Council of Governors
2.00pm – 3.45pm, Monday 11 February 2019
Seminar Room, Children's Centre, DCH

Part One Agenda – Open Meeting

1.	**Welcome and Apologies for Absence:**		2.00	Chair
2.	**Declarations of Interest**		2.00	All
3.	**Minutes of Council of Governors Part One Meeting 5 November 2018** To approve	Enclosure	2.05	Chair
4.	**Matters Arising from those Minutes and Actions List** To receive	Enclosure	2.10	Chair
5.	**Governor Matters:** **a) Dorset Care Record** **b) Cold Weather Plans** To discuss	Verbal	2.20	 Simon Bishop Gavin Maxwell
6.	**Chief Executive's Q3 Report** To receive	Enclosure	2.30	Chief Executive
7.	**Finance Q3 Report** To receive	Enclosure	2.45	Director of Finance
8.	**Quality Account/Quality Indicators** To receive	Enclosure	3.00	Director of Nursing & Quality
9.	**Feedback from NEDs:** **DCH Charity** – Cancer Centre Appeal update and future plans To receive	Verbal	3.15	Peter Greensmith
10.	**Updates from Governor Committees:** **a) Membership Development Committee 04 12 18** **b) Strategic Plan Committee 04 02 18** To receive	Verbal	3.30	 Gavin Maxwell Chair

12.	**Date of Next Meeting (open to the public): Council of Governors, 2pm, Monday 13 May 2019, Children's Centre Seminar Room, DCH**	3.40
	Meeting Closes	3.45

Council of Governors Meeting

Minutes of the Meeting of Monday 5 November 2018
Children's Centre Seminar Room, Dorset County Hospital

Present:	Mark Addison (Chair) **Public Governors** Simon Bishop (East Dorset) Sarah Carney (West Dorset) David Cove (West Dorset) (Lead Governor) Wally Gundry (West Dorset) Stephen Mason (Weymouth and Portland) Gavin Maxwell (West Dorset) Christine McGee (North Dorset) Naomi Patterson (West Dorset) Maurice Perks (North Dorset) Jean Spain (Weymouth and Portland) Dave Stebbing (Weymouth and Portland) David Tett (West Dorset) **Staff Governors** Lee Armstrong (to item CoG18/051) Tracy Glen Tony James **Appointed Governors** Jenny Bubb (Dorset Clinical Commissioning Group) Kevin Brookes (Dorset County Council) Davina Smith (Weldmar Hospicecare) Peter Wood (Age UK)
In Attendance:	Patricia Miller (Chief Executive) (to item CoG18/051) Andy Morris (Head of Estates and Facilities) (to item CoG18/052) Ben Print (Programme Manager) (item CoG18/052) Paul Goddard, Director of Finance and Resources (item CoG18/054) Matthew Rose (Non-Executive Director) (to item CoG18/053) Victoria Hodges (Non-Executive Director) (to item CoG18/053) Rebekah Ley (Trust Secretary) Liz Beardsall (Corporate Support Officer)
Apologies:	Margaret Alsop (Weymouth and Portland)
	Four members of the public were present.

CoG18/046 Welcome and Apologies for Absence

The Chair welcomed everyone present to the meeting. There were apologies from Margaret Alsop.

The Chair confirmed that since the last public meeting of the Council of Governors, David Cove had been appointed for a second term as lead governor, and the AGM and hospital open day had both taken place. He thanked Governors for their role in the success of these events. He explained to Governors that the agenda for the meeting had been slightly altered, as the Chief Executive now needed to leave the meeting before 3pm to attend a staff briefing on the Care Quality Commission (CQC) report and because a late item had been received under Governor Matters from Ms Patterson.

CoG18/047 Declarations of Interest

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

CoG18/048 Minutes of the Previous Meeting held on 29 August 2018

Mr Tett asked that the minute under CoG18/038 be amended to reflect his statement that in view of the fact that the dementia screening target had not been met, it was right that this was flagged up in the Chief Executive's report.

ACTION: LB

Other than this amendment, the minutes of the previous meeting held on 29 August 2018 were accepted as a true and accurate record.

CoG18/049 Actions and Matters Arising

Mr Wood thanked the Trust Secretary for her response regarding road maintenance at the hospital. He asked for an update, and raised an article in the Dorset Echo stating that the Trust had a maintenance backlog worth £1.6 million.

The Head of Estates and Facilities confirmed that the Trust was currently seeking prices for the road repair work. He stated that in the PLACE report results, the condition of the hospital site was considered good. He reported that in line with the national picture, there was a maintenance backlog but that each maintenance task was risk assessed and that high risk works were prioritised.

Mr Stebbing asked for the item from the February action list regarding car parking concessions to be re-instated on the actions list.

ACTION: LB

The Chair noted that all other actions were either complete or on the agenda, and there were no other matters arising from the minutes.

CoG18/050 Governor Matters

a) Maternity and Paediatric Services

Ms Patterson reported that the Kingfisher Mum's group were concerned that the Dorset Clinical Commissioning Group (CCG) were amassing evidence to move Dorset County Hospital maternity and paediatric services to Bournemouth Hospital. She said concerns had been heightened by a reference in Dorset County Council's Health Scrutiny Committee minutes to Bournemouth Hospital and Dorset County Hospital both belonging to the 'Dorset Care Working Group'. She asked if other Governors supported keeping 24/7 maternity and paediatric services at Dorset County Hospital, and whether she should write to the Chief Officer of Dorset CCG regarding this issue.

The Chief Executive reported that the reference to the 'Dorset Care Working Group' should actually be the 'Clinical Networks Programme', which was one of several programmes in the One Acute Network. She reiterated that in December 2017, in light of Somerset CCG's announcement that they were planning to undertake Clinical Services Review (CSR) for Somerset, Dorset CCG published its intention to retain 24/7 maternity and paediatric services at Dorset County Hospital and that this position had not changed. She explained that as the option to retain 24/7 maternity and paediatric services at Dorset County Hospital had not formed part of the CSR proposals, it was likely that this proposal would need to go out to public consultation at some time. She reassured Governors that the hospital was planning for 24/7 maternity and paediatric services continuing at the Trust, but that Ms Patterson should write to the Chief Officer of Dorset CCG for clarification if she wished to do so.

Mrs Carney raised concerns about the local plan review, and whether the potential influx of people into the area was being taken into account by the commissioners, especially around the extension of the hospital's emergency department provision. Mr Maxwell raised concerns, in light of the Royal College's report on maternity and paediatric services at the hospital, about the viability of these services.

Dr Bubb, appointed Governor from Dorset CCG confirmed that she was not aware of any significant changes in the CCG's position on these services and reassured Governors that the CCG was working closely with the County Council around the proposed increase in local housing.

The Chair summarised that the Trust was unaware of any changes to the CCG's public position of retaining 24/7 maternity and paediatric services at Dorset County Hospital, subject to public consultation. He underlined that this was a policy matter for the CCG and that he did not want to see the Council of Governors becoming a campaign group. The Chief Executive stated that she hoped the Trust's recent appointment of three obstetricians and two paediatric consultants reassured Governors of the hospital's commitment to retaining these services.

CoG18/051 Chief Executive's Report

The Chief Executive presented a previously circulated report which summarised the

hospital's performance during the second quarter of 2018/19. She reported that in many of the areas where the hospital faced challenges these were reflected in a national increase in demand for services. She reported that NHS Improvement (NHSI) had recently visited the hospital at the Trust's invitation, to undertake a deep-dive into cancer services. They had said that the hospital's processes were good and that there were no inherent delays in the hospital's cancer system. She reported that quality standards remained high despite the financial challenges. She said that dementia screening rates remained a concern and the Medical Director was undertaking work with colleagues to improve these. She said that following their inspection between July and September, the CQC would be publishing their report on Tuesday 6 November and that the action plan relating to this report would be brought to Governors at a future meeting.

ACTION: LB

Mr Tett asked how many nursing vacancies the Trust had and whether the hospital's spend on agency staff was a concern. The Chief Executive confirmed that the hospital currently had 26 registered nursing vacancies. She reported that agency spend was an area of concern and that the Trust was currently spending more than its target set by NHSI, largely due to the number of vacancies. She said that an increase in the number of bank staff, recruitment to substantive posts, and overseas and domestic recruitment would all help to reduce the level of agency spend. She said that this was reflected in the national picture, where there were over 108,000 NHS vacancies nationally.

Ms Glen asked about the impact of the national removal of the nurse training bursary. The Chief Executive said this was an issue, and that locally a case was being made to the Integrated Care System to release Transformation Funding to backfill posts to allow for training of nurses as mature students.

The Chair thanked the Chief Executive for her report.

CoG18/052 Master Plan Update

The Chair welcomed Andy Morris, Head of Estates and Facilities, and Ben Print, Programme Manager, to the meeting.

Andy Morris reminded Governors that they had previously received a presentation early in 2018 regarding the Master Plan and that, following the return of the Damers School site to the control of the hospital, the Trust was looking at a campus-wide approach to redevelopment.

Ben Print gave a presentation to the Governors outlining the progress to date, and the possibilities that were being considered for the site in terms of income generation, improving services for patients and the creation of a health and wellbeing village. He explained some of the issues, timescales and objectives relating to the development of the site. He reported that the Trust was currently awaiting the outcome of an application for Sustainability and Transformation Funding for development of the emergency department. He reported that the team would shortly be seeking Board approval for a multi-story car parking scheme and following this an application for planning permission would be made.

In response to questions from Governors, Messrs Print and Morris confirmed that all aspects of the project would be fully equality impact assessed; that the helipad would be retained; that the number of parking spaces at the end of the project would be 1050 compared to 800 at the outset; that retail could be part of the income generation aspect of the plans, especially as part of the redevelopment of the main entrance; that details such as the operation of any care home facility or layout of covered walkways were not yet under consideration; that car parking charges and the method of paying for parking would both form part of the business case for the car parking project; that clinicians and key stakeholders were being consulted as part of the process; that the proposed contingency plan whilst the multi-story car park was being built was to use the school playing field as a temporary parking area; that if the Board agreed to the multi-story car park proposal the Trust would engage with key stakeholders, including local residents and the public, prior to a planning application being made.

The Chair thanked the Head of Estates and Facilities, and the Programme Manager for their presentation, and asked that the slides be circulated to the Governors.

ACTION: LB

CoG18/053 **Workforce Update/Feedback from NEDs: Doctor and Nurse Recruitment and Rota Gaps**

The Chair explained that each meeting a member of the non-executive team was invited to attend the Council of Governors to present on a relevant topic. He reminded Governors that one of their statutory duties was to hold the Board to account through the Non-Executive Directors. He welcomed Non-Executive Directors (NEDs) Matthew Rose and Victoria Hodges to the meeting.

Matthew introduced himself, saying that he had been a NED for nearly four years and for two of these had been the Chair of the Finance and Performance Committee (FPC). He explained that he also held a position as the finance director for a retail company. Victoria stated that she had been NED for two years and was the Chair of the newly formed Workforce Committee (WfC), as well as the Senior Independent Director (SID) and the whistleblowing NED. She said she had been an HR director for over 25 years and currently had a portfolio career.

Matthew explained that FPC was an operational committee looking at medium to long term issues, financial strategy and monitoring key performance indicators (KPIs). Victoria said that the newly formed WfC would be looking at the hospital's People Strategy, the staff survey and related action plan, workforce development and planning, recruitment and retention, training and development, organisational development, culture change and leadership programmes, and equality and diversity. She explained to Governors about the People Strategy and its key priorities of workforce deployment, staff wellbeing, staff development and the underpinning role of improved communication across the organisation.

Matthew and Victoria said that one of the key workforce challenges was around vacancy numbers, and that the Board was well-sighted on this both via workforce reporting and via the Guardian of Safe Working. They said the Trust continued to make appointments of high quality, but that there remained gaps which were a reflection of the national NHS workforce situation.

In response to questions from Governors, Matthew and Victoria confirmed that the formation of the WfC had been supported by the Director of Workforce and OD, and was very much driven by the executive and welcomed by the HR team; that the WfC committee had a broad range of representatives in attendance including medical, nursing, and education; that the issue raised by Governors regarding substantive staff not being offered overtime would be looked into; that turnover rates were monitored and these remained low; that the Board had had much discussion about junior doctor conditions and morale, and a junior doctors' action plan was in place to improve their welfare conditions including breaks, on-call rotas and the doctors' mess; that appraisal rates remained a challenge and the hospital was talking to other Trusts about how they managed their processes, to see what improvements could be made to the system; that the idea proposed by Governors for a relocation package for domestic nurses equivalent to that provided for international recruits was something which would be considered further; that overseas nurse recruits were allocated mentors to help them feel welcome, to enable them to integrate into the hospital more easily and to reduce attrition rates.

The Chair thanked Matthew Rose and Victoria Hodges for their update, and said that the Trust was fortunate to have such a strong group of NEDs with a wide range of skills and backgrounds.

CoG18/054 **Finance Report**

The Chair introduced Paul Goddard, Director of Finance and Resources to the Governors.

The Director of Finance presented a previously circulated report which summarised the hospital's financial performance for the first six months of 2018/19. He reported that at the end of quarter two, the Trust had delivered an income and expenditure deficit of £4.281 million for the six months ending 30 September 2018 against a planned deficit of £4.779 million, resulting in the Trust being nearly £500,000 ahead of plan. He explained that whilst this was good news, the Trust was required to try and reach its control total deficit of £1.3 million by year end. He said to achieve this, the Trust needed to make a surplus of £500,000 per month. He reported that his biggest concern was not achieving this target, especially in quarter four, which would potentially mean the loss of £2.1 million of funding. He underlined that recovery plans were in place, and that the challenges facing the Trust were reflected in other Trusts locally and nationally. He said that the increased funding promised to the NHS by central Government next year was encouraging, but that there had been no indication yet of how much of this funding would be received by acute care providers.

Ms Smith asked if it was anticipated that the amount of efficiency savings the hospital was required to make would continue to rise next year. The Director of Finance stated that the new Health Secretary was very focused on the increased use of technology, and that with this might come the expectation of increased efficiency savings. He reported that there had been no guidance on this from the centre as yet.

Mr Maxwell asked what the Trust's capital expenditure had been spent on, and if this capital expenditure could be deferred to next year. The Director of Finance confirmed that this expenditure was on the hospital estate and medical equipment. He

explained that expenditure was risk assessed and prioritised accordingly, and that the Trust believed it was important to continue to invest in the site and equipment.

The Chair explained that a new long-term plan from the Government was expected soon, and it was likely there would be a reduced emphasis on control totals in the next financial year, but the detail of this was not yet clear. He thanked the Director of Finance for his report.

CoG18/055 Feedback from Governor Committees

a) Membership Development Committee

Mr Maxwell gave an update on the work of the Membership Development Committee. He reported that the committee had finished revising the previously circulated membership development strategy, and hoped that the Council of Governors would endorse the direction of the strategy. He stated that it was an exciting plan, and could serve as a model for other health organisations.

The Chair confirmed that the Council endorsed the strategy and he looked forward to the committee following this through with a focus on expansion and engagement of the membership.

Mrs Carney reported that she and Ms Patterson had successfully held the first of their West Dorset Area events in Dorchester and the next was planned for Tuesday 27 November, 10.30am at Bridport Children's Centre. She said they were also looking to hold some street stalls to try and engage a wider audience. Mrs Glen reported that the Staff Governors were making plans with the Trust Secretary to visit local schools with the aim of recruiting some younger members.

Mr Bishop said that one of the issues the committee was working on was how to measure the success of the level of membership involvement, and said the committee would welcome Governors thoughts on this.

Mr Stebbing stated that he did not like the use of the word 'support' on the front of the membership leaflet, as it suggested payment was required, and that more should be made of the discounts available to members. Comments regarding the definition of 'vexatious complainants' and the importance of recognising that the Council of Governors also represented the east of Dorset were made by Mr Mason and Mr Bishop respectively.

The Chair thanked the committee for their work, and asked that a biannual update could be brought to the Council on the progress being made against the strategy.

ACTION: LB

CoG18/056 Date of Next Meeting

The Chair asked if there was any other business.

Mr Stebbing asked about the national issue of patients with learning difficulties becoming caught-up in the hospital system, and the Trust Secretary confirmed that she was not aware of any 'stranded' or 'super stranded' patients with learning difficulties at the hospital.

Mr Stebbing asked if the list of NED and Governor links could be republished, and the Chair asked for this to be actioned.

ACTION: LB

Mr Bishop asked if the Governors felt four meetings per year was adequate, given the length of the meetings and the amount of business being covered. A quick show of hands indicated that a majority of Governors felt that the current number of meetings was sufficient, but the Chair asked for this to be considered by the Constitution Review Committee which was next due to meet in December.

ACTION: LB

The date of the next meeting open to the public was scheduled for 2pm, Monday 11 February 2019, Children's Centre Seminar Room, DCH.

The Chair thanked everyone for their attendance and closed the meeting.

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Chair

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Date

Council of Governors Meeting – 5 November 2018

Minute	Action	Owner	Timescale	Outcome
CoG18/048	The minutes of the August meeting to be amended to reflect Mr Tett's comment on the dementia screening figures.	**LB**	Nov 2018	**Complete.** Minutes amended.
CoG18/051	CQC report action plan to be added to a future Council of Governors agenda.	**LB**	Timing TBC by the CEO	
CoG18/052	Presentation slides on the Master Plan Update to be circulated to Governors.	**LB**	Nov 2018	**Complete.** Emailed to Governors November 2018.
CoG18/055	Biannual update on progress against the Membership Development Strategy to be added to the Council of Governors agenda.	**LB**	Nov 2018	**Complete.** Added to May and November CoG agendas for 2019.
CoG18/056.1	List of NED/Governor links to be re-published.	**LB**	Nov 2018	**Complete.** Emailed to Governors November 2018.
CoG18/056.2	Number of Council of Governors meetings per year to be considered by the Constitution Review Committee (CRC) in December.	**LB**	Dec 2018	**Update:** discussed at the Constitution Review Committee in December 2018. The committee felt no changes were necessary to the constitution regarding the frequency of meetings.

Carried Forward

Minute	Action	Owner	Timescale	Outcome
	Car Parking Concessions			
CoG18/003.2 and CoG18/018.1	Action CoG17/043 regarding car parking concessions to be reopened at the request of Dave Stebbing. The Director of Strategy and Business Development to discuss the signage relating to concessions with the Estates team, following the Estate's team update which stated that a review of car parking concessions was underway and once this was complete the details of the concessions would be publicised.	NJ	Ongoing	**November 2018 update:** re-opened on the action list at the request of Mr Stebbing. **August 2018 update:** meeting the Trust Secretary confirmed that a proposal regarding the concessions would be taken to the September Finance and Performance Committee, and to Board in November for approval. Closed on the action list. **April 2018 update:** the Director of Strategy reiterated that a review of the parking concessions is underway as part of a larger review of parking provision at the hospital and that once the concessions had been agreed these would be publicised.

Council of Governors

11 February 2019

Introduction

The third quarter of this year has continued to be extremely challenging. The Trust maintained a level of good performance against the four hour standard and whilst a number of operational standards were not achieved, improvements were observed in some areas.

Once again, despite these operational difficulties, performance against our quality standards has either been well maintained or seen an improvement which is pleasing. Since the last meeting of the Council the Trust has also received its final report following the CQC inspection last year. The Trust was rated as 'Good' overall, all core services also rated as 'Good' and the domains of 'Well Led' and 'Use of Resources' also receiving a very strong rating of 'Good. a huge thank you to all staff, colleagues and Governors who in some way contributed to this fantastic result.

Operational Performance

The third quarter and December in particular was challenging with increased ED attendances and ambulance conveyances resulting in an increased number of ambulance handover delays and a decrease in ED performance. Whilst December performance against the 4 hour standard was just below 95% at 94.97%, the Trust did achieve the standard in aggregate for Quarter 3. The RTT constitutional standard was not achieved; however, performance against the revised trajectory of 77.70% was exceeded and for the fourth consecutive month there were no 52+ week breaches. The most challenged specialties remain Ophthalmology, Trauma and Orthopaedics, Oral Surgery and Dermatology.

There has been a notable improvement in performance against 2 week wait (all cancers) standard at 94.9% which meant that the Trust achieved aggregate performance for Quarter 3 for this standard. It is envisaged that this standard as well as 2 week wait breast symptomatic will be achieved and maintained in Quarter 4. Equally performance against 62 day referral to treatment standard is improving; the forecast December position is around 84%, highest in this financial year.

Performance against 6 week wait diagnostic standard continues to deteriorate; significant capacity shortfall for endoscopic procedures remains the main driver for this underperformance. In addition, there was a failure of urodynamic equipment and reduction in capacity in audiology and neurophysiology over the festive period

The following operational standards were achieved in December:

- Cancer 31 days (all)
- Cancer 2ww (all cancers)
- Zero 52 week waits

The Trust did not meet the following standards:

- ED – 4 hour standard combined with MIU
- RTT. Key concerns are increases in referrals to Ophthalmology and surgical specialties, increases in trauma admissions and patients added to the waiting list for Orthopaedics
- The RTT waiting list size trajectory
- Cancer 62 day standard

- 2 week wait breast symptomatic – forecast achievement from January 2019 onwards
- 6 week Diagnostic Waiting Times - Endoscopy Recovery plan going to Trust Board on 30 January 2019

Metric	Threshold/ Standard		Oct-18	Nov-18	Dec-18	Q1	Q2	Q3	Movement on Previous month
RTT *	92%	Monthly	80.2%	80.0%	79.0%	85.9%	81.3%	80.0%	↓
Waiting List Size *	11,991	Monthly	14,292	13,971	13,807	12,594	13,532	13,971	↑
52 week waits	0	Monthly	0	0	0	1	11	0	↔
Diagnostics	99%	Monthly	84.6%	86.3%	82.8%	86.7%	87.2%	84.5%	↓
Cancer - 62 day	85%	Quarterly	78.9%	76.8%	84.3%	75.6%	75.1%	79.9%	↑
ED (DCH Only)	95%	Monthly	95.2%	92.3%	89.6%	94.7%	90.6%	92.4%	↓
ED (Including MIU)	95%	Monthly	97.6%	96.2%	94.8%	97.5%	95.6%	96.2%	↓

Quality

In terms of quality of service the following areas have seen a further or sustained improvement:

- Infection prevention and control indicators have been sustained (MRSA, C.difficle, gram negative infection reduction)
- Harm free care has been sustained at greater than 95%, with 95.7%
- Zero falls with severe harm and falls assessment achieved
- Zero grade 3 avoidable hospital acquired pressures ulcers and pressure ulcer assessments achieved
- Standards for patient receiving surgery within 36 hours following a fractured neck of femur have been sustained
- Overall recommendation rates for the Friends and Family test have been improved or sustained
- Home births remain above national average and increased from last month to 6.8%, with positive national benchmarking on maternity dashboard indicators reviewed at Quality Committee
- Staffing levels have been achieved in most areas this reporting period despite extra capacity beds being required due to increased demand
- Sepsis screening was achieved in Inpatients and the Emergency Department
- Malnutrition assessments improved significantly to 81.4%, but remain below standard, the Nutrition Patient Safety Collaborative is still in progress (this is a NHS Improvement collaborative that DCH are participating in as part of quality improvement)
- Complaints timeliness of response: sustained improvement 86% however standard of 90% not met. Action: focused work on improvement in Urgent and Integrated Care Division (Division has biggest gap with the other division meeting the 90% standard)

Remaining challenges and actions:

- WHO checklist compliance dipped to just below the 100% at 99.6%. Action: Culture work stream underway in Theatres
- Mortality: SHMI (Standardised Hospital Mortality Indicator) as anticipated remains and issue. Action: Medical Director completing independent case note review of x50 deaths plus recruitment in progress for senior coding roles

- Dementia screening and onward referral remains below the standard required, although a slight improvement noted (increased to 70.8%). Action: Clinical Directors and Medical Directors leading engagement
- There has been further decline in the completion of Electronic Discharge Summaries within 24 hours and 7 days. Action: validation of data by the Medical Director as clinical information suggests improved performance
- VTE Risk assessments have not achieved the standard required for the second month. Action: part of clinical admission checks
- Due to operational pressures there were four mixed sex breaches in December (all discharges from Critical Care to inpatient wards). Action: Safe operational site management via bed meetings led by COO
- Never events: there are now two never events (one de-escalated as does not meet the never event national criteria). One these two one is a retained item and one was incorrect lesion removal due to incorrect identification of lesion and consent by clinician (there was no omission in Theatre checks or processes). Action: Theatre culture work stream in progress
- Stroke standards have not been achieved, however currently SSNAP data at level 'B'. Action: reviewing discharge capacity for rehabilitation to free acute capacity
- Sepsis antibiotics within one hour has not been achieved and Quality Committee received a separate deeper dive report on this is on the agenda

Workforce

Overall workforce capacity has steadily increased over the year, and at the end of December was 264 FTE above the December 2018 figure. This is a positive position in terms of the quality of care we are able to provide, however has resulted in our total workforce costs also increasing year on year.

Temporary staffing spend continues to track above plan; particularly agency staff. The increase in agency cost is largely attributable to the increase in qualified Nursing agency costs and this is due to the fact that demand for temporary nursing staff is continuing to increase. The NHSI agency cap changed this financial year with the target spend decreasing from 3% down to 2.6% of the annual pay budget (£2,929k). The total agency spend year to date is higher than plan and we are working hard to maximise our permanent recruitment and therefore reduce our reliance on agency staff.

We continue to recruit domestically and internationally to reduce our nursing vacancies. At the end of the calendar year we have welcomed 11 overseas nurses to Dorchester, and we will have a further 3 with us by the end of February. These nurses have settled into the Trust extremely well, and the first of these have now passed their assimilation exam to gain their NMC registration.

We continue to experience difficulty in recruiting medical staff to particular specialties, for example Acute Medicine, Gastroenterology and Elderly Care, however we have also made a number of consultant appointments, including General Surgery and Stroke.

Sickness absence rates are have continued to increase for the majority of the year, and sat at 3.89% in November, which was above Trust target. We continue to experience relatively high levels of sickness, which is consistent with sickness levels across the population and despite us achieving excellent take up of the Flu vaccination: 81% in our patient facing staff groups.

The annual appraisal rate (i.e. the percentage of the substantive workforce having received a performance appraisal within the previous 12 months) remains an area of focus, and the Workforce Committee received reports from both Divisions this month detailing plans to achieve our 90% target by the end of the Financial year.

Diversity and Inclusion remains a priority for the Trust, and following two listening events for BAME (Black, Asian and Minority Ethnic) staff before Christmas, we have now appointed two Freedom to Speak Up Guardians to focus on BAME issues.

In terms of Organisational Development, the Trust Broad ran a development workshop in December using a new personality inventory to explore preferred personality styles. The workshop was well received, and the tool will now be used across the Trust.

Finance

The financial results for the trust for the period to December 2018 are almost £1m better than plan. The Trust was anticipating a deficit of £6.7m but has delivered a deficit of £5.7m.

Whilst this is positive news, it is clear that following review of the forecasts and recovery actions, that to recover the position to the year-end plan (a deficit of £1.3m) is highly unlikely. As a result, we have now informed the regulator that the Trust will miss the plan and a detailed update on this position will be provided at the meeting.

Strategy

The NHS Long Term Plan was published in January. The LTP focuses on joined-up, personalised, preventative care, expanding primary and community care services. The LTP seems to build on the development of Integrated Care Systems (ICS), of which Dorset is a wave one adopter, with an increasing shift away from organisational autonomy and competition to integration and collaboration.

A new 5 year plan will be developed by Autumn 2019 setting out how the Dorset ICS will deliver the ambitions and requirements of the LTP.

Operational Plans for 19/20 are due for submission by end of March. The Dorset ICS will need to agree system priorities for the next year over the coming weeks.

The Dorset Clinical Networks Programme continues to make progress. Funding has been received for a new maternity system to enable personalised digital care plans. The One Dorset Pathology Business Case has been approved and plans for rheumatology, haematology and urology services are developing.

The Dorset Integrated Urgent Care Services, a partnership between Dorset providers and SWAST, covering 111 and GP Out of Hours services will go live on 1 April.

The DCH strategic estate development continues to move forward. A strategic case for the development of car parking has been approved paving the way for a planning application in the coming months. Plans for creating new office accommodation to release THQ and Damers school for commercial schemes are being developed and a strategic case for ED, ICU and Integrated Community Hub development is due over the coming months.

Other News…

A number of members of staff were shortlisted for a number of awards last month. Four staff were shortlisted for the Wessex Clinical Research Awards

Outstanding research professional - Cecilia Priestley
Excellence in patient and public involvement and engagement - DCH research ambassadors
Rising Star - Emily Beaves

Outstanding clinical trial support - Heather Sellers

This is the second consecutive year the research team has reached the Wessex finals and is acknowledgement of their commitment to this important agenda and the positive difference it makes to our patients.

Ali Fuszard and her team have been shortlisted for the Team of the Year Award in the Royal College of Midwives Annual Awards. Again, this is recognition of the care and compassion Ali and her team show to mums and babies in their care.

Both Award Ceremonies take place in March. Well done to these members of staff and our fingers will be crossed in March!

Patricia Miller
Chief Executive
11 February 2019

Title of Meeting	**Council of Governors**
Date of Meeting	**11 February 2019**
Report Title	**Finance Report**
Author	Rebecca King, Deputy Director of Finance
Responsible Executive	Paul Goddard, Director of Finance and Resources

Purpose of Report (e.g. for decision, information)
For information

Summary
Dorset County Hospital NHS FT (DCHFT) has delivered an income and expenditure deficit of £5.679 million for the nine months ending 31 December 2018 against a planned deficit of £6.670 million, resulting in a favourable variance of £991,000.
The cash balance at 31 December 2018 was £10.5 million. Capital expenditure was £6.2 million, £98,000 ahead of the year to date plan.

Paper Previously Reviewed By
Paul Goddard, Director of Finance and Resources

Strategic Impact
The Trust forecast position is now an estimated position of a £8.270 million deficit for the year, including a £5.1 million gap to planned position plus the unachieved Quarter 4 PSF of £2.056 million. This is as a result of unachieved CIP of £2.9 million and run rate pressures (especially in pay) of £2.2 million. This is consistent with the position reported to the FPC meeting on 18 December 2018 and has been notified to NHS Improvement.

Risk Evaluation
The financial plan requires significant savings totalling £7.613 million to be delivered in 2018/19 whilst ensuring that there is no detrimental impact on the safety and quality of services provided. As noted above, the delivery of the savings target for the year remains very challenging with £0.8 million of the target unidentified at the end of the third quarter and a further £2 million of high risk schemes.

Impact on Care Quality Commission Registration and/or Clinical Quality
As above

Governance Implications (legal, clinical, equality and diversity or other):
As above

Financial Implications
The Trust has performed above plan for the first nine months of the year but is now unlikely to deliver its planned position for the full year.

Freedom of Information Implications – can the report be published?	Yes
Recommendations	a) To review and note the financial position at 31 December 2018

COUNCIL OF GOVERNORS FINANCE REPORT FOR 9 MONTHS ENDED 31 DECEMBER 2018

	Plan YTD £m	Actual YTD £m	Variance £m
Income	132.0	135.0	3.0
Expenditure	(138.7)	(140.7)	(2.0)
Surplus / (Deficit)	**(6.7)**	**(5.7)**	**1.0**

1. YEAR TO DATE VARIANCE

1.1 The income and expenditure position at the end of the third quarter is a deficit of £5.679 million against a planned deficit of £6.670 million, resulting in a favourable variance of £991,000.

1.2 Income levels were £3.0 million higher than plan, with income from patient care activities over achieving by £3.2 million. Of this, £1.3 million relates to national funding for the higher than planned pay award for Agenda for Change staff. All other income was £150,000 behind plan year to date predominantly due to lower than planned private patient income and unachieved CIP.

1.3 Pay costs were £2.1 million more than plan year to date, mainly as a result of the higher than planned pay award. The difference is being funded nationally so there is a corresponding £1.3 million in clinical income. The remainder of the overspend relates to higher than planned nursing agency and medical additional session costs and the costs of the GP trainees (for which there is additional income).

1.4 Operating non-pay costs were £96,000 above plan for the period, primarily as a result of drugs and services received for which there is a partial offset in income.

1.5 Depreciation and PDC Dividend costs were below plan by £52,000.

2. CASH

2.1 At the end of December, the Trust held a cash balance of £10.5 million which is £8.8 million ahead of the planned position, due to the earlier than anticipated receipt of the Quarter 2 PSF funding, improved management of the Trust's working capital position and year to date financial performance being ahead of plan.

3. CAPITAL

3.1 Capital expenditure in the period to 31 December 2018 was £6.2 million, which was £98,000 ahead of plan, primarily due to expenditure on donated

assets (which is offset by income included in the Income and Expenditure Account).

4. COST IMPROVEMENT PROGRAMME

4.1 The Trust has set a CIP target for 2018/19 of £7.613 million which equated to 4.3% of annual turnover.

4.2 At 31 December 2018 the Trust has plans in place to deliver £4.7 million of the £7.6 million savings required by the end of the financial year, meaning that £0.8 million is yet to be identified. In addition to this £2.0 million of the identified schemes have been rated as high risk.

4.3 At the end of the period savings totalling £2.495 million had been delivered with an annual value of £3.161 million.

4.4 The CIP plan and delivery for the period can be summarised in the table below:

Themes	**Plan YTD £m**	**Actual YTD £m**
Pay	0.521	0.550
Non Pay	0.729	1.096
Income Generation	1.705	0.849
Total CIP Plan	**2.955**	**2.495**

COUNCIL OF GOVERNORS

LOCAL INDICATOR (GOVERNOR SELECTION) FOR THE AUDIT OF THE QUALITY REPORT 2018/19

1. BACKGROUND

NHS Improvement (NHSI) in the '*Detailed requirements for external assurance for Quality Reports 2018/19*' requires that the Trust's external auditor provides assurance on the Quality Report as part of the annual reporting process.

This involves the auditor testing 2 nationally mandated and 1 locally selected indicator from the Quality Report. The auditors' work involves:

- Documenting the systems used to produce the indicators
- Performing a walkthrough of the system
- Testing the indicators back to supporting documentation over the six dimensions of data quality: accuracy, validity, reliability, timeliness, relevance and completeness.

The results for the 2 mandated indicators form part of the limited assurance report which the auditor must provide to be included in the Trust's Quality Report. The auditor must also provide a separate report on their findings in relation to the locally selected indicator.

2. REQUIREMENTS FOR CONTENT AND ASSURANCE FOR QUALITY REPORTS 2017/18

For foundation trusts providing acute services, the specified nationally mandated indicators are:

(i) Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge

(ii) Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers

(iii) Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways at the end of the reporting period

(iv) Emergency readmissions within 28 days of discharge from hospital

In previous years, Trusts were able to select 2 of 4 the mandated indicators, but for this year (similar to 2017/2018) the guidance stipulates that:

'NHS Foundation Trusts providing acute services should select two indicators that are relevant for the trust. These should be selected from the above list ***in order*** *(ie if both number i) and ii) are both reportable then those should be selected).*

Therefore, DCH, as an acute provider of services, is mandated to test both:

i) Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge
ii) Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers

3. RATIONALE FOR SELECTING A LOCAL INDICATOR FOR INCLUSION

The purpose of selecting a local indicator for inclusion is to provide assurance surrounding the processes in place.
'*The Detailed Guidance on External Assurance of Quality Reports produced by NHSI requires Trusts to obtain assurance over one local indicator included in the quality report to be selected by the Governors.'*

4. SUGGESTED LOCAL INDICATORS FOR INCLUSION/DECISION

In this year's guidance, NHSI state:

'We strongly recommend that the Summary Hospital-level Mortality Indicator (SHMI) should be selected as the local indicator for 2018/19. The governors of the trust may choose an alternative indicator if they consider there is already sufficient assurance in this area, or it is determined that other priorities take precedence. Further, the governors of the trust can select an additional second local indicator for assurance if they wish, but this will extend the scope of the auditors' work and is not mandatory.'

5. RECOMMENDATION TO THE COUNCIL OF GOVERNORS

In view of the fact that Mortality (including Learning from deaths and the SHMI) has been the focus of much discussion at both the Quality Committee, Trust Board and with NHS Improvement, it is the recommendation to the Council of Governors that the broadening of the suggested indicator should be endorsed.

The proposal to the Council of Governors is that they support the recommendation that Mortality (including learning from deaths and SHMI) is selected as the local indicator for inclusion within the 2018/2019 Quality Account.

Neal Cleaver – Deputy Director of Nursing and Quality (January 2019)
Nicola Lucey – Director of Nursing and Quality