG83/18 **Chief Executives briefing and sustainability transformation programme (STP) update (enclosure I)**

The council received the Chief Executive's report which covered items previously discussed on the agenda. The council noted the approval of a second year of funding to support the Listening into Action (LiA) campaign as well as noting lessons learnt from a presentation received at the Board of Directors from Dean Royles, Director of Human Resources and Organisational Development at Leeds Teaching Hospitals, with regards to the benefit to staff of regular weekly staff

induction sessions.

Mr Morritt confirmed that several actions from the Site Access plan had begun to be implemented working alongside staff, such as flexible working and altering the traffic flow around the site, to help improve staff and patient experience whilst onsite.

The council noted the review of NHS Learning Disabilities across North Derbyshire. Mr Morritt had express his concerns of the review to Chris Clayton, Chief Executive Officer at Derbyshire Clinical Commissioning Groups along with similar concerns over the voluntary sector cuts, highlighting that short term savings and changes to the provisions would have an impact on flow through the Trust.

Mr Morritt reminded the council that Alexandra Norrish, Programme Director for the Hospital Services Review at South Yorkshire and Bassetlaw, was attending the next joint meeting of non-executive directors and governors on 6 September to provide an update on the Hospital Services Review. Whilst there was still work to be carried out with stakeholders, the draft review would be going to the board of directors for discussion in September 2018.

Mrs Weremczuk and Mrs Tory expressed their disappointment of the cancelled monthly engagement meetings following its establishment earlier in the year. Mr Morritt agreed to take this back to Mr Clayton now that the single level management structure was in place. He confirmed that the appointment of Vikki Taylor as the new STP Director for the Joined Up Care Derbyshire Board as a permanent role.

SM

CG84/18

Feedback from the joint meeting of the Board of Directors and Council of Governors on 20 June 2018

Dr Phillips suggested governors have more input to the agenda for the joint meetings of the board and council given the decline in numbers of governors in attendance at the last meeting, as well as consideration to shorter meetings held either in the morning or afternoon.

GM/NS

CG85/18

Governor feedback

Ward visits: Mrs Rotchell wished to remind governors to remain clear and concise whilst completing the governor ward visits proforma to enable staff the opportunity to respond clearly and productively. Mrs Rotchell also highlighted the need to be specific to allow matrons the opportunity to look into individual concerns and queries, especially if staff morale has been highlighted as a concern.

70th anniversary celebrations: Mrs Weremczuk commended the hospital for creating a positive atmosphere around the wards and departments to celebrate the NHS turning 70. Governors spent time visiting departments to say thank you to staff which was gratefully received.

However, some governors expressed their disappointment in the turnout at the church service and how the handling of invitations had been managed.

Praise for Murphy Ward: Mr Millington wished to pass sincere thanks to Murphy ward on behalf of a widow following the passing of her 94 year old husband.

Crib sheet for governors: Ms Webster thought it would be helpful for governors to receive a crib sheet of useful questions and answers in relation to the Wholly-Owned Subsidiary in the event of being challenged by community members.

LO

CG86/18 **Declining number of nurses (enclosure J)**

Mrs Moore provided the council with an overview of the current landscape for nursing roles across North Derbyshire looking at both the Nurse Associate and Graduate Nursing training options, highlighting the decline in applications.

Ms Andrews praised Chesterfield Hospital for remaining at the forefront of such initiatives, noting that the Nurse Associate role would be registered with the Nursing and Midwifery Council (NMC) from January 2019.

The council thanked Mrs Moore for the update.

CG87/18 **Items for information (enclosures K - R)**

The Council received and noted the following items:

- Integrated Performance Report (enclosure K)
- Annual Report and Accounts 2017/18 (enclosure L)
- Board Assurance Framework (BAF) (Enclosure M)
- High Level Risk report (Enclosure N)
- Minutes of the PPI committee 18 June 2018 draft (Enclosure O)
- Minutes of the Corporate Citizenship committee 13 March and 26 June 2018 (enclosure P and Q)
- Council of Governors work programme (Enclosure R)

CG88/18 **Date and Time of Next Meeting**

The Annual Members Meeting was scheduled for:

Date: Thursday 20 September 2018
Time: 6.00pm – 8.00pm
Venue: Lecture Rooms A and B, Education Centre

The next meeting of the Council was scheduled for:

Date: Thursday 4 October 2018
Time: *12.30pm – 4.00pm
Venue: Casa Hotel, Lockoford Lane, Chesterfield
*The open session would commence at 1.30pm.

CG89/18 **Any Other Business (Verbal)**

The Council noted:

Improved Sepsis targets highlighted within the Integrated Performance Report.

CG90/18 **Review of the Meeting (Verbal)**

Mr Gibbons wished to pass on his praise to Dr Phillips for the chairing of a difficult board of directors meeting held in public to consider the Wholly-Owned Subsidiary the previous day, noting her willingness to go and speak to the protestors outside the meeting.

CG91/18 **Collation of Written Questions from Members of the Public**

There were no written questions from members of the public.

CG92/18 **Close of Meeting**

The meeting closed at 3.30pm.