

SEPT

MINUTES OF THE COUNCIL OF GOVERNORS MEETING (PART 1)
on Wednesday 10 August 2016
TR1, The Lodge, Runwell Chase, Wickford SS11 7XX

Members present:

Lorraine Cabel	Chair (part)		
Brian Arney	Public Governor	John Jones	Public Governor
Roy Birch	Public Governor	Pam Madison	Staff Governor
David Bowater	Appointed Governor	Hannah Moore	Public Governor
Bob Calver	Public Governor	Kresh Ramanah	Public Governor
Joy Das	Appointed Governor	Tracy Reed	Staff Governor
Paula Grayson	Public Governor	Gill Toby	Staff Governor
Shurleea Harding	Public Governor	Clive Travis	Public Governor
Colin Harris	Public Governor	Tony Wright	Public Governor

In attendance:

Sally Morris	Chief Executive
Tina Bixby	Support Officer Trust Secretary Office
Andy Brogan	Executive Nurse & Executive Director Mental Health
Gwen Carter-Powell	Investors in People
Randolph Charles	Non-Executive Director (part)
Steve Currell	Non-Executive Director
Maxine Forrest	Associate Director Communications
Ray Hardisty	Public Governor NEP
Lammert Hielema	Support Worker (part)
Kim Hibbert	Corporate & Mandatory Trainer (part)
Anthea Hockly	Head of Workforce Planning, Education & Training (part)
Nigel Hughes	Corporate Learning Manager (part)
Nigel Leonard	Executive Director Corporate Governance
Cathy Lilley	Trust Secretary (minute taker)
Mark Madden	Executive Chief Finance Officer
Mary-Ann Munford	Non-Executive Director
Mark Palmer	(part)

038/16 APOLOGIES FOR ABSENCE

Apologies for absence were received from the following Governors:

Phil Cousins	Public Governor	Sue Revell	Public Governor
Jackie Gleeson	Public Governor	David Watts	Public Governor
John Mingay	Appointed Governor		

Cathy Lilley confirmed that the meeting was quorate.

Lorraine Cabel welcomed Governors, staff and members of the public and read out the Trust's vision statement: "*providing services that are in tune with you*". She particularly welcomed Lammert Helema, Kim Hibbert, Anthea Hockly,, Nigel Hughes and Mark Palmer who would be presenting the demonstration on restraint as well as Gwen Carter-Powell from liP and Ray Hardisty, Public Governor from North Essex Partnership University NHS FT.

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039/16 DECLARATIONS OF INTEREST

None.

040/16 RESTRICTIVE PRACTICES DEMONSTRATION

The Council received a presentation and physical demonstration on the Prevention and Management of Violence and Aggression (PMVA) that fits in to the Trust's agenda for reducing restrictive practices. PMVA emphasises the therapeutic relationship building/de-escalation; advises on the implementation of positive and proactive support plans; responds based on risk; uses physical interventions as a last resort; and uses the least restrictive option to meet immediate need for shortest time.

As previously advised in performance reports, there has been a Trust-wide reduction in the use of prone restraint. It was emphasised that there is no deliberate use of prone restraint. It is only used intentionally to administer intra-muscular injection or in a designation seclusion room, and if prone restraint is used the patient must be moved to an alternative position as soon as possible.

The Council noted that the post incident review process that included all physical interventions on Datix are reviewed by PMVA trainers; if there are five incidents with one patient a formal review will be undertaken; and PMVA trainers advise staff on the benefits of a debrief for patients and staff.

LC on behalf of the Council thanked the training team for the excellent and informative demonstration and commented that the team was a credit to the Trust. She commented that assurance had been provided that prone restraint was used as a last resort but recognised the challenges that staff face.

Lammert Helema, Kim Hibbert, Anthea Hockly,, Nigel Hughes and Mark Palmer left the meeting.

041/16 MINUTES OF MEETING HELD ON 17 MAY 2016

The minutes of the meeting held on 17 May 2016 were agreed as a correct record.

042/16 ACTION LOG AND MATTERS ARISING

The Council noted there were no outstanding actions on the action log.

043/16 PERFORMANCE REPORT

Sally Morris presented the report on the operational performance of the Trust as at June 2016, and provided assurance about the process for the monitoring of quality and safety within the Trust. The presentation is attached at Appendix 1. She highlighted:

- the Trust had a Monitor governance risk rating of green

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- there had been 14 mental health SIs in Q1 compared to 17 in the same period in 2015/16 and 29 unexpected deaths compared to 16 for the whole of 2014/15
- there were six hotspots for Q1 including:
 - there was one mental health initial report submitted over the 72 hour target out of the four incidents reported. There were no 60 day reports that were submitted outside of timescale. In Q1 six 72 hour reports (and three 60 day reports) were submitted outside of timescale. The CCG has issued a contract performance notice in respect of the breach of the 72 hour reporting contractual requirement. At the July 2016 Quality Contract Meeting there was, however, confusion and a lack of clarity about the KPI and counting methodology. Action is in hand to address delays
 - seven patients were transferred out of area (OOA) compared to 12 in May and eight in April. All seven patients have now been repatriated. However, this reflects the continued pressure on adult acute bed availability and occupancy reported in previous months. To date the Trust has funded 452 acute bed-days out of area which is equivalent to a five-bedded facility
 - for 2016/17 the PbR cluster KPIs are now a contractual requirement whereas in previous years these KPIs were part of the CQUIN scheme and included resource to support the validation of data
 - from 1 April 2016, a new national target – Early Intervention in Psychosis Access – has been introduced that is also a key NHSI target. The CCG has not made additional funding available to meet the target from 1 April 2016. The Trust is working with the CCGs to agree funding required. At this stage the Trust's current data collection systems identify that 56% of patients referred to EIP have been assessed within 14 days. The system, however, is not able to confirm that these patients were allocated to a care coordinator and started to be engaged in treatment. The Trust is therefore not able to deliver a fully NICE compliant service
 - 664 outpatients had not been seen for over 12 months compared to the target of 0. This is equivalent to 8.8% of the caseload and represents a deteriorating position compared to May 2016. Data validation processes are to be reinstated to ensure these figures are robust
 - a reduction in prone restraints is a quality account priority. In June 2016 there were 27 prone restraints which is above the monthly average for 2015/16 of 22.1. The Executive Director of Mental Health & Executive Nurse has requested that further analysis of the data is undertaken to determine the proportion of events which take place due to the need to administer IM medication. In addition, the Restrictive Practice Group will be asked to review its action plan to determine if any further actions can be taken to reduce the incidence of prone restraints
- there are a number of exciting Quality Improvement Schemes (CQUIN) for 2016/17 including a project in collaboration with Luton & Dunstable Hospital Trust; trialling of quality outcome measures in mental health; staff health and wellbeing including three priorities to promote staff physical and mental health
- there are six quality priority initiatives across the Trust for 2016/17 – restrictive practices, pressure ulcers, avoidable falls, early detection of deteriorating patients, reduction in unexpected deaths and reduction in medication omissions
- the Trust has 23 corporate objectives including six transformation programmes for 2016/17. At the end of Q1 14 were progressing well with more than 90% of

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individual actions completed; substantial progress had been achieved for nine objectives with 75-90% of individual actions completed; and there were no objectives rated as red

- NHS Friends and Family Test for Q1 for mental health saw 81% of respondents were extremely likely or likely to recommend SEPT as a place of care compared to the national average of 87%; for community health this was 97% compared to the national average of 95%
- the Trust continued to work closely with three Councils in Essex to provide integrated mental health care and two Councils in Bedfordshire to provide integrated community health services
- there had been 237 complaints received in Q4 compared to 259 for 2014/15. 97% of complaints closed were resolved within agreed timescales compared to 98% for the previous year. There had been an improvement in the numbers of lessons learned and 11 complaints had been referred to the PHSO
- 1,523 compliments had been received for Q1 and 49 complaints for the same period compared to 74 in 2015/16
- the CQC undertook a comprehensive inspection of the Trust's Community and Mental Health Services in June/July 2015 with the final CQC report confirming the excellent news that the Trust had achieved a **GOOD** rating. The Trust action plan based on the 28 'must dos' and 102 'should dos' is over 92% complete. An audit programme was taking place to provide assurance to the Board at its September 2016 meeting that actions are completed
- every quarter performance is measured against KPI identified by NHSI as proxy measures of quality. In Q1, 14 out of 15 targets had been achieved and one target partially achieved
- the Trust's public quality dashboard that contained more information which could be drilled down by locality was available on the website.

Following a question by Paula Grayson, Nigel Leonard provided an overview of how lessons learnt are identified and managed in the Trust in relation to complaints. He confirmed that any themes/trends identified would be monitored through the Patient Experience Group reporting into the Quality Committee. In addition, Lorraine Cabel advised that the Non-Executive Directors undertook random sampling complaints reviews which included ensuring that any lessons learnt were captured on the reporting template.

Sally provided an update on the HSE investigation following an incident on one of the Trust wards and was pleased to confirm that the Trust had been advised that the HSE would not be taking any further action having been assured that actions had been or were being taken to address the contraventions it had identified.

Following a question by John Jones, Andy Brogan confirmed that the six unexpected deaths in Q1 had been within community services.

In response to a question by John Jones, Nigel Leonard advised that it is for the individual complainant to escalate a complaint to the PHSO.

The Council of Governors received, discussed and noted the report.

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044/16 FINANCE REPORT

Mark Madden presented the report on the financial performance of the Trust as at month 3 (June 2016). The presentation is attached at appendix 1.

Mark reported that the Trust Board has approved an amendment to the 2016/17 Annual Plan reflecting the Trust's acceptance of a £1.4m Sustainability & Transformation Funding (STF) allocation and a commitment to deliver a £257k surplus in 2016/17. The Trust budgets have been amended to reflect this change. He advised that there is no impact on delegated budgets as the improvement from the original planned £1.2m deficit will be achieved through the additional STF income.

In response to a question by Sudi Sudarsanam, Mark advised he was unable to confirm if the STF would be a one-off payment. He pointed out however the challenges within the NHS to be in financial balance by 2021.

Mark highlighted that at Q1, the Trust was £160k ahead of plan with an operating surplus of £2,635k. The Trust's cash position remained strong but was £1.5m behind plan mainly due to late debtor payments but the position was expected to improve by month 4.

The total recurrent Cost Improvement Programme (CIPs) for 2016/17 is £12.736m of which £2.3m is being met from CQUIN. This leaves a delegated target of £10.436m of which £737k is yet to be identified and £2.5m of the identified CIPs remain to be actioned.

The Council noted and discussed NEP's deteriorating financial position and the impact that this could have on the merger. Mark provided assurance that the Long Term Financial Model (LTFM) was currently being developed which would include both an 'upside' as well as the 'downside' to the merger.

Paula Grayson commented that there was little if no evidence of the extra funding promised to mental health services for parity of esteem and physical integration was being provided by the CCGs. Mark acknowledged that this position. He pointed out however that there had been some investment in services during the previous year including the RAID services.

The Council was pleased to note that at the end of Q1 the Trust had achieved a financial sustainability risk rating of 4 compared with the planned rating of 3, demonstrating the Trust is in strong financial health.

The Council of Governors discussed and noted the report.

045/16 QUALITY UPDATE

Andy Brogan advised that previous reports have included examples of patient stories that have demonstrated both good practice and positive outcomes; however, in response to requests by the Council he shared a case study of when things did not go so well and the lessons learnt. This particular case related to the management of the

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serious incident review and the feedback provided to the family following the suicide by the son where it was acknowledged that the approach did not meet the family's needs and in particular appeared impersonal as this was through a written report. Following a complaint by the family and a review of the Trust's processes, a family liaison officer is now appointed following all incidents of suicide to provide a more personal and sensitive response.

Lorraine Cabel thanked Andy for the powerful story, recognising the complexity of dealing with bereaved families.

The Council of Governors noted and discussed the presentation.

046/16 QUALITY VISITS

Nigel Leonard provided an update on the outcomes of three quality visits undertaken since the last Council meeting in May – Heath Close, Mayfield Unit and Kempston Health Centre/Child Development Centre. The visits identified a number of positive areas as well as some minor issues at Kempston Health Centre/Child Development Centre which have been developed into an action plan. An update on the recommendations following the visits to Archer Unit in March 2016 and to Poplar Ward, St Margaret's Hospital in April 2016 was also provided.

Lorraine Cabel advised that she had recently undertaken a visit to Mayfield Unit and acknowledged the high level of support the team was providing to patients and relatives, with many going over and above their roles and responsibilities.

The Council of Governors received and discussed the report.

047/16 SEPT/NEP MERGER UPDATE

Nigel Leonard presented a detailed update report on the progress of the proposed merger with NEP particularly focusing on the due diligence work that covered 11 workstreams reflecting NHSI's guidance. He pointed out that the due diligence was an ongoing process and that risks will arise throughout the merger process that will need to be managed. In addition, further lines of enquiry can be requested by the Board.

Nigel highlighted that there were four top risks: clinical, financial, governance and IM&T. The clinical risks were largely shared issues though the degree is different in each Trust: Serious Incidents; bed capacity; staffing; APMS GP contracts.

The financial risks were again largely shared issues including CIPs. However, NEP's performance is deteriorating more rapidly than expected and this may lead to regulatory action and changes to its Financial Sustainability Risk Rating if it cannot be turned around. In addition, there is a continuing issue with NEP's cash position which is managed through a series of loans that have been serviced by selling a diminishing set of assets.

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There is an unknown level of risk in relation to governance as the PwC well-led governance review has not yet been published and so is not available to SEPT for scrutiny. In addition, it is not possible to know how effective the delivery of the CQC action plan has been, and this will need to be monitored closely by SEPT throughout the year to mitigate the risk of a poor CQC report for the new Trust in year 1.

The IM&T risks were again largely a shared risk arising out of very different operating models; NEP is outsourced to CSU whereas SEPT is inhouse. A concern is that SEPT has previously withdrawn from CSU due to concerns over delivery. There is also disagreement between the teams for some key issues including reviewing the operating model, costs and cost effectiveness, and clinical system capability. Due to the dependency on IT, it was recognised that a way forward between the two Trusts must be identified before any proposal is made to the Merger Project Board.

Nigel reported that the SEPT Board also received information of the NEP view of SEPT. There were three areas of high risk which are broadly similar to the issues SEPT identified following its due diligence review of NEP: clinical – and in particular the Whipps Cross contract; finance particularly the Bedfordshire community services contract; and IM&T where the same issues were raised but seen through different perspectives.

The Council noted that the PwC assurance report on due diligence acknowledged that the process followed was designed adequately, was undertaken properly by teams in both Trusts and was in line with what PwC would expect of a due diligence programme. However, it noted that some work streams and some questions were still incomplete and that some work streams were stronger than others in pursuing robust lines of enquiry. Nigel advised that a further report would be presented to both Trust Boards meetings in September to close down any outstanding matters from the PwC report.

The Council also noted that both Trust Boards had agreed that there were no risks identified from the due diligence process that changed the underlying rationale for merger or should impact on the timetable. All risks noted as part of the due diligence exercise had been included in the merger risk register and will be addressed as part of the Full Business Case (FBC).

Nigel reminded the Council of the statutory role of Governors in the merger transaction as described in NHSI's transaction guidance. Specifically during a merger process, the Council must be satisfied that the Board has undertaken a thorough and comprehensive approach to the merger and undertaken appropriate due diligence, and that the Board has obtained and considered the interests of the Trust's members and the public. In addition, Governors should not seek to become involved in the running of the Trust – this is exercised by the Board of Directors. However, Governors should take the opportunity to challenge the Non-Executive Directors to explain and provide assurance about the actions they have taken in challenging the Executive Directors to justify recommendations, deal with the risks involved and demonstrate evidence that their decision is the right one. The Board as a whole should ensure Council is provided with the appropriate and timely information on the proposed decisions to enable Governors to vote on the proposal.

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The Council noted that its Significant Transaction Group would be invited to attend a future Investment & Planning Committee as part of the agreed significant transactions process.

Nigel also provided an update on the activities within the communications and engagement plan that included engagement with staff and stakeholders on the name for the new Trust, and offers to attend local authority Health Overview & Scrutiny Committees covering Essex, Thurrock, Southend, Bedfordshire and Luton. In response to a question by Roy Birch, Cathy Lilley confirmed that a series of SEPT on the Spot meetings had been planned for August and December that would provide the opportunity for an update on the merger and for Governors to engage with their constituencies. In addition, there would be regular editions of the members' newsletter that would provide specific updates relating to the merger.

In response to a question by John Jones, Nigel confirmed that the FBC would also include clinical/patient benefits.

Lorraine Cabel pointed out the high level of activity that was and would continue to take place in driving forward the merger and that this would inevitably result in additional meetings of the Council where specific decisions would be required in order to meet the challenging timetable. She pointed out that the meeting scheduled to take place on 15 November would now fall outside of the timetable and was therefore recommending that this be rearranged to 1 December 2016 as this would allow for an update following the review of the FBC including agreement, or otherwise, of its submission, by both Boards on 30 November 2016

The Council of Governors received and discussed the report.

Action: Significant Transaction Group to be invited to future Investment & Planning Committee meeting(s) as appropriate (NL).

048/16 SEPT/NEP MERGER: UPDATE FROM LEAD GOVERNOR

John Jones advised that he had attended a Council of Governors meeting at NEP in June together with Brian Arney, David Bowater, Paula Grayson and Sudi Sudarsanam, and provided an overview of the meeting.

The Council of Governors noted the verbal report.

049/16 BOARD OF DIRECTORS SELF-ASSESSMENT REVIEW 2016

Lorraine Cabel provided a verbal update and advised that copies of the action plan developed following the Board's self-assessment were available at the meeting.

The Council noted the availability of the action plan.

050/16 CHANGES TO THE COUNCIL OF GOVERNORS

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Cathy Lilley presented the report on the changes to the Council of Governors and its committees since the last meeting held on 17 May 2016.

The Council noted that there had been one new appointment to the Council since the last meeting – Cllr Meg Davidson from Southend Borough Council and following local elections, there were now 13 vacancies both for elected and appointed Governors. Cathy reminded the Council that as agreed at the February meeting, no further elections would be held for the Governor vacancies taking account of the potential impact on the Council and constituencies should the merger with NEP be successful.

The Council of Governors received and noted the report.

051/16 GOVERNANCE COMMITTEE

John Jones presented the report from the Governance Committee on its activities since the last Council meeting on 1 August 2016.

John reported that the Committee continued to monitor the attendance of Governors at Council of Governors meeting and had reviewed the Council's committee membership and appointment guidelines noting that these were open, fair and non-discriminatory, and provided for appropriate succession planning.

The Council noted the positive progress made by the Committee and that there were no outstanding actions against the Committee's work plan as well as with the action plan for the Council's self-assessment and committees' governance review.

John pointed out that taking account of the proposed merger, with effect from September 2016, all Trust-wide policies and procedures would be extended until June 2017 to allow for policy harmonisation. The Trust's current constitution and standing orders would therefore be extended to June 2017 and assurance had been provided from the Trust Secretary that no issues or concerns had been identified during the year and that there had been no regulatory or statutory changes that would necessitate any amendments.

The Council received and noted the report.

052/16 TRAINING & DEVELOPMENT COMMITTEE

Paula Grayson, Chair of the Training & Development Committee, presented the report summarising the Governors' training and development session held on 1 July 2016 as well as a verbal update following the meeting of the Committee that took place prior to the Council meeting.

Paula provided an overview of the training and development session, which was attended by 10 Governors, was made up of a mix of plenary and individual working covering learning about each other and how this is relevant to the Governor role, a reminder of the Governor role and statutory responsibilities, the Governor work plan – its purpose and how to complete, and an introduction to the online training system for Governors. She advised that the Committee had reviewed the evaluation of the

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training and was pleased to note that there was an overwhelming consensus that the opportunity to interact with colleagues in an informal session was beneficial to attendees and in particular learning about each other's special skills and knowledge. Respondents also commented on the benefits of online training courses and using the Governor Work Plan as a guide to how they have fulfilled the Governor role and responsibilities. Further training and development sessions will be arranged.

Paula also reported that Committee discussions included the analysis of the Governor skills and interests survey, the development of further modules for the Governor Learning and Development Pathway, and the feedback and analysis following the Council's self-assessment questionnaire for 2016.

The Council of Governors received and noted the report.

053/16	CONSTITUTION FOR NEW MERGED ORGANISATION
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Cathy Lilley provided an update report on the development of a constitution for the new merged organisation. She reminded the Council that since her report at the Extraordinary Council meeting on 1 July 2016, good progress has been made with the drafting and further work was now specifically being undertaken to review the Standing Orders for both the NEP and SEPT Boards and Councils, as well as finalising a few variables within the constitution.

Cathy pointed out that there had been some slippage on the timescale originally report on 1 July and the intention is now for a detailed report on the recommendations for the new constitution to be presented to both organisations' Board meetings on 30 November and to both Councils by mid-October for approval. She provided assurance that the slippage did not impact on the merger timeline and the constitution would be ready for submission with the Full Business Case at the end of November.

The Council of Governors received and noted the report.

054/16	NHS PROVIDERS GOVERNORS PANEL UPDATE
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The Council received an update report from John Jones on the NHS Providers Governor Policy Board (GPB) and noted that John had been invited to join the GPB to represent the Trust and community services. He provided an overview of the discussions held at two meetings that he had attended. Topics of discussion included the Governor Focus Conference, Governance and Lead Governor surveys results, role of the Lead Governor, an end of year progress report, the new CQC strategy, and the effectiveness of the GPB.

The Council of Governors received and noted the report.

055/16	ANY OTHER BUSINESS
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Volunteers Week

Lorraine Cabel reminded the Council that at the last meeting she advised that

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NHS Providers would be working with the National Council for Voluntary Organisations to raise the profile of the role of Governors at a national level during National Volunteers Week 1-12 June 2016. She was pleased to confirm that the Trust had participated in the celebrations by promoting the valued role of Governors and that Governors and volunteers had provided statements as to their role, the benefits and value to both the Trust and themselves and these statements had been publicised through social media and were also on the Trust website. An article will also be included in the next edition of *SEPT News* which is due to be published at the end of August.

The Trust's volunteer video was then played.

056/16 DATE OF NEXT COUNCIL OF GOVERNORS MEETING

Lorraine Cabel advised that the date of the next meeting of the Council would be advised shortly. She explained that the Council was due to meet on 15 November 2016 but recommended that this be rearranged so that the Council could receive the Full Business Case for the merger that would be presented to the Board for approval at its meeting on 30 November. Lorraine also highlighted that as previously advised there would be various extraordinary Council of Governors meetings leading up to the establishment of the new Trust that required decisions or approval by the Council and took the opportunity of thanking Governors for their support.

The meeting closed at 19:20.

APPENDIX 1: Presentation

Minute Item No	Agenda Item	Presentation
021/16	Performance Report	
022/16	Finance Report	
023/16	Quality Report	

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