Minutes of the extraordinary meeting of the Council of Governors of Poole Hospital NHS Foundation Trust held at 5.30pm on Tuesday 23 November 2010 in the Board Room, Poole Hospital.

Present:
- Mr Peter Harvey Chairman
- Mr Chris Archibold Purbeck, East Dorset & Christchurch
- Mr Graham Avis NHS Dorset
- AVM Geoffrey Carleton Purbeck, East Dorset & Christchurch
- Mrs Emma Chamberlain Poole
- Mrs Lynn Cherrett Clinical Staff
- Mr Andrew Creamer Poole
- Mrs Vivien Duckenfield Poole
- Mrs Rosemary Gould Purbeck, East Dorset & Christchurch
- Ms Jenny Jenkin Bournemouth University
- Miss Kris Knudsen Clinical Staff
- Canon Jane Lloyd Non-Clinical Staff
- Mr Brian Newman Bournemouth
- Mrs Sue Power Clinical Staff
- Mr James Pride Poole
- Mr Terry Purnell Bournemouth
- Mr Gerald Rigler Poole
- Mr Glyn Smith NHS Bournemouth & Poole

In Attendance:
- Mr Michael Beswick Company Secretary
- Mrs Anita Bonham Business Manager
- Mr Chris Bown Chief Executive
- Mrs Pauline Malins Director of Communications & Marketing

The Chairman welcomed Mr Avis and Ms Jenkin to their first meeting of the Council.

CoG 100/10 Apologies for Absence

Apologies for absence were received from Mr David Jones (Dorset County Council), Mr Richard King (Poole), Mr Nick King (Bournemouth Borough Council), Mrs Isabel McLellan (North Dorset, West Dorset, Weymouth and Portland), Mrs Elizabeth Purcell (Poole), Mr Michael Wilkins (Borough of Poole) and Mrs Sandra Yeoman (Poole).

CoG 101/10 Declaration of Interests

There were no declarations of interest pertaining to the agenda.
CoG 102/10 Approve the Appointment of a New Vice Chairman (Paper A)

The Chairman reported that Mr Knowles had recently stood down as Vice Chairman for the Trust as due to work commitments he was unable to fulfil the role. The Chairman also reported that one Non-Executive Director had put themselves forward for the role, Dame Yvonne Moores.

The Council APPROVED unanimously the appointment of Dame Yvonne Moores as the new Vice Chairman of the Board of Directors and Council of Governors.

The Council AGREED that as Vice Chairman Dame Yvonne Moores would act as Interim Chair on the resignation of the current Chairman her remuneration would reflect that of the current Chairman’s of £40,000 pro rata.

CoG 103/10 Approve Changes to the Constitution (Paper B)

The Chairman reported that to ensure resilience in the cover arrangements for the chairmanship of the Council of Governors a change to the Constitution was needed, which would be required to be approved by Monitor.

The Council unanimously APPROVED the change to Annex 6; Paragraph 3.4 of the Constitution:

Chairman of Meetings
The Chairman of the Trust, or in his absence, the Vice Chairman is to preside at meetings of the Council of Governors. If the Chairman is absent from a meeting or temporarily absent on the grounds of a declared conflict of interest the Vice-Chairman shall preside. If the Chairman and Vice-Chairman are absent, such Non-Executive Director as the Governors present shall choose shall preside.

CoG 104/10 Approve Changes to Terms of Reference of Nominations, Remuneration & Evaluation Committee (Paper C)

The Chairman reported that a change to the terms of reference of the Nominations, Remuneration and Evaluation Committee was required to reflect the Constitution changes regarding the chairmanship of the meetings.

The Council APPROVED the change to the terms of reference subject to the amendment of the first sentence to read "The Chairman of the Trust…".

CoG 105/10 Approve the Process for the Appointment of a New Trust Chairman (Paper D)

The Company Secretary presented the draft process for the appointment of a new Trust Chairman and requested that the Nominations, Remuneration and Evaluation Committee (NREC) would develop the process.

Discussion regarding the draft process took place with the following points being noted for consideration by NREC:

- an alternative to a presentation to a large group; smaller groups formed and candidates to rotate to each group to talk on a specific subject or be asked questions;
• the possibility of a second interview for scrutiny in the second round as well as a presentation;

• a set of pre-determined questions to ask the candidates to be provided to the Governors attending the second round;

• provide national press coverage of the post rather than just local press.

It was noted that the process would be chaired by a Non-Executive Director should the Vice Chairman express an interest in the role.

The Council APPROVED the draft process and that NREC work with the Interim Director of HR to ensure a robust process was in place with an update to be presented to the Council at their next meeting.  ACTION: NREC/CG

CoG 106/10 Appointment of a Governor to sit on the Clinical Excellence Awards Panel

The Chairman reported that each year consultants supply applications to the Trust for the Clinical Excellence Awards. A panel consisting of a Non-Executive Director, Chief Executive, Medical Director (or a deputy), Director of HR, representatives from the PCT, Council of Governors and employer, eight Consultants and one non consultant group representative assess all the applications received against a set criteria.

Canon LLoyd questioned whether these payments should still be granted in the current financial situation where staff were losing their jobs. The Chief Executive explained that the awards were part a contractual agreement which the Trust had to honour. There were a number of pay issues affecting the Trust which had NHS national agreement.

Mr Pride asked whether the payments were from Trust funds or whether they were nationally funded. The Chief Executive explained that the Trust was required to pay annually the funding for any schemes that scored nine and above and that initiatives for national funding were very rare.

It was AGREED that Mrs Gould be the Governor representative for the Clinical Excellence Awards however due to diary commitments should she not be available then Mrs Duckenfield would deputise.

CoG 107/10 Approve the Appointment of a New Non-Executive Director (Paper E)

The Chairman reported that at the October Council of Governor meeting it was agreed to review the candidate details of those that had applied for the last non-executive position so that they might be used to seek a replacement for Mrs Hall. The Nominations, Remuneration and Evaluation Committee (NREC) had been contacted and it was felt that an individual with an accountancy qualification was required and members of NREC nominated Mr Ian Marshall to replace Mrs Hall.

Mr Pride noted that Mr Marshall was the committee’s very strong second choice in the original interviews and he has held a number of non-executive roles.
The Council APPROVED the nomination and appointed Mr Marshall as Non-Executive Director for a three year term commencing 1 February 2010 with an annual remuneration of £12,000.

CoG 108/10 Receive a Presentation on the Trust’s Recovery Plan

The Chief Executive gave a presentation of the Trust’s Recovery Plan and progress to date.

The Chief Executive reported that a letter from Monitor regarding the progress on the recovery plan had been received by the Trust and a copy would be circulated to Governors. **ACTION: AB**

Mrs Cherrett asked when the timings of the possible service changes would be cascaded to staff. The Chief Executive responded that the Trust changes needed to be taken forward in the next four and a half months and that it was important to understand which services were losing money and why. He referred as an example to a committee with representation from the pathology services covering all Dorset Trusts plus Salisbury NHS Foundation Trust that was looking into the rationalisation of the service which could introduce a 20% cost reduction. He also reported that there were fundamental changes to take place across England driven by the government spending review.

Mr Pride asked what progress the Trust had made to implement SLR. The Chief Executive responded that there was a plan in place to roll out throughout the Trust however IT systems had to be made more user friendly. He also noted that the implementation would cause problems at the start by identifying anomalies which would have to be investigated.

Mr Purnell asked whether the impact of GP commissioning would have a detrimental effect on the administrative sources and financial impact for the Trust. The Chief Executive responded that having numerous commissioning groups would make the process more complex and would have a major impact on all Trusts requiring more finance and contract staffing resources. He also noted that after discussions at the Strategy Day the Trust required a marketing plan to include a work programme to liaise with the local general practitioners.

Mr Smith reported that the current objectives of the commissioning consortia were to operate with 45% less admin costs and that numerous different groups within one locality would be unlikely. He also reported that he was keen that the PCTs engage with the acute trusts now in readiness for the future. The Chief Executive confirmed that talks had already commenced and that there were now executive to executive meetings scheduled.

Mr Archibold commented that the presentation was very much focused on cost savings and when was the Trust going to focus on income generation. The Chief Executive responded that more income would be generated through the implementation of SLR and Payment by Results (PbR). These systems would ensure that the Trust receives the appropriate finances for all of the work it undertakes. He also reported that income would also be generated through research opportunities.
Mr Newman asked how Pharmacy had reduced their costs. The Chief Executive reported that the Chief Pharmacist had undertaken a lot of work to rationalise medication and reduce wastage on the wards. It was noted that the Governors may wish for a presentation on the work undertaken in Pharmacy in the future.  

**ACTION: JR**

AVM Carleton asked whether there was a financial reserve for the forthcoming winter pressures. The Chief Executive reported that there was a small contingency and the Trust had a Winter Plan in place.

Mrs Power asked whether the Trust had considered temporary contracts for the winter months for nursing staff. The Chief Executive responded that this was a good idea and that he would discuss this with the Nursing and Patient Services Director.  

**ACTION: CB**

Mr Pride questioned whether the hospital bank was still running. The Chief Executive confirmed that it was however members of the bank were experiencing a lot less work and some may have gone elsewhere for employment.

Mr Creamer thanked the Chief Executive for the presentation and congratulated the Trust on the progress to date.

**CoG 109/10 Register of Governors Interests (Paper F)**

The Company Secretary reported that the register of interests had been updated to include the new Governors of the Council and should any Governor have any changes to report to please let him know.  

**ACTION: ALL**

The report was NOTED.

**CoG 110/10 Any Other Business**

The Chairman expressed his thanks for the support of the Council of Governors since November 2007 and wished them well for the future.

**CoG 111/10 Dates and Times of Next Meetings**

- Thursday 6 January 2011 at 5.30 pm
- Thursday 7 April 2011 at 5.30 pm
- Thursday 7 July 2011 at 5.30 pm
- Thursday 6 October 2011 at 4.45 pm