

# Agenda

## Public Council of Governors Meeting

Date: 22 April 2021 at 3.00 pm to 4.00 pm

Location: MS Teams virtual meeting

Item	Subject	Presenter	Format	Time	Action
<b>Opening of the Meeting</b>					
1.	Chair's welcome and apologies Apols from Paul Spencer-Nixon	Chair	Verbal		Note
2.	Quorum	Chair	Verbal		Note
<b>Meeting Administration</b>					
3.	Register of Governor Interests	Chair	Paper		Note
4.	Minutes of the last public meeting – 28 January 2021	Chair	Paper		Approve
5.	Matters arising and actions from the last meeting	Chair	Paper		Discuss
<b>Items for Discussion/Review</b>					
6.	Communications and Engagement activity	Director of Communications and Engagement	Verbal	15:00	Note
7.	Chair's Report	Chair	Verbal	15:05	Note
8.	Chief Executive's Report	Deputy Chief Executive	Verbal	15:15	Note
9.	Improvement plan - focus on Finance	Chief Finance Officer	Paper	15:20	Note
10.	CQC Action plan	Chief Nursing and Quality Officer	To follow	15:30	Note
12.	Lead Governor Update	Lead Governor	Verbal	15:45	Note
<b>For Information and Any Other Business</b>					
13.	Questions from the public	All	Verbal	15:50	Note
14.	Any other business	Chair	Verbal	15:55	Note
15.	Date and time of next meeting: 22 July 2021, 3pm to 5pm, Common Room, Postgraduate Centre				

**Minutes of the Public Council of Governors Meeting  
28 January 2021 by MS Teams**

Members	Name:	Job Title:
	Joanne Palmer	Chair
	Glyn Allen	Public Governor, Medway and Lead Governor
	David Brake	Partner Governor, Medway Council
	Helen Belcher	Partner Governor
	Tim Cowell	Staff Governor
	Neil Gambell	Staff Governor
	Jade Griffiths	Public Governor, Swale
	Jacqui Hackwell	Public Governor, Medway
	Colin Hall	Public Governor, Medway
	Doreen King	Public Governor, Medway
	Mohamed Mohamed	Staff Governor
	David Nehra	Public Governor, Swale
	Kelly Phoenix	Public Governor, Swale
	Penny Reid	Public Governor, Medway
	Paul Spencer-Nixon	Public Governor, Medway
	Claire Thurgate	Partner Governor, Canterbury Christ Church University
	Paul Walker	Public Governor, Medway
	John Wright	Partner Governor, Kent County Council
In attendance	Ewan Carmichael	Non-Executive Director
	Jenny Chong	Associate Non-Executive Director
	James Devine	Chief Executive
	Alan Davies	Chief Finance Officer
	Leon Hinton	Chief People Officer
	Harvey McEnroe	Chief Operating Officer
	Jane Murkin	Chief Nurse
	Glynis Alexander	Director of Communications and Engagement
	Sue Mackenzie	Non-Executive Director
	David Seabrooke	Company Secretary
	Mark Spragg	Non-Executive Director
	Jack Tabner	Director of Transformation / IT
	Tony Ullman	Non-Executive Director
Apologies	Claire Thurgate	Partner Governor, Canterbury Christ Church University
	Kimberley Lancaster	Staff Governor
	Lyn Gallimore	Public Governor, Swale
	Adrian Ward	Non-Executive Director
	Gary Lupton	Director of Estates and Facilities
	David Sulch	Chief Medical Officer
	Rama Thirunamachandran	Academic Non-Executive Director

## **1 Welcome and apologies**

1.1 The Chair welcomed all members and attendees to the meeting.

1.2 Apologies for absence were noted and recorded as above.

## **2 Quorum**

2.1 The meeting was declared quorate.

## **3 Register of Governor Interests**

3.1 There were no conflicts of interest in relation to items on the agenda.

## **4 Minutes of the last meeting**

4.1 The minutes of the Council meeting held on 20 October 2020 were APPROVED as a true and accurate record.

## **5 Matters arising and actions from last meeting**

5.1 The following actions on the action log were APPROVED for closure. Dementia training had been postponed due to Covid and would be re-started when possible. The action would be taken forward by Victoria Bean.

## **6 Chair's report**

The Chair asked Glynis Alexander to update the Council on communications. Glynis Alexander reminded the Council that the current focus was on keeping staff and external stakeholders informed e.g. the management of the pandemic. There was support for staff morale, including the celebration of achievements. We will be communicating about the planned re-start of activity. Governor virtual sessions have been held. On 24 February, there was an engagement session planned with members on quality priorities.

The Chair added her thanks for governors meeting virtually. The Chair thanked clinical staff for working over Christmas and New Year and for keeping the hospital running over this period. She thanked local community for its continuing support for national lockdown guidance. Admissions were reducing as a result. 2,154 Covid patients had been discharged.

She thanked staff for providing the vaccine programme.

Finally, the Chair paid tribute to Stella Dick, a former Lead Governor – our thoughts and condolences to the family. Stella had been a governor from 2014 to 2019 and before that, part of the Medway PALS team.

## **7 Chief Executive's report**

James Devine highlighted the four staff members whom we have lost since November 2020:

Hannah Jackson – a nurse who died in November

Angela Holmes – vascular secretary

Sarah Montgomery – ED practitioner  
Christopher Sherwood – Clinical Engineering team

He also thanked their colleagues in keeping services going.

James Devine reported that the hospital has been busy since the start of Wave 2. The pressure on the hospital has peaked, but Covid was likely to remain in the hospital for some time to come. He asked governors to ask constituents to continue to support the Trust.

A period of sustained pressure had been experienced – 150 admissions surge in wave 1, in wave 2, we peaked at 400. Currently – 300 Covid admissions. The Trust had 510-520 beds normally, including Maternity and paediatrics. There were higher staff absence rates - normally 3.5%, now 6-7%, but did rise to 12%, often due to Covid or self-isolation.

Deviation from norms of safe staffing ratios in ICU had been authorised nationally.

Patients with Covid require specific care via ED with infection control measures. There have been exceptionally long ambulance handover delays. Response times have returned to near-normal recently. He described the levels of intensive care provided. 19 patients were in ITU – mostly with Covid. Beds for AGP patients had been expanded, now just over 200 patients in the hospital with Covid.

The Pfizer vaccine is being administered by the hospital; it started on 17 December 2020. We have been vaccinating hospital staff but also those working in the wider health and social care system. 2<sup>nd</sup> doses of the Pfizer vaccine will be delivered within the 12 week period.

Jane Murkin added that staff had been working tirelessly through a long period – she was proud of their delivery of high standards of care in difficult circumstances. There were 150 patients waiting for cancer treatment – Angela Gallagher was developing plans to recommence treatment. Harvey McEnroe described the system response across providers.

In response to a question from John Wright James Devine outlined a number of support interventions the hospital was making in support of staff over the longer term. Jane Murkin added that the Trust was learning from the experiences of 150 nurse who had been redeployed to help with the response. A Back to the Floor programme was being developed to support this.

Appropriate use of prehabilitation was used – for example for cancer patients.

**ACTION** Angela Gallagher to look at for prehab use to help patients

## 8. Organ donation

Gill Fargher Chair of the Organ Donation Committee and Paul Haydon, Clinical Lead were welcomed by the Chair. They shared slides. The Council received the Medway Organ Donation Committee report for 2019/20 and the report from NHS National Blood and Transplant.

Gill Fargher thanked Doreen King, and Lyn Gallagher, governors who join the Organ and Tissue Donation committee. A number of specialist nurses were re-deployed to support the intensive care service.

The referral rate for potential patients was 92%. There were eight organ donors. The Organ Donation committee reviewed the donor audit to ensure we were not missing potential donors. Gill Fargher emphasised tissue transplant – tissue could be retrieved after death.

Nationally there were 6,700 patients waiting for a transplant – this represented a five year setback as a result of Covid-19.

Gill Fargher highlighted the service's achievement against its strategic objectives 2019-20. Work to improve engagement with black and minority ethnic communities had been initiated.

Atrium displays – research and organ donation which included donor names.

The Chair thanked both speakers and supported the ideas for the atrium. David Brake echoed this.

#### **9. Nomination and Remunerations Committee**

Mark Spragg advised the Council that a financially experienced NED is currently being recruited.

The committee recommended that the Trust should continue with Ewan Carmichael for a further year on grounds of exceptional circumstances.

The Council supported the recommendation that Ewan Carmichael's tenure should be extended by a further year.

#### **10. Improvement plan – People**

James Devine introduced the item as one of five pillars of the Improvement Plan. Plan which was agreed in June by the Board. The Council received a report in support in support of this item.

Leon Hinton reminded the Council that the People Strategy was first produced in April 2017. A national People Plan with 92 actions for the NHS. Four domains – looking after our people (staff, volunteers) this was being addressed through our Well-being strategy. Greater access to psychological support was being developed for staff.

Belonging in the NHS this area benefited from wave 1 learning – and was focused on revitalising staff networks – Leon Hinton highlighted the rapidly maturing BAME network. 50 staff were part of the culture change team aimed at making quality improvements.

Workforce are tired – for example, less shifts being taken up through Bank.

New ways of working – new education groups and apprenticeships. Fourth was Growing for the future – recruitment. Apprenticeships – recruitment had continued and remote working was used; there were 150 on the programme. Nurse recruitment has been very difficult – international

restrictions on travel caused delay, added expense, 200 nurses in the pipeline but delayed by about five months. Consultant recruitment has continued and the vacancy rate was below 5%.

Jackie Hackwell asked about the ways available to help communications on behalf of vulnerable patients. Some hospitals had arranged carers support this on wards. Jo Palmer said the Trust had done this since wave 1, with the charity buying Ipads used by the Trust's Skype Angels. They were redeployed from administrative roles. Military staff had provided a range of support for patients

John Wright asked about para 4.2.3 in the report regarding education and training? Leon Hinton said this is direct from the national People plan – and involved the training of 40,000 nurses

### **11. Lead Governor Update**

Glyn Allen added his condolences to the family of Stella Dick who was remembered with affection.

He thanked Rod Helps who had resigned as a public governor – Rod had been passionate about ensuring the hospital has capacity to respond to the Covid crisis.

In his recent Lead Governor newsletter, Glyn Allen has said governors were interested in supporting the hospital through available means. He highlighted two on-line Meet the Governor sessions. The Staff governors session on 10 January 2021 went well.

He reminded governors of the opportunity to join Public board meetings as a way to gain assurance about how the Board was running the Trust. GA has attended a very useful workshop for governors and would request that the slides be circulated. He again thanked the staff for their response to the current crisis.

### **12 Questions from the Public**

15.1 There were no members of the public present at the meeting.

### **13 Any Other Business**

### **14 Date and time of next meeting**

14.1 The next meeting will be held on 22 April 2021,

These minutes are agreed to be a correct record of the Public Council of Governors Meeting of  
Medway NHS Foundation Trust held on 28 January 2021

Signed ..... Date .....

Jo Palmer, Chair

# Public Council of Governors Action Log

AGENDA ITEM 5 - Date: 22 April 2021

Actions are RAG Rated as follows:

Due date passed and action not complete	Action complete/ propose for closure	Action not yet due
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Meeting Date	Minute Ref / Action No	Action	Action Due Date	Owner	Current position	Status
17 January 2019	COG/2019/005	Update on Estates progress and plans later in the year.	28 April 2021	Gary Lupton, Director of Estates and Facilities	<p>This item was included in Extraordinary Private Council of Governors meeting on 12 February 2020 with Medway Council to consider planning issues and capacity to meet planned increase in local population. The estates strategy is being further developed taking account Covid-19 requirements and will come to January 2021 Council of Governors meeting.</p> <p style="color: red;">This item has yet to come to Board</p>	Red
21 January 2020	COG/2020/023	To discuss with Gary Lupton the suggestion for Governors to visit wards, similar to the PLACE assessments.	20 October 2020	Jane Murkin, Chief Nursing and Quality Officer	<p>The Chief Nursing and Quality Officer supported by the Director of Estates is implementing a series of quality visits to wards and areas.</p> <p>Governors have also been invited to join Executives and Non Executives on walkabouts to gain insight and have conversations with staff, while the ward visits (being organised by Chief Nursing and Quality Officer) are designed to provide assurance.</p> <p>Due to COVID-19 Governor involvement in these have been postponed.</p> <p style="color: red;">Visits by NEDs and Governors remain paused until the Covid situation, but discussion is taking place about resuming</p>	Amber

## Meeting of the Council of Governors Thursday, 22 April 2021

<b>Title of Report</b>	<b>Trust Improvement Plan – Financial stability</b>	Agenda Item	<b>9</b>
<b>Lead Director</b>	Alan Davies, Chief Finance Officer		
<b>Report Author</b>	Paul Kimber, Deputy Chief Financial Officer		
<b>Executive Summary</b>	<p>The overarching objective of the Financial Stability pillar is: “We will deliver financial stability and create value in all that we do.”</p> <p>2020/21 has been a difficult year financially; whilst elements have been made easier - such as the removal of contract negotiating with commissioners - the uncertainty and variability of patient activity, staff availability and national policy has meant that even short term planning has sometimes proven unreliable.</p> <p>The Trust is forecasting to meet two of its headline financial measures (a control total of breakeven and capital plan of £32m) but will fall short of the third (£9m CIP against a target of £12m).</p> <p>Phase two plans have been agreed in outline and are under development to provide greater clarity of planning and delivery.</p>		
<b>Resource Implications</b>	None		
<b>Legal Implications/ Regulatory Requirements</b>	None		
<b>Quality Impact Assessment</b>	None		
<b>Recommendation/ Actions required</b>	The Committee is asked to note this report.		
	Approval <input type="checkbox"/>	Assurance <input type="checkbox"/>	Discussion <input type="checkbox"/>
			Noting <input checked="" type="checkbox"/>
<b>Appendices</b>	Appendix 1: Financial stability dashboard as presented at the March Trust Improvement Board		

*Reports to committees will require an assurance rating to guide the Committee’s discussion and aid key issues reporting to the Board*

The key headlines and levels of assurance are set out below:

<b>No assurance</b>	Red - there are significant gaps in assurance and we are not assured as to the adequacy of current action plans
<b>Partial assurance</b>	Amber/ Red - there are gaps in assurance
<b>Assurance</b>	Amber/ Green - Assurance with minor improvements required
<b>Significant Assurance</b>	Green – there are no gaps in assurance
<b>Not Applicable</b>	White - no assurance is required

*Where a heading has been rated 'Red' or 'Amber-Red', actions taken/ to be taken for improvement with timeline (where applicable), should be included in the report.*

## 1 Executive Overview

- 1.1 The overarching objective of the Financial Stability pillar is: “We will deliver financial stability and create value in all that we do.”
- 1.2 2020/21 has been a difficult year financially; whilst elements have been made easier - such as the removal of contract negotiating with commissioners - the uncertainty and variability of patient activity, staff availability and national policy has meant that even short term planning has sometimes proven unreliable.
- 1.3 The Trust is forecasting to meet two of its headline financial measures (a control total of breakeven and capital plan of £32m) but will fall short of the third (£9m CIP against a target of £12m).
- 1.4 Phase two plans have been agreed in outline and are under development to provide greater clarity of planning and delivery.

## 2 Phase 1 projects and deliverables

White

- 2.1 The programmes of work and deliverables from phase 1 were as follows (the latest available dashboard as reported to the Trust Improvement Board is included in Appendix 1).

Programme/project	Purpose	Outcomes
<b>Achieve Financial Targets</b>		
Deliver I&E targets	To meet the control total set by / agreed with NHSE/I and the STP.	As at month 11 the Trust was meeting its in-month and year to date control total. At the time of writing we are closing down the year end position and are confident of meeting the full year control total of breakeven.
Reimbursement of Covid costs	To capture, report and reclaim funding for Covid expenditure.	Despite the national arrangements set out in the early part of 2020/21, the Trust did not receive final confirmation and funding of its Covid capital expenditure in Q4. We received almost £2m in total with only £40k disallowed.  The Trust received revenue funding to mitigate the incremental costs of Covid sufficient to allow it to achieve a breakeven; tis funding totalled almost £20m.
Management of staff costs	To control payroll expenditure and WTEs within budgets / baselines.	Pay costs have grown significantly over the course of the year, going above £20m in-month for the first time in Q4. This reflects the staffing pressures faced as a result of Covid (staff absence/isolation, additional infection control procedures, escalated bank and agency rates, acuity of Covid patients, etc.) which has reported over £12m of incremental pay expenditure.
Deliver capital targets	To deliver capital projects that fully utilise the capital allocation.	Early indications from the year end close are that the Trust has delivered a capital programme of £32m in line with the resource allocation.
<b>Improve value for tax payers money</b>		
Deliver CIP	Support the identification, development and implementation of CIP to meet budget.	Covid has significantly affected the Trust's capacity and capability to deliver CIP in 2020/21. Against a budget of £12m the Trust expects to deliver £9m.
Benchmarking of services	Undertake and respond to benchmarking, including	The key success of this project has been inviting those care groups with the largest identified opportunities per Model

Programme/project	Purpose	Outcomes
	development of Service Line Reporting (“SLR”).	Hospital to present to the Finance Committee on how they are using the data to develop CIP and service change.  The Trust has also further developed its SLR capability and has trialled this in detail with a selection of care groups.
Product standardisation	Reduce the variability of products at the Trust to promote best value and patient safety.	Due to the Covid focus nationally this project has not progressed as far as was hoped. However, we have engaged NHS Supply Chain to work with us in identifying opportunities.
Commercial plan	Review third party income generating opportunities.	A number of outline areas were agreed in principle but were put on hold as a result of the pandemic. We will continue to explore these, including our linen and laundry service and estates utilisation.
<b>Plan our Investments</b>		
Business cases for quality and operational improvement	Review and strengthen the investment governance process together with the quality of written case.	The governance approval process has been revised to ensure that executive oversight is applied. x  The investment template documents have also been refreshed.  We have seen an improvement in the evidenced decision-making for investments.
Backlog maintenance	Scrutinise the estates backlog maintenance and develop plans to address this over a multi-year programme.	The overall value of backlog maintenance has reduced and we have also seen notable reductions in the amount of work classified as “critical”.  The capital plans continue to set out the prioritisation of works and timing to ensure the estate is safe and fit for purpose.
<b>Plan our Investments</b>		
Portfolio of services review	Assess services against performance metrics to	Due to the pandemic this review is now being picked up through the 2021/22 business planning process.

Programme/project	Purpose	Outcomes
	support the Trust's strategy, e.g. investment / divestment.	

### 3 Phase 2 projects

White

3.1 Building on the work from phase 1, set out below are the outline programmes and projects for phase 2.

Missions	Objectives	Deliverables	Outcomes/measures
Deliver Financial Targets for 2020/21 and beyond	We aim to meet the financial performance targets as agreed with the STP and NHSE/I	<ul style="list-style-type: none"> <li>Risk based financial reporting</li> <li>Clear cost driver analysis</li> <li>Adequate funding of Covid costs</li> <li>Submit annual accounts on time and with few audit identified issues</li> </ul>	<ul style="list-style-type: none"> <li>Actual financial performance vs control total</li> <li>CIP performance vs plan</li> <li>%/£ Covid cost vs Covid income</li> <li>Accounts submission date</li> <li>External audit ISA 260 report</li> </ul>
Business Planning 2021/22	We aim to undertake a robust and insightful business planning and budget setting process for 2021/22	<ul style="list-style-type: none"> <li>Clarity of run-rate and impact of Covid, phase 4 recovery, etc.</li> <li>Agreed budgets and CIP plans</li> <li>Triangulation of activity/demand, capacity, workforce, establishments and £</li> <li>Develop 3-5 year financial plan and model</li> </ul>	<ul style="list-style-type: none"> <li>Agreed exit run-rate internally and externally</li> <li>RAG rating and £ of CIPs vs plan</li> <li>All budgets signed off by budget holders and divisional leads</li> <li>Approved financial strategy</li> <li>Familiarisation with LTFM and use in decision making</li> </ul>
Capital Planning 2021/22	We aim to produce the capital plans for the Trust for the next 3-5 years and enhance the quality of written cases	<ul style="list-style-type: none"> <li>Capital allocation agreed with STP</li> <li>Trust approved capital plan with sources of funding reconciled to business plans</li> <li>Prioritisation of capital projects</li> </ul>	<ul style="list-style-type: none"> <li>Capex vs approved plan</li> <li>Number of iterations of investment proposals / duration in governance process</li> </ul>
Drivers of Deficit	We aim to leverage the findings of the work to move towards a long-term sustainable financial position	<ul style="list-style-type: none"> <li>Engagement with NHSE/I intensive support team and wider STP</li> <li>Provision of benchmarking tools, such as Model Hospital, SLR, GIRFT</li> <li>Trust approved commercial plan</li> </ul>	<ul style="list-style-type: none"> <li>CIP schemes vs opportunities</li> <li>Post project performance assessment</li> <li>Commercial plan implementation plan</li> <li>System financial sustainability plan</li> </ul>

Missions	Objectives	Deliverables	Outcomes/measurements
		<ul style="list-style-type: none"> <li>• Clarity of portfolio of services</li> <li>• Attendance at system meetings</li> </ul>	
System Working	We aim to work closely with our system partners on financial matters	<ul style="list-style-type: none"> <li>• Attendance at system meetings</li> <li>• Review SFIs and ensure all related/named policies are up to date</li> <li>• Timely implementation of audit recommendations</li> <li>• Strengthen security of assets</li> </ul>	<ul style="list-style-type: none"> <li>• Realisation of system benefits, including capital investment, service redesign and CIP schemes</li> </ul>
Strengthen Governance	We aim to provide a financial control and governance environment that promotes probity	<ul style="list-style-type: none"> <li>• Review SFIs and ensure all related/named policies are up to date</li> <li>• Timely implementation of audit recommendations</li> <li>• Strengthen security of assets</li> <li>• Deliver training to budget holders and senior staff, including financial management and business cases</li> <li>• Promote awareness of fraud risk</li> </ul>	<ul style="list-style-type: none"> <li>• Approved SFIs / policies</li> <li>• Number of open/overdue audit recommendations, including grip and control actions</li> <li>• No./£ of asset losses</li> </ul>
Strengthen Culture	We aim to provide all staff with the relevant financial acumen to support the Trust in delivering its goals	<ul style="list-style-type: none"> <li>• Deliver training to budget holders and senior staff, including financial management and business cases</li> <li>• Promote awareness of fraud risk</li> </ul>	<ul style="list-style-type: none"> <li>• Number of attendees at training sessions</li> <li>• Annual survey results</li> </ul>

## **4 Conclusion and Next Steps**

- 4.1 The Trust has broadly been able to deliver against its financial targets in 2020/21 in light of the constraints and uncertainty that has surrounded the year.
- 4.2 Whilst we know that these financial arrangements will continue for the first half of 2021/22, it is important that the Trust adopts strong financial controls and ownership of financial resources throughout the organisation in order to meet its financial obligations. Only by doing so with our system partners will we be able to deliver a sustainable financial position from which we can further invest in our patients and staff.