

# Annual Members' Meeting and Trust's Annual General Meeting

Minutes of the Meeting of Monday 19 September 2016  
Lecture Theatre, Education Centre, Dorset County Hospital

## **AMM16/001 Welcome**

The Chair, Mr Mark Addison, welcomed everyone present to the meeting. He stated that when he arrived at the Trust his first impressions had been of a friendly, caring, and thoughtful environment, and his first six months in post had shown this to be absolutely right. He said that the Care Quality Commission inspection report had rated the Trust as 'good' for caring, and this reflected the commitment to caring of staff across the Trust. He noted the impact of staff from all areas including housekeeping, porters, analysts, HR, ICT, and estates, who all work together and for which the Board were very grateful. He thanked the Trust for the welcome it had extended to him, particularly from his Board colleagues, and was pleased to welcome three new Non-Executive Directors and Nicky Lucey, the new Director of Nursing and Quality, to the Trust. He reported that the Trust had received many awards over the past year, and that these were detailed in the Annual Review, and he highlighted the CHKS Top Performing Hospitals award, the Trauma Audit Research Network data which demonstrated that patients arriving at the Trust with severe and life-threatening injuries had the best outcomes in the whole of the Wessex area, and the commendation the Trust had received for its Friends and Family Test initiatives. He stated that these were difficult times for the NHS, and that the pressures the Trust faced were great. He said that it was no longer an option for the Trust to continue to do things as it had always done, and that new ways of providing services needed to be found. He assured those present that the Board was taking seriously the challenge of finding different ways of working.

The Chair thanked everyone for attending, especially the members of the Board, the Governors who play an important role in connecting the Trust to patients and constituents, and the members for their interest in and commitment to the Trust.

## **AMM16/002 Declarations of Interest**

The Chair reminded those present that they were free to raise declarations of interest at any point in the meeting should it be required.

## **AMM16/003 Minutes of the Previous Meeting held on 14 September 2015**

The minutes of the previous meeting held on 14 September 2015 were accepted as a true and accurate record.

## **AMM16/004 Annual Report**

The Chief Executive presented a summary of the Annual Report for 2014/15. She explained that the full Annual Report was available on the Trust's website and that a summary was given in the Annual Review which was circulated at the meeting. The Chief Executive reported that the Trust had made good progress over the year, but that finances remained constrained. She demonstrated the changes in the financial situation since 2010/11 and showed the continued growth in demand for services since 2013. She confirmed that the Trust's performance against operational targets remained good despite the increase in demand, but highlighted the key challenges around cancer waiting times, the 18 week referral to treatment target and diagnostic waiting times. She reported that the Trust had received positive feedback from the Cancer Patient Survey and that response

rates to the Friends and Family Tests were good. She summarised the outcomes of the National Staff Survey, and said the significant improvements in the survey results were in a large part due to the work undertaken by the Director of Workforce and Organisational Development and his team around the People Strategy and the Trust Values. She highlighted the results of the National Inpatient Survey and the headlines from the CQC inspection report, which rated critical care, medicine, surgery and children and young people services as good overall. She demonstrated the areas of outstanding practice that the CQC had highlighted as well as those actions the CQC had asked the Trust to undertake prior to re-inspection. She reported on the highlights of the year from across the Trust, as detailed in the Annual Review, and explained the challenges that the Trust faced, most notably around financial sustainability.

The Chair asked for questions from the floor. Mr Hooper-Immins, Public Governor, commented that he had recently received care from the Trust under the Hospital at Home service, and commended the Trust for the excellent service.

The Chair thanked the Chief Executive for her presentation.

#### **AMM16/005 Quality Report 2015/16**

Nicky Lucey, the Director of Nursing and Quality introduced herself to the meeting and reported that she had been in post for two weeks. She said that she had found the Trust to be incredibly friendly and the staff were passionate about patient care. She presented a summary of the 2015/16 Quality Report, which forms part of the Annual Report. She explained that the Trust had set nine quality priorities for the year, some of which were national priorities and some local. She reported the progress the Trust had made against the priorities, which are grouped by patient safety (pressure ulcers, falls and sepsis), clinical effectiveness (discharge at night, Electronic Discharge Summaries and learning from 'near miss' incidents) and patient experience (Friends and Family Test, Duty of Candour and complaint responses). She confirmed that the Trust had set nine priorities for 2016/17, taking into account the progress made in 2015/16, national guidance, and consultation with the Governors and clinical staff.

There were no questions from the floor and the Chair thanked the Director of Nursing and Quality for her presentation.

#### **AMM16/006 Finance Report**

The Director of Finance and Resources reported that the Trust was facing significant financial challenges, and that the increase in the size and age of the population, the advances in technology, and increasing demand for service combined with the very tight funding, meant that the Trust would have to consider doing things differently whilst continuing to ensure services remained safe. She reported that the Trust was working to make efficiencies and reduce waste, to ensure that every pound was well spent. She explained that the Trust was exploring partnership working options to deliver services more efficiently, and working with community partners to improve integration of services.

The Director of Finance and Resources presented a summary of the annual Accounts for 2015/16. She reported that the Trust had ended the year with a deficit of £5.5 million, with an income of £160 million, and operating expenditure of £163 million. She reported the cash position at year end was less than plan at £4.0 million. She stated that the Trust had a Monitor (now NHS Improvement) Financial Sustainability Risk Rating of 2, predominantly due to the size of the Trust's deficit. She reported that the Trust's income had mainly come from clinically commissioned services (£143 million), with other income coming from education and training, research and development, and operating income. She stated that

pay remained the Trust's largest area of expenditure (£103.1 million), with other key areas of expenditure being clinical supplies, premises and non-clinical expenditure, drugs, cost of capital and payments to other NHS bodies. She confirmed that £1.4 million had been invested in medical equipment. She stated that £900,000 had been invested in the Digital Patient Record, mostly funded by national funding, and that a generous donation from the Dorset Health Trust had enabled investment in a new CT scanner. She confirmed that the Trust planned to make a deficit in the financial year 2016/17, and that savings would need to be made, but she assured the meeting that the Trust remained committed to providing a safe service for patients.

The Chair asked for questions from the floor. Mr Hooper-Immins, Public Governor, stated that the auditors had issued a qualified opinion on the accounts, and asked if the auditors did not believe the Trust's accounts. The Director of Finance and Resources stated that the auditors had not issued a qualified opinion, and that they had issued an unqualified opinion, stating that the accounts were true and fair. She reported that the auditors had issued a Going Concern statement, due to the Trust's cash risk. However, she reported that the Trust remained a going concern, and that the same statement was issued to 40 other Trusts for the last financial year.

In relation to page 166 of the Annual Report and Accounts, Mr Hooper-Immins, Public Governor, noted that the Trust had spent £802,000 on exit payments to staff in recent years. He stated that this money should have been spent on patient care, not lining the pockets of staff. The Director of Finance and Resources explained that the exit payments of £802,000 had been made over the last 7 years, with the majority being made in 2010/11 and 2011/12 when the Trust was in turnaround, and was required to reduce its staffing and wages bill. She explained that a majority of these payments had been made in relation to staff leaving the Trust under the Voluntary Severance Scheme and formed part of NHS staffs' terms and conditions. The Director of Workforce and Organisational Development reported that the figure also included notice and annual leave payments made to staff who were leaving the Trust, and also included redundancy payment, although these were rare at the Trust. He reported that 70% of the £802,000 related to payments made under the Voluntary Severance Scheme under the turnaround regime. He reported that there was clear guidance that if the Trust wished to pay someone over and above the national terms and conditions approval would have to be sought from the Treasury, and the Trust had always paid in accordance with the terms and conditions.

Mr Sedwell, Public Governor, asked if the payments had been made under a national framework, and the Chief Executive confirmed that the payments had been made under a national scheme.

Ronald Coates, Chair of the Health Scrutiny Committee, asked whether previous surpluses made by the Trust had been paid back to the Government and whether the Government would demand repayment of the deficit. The Director of Finance and Resources explained that the Trust controlled its own finances, and therefore retained any surplus generated. She reported that should the Trust require cash, this would be borrowed and would be repayable by the Trust in the future.

The Chief Executive explained that the Department of Health had released additional funding for acute Trusts, and that the Trust had accepted this Sustainability and Transformation Funding along with the financial and operational requirements attached to this funding. She reported that under the scheme the Trust would be required to deliver a challenging £1.8 million deficit in 2016/17.

The Chair thanked the Director of Finance and Resources for her presentation.

**AMM16/007 Update on Strategic Direction**

The Director of Strategy and Business Development presented an overview of the Trust's strategy to 2020. He confirmed that this would be a challenging period for the Trust, and a fundamental change in how and where services were delivered would be required. He reported that the focus would shift away from competition to collaboration between providers, with the patient at the centre of developments. He explained that Sustainability and Transformation Plans were underway nationally to facilitate integrated service provision. He reported that the Trust's purpose continued to be the delivery of compassionate, safe and effective healthcare, and the Trust's mission was to play a leading role, in collaboration with its partners, in the development of an integrated, patient-centred health and care system. He highlighted the Trust's key strategic objectives under the headings of Outstanding, Enabling, Collaborative, Integrated and Sustainable. He reported that the Trust's aims for the future were to deliver outstanding care for its patients in ways which matter to them, ensuring patients and communities are healthier, with the Trust at the centre of a sustainable care system, delivering and enabling outstanding quality of care and outcomes with its partners.

Dr Sedwell, Public Governor, commented that there was sometimes a lack of understanding by patients about how the system worked, which led to Did Not Attends (DNAs). He asked how the public could be informed about lifestyle changes and whether sanctions could be applied for those who DNAd. The Chief Executive confirmed that there were national guidelines around DNAs and that patients who did not attend were removed from waiting lists and referred back to their GP. She confirmed under the transformation plan there would be an emphasis on increasing wellbeing. The Director of Strategy and Business Development confirmed that it was important to ensure the system worked well for patients, making healthcare easier to access and enabling patients to take greater responsibility for their own health.

The Chair thanked the Director of Strategy and Business Development for his presentation.

**AMM16/008 Lead Governor's Report 2015/16**

The Lead Governor, Dr Duncan Farquhar-Thomson, welcomed everyone present, and said that the support of members and the public was greatly valued by the Governors and the staff. He reported that it was the Council of Governors' statutory duty to hold the Non-Executive Directors to account for the performance of the Board and to represent the views of members and the public, and that the Governors had undertaken a number of activities over the year to perform these duties. He explained that the Governors held quarterly Council of Governors meetings, which were open to the public, where they received presentations from the executive team and were also able to question the executive on matters of finance and performance. He reported that the Council also held quarterly Governor Working Groups, which were attended by members of the executive and non-executive teams. He said that Governors attended a range of board committees as observers, and provided feedback on the performance of the committees, as well as attending a number of Governor committees. He reported that the Governors had appointed Mark Addison as Chair and three new Non-Executive Directors during the year. He stated that a new Dorset-wide Lead Governors' group had been set-up, and that the spirit of the meetings had been that of collaboration. He reported that Governors had been discussing the Clinical Services Review, and had been pleased to have the opportunity to meet the with CQC team during the inspection of the hospital in March 2016. The Lead Governor explained that this would be his last AGM, and said that he had seen many changes and improvements at the Trust since he first became a Governor in 2007,

highlighting the Trust's improved understanding of its financial position, the increased openness and transparency, the improved cleanliness around the hospital and the increased focus on patient experience. He thanked the Council of Governors for their work and for the members of the Trust for their continued support.

Dr Sedwell, Public Governor, thanked the Lead Governor on behalf of the Council of Governors for his hard work and dedication. This thanks was echoed by the Chair.

**AMM16/009 Questions from the Floor**

The Chair asked for questions from the floor.

Mr Hutchings, Public Governor, stated that he had recently had a spell as an inpatient at the Trust and at Swanage Hospital. He thanked both for the excellent care he had received.

Peter Foster, Vice Chair of Ridgeway Radio stated that on 29 September Ridgeway Radio would be celebrating 50 years of voluntary radio at the Trust. He said that the station was looking to the future and was developing an internet radio branch for those patients being treated under the Hospital at Home service. He stated that the station was proud to be part of Dorset County Hospital.

Mr Wood, Public Governor, asked if, in light of the increasing local population, there were plans for expansion of the hospital. The Chief Executive confirmed that there were no plans for expansion, due to the financial situation, but that the Board was actively considering how services could be delivered differently to cope with the increasing demand for services.

Mr Bakker, Staff Governor, commented that there had recently been an article in the Dorset Echo relating to the Trust with a negative headline. He stated that he had been contacted by colleagues who had expressed frustration about a Governor's comments painting a negative picture. He stated that it was clear that the Governor in question was being used by the media to damage the hospital. He said that Board members and staff were working hard to deliver the best possible care, and that such comments were damaging to these efforts and to morale.

Mr Tett, Public Governor, thanked the Chief Executive for her weekly CEO Brief which is circulated to all staff and Governors. He said that the brief kept him up to date and hoped that it would continue. The Chief Executive confirmed that the brief had been started by her predecessor, and provided a mechanism for keeping staff and Governors informed, as well as recognising the excellent work that staff do.

The Chair thanked the executive team for their excellent work and thanked everyone present for attending.

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Chair

Date