

## MEETING OF COUNCIL OF GOVERNORS

Thursday 24 November 2016, commencing at 2pm

Conference Rooms A&B, Centre for Research and Development,  
Kingsway, Derby DE22 3LZ

The meeting opened at 2pm and closed at 3:50pm

<b>PRESENT:</b>	Richard Gregory	Interim Chairman
<b>GOVERNORS PRESENT:</b>	Rob Davison	Appointed Governor Derbyshire County Council
	Rosemary Farkas	Public Governor Surrounding Areas
	Diane Froggatt	Appointed Governor Derby City Council
	Ruth Greaves	Public Governor Derbyshire Dales
	Gillian Hough	Public Governor Derby City East
	Alexandra Hurst	Public Governor High Peak
	Lynda Langley	Public Governor Chesterfield North
	Paula Lewis	Public Governor Derby City West
	John Morrissey	Public Governor Amber Valley South and Lead Governor
	Nitesh Painuly	Staff Governor (Medical and Dental)
	Carole Riley	Public Governor Derby City East
	Helen Sentance	Public Governor Erewash South
	April Saunders	Staff Governor (Nursing and Allied Professions)
	Kelly Sims	Staff Governor (Admin and Allied Support)
	Alan Smith	Public Governor Chesterfield South
<b>IN ATTENDANCE:</b>	Caroline Maley	Senior Independent Director and Non-Executive Director
	Margaret Gildea	Non-Executive Director
	Julia Tabreham	Non-Executive Director
	Ifti Majid	Acting Chief Executive
	Samantha Harrison	Director of Corporate Affairs and Trust Secretary
	Carolyn Green	Director of Nursing and Patient Experience
	Mark Powell	Director of Strategic Development
	Claire Wright	Director of Finance
	Anna Shaw	Deputy Director of Communications and Involvement
	Sue Turner	Board Secretary (minutes)
<b>APOLOGIES:</b>	Barry Appleby	Public Governor South Derbyshire
	Shelley Comery	Public Governor Erewash North
	Sarah Gray	Staff Governor (Nursing and Allied Professions)
	Dr Paula Holt	Appointed Governor University of Derby
	John Jeffrey	Public Governor Bolsover
	Moirra Kerr	Public Governor Derby City West
	Maura Teager	Non-Executive Director

DHCFT/Gov/ 2016/068	<p><b><u>INTERIM CHAIRMAN'S WELCOME</u></b></p> <p>Richard Gregory, Interim Chairman, opened the meeting and welcomed everyone. Apologies were duly noted and listed as above.</p>
DHCFT/Gov/ 2016/069	<p><b><u>MINUTES OF THE MEETING OF THE COUNCIL OF GOVERNORS HELD ON 6 SEPTEMBER 2016</u></b></p> <p>The minutes of the meeting of the Council of Governors held on 6 September were accepted and agreed as an accurate record of the meeting.</p>
DHCFT/Gov/ 2016/070	<p><b><u>MINUTES OF THE EXTRAORDINARY MEETING OF THE COUNCIL OF GOVERNORS HELD ON 12 OCTOBER 2016</u></b></p> <p>The minutes of the extraordinary meeting of the Council of Governors held on 12 October were accepted and agreed as an accurate record of the meeting.</p>
DHCFT/Gov/ 2016/071	<p><b><u>MATTERS ARISING REVIEW OF ACTIONS MATRIX</u></b></p> <p>Updates on progress with actions were noted directly to the matrix and actions agreed as completed were archived.</p>
DHCFT/Gov/ 2016/072	<p><b><u>ACTING CHIEF EXECUTIVE'S REPORT AND UPDATE ON DERBYSHIRE SUSTAINABILITY AND TRANSFORMATION PLAN</u></b></p> <p>This report provided the Council of Governors with feedback on changes within the national health and social care sector as well as providing an update on developments occurring within our local Derbyshire health and social care community. The report also updated the Council on feedback from external stakeholders such as our commissioners and feedback from our staff.</p> <p>Councillor Rob Davison, Appointed Governor Derbyshire County Council, referred to the cold weather plans for 2016 that were outlined in the report. He was concerned that although he was working with NHS on winter pressure plans he did not consider extra capacity could be provided by Derbyshire County Council this year. Governors noted that the Trust will comply with the guidance provided and will ensure there is a robust cascade system in place for responding to the cold weather alert system.</p> <p>The report also included an update on the Derbyshire Sustainability and Transformation Plan (STP) which was noted by governors but not discussed.</p> <p><b>RESOLVED: The Council of Governors noted the contents of the Acting Chief Executive's update</b></p>
DHCFT/Gov/ 2016/073	<p><b><u>STRATEGIC OPTIONS CASE AND QUESTIONS RELATING TO THE STRATEGIC OPTIONS CASE</u></b></p> <p>The Council of Governors formally received the outcomes of the collaboration discussions between Derbyshire Community Health Services NHSFT (DCHS) and Derbyshire Healthcare NHS Foundation Trust (DHcFT), together with the Strategic Options Case (SOC) summary which outlined the key considerations and recommendations of the SOC.</p> <p>Rob Davison drew attention to point 6 of the recommendations contained in the report which asked governors to support the recommendation for a collapsed OBC/FBC stage with the appropriate breakpoints built in for key decisions stages. He did not consider that governors should be asked to support the proposal and asked that</p>

governors be requested to merely note rather than support this recommendation. It was agreed that this recommendation would be amended so that governors would be asked to note recommendation 6 for a collapsed OBC/FBC stage with the appropriate breakpoints built in for key decisions stages.

Richard Gregory reminded governors that the SOC had been presented to them at the Council of Governors and Board Development session on 27 October which had allowed governors to formally raise questions. All questions had since been collated and were set out along with answers in (Appendix 2) and were circulated at today's meeting. The following points were noted:

- **How will governors be able to hold NEDs to account throughout the forthcoming process and when will we be able to have a timeframe?** NEDs were happy to share their knowledge of the SOC process and it was agreed that more detail of NED's opinions relating to the forthcoming process would be included in future briefing documentation. Caroline Maley advised governors that she can be contacted by email for any further clarifications.
- **How can NEDs give assurance of how under the new structure physical health and mental health will not continue to be treated as separate?** John Sykes responded that this new service would be about wrapping the needs around the person by providing a "one stop shop" approach that would offer both a physical and a psychological service within a community based setting.
- **What assurance can NEDs give that they have engaged with service users and are keeping them involved in developments?** Anna Shaw replied that NED involvement will be key to this process. The People & Culture Committee will also follow this through, especially as staff governors regularly attend the meeting and can ensure staff are fully engaged in the process. Anna Shaw assured governors that further engagement with stakeholders will take place and governors will also have the opportunity to be involved.
- **What assurance can the NEDs give that they have considered the media approach to the SOC?** Gillian Hough asked if a strategic stance had been taken not to respond to ex governors making repeated comments in the press. This was an issue that had caused concern and Julia Tabreham shared governors' anxieties and would seek advice from a communications expert about how to respond to this issue with ex governors and establish the correct approach to take. Governors were concerned that these instances have tarnished the work that had been done by the Trust and agreed to follow the approach by the Board and NEDs in respect of discussions held with the media. It was noted that a governor development session will take place to provide guidance on social media. At this point Ifti Majid took the opportunity to thank Anna Shaw for leading the Trust in dealing with media attention from ex governors.

**RESOLVED: The Council of Governors:**

- 1) **Noted the strategic case which defines the significant challenges and anticipated benefits which could be derived through closer collaboration between DCHS and DHcFT.**
- 2) **Noted the strategic options considerations and process undertaken to arrive at the preferred option.**
- 3) **Noted the Board's approval of the preferred strategic option for merger by acquisition, with DCHS as the acquiring organisation which is considered to minimise the potential risks of a significant transaction for both parties.**

	<p>This is subject to the commitment to the creation of a new organisation which would have strong leadership and governance, including the skills required to safeguard and develop the expertise of the two current organisations and the constitution would be reconfigured with Executive Directors, Non-Executive Directors and Council of Governors balanced to reflect the scope of services provided.</p> <p>4) Noted the Board's approval of this SOC and confirmation of ongoing commitment to progress to the next, more detailed stages; the Outline Business Case (OBC) and Full Business Case (FBC) and subsequent implementation (subject to necessary approvals).</p> <p>5) Noted the Board's approval of a shared project budget (also subject to regulatory approval).</p> <p>6) Noted the recommendation for a collapsed OBC/FBC stage with the appropriate breakpoints built in for key decisions stages.</p>
<p>DHCFT/Gov/ 2016/074</p>	<p><b><u>INTEGRATED PERFORMANCE REPORT</u></b></p> <p>This report provided the Council of Governors with an integrated overview of performance as at the end of September 2016 and focussed on workforce, finance, operational delivery and quality performance.</p> <p>Mark Powell acknowledged the significant challenges the Trust was facing around recruitment and informed governors that this was being resolved through the People &amp; Culture Committee. He also highlighted the challenging issues surrounding the CIP (Cost Improvement Programme) gap which is being compensated for by other cost avoidance and underspends. Rob Davison responded that underspends are often a one off action and he was concerned that similar challenges would be encountered next year.</p> <p><b>RESOLVED: The Council of Governors noted the Trust's integrated overview of performance as at the end of September 2016.</b></p>
<p>DHCFT/Gov/ 2016/075</p>	<p><b><u>NON-EXECUTIVE DIRECTOR UPDATES</u></b></p> <p>The Council of Governors acknowledged that NEDs have been very engaged in their roles and agreed not to discuss a full account of their activities in this instance.</p>
<p>DHCFT/Gov/ 2016/076</p>	<p><b><u>REPORT FROM NOMINATIONS AND REMUNERATIONS COMMITTEE</u></b></p> <p>The Council of Governors received an update on the meetings of the Nominations and Remuneration Committee held on 21 September, 11 November and 23 November 2016.</p> <p>A second paper requesting governors to consider the Nominations and Remuneration Committee's recommendation to appoint a Clinical Non-Executive Director was tabled at the meeting. The paper also set out the recruitment process, interview arrangements and stakeholder assessment that took place with five candidates on 23 November. Governors were informed that following interview, the Committee met and discussed the consideration of skills, experience, values, motivation and organisational fitness of each candidate and unanimously agreed to recommend that Dr Anne Wright be offered the post.</p> <p>After considering the recommendation from the Nominations and Remuneration Committee governors approved the appointment of Dr Anne Wright as Clinical Non-Executive Director, subject to satisfactory checks and compliance with the Trust's Fit and Proper Persons policy.</p> <p><b>RESOLVED: The Council of Governors:</b></p>

	<ol style="list-style-type: none"> <li>1) <b>Approved the appointment of Dr Anne Wright as Clinical Non-Executive Director of the Trust Board for a three year term of office at an annual fee of £12,638. The appointment start date will be arranged with the candidate and commence subject to the approval of the Council of Governors and compliance with Fit &amp; Proper Persons checks.</b></li> <li>2) <b>Received the report of the meetings held on 21 September, 11 November and 23 November 2016</b></li> </ol>
<p><b>DHCFT/Gov/ 2016/077</b></p>	<p><b><u>FEEDBACK FROM NON-EXECUTIVE DIRECTORS ON OPERATIONAL PLAN</u></b></p> <p>A Governors Development session was held on 15 November where the operational planning process was outlined and governors were given the opportunity to feed in their views. Governors asked to receive feedback on key points raised by the Non-Executive Directors and this feedback was set out in the report.</p> <p>Julia Tabreham informed governors that the draft operational plan was thoroughly discussed at the Board Development Day on 16 November and was usefully challenged by NEDs. Barry Mellor concurred that an open and frank discussion took place and NEDs agreed it was a very good performance managed document.</p> <p>Governors were advised that the draft Operational Plan has since been submitted to NHSI. The updated Operational Plan will be presented to the Board requesting authority delegated to Acting Chief Executive and Director of Finance to sign off the final plan on 7 December. Updates on the Operational Plan will be noted at the Board Development Day on 14 December and the Final Operational Plan will be submitted to NHS Improvement on 23 December.</p> <p>Governors formally noted the Board's confirmation of acceptance of the control total and that the final version of the document will contain caveats due to contract negotiations that are still ongoing.</p> <p><b>RESOLVED: The Council of Governors:</b></p> <ol style="list-style-type: none"> <li>1) <b>Noted the Non-Executive Director comments regarding the DRAFT Operational Plan</b></li> <li>2) <b>Noted the timeframes for development of the final Operational Plan</b></li> </ol>
<p><b>DHCFT/Gov/ 2016/078</b></p>	<p><b><u>REPORT FROM GOVERNANCE COMMITTEE</u></b></p> <p>This report provided the Council of Governors with an update on meetings of the Governance Committee held on 20 September, 11 October and 9 November.</p> <p>The report was a summary of matters discussed at the meetings. Gillian Hough, Chair of the Committee was pleased to report that staff from the Children's Service and the Veterans Services will be attending the Governance Committee in January and February and she assured governors that the Committee is now well established and was effectively addressing key areas of governor business.</p> <p><b>RESOLVED: The Council of Governors noted the discussions of the Governance Committee meetings held in September, October and November.</b></p>
<p><b>DHCFT/Gov/ 2016/079</b></p>	<p><b><u>GOVERNANCE IMPROVEMENT ACTION PLAN UPDATE</u></b></p> <p>This report provided the Council of Governors with an update on the delivery of the Governance Improvement Action Plan (GIAP) and an overview of performance against all 53 recommendations set against each respective core area as report to the Board on 2 November.</p>

	<p>Sam Harrison drew attention to the two GIAP Blue Completion Forms which were completed to provide evidence of the progress made to date. The form for GIAP task CoG1 enabled the Council of Governors to obtain assurance that the Policy for Engagement between the Trust Board and Council of Governors policy will be part of ongoing work within the Trust.</p> <p>The GIAP Blue Completion Form for COG2 and COG 3 relating to governor recruitment and the implementation of a programme of activities to increase engagement with Governors was also signed off by governors.</p> <p>Governors confirmed they were satisfied that these key tasks were complete and were informed that both completion forms will be taken to the Board on 7 December for final sign off.</p> <p><b>RESOLVED: The Council of Governors reviewed the GIAP and confirmed that the blue forms could proceed to the December meeting of the Trust Board for further review and approval.</b></p>
<p><b>DHCFT/Gov/ 2016/080</b></p>	<p><b><u>TASK AND FINISH GROUP REPORT</u></b></p> <p>The Task &amp; Finish Report had been produced following a request from the Council of Governors to undertake an independent review of the actions of the Trust Board in the circumstances surrounding the Employment Tribunal.</p> <p>The report concluded that Non-Executive Directors (NEDs) had not acted as if accountable to the Council of Governors but there had since been a marked change in this approach. It was noted that Governors and NEDs had worked hard on communications in the intervening period and relationships are much improved. Should a similar situation arise today the Group felt the Trust would be better prepared to deal with it.</p> <p>Governors agreed to move forward from these events and acknowledged the improved relationship between Governors, NEDs and the Board.</p> <p><b>RESOLVED: The Council of Governors noted the contents of the Task and Finish Group Report.</b></p>
<p><b>DHCFT/Gov/ 2016/081</b></p>	<p><b><u>CQC SUMMIT FEEDBACK</u></b></p> <p>Carolyn Green's report updated the Council of Governors on the CQC Quality Summit that took place on 8 November. A presentation from Ifti Majid that responded to the CQC report was included as an addendum to the report and showed how the Trust would learn and improve from the actions recommendations.</p> <p>Governors noted that the summit was a very positive experience. The Trust's CQC action plan was shared noting a number of changes and improvements that had taken place since the CQC visited our services in June 2016. It is clear that the Trust has made a great deal of progress, but there are also a number of actions that need to be fully addressed and changes need to become embedded. The Trust will continue to deliver this plan at pace and checks will be made to ensure changes have been made.</p> <p>Carolyn Green informed governors that some commissioning gaps still exist and the executive team were working towards finding the capacity to fill these gaps. From a governance perspective it is not yet clear if we have done enough but Carolyn Green was pleased to report that there has been an outstanding response from Staffside, back office functions and clinicians in complying with the CQC warning notice actions.</p> <p><b>RESOLVED: The Council of Governors noted the feedback from the CQC</b></p>

	<b>Quality Summit</b>
<b>DHCFT/Gov/ 2016/082</b>	<p><b><u>COUNCIL OF GOVERNORS ANNUAL EFFECTIVENESS SURVEY SEPTEMBER 2016</u></b></p> <p>This report provided the Council of Governors with the results of the first Annual Effectiveness Survey of the Council of Governors, undertaken in September 2016.</p> <p>The report was noted as positive evidence of progress made and it was agreed that the survey would be repeated on an annual basis. Governors confirmed they have sufficient opportunity for contact, and good communication, with the Board of Directors. The response to both Non-Executive and Executive Director contact was good although governors expressed the wish for greater contact with the Executive Medical Director. Governors also noted that opportunities to engage with the Board are available at the Public Board Meetings.</p> <p>The number of governors who disagreed on a number of the questions was seen as a concern by Mark Powell. Richard Gregory responded that governors could speak to him about this if they wished.</p> <p><b>RESOLVED: The Council of Governors:</b></p> <ol style="list-style-type: none"> <li>1) <b>Noted the outcome of the Council of Governors Annual Effectiveness Survey</b></li> <li>2) <b>Agreed actions as identified</b></li> <li>3) <b>Agreed the survey should be repeated in September 2017</b></li> </ol>
<b>DHCFT/Gov/ 2016/083</b>	<p><b><u>RATIFIED MINUTES OF BOARD MEETINGS HELD ON 7 SEPTEMBER AND 5 OCTOBER 2016</u></b></p> <p>The ratified minutes of the Board meetings held on 7 September and 5 October were received and noted.</p> <p><b>RESOLVED: The Council of Governors received the minutes of the Trust's Public Board meetings held on 7 September and 5 October 2016</b></p>
<b>DHCFT/Gov/ 2016/084</b>	<p><b><u>ANY OTHER BUSINESS</u></b></p> <p>In response to the formal request made by John Morrissey for a governor representative to attend Confidential Board meetings, Richard Gregory informed governors that there are matters that the Board has to discuss in closed session but the Board would consider this request at the next Board meeting to be held in confidential session on 7 December.</p> <p>As this was the last scheduled meeting that would be chaired by Richard Gregory, John Morrissey wished on behalf of all governors to acknowledge the huge investment made by him during his term as Interim Trust Chair. Richard Gregory thanked the Council of Governors for their support and replied that due to decisions recently made he believed that the Trust will move forward in the right direction. He believed that the Council had made tremendous progress over the year and was now a very effective governance body.</p>
<b>DHCFT/Gov/ 2016/085</b>	<p><b><u>MEETING CLOSE</u></b></p> <p>There being no other matters to discuss, Richard Gregory thanked governors for attending and closed the meeting at 3:50pm.</p>