

11 July 2014

Dear Governors,

Council of Governors Meeting
Thursday, 17 July 2014

Please find enclosed the Agenda and Papers for next week's Council of Governors Meeting.

The arrangements for the day are as follows:

- Council of Governors informal meeting with the Lead Governor over tea/coffee, 2.45 – 3.15pm, in the Gleeson Lecture Theatre, lower ground floor, lift bank C;
- Council of Governors Meeting, 3.30– 5.30pm in the Gleeson Lecture Theatre, lower ground floor, lift bank C; The Council of Governors Awards will be presented from 3.30-4.00pm.

Light refreshments will be provided in the Gleeson Lecture Theatre lower ground floor, lift bank C from 3.30pm.

Yours sincerely,

Vida Djelic
Board Governance Manager

Council of Governors Meeting

Gleeson Lecture Theatre

Chair: Sir Tom Hughes-Hallett

Date: 17 July 2014 **Time:** 3.30pm

Agenda

Council of Governors General Meeting

*The items which have been 'starred' will not be discussed unless an advance request is made to the Chairman.

		Lead	Time
1. 0	Council of Governors Quality Awards	TH-H	3.30
		Lead	Time
1	GENERAL BUSINESS		4.00
1.1	Welcome & Apologies	TH-H	
1.2	Declaration of Interests	TH-H	
1.3	Draft Minutes of Previous Meeting held on 15 May 2014 (attached)	TH-H	
1.4	Matters Arising (attached)	TH-H	
1.5	Chairman's Report (attached)	TH-H	
1.6	Chief Executive's Report (attached)	APB	
2	CORE ITEMS		4.15
2.1	Review of 2013/14 – presentation	APB/RP	
2.2	Care Quality Commission (CQC) Announced Inspection update (oral)	APB	
2.3	West Middlesex update (oral)	APB	
2.4	Presentation of Annual Report & Annual Accounts 2013/14 (attached)	LB/TH-H	
2.5	External Audit Report to the Governing Body on the audit of the Trust's year ended 31 March 2014 financial statements (attached)	BS	
2.6	Findings and recommendations from the 2013/14 NHS Quality Report External Assurance Review (attached)	BS	
2.7	Audit Committee Annual Report 2013/4 (attached)	RK	
2.8	Membership Engagement and Communications Strategy Update 2014/15 (attached)	WB	
3	UPDATES		
3.1	Governors' Questions (attached)	APB	
3.2	Governors Visits to Clinical Areas (oral)	HA	
3.3	Council of Governors Funding Report – update (attached)	LH	
3.4	*Membership Engagement and Communication – update (attached)	KD-D	
3.5	Membership Report – to be tabled	SN	
3.6	Open Day 14 June 2014 – Evaluation Report (attached)	LH	
4	REPORTS FOR INFORMATION		
4.1	*Quality Sub-Committee report (draft minutes of 10 June 2014 meeting attached)	MvL	
4.2	*Quality Sub-Committee Terms of Reference	MvL	
4.3	*Membership Sub-Committee report (draft minutes of 26 June 2014 meeting attached)	WB	

5	ITEMS FOR INFORMATION	
5.1	A copy of the Finance and Performance Reports are available via Board papers which are available on the website at the following link: http://www.chelwest.nhs.uk/about-us/organisation/trust-meetings and a hard copy of the board pack in the governors' room	
6	ANY OTHER BUSINESS	5.50
7	DATE OF THE NEXT MEETING – 18 September 2014	
	CLOSE	6.00

BS – Benjamin Sheriff, Deloitte
 RK – Richard Kitney, Non-executive Director
 HA – Holly Ashforth

Council of Governors Meeting, 17 July 2014

AGENDA ITEM	1.0/Jul/14
PAPER	Council of Governors' Quality Awards – Spring 2014
AUTHOR	Melanie van Limborgh, Head of Quality and Assurance
LEAD	Elizabeth McManus, Chief Nurse and Director of Quality
EXECUTIVE SUMMARY	<p>The aim of the Trust's Council of Governor's Quality Awards is to recognise and reward contributions to quality initiatives in the Trust from an individual or team who have made a contribution to quality for patients under four categories, (Patient Safety, Patient Experience and Clinical Effectiveness and the Trust Values). This award is open to Chelsea and Westminster Trust employees who all have the potential to directly or indirectly improve quality through improving the patient's experience. The award can be received for a project, an initiative, or a change in the work of staff that as a result provide benefit to quality care.</p> <p>The awards have been in operation in the Trust since January 2011. The successful winners are agreed by members of the Council of Governors' Quality Sub Committee.</p> <p>This report highlights the 6 winners and the 3 Highly Commended entries that were received for the Spring Quality Awards.</p> <p>The winning entries will be presented worth their awards and the July Council of Governors' Meeting. These awards will be highlighted by key governors and presented by the Chairman.</p>
DECISION/ ACTION	For Information.

Council of Governors' Quality Awards Winners and Highly Commended entries - Spring 2014

1.0 Introduction

The aim of the Trust's Council of Governors' Quality Awards is to recognise and reward contributions to quality initiatives in the Trust from an individual or team who have made a contribution to quality for patients under four categories, (Patient Safety, Patient Experience and Clinical Effectiveness and the Trust Values). This award is open to Chelsea and Westminster Trust employees who all have the potential to directly or indirectly improve quality through improving the patient's experience. The award can be received for a project, an initiative, or a change in the work of staff that as a result provide benefit to quality care.

A part of the award the winners have the opportunity to meet with governors of the Council of Governors Quality Sub-Committee to discuss their initiatives and highlight the value of their achievements. The winners also receive £250 to benefit the work of their department.

The Council of Governors Quality Awards are supported, directed and awarded by the Council of Governors Quality Sub-Committee. The awards are held twice yearly and are administered by the Head of Quality and Assurance on behalf of the Council of Governors Lead Governor and the Quality Sub-Committee. Award applications are required to meet agreed criteria.

The Spring applications continue the trend of increasing numbers as with previous awards and the large majority of the applications were of an extremely high quality. This Spring there were 6 winners and three commended applications. This paper outlines in brief the Council of Governors' Quality Award winners and highly commended entries.

2.0 The Council of Governors' Quality Award winners for Spring 2014

2.1 The Revolutionary Sexual Health Screen Service – Dean Street Express

A modern walk-in clinic service for sexual health and HIV patients that has embraced technology and reduced time for the patient to receive diagnosis and treatment. Patients are able to 'take control' of their own health by registering themselves and providing samples and information without needing to wait for a member of staff.

Winners: Leigh Chislett and Dr Alan McOwan and team

2.2 Practical guidance for the management of palliative care on neonatal units' a national document for all healthcare professionals caring for babies with palliative care needs and their families

The team developed a guidance development group including patients who collaborated with key national organisations linked to the neonatal speciality. A systematic review of the literature resulted in a series of recommendations and a guidance document endorsed by the Royal College of Paediatrics and Child Health and the Royal College of Nursing. This guidance has now been launched as a national guidance document.

Winners: Neonatal Complex and Palliative and Bereavement Care, Neonatal Intensive Care Unit, Alex Mancini, Dr Sabitha Uthaya, Revd Dr Christine Beardsley, Dr Daniel Wood, Prof Neena Modi, the Clinical Standards Group at the Royal College of Child Health and Paediatrics.

2.3 Mars Paediatric Burns Dressing and Scar Management Team
Moving forwards for Family Friendly Service

A process that improved the quality, capacity and access to the burns dressing clinic services to children. This facilitated reduced child absences from school and easier access to care. A secondary benefit was provided in supporting parents with lengthy outpatient commitments for their children.

Winners: The Burns Therapy Team

2.4 Clinical Nurse Specialist contribution to patient centred care and information delivery to people living with HIV and cancer

A service developed to produce local patient information guidelines and clinical care guidelines, now the basis of national (on-line) Macmillan patient information guidelines for HIV-associated lymphoma. The establishment of patient care pathways with other HIV services that refer people living with HIV and cancer to the National Centre for HIV and malignancy at the Chelsea and Westminster Hospital. This included establishing a network of linked with HIV nurse specialties and haematology nurse specialists.

Winner: Kate Shaw, Clinical Nurse Specialist in HIV associated haematological cancers and team

2.5 Turning around Phototherapy

An initiative to improve care in phototherapy services to provide specialist staff training and support to the team. This resulted in highly increased numbers of patients treated with phototherapy by effective staff and safe services.

Winner: Sandra Howard and Team

2.6 The Birth Centre

A new midwifery-led unit with a small team of midwives committed to providing high quality and safe care to women with low risk pregnancies and within close proximity of the labour ward. The centre has increased access to women requesting normal birth in a purpose built area and with dedicated midwives.

Winners: The Birth Centre Team

3.0 The Commended Entries

3.1 Lone Working Safety Initiative

An initiative that from a successful business case has provided lone working staff caring for patients in community areas with greatly needed protection devices. This work was due to some key staff that experienced risks to their safety whilst on duty in the community.

25 Trust staff are now benefiting from a system that oversees their safety whilst they are on duty. This has ensured staff are able to care for patients in the community with a greatly increased security system to support them.

Highly Commended: Trevor Post, Kevin Ray, Emma Bartlett & Melanie Guinan

3.2 One Stop Carpal Tunnel Clinic

A service to provide nerve conduction studies in the Outpatient's area, followed by immediate consultant consultation. This provides appropriate treatment from the first appointment. This application was submitted by a patient who used the service.

Highly Commended: – Miss Effie Katsarma, Kim Patrick's and Team

3.3 Completion of Imaging Services Accreditation (ISAS) Scheme

The achievement of the ISAS scheme is a notable benchmark for the Trust. The Trust is one of only 16 to have achieved this stringent standard that requires extreme rigour from any participating organisation. This has improved protocols, guidance and streamlined services to provide care more effectively and efficiently.

Highly Commended: The Imaging team led by Dr Neil Bedford

4.0 **Summary**

The Quality Awards led by the Council of Governors' Quality Sub-Committee are awarded for Patient Safety, Patient Experience, Clinical Effectiveness and the Trust Values. There were 6 winners and 3 commendations. Following introductions by the Council of Governors' Quality Sub Committee Governors the awards are presented by the Chairman during the July 2014 Council of Governors Meeting.

The next cohort of the Trust Quality Awards will be launched during Autumn 2014, further information will be provided in the Trust's Daily Bulletin as appropriate. The Trust News will be featuring the winners in the next edition. Staff will be informed when the Quality Awards are open for applications in the Autumn.

Further information regarding the awards can be obtained from the Council of Governors' Quality Awards Trust email address. Quality.awards@chelwest.nhs.uk,

Melanie van Limborgh
Head of Quality and Assurance
June 2014

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	1.3/Jul/14
PAPER	Minutes of Previous Meeting held on 15 May 2014
AUTHOR	Vida Djelic, Board Governance Manager
LEAD	Sir Tom Hughes-Hallett, Chairman
EXECUTIVE SUMMARY	This paper outlines a record of proceedings at the previous meeting.
DECISION/ ACTION	<ol style="list-style-type: none"> 1. To agree the minutes as a correct record. 2. The Chairman to sign the minutes.

Council of Governors Meeting Minutes, 15 May 2014

Draft

Attendees:

Sir Tom	Hughes-Hallett	Chairman		TH-H
Chris	Birch	Patient		CBir
Christine	Blewett	Public	Hammersmith and Fulham 2	CBle
Dr Anthony	Cadman	Patient		ACa
Tom	Church	Patient		TC
Capt Edward	Coolen	Public	Kensington And Chelsea 1	EC
Caroline	Fenwick	Staff	Allied Health Professional, Scientific and Technical	CF
Sam	Culhane	Public	Hammersmith and Fulham 1	SC
Prof Brian	Gazzard	Staff	Medical	BG
Rochelle	Gee	Staff	Contracted	RG
Angela	Henderson	Patient		AH
Anna	Hodson- Pressinger	Patient		AH-P
Melvyn	Jeremiah	Public	Westminster 2	MJ
Martin	Lewis	Public	Westminster 1	ML
Susan	Maxwell	Patient		SM
Wendie	McWatters	Patient		WMW
Cllr Cyril	Nemeth	Appointed	Westminster City Council	CN
Tom	Pollak	Public	Wandsworth 1	TP
Sandra	Smith-Gordon	Public	Kensington and Chelsea 2	SS-G
Charles	Steel	Patient		CS
Maddy	Than	Staff	Support, Admin and Clerical	MT
Cllr Frances	Taylor	Appointed	Royal Borough of Kensington and Chelsea	FT
Steve	Worrall	Public	Wandsworth 2	SW

IN ATTENDANCE:

Sir John Baker	Non-executive Director	JB
Prof Richard Kitney	Non-executive Director	RK
Jeremy Loyd	Non-executive Director	JL
Karin Norman	Non-executive Director	KN
Tony Bell	Chief Executive	APB
Lorraine Bewes	Chief Financial Officer	LB
Elizabeth McManus	Chief Nurse and Director of Quality	EM
Zoe Penn	Medical Director	ZP
David Radbourne	Chief Operating Officer	DR
Susan Young	Director of Human Resources and Organisational Development	SY
Patricia Gani	Healthwatch representative	PG
Sian Nelson	Membership Manager	SN
Melanie van Limborgh	Head of Quality and Assurance	MvL
Layla Hawkins	Interim Head of Corporate Affairs	LH
Aiden O'Neill	Commercial Director	AON
Vida Djelic	Board Governance Manager	VD

Agenda items were taken in this order as decided by the Chairman: 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 2.5, 2.1, 2.2, 2.3, 2.4, 2.5, 3.1, 3.2, 3.3, 3.4, 3.5, 4.1, 4.2, 5.1, 5.2, 6 and 7.

1 GENERAL BUSINESS

1.1 Welcome & Apologies

TH-H

Sir Tom Hughes-Hallett welcomed all attendees to the meeting.

Apologies were received from Walter Balmford, Nicky Brown, Jenny Higham, Dominic Clarke, Andrew Lomas and Kathryn Mangold.

Sir Tom Hughes-Hallett noted that the requirement for a suitable meeting room for Council of Governors meetings will be explored further and any feedback from today's meeting lay out would be appreciated.

Governors to provide feedback about the meeting room to Layla Hawkins.

All

1.2 Declaration of Interests

TH-H

There were no declarations of interests received.

1.3 Minutes of Previous Meeting held on 6 March 2014

TH-H

Sir Tom Hughes-Hallett apologised for the fact that minutes of the previous meeting were not circulated earlier and noted that in the future they will be circulated within ten working days where possible.

Minutes of the previous meeting were accepted as a true and accurate record of the meeting subject to the following changes:

- implementing Chris Birch's comments submitted via email on 10 May 2014
- p. 1 attendees, Tom Pollak to be titled 'public governor Wandsworth 1'

1.4 Matters Arising

TH-H

The Council of Governors noted that most actions have been dealt with and those which have not will be addressed later in the meeting.

Martin Lewis said that he has recently visited the Dean Street Express clinic and noted the excellent facilities and service they provide. Chris Birch said that he also had been greatly impressed and had been four times, taking different friends to see it.

Cost Improvement Programme Quality Risk Assessment Form

It was noted that a copy of the current Cost Improvement Programme Quality Risk Assessment form will be circulated to governors.

Layla Hawkins to circulate to governors.

LH

1.5 Chairman's Report (oral)

TH-H

In addition to his written report Sir Tom Hughes-Hallett stated that, in order to get regular feedback from governors, in future he will invite small groups of governors to attend lunch with him. This will be coordinated by Ally Maffey and governors will be rotated to ensure the group provides a diverse mix of opinions at each session.

1.6 Chief Executive's Report (oral)

APB

Royal Opening of Chelsea Children's Hospital – Tony Bell thanked those governors who supported and attended, the communications department and other key staff that were involved in organising such a successful event.

Intelligent Monitoring Report – Tony Bell said that the grading has been adjusted and the Trust is given the best risk banding possible (band 6) in their latest report.

Tony Bell noted that the CQC will conduct a formal visit to the Trust in July 2014. The executive lead is Elizabeth McManus.

Star Awards – Tony Bell noted that Sophie Ellis Bextor will be compering the event later in the evening. The event celebrates staff who have provided excellent and compassionate care to patients over the past year, with 600 nominations received.

Open Day – Tony Bell said that the event will be held on 14 June and will be officially opened by Joanna Lumley, thanks to the support of governor Wendie McWatters.

Annual PLACE assessment – Susan Maxwell noted that the annual assessment took place at the end of March. Five patient representative and three independent representatives from Healthwatch were involved in the audit. 12 wards, 4 outpatient departments and 3 meal services were audited. Feedback was positive and areas where there could be improvement an action plan is being developed. The official results will follow later in the year.

Emergency Department redevelopment – Tony Bell noted that the redevelopment work continues and Chelsea and Westminster Health Charity is raising funds in order to support the redevelopment project.

Patricia Gani was thankful for the opportunity for Healthwatch to be invited to be involved in the redevelopment project.

Tony Bell noted awards received by staff.

Steve Worrall asked if the John Hunter clinic will soon be refurbished. Prof Brian Gazzard responded that the Trust is aware of the need for upgrading and an alternative space is being looked at.

Tom Pollak queried how the cost of redeveloping A&E under the *Shaping a Healthier Future* programme will be met. Lorraine Bewes noted that there was a need for a refurbishment of A&E quite apart from *Shaping a Healthier Future*. Loan capital will be requested for the refurbishment. Interest on the loan would be met by the Clinical Commissioning Groups with repayments of the principal being met by

the Trust. However, it was still possible to public dividend capital might be made available, though it seemed unlikely.

CORE ITEMS

2.1 Financial Strategy (presentation) Chelsea and Westminster Hospital 2014/15 Annual Plan – update

LB

Lorraine Bewes highlighted that the five year plan will be submitted to Monitor on 30 June 2014. A summary of the detail contained within the plan was provided in the presentation. She invited governors views on the assumptions made in the presentation.

Lorraine Bewes gave a presentation on the Financial Strategy and Monitor plan. She thanked Walter Balmford and Dr Anthony Cadman for their input into the Financial Strategy.

The highlights include:

- financial rating assessment by Monitor
- Trust's financial objectives and strategic plan
- development of specialised services and as part of it considering the potential acquisition of West Middlesex University Hospital
- the opportunity to grow private patient income
- challenges with implementing our Cost Improvement Programme (CIP) targets
- our ambitious investment plan

In response to a question from Capt Edward Coolen regarding private patient income growth Lorraine Bewes said that the current private patient income is £14m and the plan is to double it over the next 5 years.

Christine Blewett asked how the Trust balances CIPs while maintaining quality. Tony Bell responded that the Cost Improvement Programme Quality Risk Assessment is signed off by the Medical Director and Chief Nurse and Director of Quality to ensure quality of care is maintained.

Cllr Cyril Nemeth queried if the Trust negotiates patient fees with insurance companies. APB responded that insurance based payment is reducing in the UK and we are currently in discussions with the private insurance sector.

Martin Lewis queried if the Trust has a Private Patient Marketing Strategy. Tony Bell responded that the Trust has a private patient marketing plan and a session on this will be held with governors. **Aiden O'Neill, Commercial Director, to present at a future Council of Governors meeting on a private patient marketing plan.**

Sir Tom Hughes-Hallett noted that governors will be given the opportunity to attend a variety of topic based workshops.

Charles Steel queried the total income on slide 5. Lorraine Bewes responded that comparative income was presented in slide 12.

Prof Brian Gazzard said that contract negotiation is very important to our financial

health and what was the logic of accepting block elements. Lorraine Bewes commented that if we believe that commissioners will move activity out of hospital a block payment will provide cover while we adjust our work flow and cost base. Prof Gazzard suggested that Lorraine Bewes present the financial strategy more widely to clinical staff.

Prof Brian Gazzard said that contract negotiation is very important to our financial health. Lorraine Bewes commented that contract negotiation at the Trust is good and we are working in partnership with other providers to ensure patients only come to hospital when they clinically need to.

Christine Blewett asked if we are assured around clinical assessment of balancing clinical quality with CIPs. Zoe Penn responded that a clinical staff summit is planned for June and Lorraine Bewes will present to staff at the event so that they understand what drives the requirements for CIPs.

Cllr Cyril Nemeth asked if a progress report can be provided at a future date. Sir Tom Hughes-Hallett responded that a further update can be presented at a future away day.

Sandra Smith-Gordon asked if a simple account could be given of the different sources of funding and income to the hospital. Sir Tom Hughes-Hallett responded that this will be provided.

Lorraine Bewes to provide a simple account of the different sources of funding and income to the hospital.

LB

2.2 Quality Account overview

EM

Elizabeth McManus thanked governors represented on the Quality Sub-Committee who contributed to the production of the Quality Account 2013/14.

Sir Tom Hughes-Hallett thanked Melanie van Limborgh for her valuable work on the Quality Account.

Approval of the Governors Commentary

MJ

Melvyn Jeremiah provided the background of the governors commentary.

Sandra Smith-Gordon queried if there is a link between the individual appraisal and pay increase. Tony Bell commented that there are some advantages to linking individual performance to reward and said that pay increments now need to be earned as a result of national pay negotiations by NHS Employers.

The Council of Governors approved the commentary.

Sir Tom Hughes-Hallett thanked Melvyn Jeremiah for producing the commentary on behalf of the Council of Governors.

2.3 West Middlesex – update

APB

Tony Bell noted that work continues on due diligence and with the NHS Trust

	Development Authority. A tour of the site is being arranged. Layla Hawkins to arrange a tour of the site.	LH
2.4	Staff survey – results and action plan	TH-H
	Chris Birch referred to section 1.3 where it states that the Trust use Capita to collate the report. He asked if the Trust experienced any problems with collating their reports as the Membership Sub-Committee had experienced considerable problems with Capita. Tony Bell responded that he was not aware of any issues.	
	Chris Birch queried section 3.2, point 2 re hand washing material availability. Tony Bell responded that clarity needs to be obtained on the result. Elizabeth McManus pointed out that this does not reflect negatively on infection and prevention control procedures within the Trust. Karin Norman commented that a number of additional gel dispensers have been provided since this was highlighted as an issue but survey continues to reflect concern despite the widespread availability of dispensers. Susan Young to provide a response to governors.	SY
	Chris Birch queried section 3.2, point 4 regarding discrimination at work in the last 12 months and if the Trust was aware what type of discrimination it relates to. Sir Tom Hughes-Hallett responded that this point needs to be further explored. Susan Young to provide a response to governors.	SY
	Sandra Smith-Gordon queried figures appearing in brackets and what they meant. Susan Young to provide a response to governors.	SY
	Sir Tom Hughes-Hallett concluded that clarity will be sought on the above points and an update will be provided at a future meeting with regards to staff experiencing discrimination at work.	
2.5	Open Day 2014 – update	LH
	Layla Hawkins noted that the key points were highlighted under the Chief Executive's Report.	
	Layla Hawkins said that last year's feedback from visitors was very positive.	
	Layla Hawkins thanked Wendie McWatters for securing Joanna Lumley to officially open the event.	
	Layla Hawkins highlighted that the event is funded from the Council of Governors budget and invited governors to take away promotional posters and display them in their constituencies.	
	Martin Lewis queried if there is a sufficient number of governor volunteers for the governor stand on the day. Layla Hawkins said she was unaware of any problem but would email governors in respect of their support on the day.	
	Capt Edward Coolen commented that it would be desirable to receive promotional material 6 weeks in advance of the event. Layla Hawkins confirmed that promotion has been underway for some time, including substantial publicity in the Trust News distributed to all 15,000 members.	

Capt Edward Coolen queried if politicians should be invited to the event. Sir Tom Hughes-Hallett responded that the event is not of a political nature.

Sandra Smith-Gordon said that in previous years the Open Day posters in the hospital had been quite small and suggested that larger posters should be used. Layla Hawkins responded that copies of that size are available.

Patricia Gani suggested that the promotional material is sent to Healthwatch who could advertise the event to their members. Tony Bell thanked her for this suggestion.

Angela Henderson asked if it would be possible to have the hospital logo on the posters more prominent. Layla Hawkins responded that there is national guidance in respect of NHS branding which we have to adhere to.

UPDATES

3.1 Governors' Questions

The governors noted the questions and responses provided.

Sir Tom Hughes-Hallett highlighted that any questions received passed the deadline date will be dealt with at the next meeting.

3.2 Governors Visits to Clinical Areas

EM

Elizabeth McManus noted that governors feedback is very useful and it helps with improving patient care. **Governors to provide feedback to EM.**

All

3.3 *Council of Governors Funding Report – update

LH

This item was starred and therefore taken as read.

3.4 *Membership Engagement and Communication – update

KD-D

This item was starred and therefore taken as read.

3.5 *Membership Report

SN

This item was starred.

4 REPORTS FOR INFORMATION

4.1 *Quality Sub-Committee report

EM

This item was starred and therefore taken as read.

4.2 Membership Sub-Committee report – no report

WB

Chris Birch and Martin Lewis generously offered to re-join the committee, because of the frank discussion they had with Tony Bell and the assurances he had given

them. The Chairman thanked them.

Chris Birch highlighted the need to have a committee which focuses on engagement with members and hopes that the sub-committee will be reconstituted.

5 ITEMS FOR INFORMATION

- 5.1** A copy of the Finance and Performance Reports are available via Board papers which are available on the website at the following link:
<http://www.chelwest.nhs.uk/about-us/organisation/trust-meetings> and a hard copy of the board pack in the governors' room

This item was for information.

- 5.2 The Foundation Trust Governors' Association (FTGA) National Development Day – 26 March 2014** **EC**

This item was for information.

6 ANY OTHER BUSINESS

Council of Governors Handbook

Sandra Smith-Gordon suggested that it would be useful for the Governors handbook to include information on governors' skills, experience and contact details. She noted that Chris Birch will lead on reviewing the handbook and its content on behalf of the Council of Governors.

7 DATE OF THE NEXT MEETING

The next meeting of the Council of Governors will be held on 17 July 2014.

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	1.4/Jul/14
PAPER	Matters Arising from the meeting of the Council of Governors meetings held on 15 May 2014
AUTHOR	Vida Djelic, Board Governance Manager
LEAD	Sir Tom Hughes-Hallett, Chairman
EXECUTIVE SUMMARY	This paper lists matters arising from the previous meeting and any action taken or subsequent outcomes.
DECISION/ ACTION	The Council of Governors is asked to note the matters arising and updates.

MATTERS ARISING

Council of Governors Meeting

Hospital Boardroom

Chair: Sir Tom Hughes-Hallett

Date: 15 May 2014

Time: 4:00 – 5:30 pm

Ref	Description	Lead	Subsequent Actions or Outcomes
1.1/May/14	Welcome & Apologies Governors to provide feedback about the meeting room to Layla Hawkins.	All	
1.4/May/14	Matters Arising <u>Cost Improvement Programme Quality Risk Assessment Form</u> It was noted that a copy of the current Cost Improvement Programme Quality Risk Assessment form will be circulated to governors. Layla Hawkins to circulate to governors.	LH	Completed.
2.1/May/14	Financial Strategy (presentation) Aiden O'Neill, Commercial Director, to present at a future Council of Governors meeting on a private patient marketing plan. Lorraine Bewes to provide a simple account of the different sources of funding and income to the hospital.	AON LB	To be scheduled. Completed.
2.3/May/14	West Middlesex – update Tony Bell noted that work continues on due diligence and with the NHS Trust Development Authority. A tour of the site is being arranged. Layla Hawkins to arrange a tour of the site.	LH	This has been arranged for 29 and 30 July.

2.4/May/14 **Staff survey – results and action plan**

Chris Birch queried section 3.2, point 2 re hand washing material availability. Tony Bell responded that clarity needs to be obtained on the result. Elizabeth McManus pointed out that this does not reflect negatively on infection and prevention control procedures within the Trust. Karin Norman commented that a number of additional gel dispensers have been provided since this was highlighted as an issue but survey continues to reflect concern despite the widespread availability of dispensers. **Susan Young to provide a response to governors.**

SY

Governors will be invited to the Assurance Committee session at which Susan Young will present in detail on staff survey results, including the points raised by the governors.

Chris Birch queried section 3.2, point 4 regarding discrimination at work in the last 12 months and if the Trust was aware what type of discrimination it relates to. Sir Tom Hughes-Hallett responded that this point needs to be further explored. **Susan Young to provide a response to governors.**

SY

Sandra Smith-Gordon queried figures appearing in brackets and what they meant.
Susan Young to provide a response to governors.

SY

Figures in brackets present actual scores.

3.2/May/14 **Governors Visits to Clinical Areas**

Elizabeth McManus noted that governors feedback is very useful and it helps with improving patient care. **Governors to provide feedback to EM.**

All

Ongoing.

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	1.5/Jul/14
PAPER	Chairman's Report
AUTHOR	Sir Tom Hughes-Hallett, Chairman
LEAD	Sir Tom Hughes-Hallett, Chairman
EXECUTIVE SUMMARY	This report updates the Council of Governors on a number of key developments and news items that have occurred since the last meeting.
DECISION/ ACTION	For information.

Chairman's Report

1.0 Council of Governors sub committees

We have had discussions about reviewing the Council of Governors sub Committee structure to ensure that they provide the right mechanism for Governors to be able to use their expertise in driving improvements to patient care and experience.

An initial meeting has been held with Director of HR and OD Susan Young, Governor Martin Lewis, Board Governance Manager Vida Djelic, Head of Communications & Marketing Layla Hawkins and myself to review Governors areas of interest and whether the sub Committees are aligned to these interests and expertise. Our aim is to make sure that each Governor can use their limited time with the hospital most effectively to both support the organisation and feel fulfilled by this volunteering role.

In order to do this, I would like the Council of Governors to consider the following:

- Whether the list of Governors interests (attached) best reflect their personal priorities as a Governor
- Whether the existing meetings and committees can be streamlined to make sure we use Governors time as effectively as possible
- For Governors to put themselves forward for involvement in any of the sub committees and meet a Governor sessions

These are initial discussions but the first meeting looked at having the following sub Committees for the Council to consider:

- Patient experience sub committee
- Membership and public engagement sub committee
- Agenda sub committee
- Nominations committee for the appointment of Non-executive Directors.

We will review in more depth the Quality Sub-Committee.

It is suggested that all sub committees are chaired by a Governor.

In addition to sub committees, I would like to hold a range of task and finish groups for key trust priorities e.g. Front of House Group.

We are also considering Governor Melvyn Jeremiah's suggestion of Governors to be paired with Non-executive Directors.

Please note that this review is separate to the ongoing review of the trust executive and other committees, which is ongoing.

2.0 West Middlesex visits

I am delighted that the West Middlesex team have arranged two site visits to their hospital for Governors. These will take place on the following dates:

29th July 09.00 am – 12.00 noon

30th July 09.00 am – 12.00 noon

The event will be led by our West Middlesex Hospital colleagues and will include a tour of the site.

3.0 Thank you to departing Governors

I would like to thank Frances Taylor and Cyril Nemeth for their most insightful contributions as appointed governors – both are no longer local councillors, hence why they will not be able to represent the Royal Borough of Kensington and Chelsea and Westminster City Council.

Dominic Clarke and Maddy Than have left the organisation for new roles and we wish them the best in their respective trusts. They have been excellent ambassadors for staff as governors.

Caroline Fenwick, one of our newest Governors, has been offered a secondment opportunity at the trust which means she is no longer able to represent the Allied Health Professionals constituency. In her short time as a Governor she has been very engaged in the role, and has been actively involved in many committees.

The Council of Governors remains quorate and we are working with our local Councils to recruit new appointed representatives. Elections to non appointed Governor posts will commence in September.

Council of Governors

Category	Constituency	First Name	Last Name	COG Agenda Sub-Comm	COG Membership Sub-Comm	COG Quality Sub-Comm	COG Nominations Comm	Board - Assurance Comm	Meet a governor	SAHF group
Patient		Walter	Balmford		Chair					Yes
Patient		Chris	Birch		Yes				Yes	Yes
Public	Hammersmith and Fulham 2	Christine	Blewett					Yes		
Partnership	The Royal Marsden NHS Foundation Trust	Nicky	Browne				Yes			
Patient		Anthony	Cadman							
Patient		Tom	Church				Yes			
Public	Kensington and Chelsea 1	Edward	Coolen							
Public	Hammersmith and Fulham 1	Samantha	Culhane							
Staff	Medical and Dental	Brian	Gazzard	Yes			Yes			
Staff	Contracted	Rochelle	Gee							
Patient		Angela	Henderson							
University	Imperial College	Jenny	Higham							
Patient		Anna	Hodson- Pressinger		Yes	Yes			Yes	
Public	Westminster 2	Melvyn	Jeremiah			Yes		Yes	Yes	
Public	Westminster 1	Martin	Lewis	Yes	Yes	Yes	Yes		Yes	Yes
Patient		Andrew	Lomas							
Staff	Nursing and Midwifery	Kathryn	Mangold							
Patient		Susan	Maxwell			Yes			Yes	
Patient		Wendie	McWatters			Yes			Yes	
Public	Wandsworth 1	Tom	Pollak							
Public	Kensington and Chelsea 2	Sandra	Smith-Gordon	Yes						
Patient		Charles	Steel							
Public	Wandsworth 2	Steve	Worrall		Yes					

Council of Governors

[illegible]

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	1.6/Jul/14
PAPER	Chief Executive's Report
AUTHOR	Tony Bell, Chief Executive
LEAD	Tony Bell, Chief Executive
EXECUTIVE SUMMARY	This report updates the Council of Governors on a number of key developments and news items that have occurred since the last meeting.
DECISION/ ACTION	For information.

Chief Executive's Report

1.0 Healthwatch Annual General Meeting (AGM)

We were delighted to have been asked by Healthwatch to present Chelsea and Westminster's vision for the triborough at their AGM this month. Many thanks to Dominic Conlin, Director of Strategy and Integration, for his input into the event. We look forward to working with our Healthwatch colleagues to ensure that our vision meets the needs of the populations they represent.

2.0 Accountable Care Group (ACG)

The ACG brings together a number of organisations to form a single entity which puts patients' needs at the heart of the design and delivery of healthcare services. These organisations include:

- Network 2 GPs: five practices within Hammersmith and Fulham CCG boundary
- Chelsea and Westminster Hospital NHS Foundation Trust
- Central London Community NHS Trust
- Central and North West London NHS Foundation Trust (with West London Mental Health NHS Trust via a service level agreement)

The partnership will be driven by the needs of the local population, using shared data (a common electronic patient record system) and strong clinical leadership to achieve clear objectives. These objectives include improved health outcomes, better patient experience and improved use of resources.

The ACG uses a range of innovative tools and techniques to ensure improved effectiveness and efficiency. Its 'early adopter' bid is based around care for the Network 2 registered GP population and seeks to test use of individual care plans, joint decision-making (with an initial focus on long term conditions and HIV patients).

3.0 NICU incident

On Friday 30 May the Trust identified an issue with a bacterial infection which has subsequently been found in four babies on our neonatal unit at Chelsea and Westminster Hospital. The NICU team worked extremely hard to provide care and support to the families involved and I would like to thank them, and those other staff that supported the service, for their efforts during what was a most traumatic time. We are not providing further updates on this issue in order to preserve the confidentiality of patients and their families.

I communicated directly with the Chief Executive of Public Health England, Duncan Selbie, who wrote to individuals including Consultant Neonatologist Dr Mark Thomas, Director of Infection Prevention and Control Dr Berge Azadian and Consultant Honorary Senior Lecturer in Neonatal Medicine Dr Sabita Uthya for their speed, professionalism and quick response as the incident unfolded. Communications Manager Katie Drummond-Dunn was also thanked for her communications support.

Gerald Heddell, the MHRA's Director of Inspection, Enforcement and Standards, said: "Based on the information we currently have, we believe this is an isolated incident and the appropriate immediate action has been taken at ITH Pharma's facility to avoid a reoccurrence. Therefore we are allowing this critical product to be supplied to patients while our investigation proceeds.

“Further inspections are being made as part of our ongoing investigation and it’s our priority to find out how this incident happened. We are regularly updating and working closely with the NHS, Public Health England, the Department of Health and other health organisations in our detailed investigation.”

5.0 Star Awards

The Star Awards ceremony took place on Thursday 15 May and a full list of the winners are available both in Trust News and on the website. I would like to congratulate all nominees and winners for their efforts in providing standards of care that we ourselves would rightly expect from Chelsea and Westminster Hospital. Thanks to Governors that participated in the judging process, the HR team for coordinating the nominations process and to the Communications Team for organising the event.

6.0 Open Day

The Open Day took place on Saturday 14 June with nearly 2,000 people in attendance. Feedback we have received about the event was overwhelmingly positive and I would like to thank both Governor Wendie McWatters for her help in arranging for Joanna Lumley to be our star guest and those other Governors who took the time to attend. Thanks to Governor Rochelle Gee and the Communications Team for organising the event.

7.0 Award winning staff

- Congratulations to all Quality Award winners.
- The trust has been shortlisted for two HSJ Value in Healthcare awards: Value and Improvement in Acute Service Redesign and Value and Improvement in the use of Diagnostics.
- CliniQ at 56 Dean Street has been shortlisted for a Nursing Times award in the Enhancing Patient Dignity category.
- Professor Barry Jubraj (on behalf of the STOPIT project team) is a finalist in the Preventing Avoidable Harm category for the Patient Safety + Care Awards 2014. The winner will be announced in July.
- Congratulations to Radio Chelsea and Westminster presenter Alex Baker, who was shortlisted for Male Presenter of the Year at the National Hospital Radio Awards 2014.

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	2.4/Jul/14
PAPER	Presentation of Annual Report & Annual Accounts 2013/14
AUTHOR	Layla Hawkins, Interim Head of Corporate Affairs Rakesh Patel, Director of Finance
LEAD	Sir Tom Hughes-Hallett, Chairman Rakesh Patel, Director of Finance
EXECUTIVE SUMMARY	<p>Giving an overview of the Trust's activities in 2013/14, the Annual Report has been reviewed by all relevant Executive Directors and the Chief Executive so the information contained achieves the appropriate balance of commentary to display to readers. This document has been formatted in line with Parliamentary requirements and has approval from our external auditors.</p> <p>Please note that the Annual Report cannot be made public until the document is laid in Parliament.</p> <p>A separate shorter 'Annual Review' which will provide highlights of the Quality Account and the Annual Report will be made available to the public via the Trust website and presented at the Annual Members' Meeting. We thank Governor Melvyn Jeremiah for agreeing to co-edit the review and hope to ask a Non-Executive Director to also co-edit.</p> <p>The 2013/14 was a year of unprecedented change. The fundamental reorganisation of the NHS to enable a GP led service, the move of Public Health from the core NHS to Local Authorities, the formation of the national Better Care Fund to facilitate future service transformation to community services effectively reducing available funding and the impact of Austerity leading to an overall reduction in real funding (the 2014/15 national tariff has a 4% "efficiency" reduction).</p> <p>Against this backdrop the Trust had a difficult but relatively successful financial year, ending the year with a surplus of £6.2m, £2.8m lower than the planned surplus of £9.0m.</p>

	<p>Operating income increased by just under 1% to £345.9m.</p> <p>This delivered the planned Monitor Continuity of Service Risk Rating of 4 (the highest level). This was the first year of the new ratings mechanism.</p> <p>The Private Patient Cap was lifted with effect from 1st October 2012 and instead the Trust was obliged to ensure that the income received from providing goods and services for the NHS (its principal purpose) was greater than the income from other sources. The Trust met this requirement in 2013/14, with 92% of total operating income in the year relating to the provision of goods and services for the NHS (94% in 2012/13).</p> <p>Prudential Borrowing Limit disclosures are no longer required, the Prudential Borrowing Code having been repealed by the Health and Social Care Act 2012.</p> <p>The balance sheet position remained strong, with positive net current assets and cash holdings of £16.9m (2012/13 net current assets positive, cash holdings £41.6m). This was after cash investment in capital of nearly £40m (£16.8m 2012/13) of which £20.8m was funded from loans and the remainder was funded from cash balances. The reduction in cash was therefore attributable to capital investment and movements in working capital.</p> <p>Major capital schemes included the following:</p> <ul style="list-style-type: none"> • Acquisition of Doughty House ; • The Midwifery Led Unit development on the third floor; • The Dean Street Express; • Electronic Document Management (In progress) and • Various other IT and building maintenance schemes including the Energy Conservation Schemes funded by Department of Health. <p>As a Foundation Trust, Chelsea and Westminster can use its cash surpluses to invest in the hospital's future developments. The Trust has an ambitious programme of capital development totalling approx. £166m over the next five years, which is being funded by a combination of cash surpluses loans and funding linked to the Shaping a Healthier Future plans</p> <p>A hard copy of the Annual Report and Accounts 2013/14 will be available on the day.</p>
DECISION/ ACTION	To note.

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	2.5/Jul/14
PAPER	External Audit Report to the Governing Body on the audit of the Trust's year ended 31 March 2014 financial statements
AUTHOR	Heather Bygrave, Deloitte
LEAD	Benjamin Sheriff, Deloitte LLP
EXECUTIVE SUMMARY	This paper sets out the findings from the work performed on the 2013/14 Annual Accounts.
DECISION/ ACTION	To note.

Chelsea and Westminster Hospital NHS Foundation Trust

External audit report to the Governing Body on the audit of the Trust's 2013/14 financial statements



the
Distinctive
audit

Contents

The Big Picture	1
1. Our approach	2
2. The focus of our work	6
3. Independence and fees	12
4. Responsibility statement	16

"I am delighted to present this report, for your 2013/14 audit, which sets out the focus of our audit and how we addressed the risks we have identified"



Heather Bygrave
FCA
Audit Partner



The Big Picture

The Big Picture

We have issued a clean audit report for the year.

Context

This is a report to you summarising the findings of our external audit of the Trust's 2013/14 financial statements. We have also reported on the Trust's Quality Report. Our findings from that work are set out in a separate report to you.

	2013/14	2012/13	Increase/ (decrease)	% Increase/ (decrease)
Revenue	£366.0m	£345.9m	£20.1m	5.8%
Earnings before Interest, Tax, Depreciation and Amortisation (Monitor metric)	£31.2m	£35.5m	(£4.3m)	(12.1%)
Surplus for the year	£6.0m	£13.0m	(£7.0m)	(53.8%)
Land and buildings value, including dwellings	£367.0m	£340.2m	£26.8m	7.9%
Net assets	£349.2m	£339.1m	£10.1m	3.0%

Approach

We have performed our audit in accordance with Monitor's Audit Code and International Standards on Auditing (UK and Ireland). Details of our approach are set out in section 1 of this report. The significant audit risks identified, which are the key areas of focus in our work, set out in section 2, were:

- NHS revenue and provisions;
- Revenue from grants and charitable contributions;
- Property valuations; and
- Management override of controls.

Findings

We provided detailed reports, on both our audit of the Trust's financial statements and our work on the Trust's Quality report, to the Trust's Audit Committee and Board on 22 May 2014.

On 28 May 2014, we signed our audit opinion on the Trust's financial statements:

- **We issued a clean (unmodified) opinion on the Trust's 2013/14 financial statements.**
- **We did not report on any items 'by exception' in our audit report.**

The full opinion can be found on page xiv of the Annual Report.

Looking forward

The format of our audit opinion is expected to change next year due to changes in Monitor's requirements. This will not impact the nature of our work, but will impact the discussion of audit scope, risks and materiality in our opinion. To provide transparent reporting to the Governors we have included the equivalent information in this report.

1. Our approach

1. Our approach

We have outlined below an overview of our audit approach.

An overview of the scope of the audit

Our audit was scoped by obtaining an understanding of the Trust and the environment it operates in, including internal control, and assessing the risks of material misstatement to the financial statements.

Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team, led by the audit partner, Heather Bygrave. The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and Information Technology systems.

Data analytic techniques were used as part of audit testing, in particular to support profiling of populations to identify items of audit interest and in journal testing.

The focus of our audit work is primarily upon the financial statements. The focus of our limited assurance work on the Quality Accounts (discussed in the accompanying report) is upon the specific testing required by Monitor. The assurance that our work provides to the Council of Governors and Board of Directors, as a body, is not intended to be the only source of assurance for the Council of Governors.

The diagram on the next page illustrates the areas where our work provides assurance, and what other sources of assurance are available to you over other issues.

Materiality

Our work is planned and performed to detect material misstatements. We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Trust to be £3.4m, which is below 1% of revenue and taxpayers' equity. This compares to a materiality for 2012/13 of £3.2m, and has increased due to the growth in the Trust's activity levels.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £162k as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of our assessment of material account balances, classes of transactions and disclosures

We perform an assessment of risk which includes considering the size, composition and qualitative factors relating to account balances, classes of transactions and disclosures. This enables us to determine the scope of further audit procedures to address the risk of material misstatement.

We performed procedures to review and understand significant movements in all material balances compared to the prior year. We reviewed breakdowns of current year balances to assess whether they contained any unusual items and we considered, based on our prior year audit knowledge, whether there was a history of error in the accounts balance.

1. Our approach (continued)

Assurance sources for the Trusts

The diagram below illustrates how the assurances provided by external audit around finance, quality, controls and systems and the future of the Trust (in the green rows) and how this fits with some of the other assurances available over the Trust's position and performance.

	Financial How is the Trust performing financially?	Quality How are the Trust's outcomes and quality measured?	Controls and systems Does the Trust have adequate processes?	Future of the trust Is the Trust's strategy appropriate and sustainable?
Business processes and Board oversight	Is reliable reporting and data being produced through the year, at each level within the Trust, and appropriately reviewed and followed up?			
	Is the Annual Report and Accounts, taken as a whole, fair, balanced and understandable?		Are the Trust's processes operating effectively?	Are the Trust's plans realistic and achievable?
	Is the Trust meeting its legal and regulatory obligations, and are appropriate plans in place to maintain compliance?			
	Has the Trust delivered on its financial plans?	Are Quality Priorities selected appropriate for the Trust?	Does the Trust have efficient systems and processes?	Are appropriate actions in place to deliver the Trust's plans?
	Is the Trust generating sufficient surplus for reinvestment?	Are quality report metrics accurate and complete (other than 3 tested metrics)?	Are risks around legacy systems etc appropriately mitigated?	What are the risks to achievement of the Trust's plans and are appropriate mitigations in place?
Internal audit assurance	Is there a generally sound system of internal control on key financial and management processes?			
External Audit assurance on reported performance	Do the financial statements give a true and fair view?	Are the 2 tested indicators reasonably stated?	Is the Annual Governance Statement misleading or inconsistent with information we are aware of from our audit? *	Is there significant uncertainty over the going concern assumption?
	Have the financial statements and remuneration report been properly prepared?	Does the Quality Report include the required contents?		
	Is the Annual Report consistent with the financial statements? *	Is the Quality Report consistent with other external and internal reports?	Has the trust made proper arrangements for securing economy, efficiency and effectiveness in the use of resources? *	

*Note – the scope of external audit in this area is "negative assurance" of reporting by exception issues identified, rather than positive testing

1. Our approach (continued)

Procedures for auditing the Trust's financial statements

In summary, our audit of the Trust's financial statements included:

- developing an understanding of the Trust, including its systems, processes, risks, challenges and opportunities and then using this understanding to focus audit procedures on areas where we consider there to be a higher risk of misstatement in the Trust's financial statements;
- interviewing members of the Trust's management team and reviewing documentation to test the design and implementation of the Trust's internal controls in certain key areas relevant to the financial statements; and
- performing sample tests on balances in the Trust's financial statements to supporting documentary evidence, as well as other analytical procedures, to test the validity, accuracy and completeness of those balances.

Approach to audit risks

We focused our work on areas where we considered there to be a higher risk of misstatement. We refer to these areas as significant audit risks.

We provided a detailed audit plan to the Trust's Audit Committee on 17 October 2013 setting out what we considered to be the significant audit risks for the Trust, together with our planned approach to addressing those risks. We have provided a summary of each of the significant audit risks in section 2.

We have made recommendations for the improvement of the Trust's policies, procedures and internal controls from our work. However, we do not consider these recommendations to reflect any material weakness in the Trust's control environment and the Trust has been committed to the implementation of our recommendations.

Value for Money

We are required to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

In contrast to the requirements that apply to NHS Trusts, we are not required to issue a conclusion on value for money. Instead, we report in our audit certificate only significant matters that come to our attention from performing the procedures required by the Audit Code.

In discharging this responsibility, the Code requires that we take into account our work on the Annual Governance Statement and the work of regulators, in particular Monitor and the Care Quality Commission.

We are required to consider the completeness of the disclosures in the Annual Governance Statement in meeting the relevant requirements and identify any inconsistencies between the disclosures and the information that we are aware of from our work on the financial statements and other work.

We have obtained an understanding of the Trust's arrangements for securing "value for money", through a combination of:

- "high level" interviews with Sir John Baker, David Radbourne and Rakesh Patel.
- review of the Trust's draft annual governance statement;
- consideration of issues identified through our other audit and assurance work;
- consideration of the Trust's results, including benchmarking of actual performance and the Annual Plan;
- review of the Care Quality Commission's reports on the Trust dated 1 November 2013;
- review of Monitor's continuity of service and governance risk ratings;
- benchmarking of the Trust's performance; and
- consideration of the Trust's NHSLA risk rating.

Through our work we have not identified any specific risks in respect of Value for Money and we have not identified any issues which we need to report in our audit opinion in respect of:

- the Trust's arrangements for securing the economy, efficiency and effectiveness of the use of resources; or
- the Annual Governance Statement.

We did not "report by exception" on any issues in our audit opinion.

2. The focus of our work

2. The focus of our work

We have summarised below how we have responded to the significant audit risks we identified.

NHS and Local Authorities Revenue and provisions

£m	NHS Income	NHS Debtor	NHS bad debt provision	Contractual dispute provision
2013/14	£302.3m	£33.0m	(£2.6m)	(£1.2m)
2012/13	£291.6m	£7.5m	(£1.3m)	(£1.3m)
2011/12	£289.3m	£7.4m	(£4.5m)	(£4.4m)

Description of risk:

There are significant judgments in recognition of revenue from care of NHS patients and Local Authorities and in provisioning for disputes with commissioners due to:

- the complexity of the Payment by Results regime, in particular in determining the level of overperformance and CQUIN revenue to recognise;
- the judgemental nature of provisions for disputes, including in respect of outstanding overperformance income for quarters 3 and 4; and
- delays in receiving payments from local authorities.

The majority of the Trust's revenue is from local Clinical Commissioning Groups in North West London and from NHS England. However, the change in arrangements for commissioning sexual health services mean the Trust now bills for activity to Local Authorities across London and, in smaller volumes, across the country.

The settlement of income under the new arrangements has presented challenges, leading to increased disputes and delays in the agreement of year end positions.

Our response and conclusion:

We evaluated the design and implementation of controls over recognition of Payment by Results income, with IT specialists performing the work to evaluate IT system controls.

We performed detailed substantive testing of the recoverability of overperformance income and adequacy of provision for underperformance through the year, and evaluated the results of the agreement of balances exercise.

We tested the historical accuracy of provisions made for the previous year, and considered this in evaluating bad debt provisions and other provisions in respect of NHS income at 31 March 2014.

We challenged key judgements around specific areas of dispute and actual or potential challenge from commissioners and the rationale for the accounting treatments adopted. In doing so, we considered the historical accuracy of provisions for disputes and reviewed correspondence with commissioners.

2. The focus of our work (continued)

Property valuation

	2013/14	2012/13	2011/12
Land and buildings, inc dwellings	£341.1m	£312.9m	£300.7m

Description of risk:

The Trust is required to hold property assets within Property, Plant and Equipment at a modern equivalent use valuation. The valuations are by nature significant estimates which are based on specialist and management assumptions and which can be subject to material changes in value.

The Trust bought back the leasehold on Doughty House in March 2014, and was required to consider whether any adjustment was required to the carrying value under the valuation rules.

Our response:

We evaluated the design and implementation of controls over property valuations, and tested the accuracy and completeness of data provided by the Trust to the valuer, Montagu Evans LLP

We used internal valuation specialists to review and challenge the appropriateness of the valuation approach and the key assumptions used in the valuation of the Trust's properties such as build costs per square metre.

2. The focus of our work (continued)

Accounting for revenue from grants and charitable contributions

	2013/14	2012/13	2011/12
Revenue from grants and charitable contributions	£34.0m	£32.7m	£31.9m

Description of risk:

The recognition of revenue from research, education and training grants, and from charitable donations, requires the application of specific accounting rules.

In particular, where there are conditions attached to grants or donations, revenue should only be recognised where those conditions have been met. For the majority of grants to fund revenue expenditure, the recognition of income is matched to the related expenditure.

Our response:

We tested the design and implementation of key controls the Trust has put in place to record and account for grant income.

We tested a sample of grant funding awarded during the year by obtaining the funding letter and any other terms or agreements relating to the grant. We reviewed these documents to understand the conditions attached to the grants and tested that revenue was recognised or deferred in line with fulfilment of terms for a sample of grants.

We also reviewed the treatment of a sample of prior year grants and contracts to assess whether they had been ongoing and accounted for correctly in the current year.

We performed detailed testing on expenditure to confirm that it has been spent in accordance with the grant conditions and confirmed that income has been recognised to match that expenditure. Where there is no condition attached to funding for capital projects, we tested whether the Trust has recognised the full grant as income in the year and that there are no amounts deferred into future periods.

2. The focus of our work (continued)

Accounting for capital expenditure

	2013/14	2012/13	2011/12
Costs capitalised in year	£36.7m	£15.2m	£30.2m

Description of risk:

The Trust's capital expenditure this year includes £20m for the acquisition of Doughty House. As detailed in our Audit Plan, accounting for capital expenditure can involve significant judgements.

Our response:

We tested the design and implementation of key controls the Trust has put in place to record and account for the capitalisation of costs.

We have tested spending on a sample basis to confirm that it complies with the relevant accounting requirements, and that the depreciation rates adopted are appropriate.

We have reviewed the projects ledger and the status of individual projects to evaluate whether they have been depreciated from the appropriate point and considered whether any "day one" impairment would be expected or write-offs due to replacement of assets.

We have confirmed there are no adjustments to the value of previously capitalised works required.

2. The focus of our work (continued)

Management override of controls

Description of risk:

As auditors we are required to assume on all audits that there is a risk of misstatement through management override of control procedures and processes.

We specifically consider:

- accounting estimates, including those identified as separate significant risks and discussed above;
- journals; and
- significant or unusual transactions.

The Trust has not had any significant transactions outside the normal course of business this year.

Our response:

Accounting Estimates

A number of key accounting estimates have been identified as significant risks, as discussed above.

We considered the overall prudence of accounting estimates, whether they lay within what we would consider to be an acceptable range, and considered whether there were any indicators of management bias in the preparation of the estimates.

Journals

We have tested the design and implementation of key controls over approval of journal entries.

We used data analytic tools, including our patented "Spotlight" tool, to identify journals of potential audit interest for testing.

Our work focussed on the testing of journal entries made throughout the year and checking that entries had been properly authorised and reviewed and that there was an appropriate rationale for the journals.

Significant or unusual transactions

We considered whether there were any transactions where the business rationale was not clear.

3. Independence and fees

3. Independence and fees

As part of our obligations under International Standards on Auditing (UK and Ireland), we are required to report to you on the matters listed below:

Independence confirmation	We confirm that we comply with APB Ethical Standards for Auditors and that, in our professional judgement, we are independent and our objectivity is not compromised.
Fees	Details of the fees charged by Deloitte in the period from 1 April 2013 to 31 March 2014 are summarised below.
Relationships	There are no other relationships with the Trust and its known connected parties that we consider may reasonably be thought to bear on our objectivity and independence.
Non-audit services	<p>In our opinion there are no inconsistencies between APB Ethical Standards for Auditors and the Trust's policy for the supply of non-audit services or of any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary. In considering whether proposed non-audit services represent a threat to our independence as your auditors, Heather Bygrave as your audit partner has considered the potential threats and safeguards of each service, together with the overall impact on our independence.</p> <p>A key principle of our arrangements to maintain audit independence is that audit partners (and other staff) are not remunerated or evaluated based on sales of non-audit services to audit clients.</p> <p>In terms of indirect impact (through how the work affects the overall results of the firm), we have considered the fees in the context of:</p> <ul style="list-style-type: none">• The overall revenues of the UK firm (£2.5bn in 2013) and of the audit service line (£742m)• The impact on the St Albans office. As discussed with the Trust and Audit Committee Chair during the approval process, the work performed in respect of West Middlesex has been led out of other offices and service lines. <p>Having considered the various non-audit services as described below, and following Auditing Practices Board Ethical Standards, we have put in place as an overall safeguard that the work is being provided by a separate team from the audit team. The only input from the audit team has been to provide background briefings on the Trust, and to summarise for the Trust accounting considerations around absorption accounting for a West Middlesex transaction (which we would have performed in our role as auditors also).</p> <p>Among the other points considered are:</p> <ul style="list-style-type: none">• Does the work impact directly upon any figures in the financial statements? None of the work involves determining a figure that appears in the financial statements and so is subject to audit. In addition, the eventual impact of any transaction (the majority of services) would not impact in the current year.• Will the work impact upon our "value for money" conclusion? Any transaction would be a decision for the Trust Board, who have responsibility for any decisions taken, informed by Deloitte's work. The decision taken and business cases would also be subject to review/input from NHS TDA and Monitor and governor approval. VfM impacts are likely to be around the implementation arrangements. If Deloitte is involved in implementation planning, then we would have an additional level of review and challenge from another audit partner, independent of both the audit team and the non-audit services).• Will the work involve us taking on a "management role"? The scope and working arrangements have been specifically set so that they do not involve Deloitte at any point taking on a "management role" – all work is subject to approval and ownership by trust management.

3. Independence and fees (continued)

As part of our obligations under International Standards on Auditing (UK and Ireland) and APB Ethical Standards we are required to report to you on all relationships (including the provision of non-audit services) between us and the Trust.

Relationship / Service provided	Threats to auditor independence	Safeguards in place
<p>West Middlesex due diligence and transaction support</p> <p>The work performed and ongoing includes:</p> <ul style="list-style-type: none"> • a "red flag" due diligence review, followed by detailed due diligence (including IT and clinical due diligence); • support in developing the Strategic Outline Case, including the IM&T Outline Business Case, and support and guidance to comply with regulatory body requirements such as Monitor, OFT and CCP; • support in developing the full business case; • a PFI buyback feasibility review; and • support for financial discussions with the NHS TDA. 	<p>There is a potential self-interest threat. The value of the work is greater than a single year's audit fee (as part of our multi-year audit contract).</p> <p>There is a potential self-review threat, as our future value for money work will consider the Trust's implementation of any transaction.</p> <p>There is a potential management or advocacy threat from our involvement in the planning for a transaction and discussions with other parties including the NHS TDA.</p>	<p>Our appointment was subject to prior approval by the Audit Committee chair. Subsequent extensions to the work have been referred to the Audit Committee or Audit Committee chair. The appointment process is described within the Audit Committee Report in the Annual Report.</p> <p>The current engagement covers the initial planning for the transaction, rather than the detailed integration work, and so is unlikely to directly affect our work. In the event of a transaction proceeding with the relevant work supported by Deloitte, the team members providing that support will be separate from the audit team and we will have an independent partner review our value for money work.</p> <p>Responsibility in negotiations and for all decisions remains with suitably experienced members of Trust staff and ultimately with the board and governors. In discussions with other parties, Deloitte attendees the Deloitte attendee would not be able to decide on any issues (so not taking a management role), and could not be acting as an advocate for the trust</p>
<p>VAT feasibility of pharmacy company structure.</p> <p>The pharmacy team performed a feasibility review of the structure for a fixed £10k fee. The services were included in our 2012/13 final Audit Committee report.</p>	<p>The fee was significantly less than the audit fee and it is not anticipated that any follow-on engagements (which would be considered separately) would be likely to exceed the audit fee.</p> <p>There is a potential self-review threat, if the project was completed and affected the Trust's tax position.</p>	<p>The services were reported in advance to the Audit Committee.</p> <p>The engagement did not include the implementation of the project. The actual effectiveness of any structure would be dependent upon its implementation. If we provided this support, any significant judgements impacting the financial statements would be subject to review by an independent tax audit partner.</p>

3. Independence and fees (continued)

The professional fees earned by Deloitte in the period from 1 April 2013 to 31 March 2014 were as follows:

	2013/14 £'000	2012/13 £'000
Audit of the Trust, including Quality Accounts work	115	107
Total audit services	115	107
Other assurance services – IT data analytics on Accounts Payable	-	6
Total assurance services	-	6
Tax advisory services – Pharmacy company feasibility study	10	-
Services relating to taxation	10	-
Services related to corporate finance transactions: Support in respect of West Middlesex		
• Phase 1 Transaction Support	92	-
• Phase 1 "Red flag" Due Diligence	24	-
• Phase 2 Due Diligence (including IT Due Diligence)	294	-
• Phase 2 Transaction Support *	131	-
• IM&T OBC assistance **	45	-
• Clinical Due Diligence	38	-
	624	-
Other non-audit services: Deloitte Real Estate services in respect of Doughty House	-	21
Total other non-audit services	624	21
Total non-audit services	634	27
Total fees	749	134

* The Phase 2 Transaction Support work is ongoing. The total value of the contract was up to £199k, with approved extensions of £20k for a PFI Buyout feasibility study and, if required over the original contract value, £15k for assistance in respect of the negotiations with the NHS Trust Development Authority.

** The IM&T OBC assistance work is ongoing in 2014/15 in finalising this assistance.

4. Responsibility statement

4. Responsibility statement

What we report

Our report is designed to help the Council of Governors, Audit Committee, and the Board discharge their governance duties. Our report includes:

- Details of our audit approach; and
- The significant audit risks we have identified and our responses to those risks.

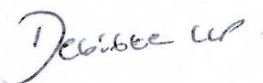
What we don't report

- As you will be aware, our audit was not designed to identify all matters that may be relevant to the Board or Governing body.
- Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.
- Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

The scope of our work

- Our observations are developed in the context of our audit of the financial statements.
- This report should be read alongside our "Briefing on audit matters" circulated to you 12 October 2012.

We welcome the opportunity to discuss our report with you and receive your feedback.



Deloitte LLP
Chartered Accountants

St Albans
27 June 2014

This report is confidential and prepared solely for the purpose set out in our engagement letter and for the Board of Directors, as a body, and Council of Governors, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. Except where required by law or regulation, it should not be made available to any other parties without our prior written consent. You should not, without our prior written consent, refer to or use our name on this report for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Deloitte LLP is the United Kingdom member firm of DTTL.

© 2014 Deloitte LLP. All rights reserved.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Tel: +44 (0) 20 7936 3000 Fax: +44 (0) 20 7583 1198.

Member of Deloitte Touche Tohmatsu Limited

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	2.6/Jul/14
PAPER	Findings and Recommendations from the 2013/14 NHS Quality Report External Assurance Review
AUTHOR	Heather Bygrave, Deloitte
LEAD	Benjamin Sheriff, Deloitte LLP
EXECUTIVE SUMMARY	This paper sets out the findings from the work performed on the 2013/14 Quality Report
DECISION/ ACTION	To note.

Chelsea and Westminster Hospital NHS Foundation Trust

Findings and Recommendations from the 2013/14 NHS
Quality Report External Assurance Review

the
Distinctive
audit

Contents

The big picture	2
Content and consistency review findings	5
28 day emergency readmissions	7
62 day cancer waiting times	9
Local Indicator – Complaints	11
Recommendations for improvement	14
Update on prior year recommendations	15
Data Quality Framework	18
Purpose of our report and responsibility statement	20

We would like to take this opportunity to thank the management team for their assistance and co-operation during the course of our review.



The big picture

The big picture

We are finalising our Quality Report testing.

Status of our work

- We have completed our review, including validation of the selected indicators. We have still to receive the final signed Quality Report and letter of Representation, at which point we will issue our final report to the Governors.
- The scope of our work is to support a “limited assurance” opinion, which is based upon procedures specified by Monitor in their “Detailed Guidance for External Assurance on Quality Reports 2013/14”.
- In response to the growth of performance indicators across the NHS, we have developed a framework of considerations for evaluating data quality. We have used this framework in evaluating our findings and the recommendations we have raised.
- We have again identified recommendations around 62 day cancer waiting times, and consider that improvement is required around this indicator.
- We anticipate signing an unmodified opinion for inclusion in your 2013/14 Annual Report.

Context

Q3 Governance Risk Rating: **Green**

The Care Quality Commission inspected the Trust during the year and concluded that all essential standards were met.

	2013/14	2012/13
Length of Quality Report	105 pages (draft)	94 pages (typeset)
Quality Priorities	4	4
Future year Quality Priorities	4	4

Scope of work

We are required to:

- Review the content of the Quality Report for compliance with the requirements set out in Monitor’s Annual Reporting Manual (“ARM”).
- Review the content of the Quality Report for consistency with various information sources specified in Monitor’s detailed guidance, such as Board papers, the Trust’s complaints report, staff and patients surveys and Care Quality Commission reports.
- Perform sample testing of three indicators.
 - The Trust has selected 28 day emergency re-admissions and 62 day cancer waiting times as its publicly reported indicators – the alternative was C. difficile.
 - For 2013/14, all Trusts are required to have testing performed on a local indicator selected by the Council of Governors. The Trust has selected the number of complaints categorised as relating to discharge, communication or attitudes and behaviour.
 - The scope of testing includes an evaluation of the key processes and controls for managing and reporting the indicators; and sample testing of the data used to calculate the reported figures back to supporting documentation.
- Provide a signed limited assurance report, covering whether:
 - Anything has come to our attention that leads us to believe that the Quality Report has not been prepared in line with the requirements set out in the ARM; or is not consistent with the specified information sources; or
 - There is evidence to suggest that the 28 day emergency re-admissions and 62 day cancer waiting times indicators have not been reasonably stated in all material respects in accordance with the ARM requirements.
 - Provide this report to the Council of Governors, setting out our findings and recommendations for improvements for the indicators tested: 28 day emergency re-admissions, 62 day cancer waiting times and complaints.

The big picture (continued)

We have identified a number of recommendations.

Content and consistency review



We have completed our content review, and are finalising our consistency review. In our final report, we will comment whether has come to our attention that causes us to believe that, for the year ended 31 March 2014 the Quality Report is not prepared in all material respects in line with the criteria set out in the ARM).

Overall conclusion	
Content	
Are the Quality Report contents in line with the requirements of the Annual Reporting Manual?	B
Consistency	
Are the contents of the Quality Report consistent with the other information sources we have reviewed (such as Internal Audit Reports and reports of regulators)?	On-going

Performance indicator testing



Monitor requires Auditors to undertake detailed data testing on a sample basis of two mandated indicators. We perform our testing against the six dimensions of data quality that Monitor specifies in its guidance.

Although we have a number of recommendations, from our work, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2014, the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the ARM and the six dimensions of data quality set out in the “Detailed Guidance for External Assurance on Quality Reports 2013/14”.

	28 day re-admissions	62 day cancer	Local Indicator
Accuracy			
Is data recorded correctly and is it in line with the methodology?	B	A	B
Validity			
Has the data been produced in compliance with relevant requirements?	B	B	B
Reliability			
Has data been collected using a stable process in a consistent manner over a period of time?	B	A	A
Timeliness			
Is data captured as close to the associated event as possible and available for use within a reasonable time period?	G	G	G
Relevance			
Does all data used to generate the indicator meet eligibility requirements as defined by guidance?	G	G	G
Completeness			
Is all relevant information, as specific in the methodology, included in the calculation?	G	A	N/A
Recommendations identified?		✓	✓
Overall Conclusion	B Unmodified Opinion	A Unmodified Opinion	A No opinion required

G No issues noted
B Satisfactory – minor issues only
A Requires improvement
R Significant improvement required














Content and consistency findings

Content and consistency review findings

The Quality Account communicates key issues well, but could potentially be streamlined as it is relatively long.

The Quality Report is intended to be a key part of how the Trust communicates with its stakeholders.

Our work is based around reviewing content against specified criteria and considering consistency against other documentation. Although outside the formal scope of our work, we have also made recommendations to management to assist in preparing a high quality document. We have summarised below our overall assessment of the Quality Report, based upon the points identified in our NHS Briefing on Quality Accounts from our wide experience.

Key questions	Assessment	Statistics
<ul style="list-style-type: none"> Is the length and balance of the content of the report appropriate? 		Length: 105 pages in draft
<ul style="list-style-type: none"> Is there an introduction to the Quality Report that provides context? 		
<ul style="list-style-type: none"> Is there a glossary to the Quality Report? 		
<ul style="list-style-type: none"> Is the number of priorities appropriate across all three domains of quality (Patient Safety, Clinical Effectiveness and Patient Experience)? 		
<ul style="list-style-type: none"> Has the Trust set itself SMART objectives which can be clearly assessed? 		Patient Safety: 1 Clinical Effectiveness: 1 P. Experience: 2
<ul style="list-style-type: none"> Does the Quality Report clearly present whether there has been improvement on selected priorities? 		
<ul style="list-style-type: none"> Is there appropriate use of graphics to clarify messages? 		
<ul style="list-style-type: none"> Does there appear to have been appropriate engagement with stakeholders (in both choosing priorities as well as getting feedback on the draft Quality Report)? 		
<ul style="list-style-type: none"> Is the language used in the Quality Report at an appropriate readability level? 		Flesch reading age: Grade 13 Reading Ease: 35
 No issues noted  Satisfactory – minor issues only  Requires improvement  Significant improvement required		

Deloitte view

Overall, the Quality Account provides a clear account of the Trust's performance in the year and appears focussed on the issues that concern stakeholders. The "Report Card" provides a useful summary of key issues.

There is a clear link between the Quality Account and the Trust's priorities, and clear plans for how the Trust will respond to issues identified. The discussion of staffing issues is more extensive than for most trusts, but this appears appropriate given the on-going challenges on a consistently appropriate staff attitude.

Although revised from last year, the report remains relatively long – when we surveyed a sample of reports, the average length was 57 pages. One area that could help this in future would be to reduce the duplication between discussion of current and future priorities where these are unchanged year on year.

We ran a "reading ease" test on the draft report, which indicated a score of 35 (and that the reading age was grade 13 i.e. at an undergraduate level). This is relatively complex, and there is potentially scope to make the document more accessible. As well as simplifying the language used, one approach we have seen that works well is to include boxes defining key terms throughout the document, rather than just having a glossary at the end.

A key improvement this year is in the discussion of performance against National Framework Indicators in Part 4 of the Quality Account. This now presents the latest performance data from the Trust's local records, as well as the more historic data from the Health and Social Care Information Centre used to provide a national comparative.

Performance indicator testing

28 day emergency readmissions

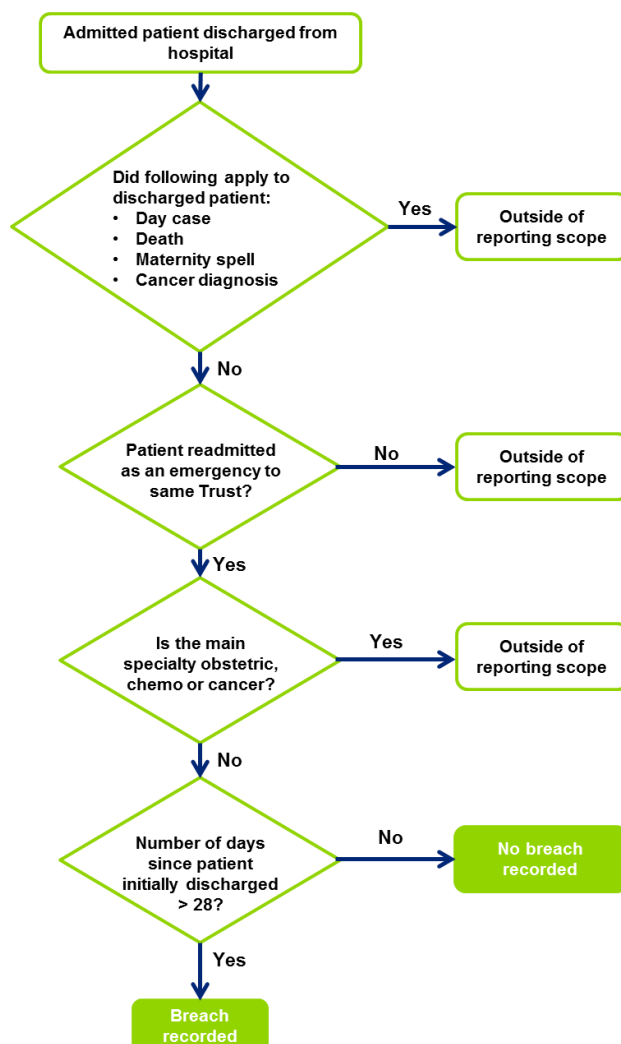
The Trust is in the process of moving to fully electronic admission and discharge records.

	Trust reported performance Age 0-15	Trust reported performance Age 16+	Overall evaluation of our work
2013/14	4.76%	3.46%	B
2012/13	5.44%	3.81%	Not selected
2011/12	6.42%	11.05%	Not selected

Indicator definition and process

Definition: “Percentage of emergency admissions to a hospital that forms part of the trust occurring within 28 days of the last, previous discharge from a hospital that forms part of the trust.” This is patients readmitted in 0-27 days – readmissions on day 28 do not count as breaches of the target.

The readmission rate can indicate early complications after discharge and how appropriate the original decision made to discharge was. Some readmissions are to be expected from planned care pathways. In common with many other trusts, there were challenges for the Trust in providing the relevant data due to historic differing demands for 28 day and 30 day reporting by different organisations – the 28 day target is not an internal target.

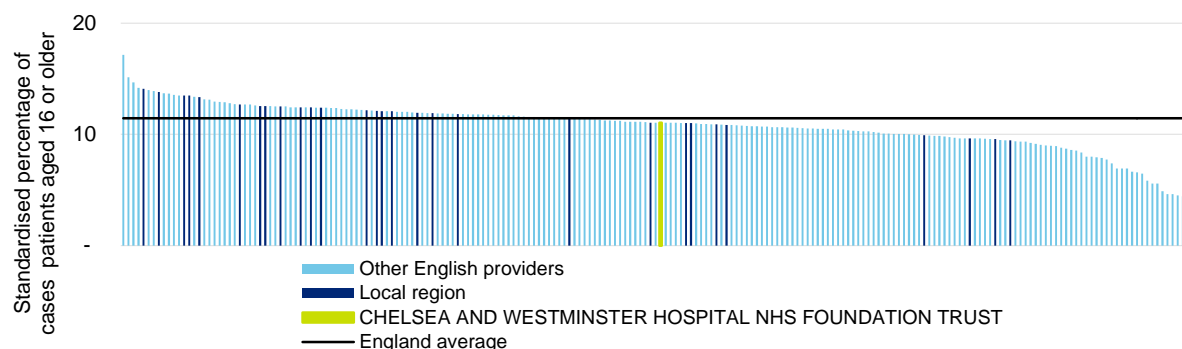


28 day emergency readmissions

National context

The chart below shows how the Trust compares to other organisations nationally for 2011/12, the latest national data available. This is intended to provide context to the disclosures made in the Quality Report on relative performance, which are based on this data.

28 day emergency readmissions - 2011/12 data



Source: Deloitte analysis of Health and Social Care Information Centre data

Approach

- We met with the Trust's lead for emergency readmissions to understand the process of discharge, through readmission, to recorded instances being included in the Quality Report. As a new indicator, there were no recommendations from the last year to follow up.
- We discussed with management and reviewed underlying data to identify items where there may be a greater risk of inaccurate recording that we should focus sample testing on.
- We selected a sample of 24 from 1 April 2013 to 31 March 2014 including those re-admitted both within and outside 28 days.
- We agreed our sample of 24 to supporting documentation and did not identify any errors.

Findings

- Chelwest has started to convert to using electronic document management for patients this year – however, there have been some delays in the programme, and not all areas have transitioned to fully electronic records. The Trust aims to complete the scanning of all recent patient medical records onto EDM/Evolve by the end of the year. The current mixture of electronic and hard copy patient records causes challenges in accessing data on a timely basis.

Deloitte View:

The challenges on accessing data during our testing are the reason for the overall rating of "Blue" ("satisfactory, minor issues only"). We have not raised recommendations given the Trust's existing programme of digitisation of data. However, given that access to medical records can currently cause delays, a continued focus on the completion of digitisation of records is important to increasing the efficiency of the Trust's activities

62 day cancer waiting times

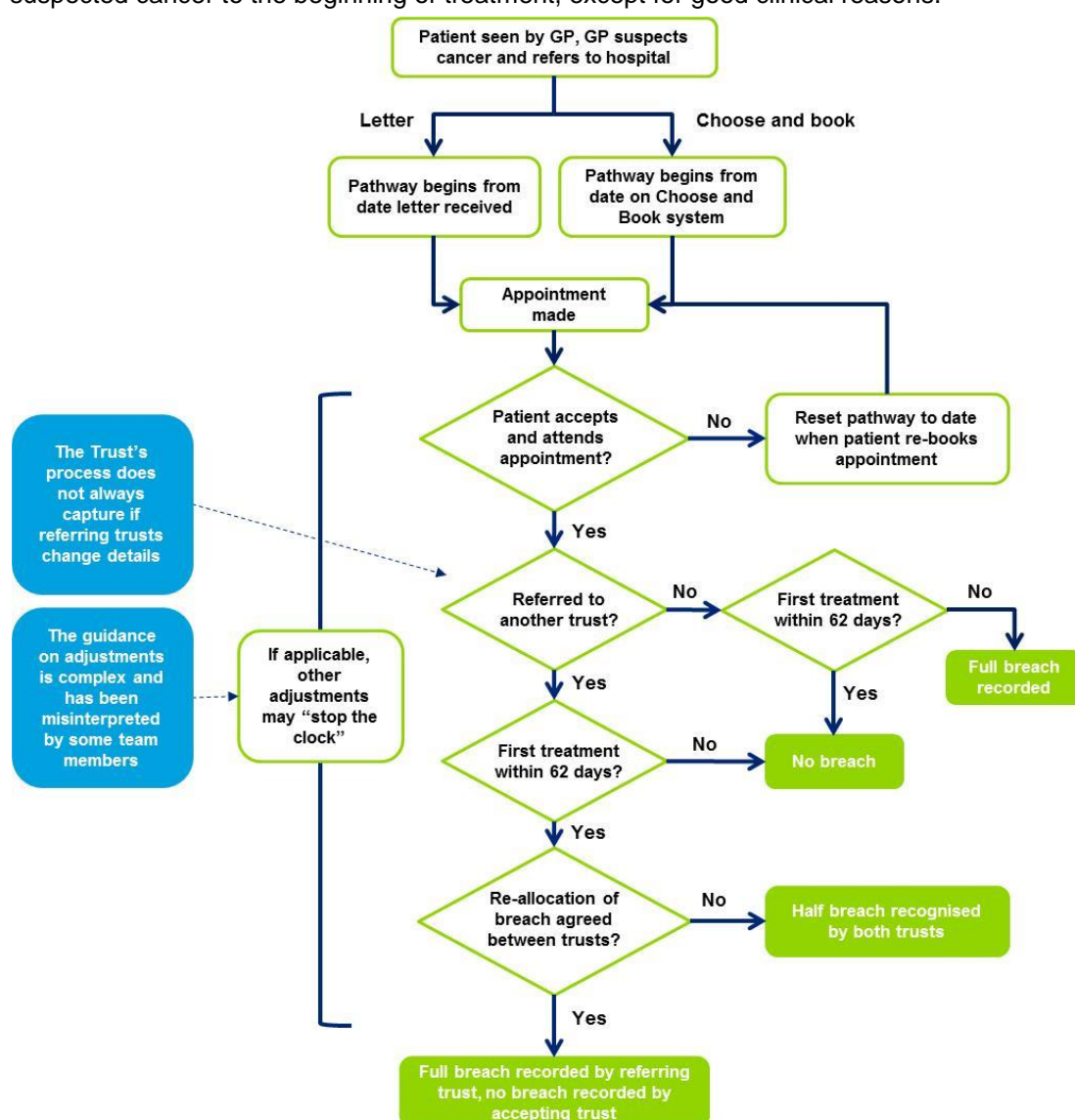
Our testing identified a number of errors, including an unidentified breach.

	Trust reported performance	Target	Overall evaluation of our work
2013/14	92%	85%	A
2012/13	93.8%	85%	B
2011/12	Achieved	85%	B

Indicator definition and process

Definition: “Percentage of patients receiving first definitive treatment for cancer within 62 days of an urgent GP referral for suspected cancer.”

The NHS Cancer Plan set the goal that no patient should wait longer than two months (62 days) from a GP urgent referral for suspected cancer to the beginning of treatment, except for good clinical reasons.



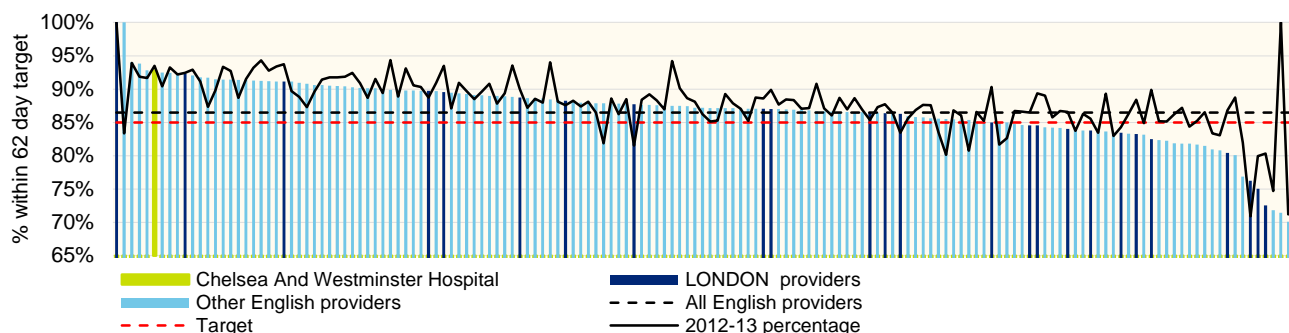
62 day cancer waiting times (continued)

We have made a number of recommendations in this area.

National context

The chart below shows how the Trust compares to other organisations nationally for Q1-3 2013/14, the latest national data available. This shows that the Trust's performance on this indicator was above average (the dotted black line) and target (dotted red line). The Trust's performance against the metric is in the upper quartile for English providers.

National 62 day cancer wait performance - Q1-3 2013-14



Source: Deloitte analysis of Health and Social Care Information Centre data

Approach

- We met with the Trust's lead for 62 day cancer waits to understand the process for recording this indicator from an urgent referral to the Trust to the result being included in the Quality Report.
- We discussed with management and reviewed underlying data focus on patient pathways which appear to be most at risk of error e.g. patients with manual adjustments and pathways close to the 62 day breach date.
- We selected a sample of 24 from 1 April 2013 to 31 March 2014 including in our sample a mixture of cases in breach and not in breach of the target. During our testing, we identified a number of errors, and extended our sample by a further 11 items.

Findings

- During our testing, we identified a total of ten differences in the data recorded, affecting nine patient pathways. Three of these arose due to changes made to data in Open Exeter by a referring trust. Three errors were identified in recorded start dates, and four related to errors around adjustments (e.g. where the patient declines treatment for a holiday and "stops the clock"). One of these errors changed the reported figure from a non-breach to a breach. Given the rounding in the Quality Report, the errors do not impact the reported figure.
- The principal causes of these errors appear to be instances of misinterpretation of the rules within the Trust, and not having a process to identify where referring trusts ultimately report different figures on Open Exeter. We have identified with management a number of recommendations for improving data recording, and have rated the indicator "Amber" ("Improvement required"), a lower rating than last year. [Recommendations 1-3](#)
- We followed up on the recommendations from last year, including two recommendations identified in 2011/12 which have not yet been implemented and may have prevented the errors noted. [Recommendations 5-7](#)

Deloitte View:

The rules for measuring waiting time targets are complex, and are increasingly recognised as an area that presents challenges for accurate reporting of data. This also means that they are an increasing area of focus for regulators, with the Parliamentary Accounts Committee requesting the Department of Health and Monitor take action to improve reliability and assurance over reported data.

Although there are challenges to ensuring accurate reporting, in particular where there are referrals between trusts or "clock stops", we do see examples of trusts where our testing does not identify any errors. There is a balance between focussing resources upon data recording and validation, and upon frontline services. However, the accuracy of the data on waiting times supports the Trust's decision-making on where to focus resources, and is also an area where the Trust is open to regulatory challenge. The level of errors is relatively high compared to other trusts we work with and we consider that, although not impacting our opinion this year, improvement is required in particular given unaddressed recommendations in previous years.

Local Indicator – Complaints

We have not noted any significant issues from our testing.

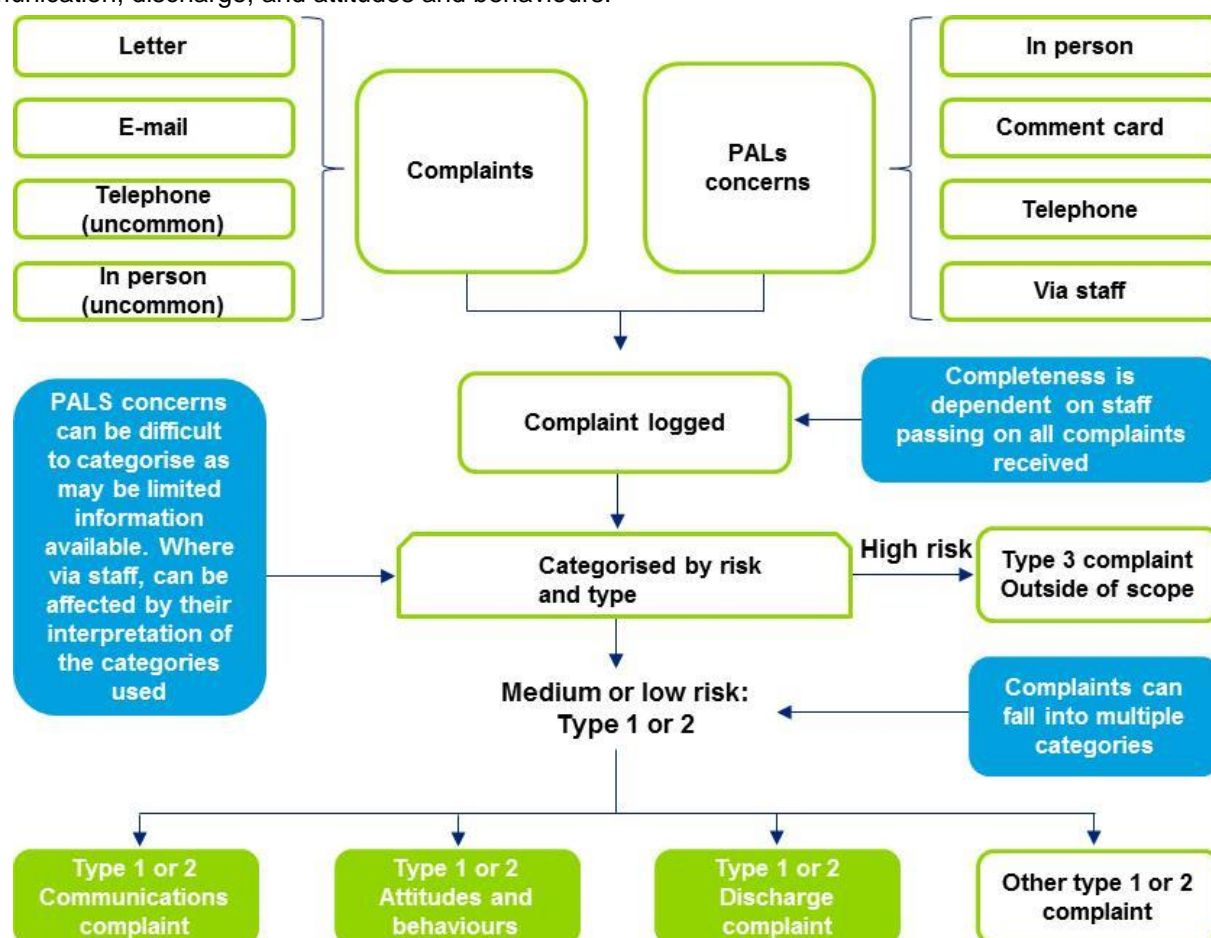
	Trust reported performance	Target	Overall evaluation of our work
2013/14	Communication: 227 Discharge: 23 Attitude: 176	Communication: 162 Discharge: 28 Attitude: n/a	A
2012/13	Communication: 145 Discharge: 32	Communication: 178 Discharge: 50	Not selected
2011/12	Communication: 198 Discharge: 49	Communication: n/a Discharge: n/a	Not selected

Indicator definition and process

Definition: The Trust categorises complaints and concerns received from patients:

- by severity, into Type 1, low risk (PALS concerns); Type 2, medium risk; and Type 3, high risk; and
- by nature, with complaints coded according to the themes involved. A complaint may fall into more than one category.

The Trust has reported on the number of Type 1 and Type 2 complaints falling into the categories of communication, discharge, and attitudes and behaviours.



Complaints (continued)

There are inherent limitations on testing complaints.

Approach

- We met with the Trust's leads to understand the process from initial contact being made about a complaint or concern, through the reported level of complaints meeting the indicator definitions included in the Quality Report.
- We selected a sample of 24 complaints and 24 PALS concerns from 1 April 2013 to 31 March 2014 and tested the categorisation of the complaints reviewed.

Findings

- One of the reasons for proposing a complaints indicator for testing was that the Trust had identified an error in the prior year Quality Report figures, due to incorrect information being passed to the officer preparing the report. When tracing the recorded complaints amounts to the amounts included in the draft of the Quality Report, we identified differences on two of the figures which adjusted the reported numbers of complaints. We would expect the Trust's processes around the preparation of the Quality Report to have detected this error. We have made a recommendation that the Trust review its processes around the preparation of the Quality Report and the internal checks on reported amounts. [Recommendation 4](#)
- We did not identify any items we considered to be categorised incorrectly. However, there were a number of issues identified in testing which reflect the inherent limitations of an open complaints system which allows for less formal communication from the public.
 - There were a number of complaints in the sample where we were not able to see sufficient supporting documentation to confirm that the categorisation was correct. This was primarily for PALS concerns, as received through less formal channels in person or by telephone, but also applied to two type 2 complaints which were received by telephone and in person.
 - Complaints can be made to staff members, who will communicate them to the complaints office. The classification of complaints received in this way will depend in part upon how they are characterised by the individuals involved – by contrast, formal written complaints are classified by a small team who are able to consistently apply definitions.
 - The completeness of complaints received via staff members is dependent upon them acknowledging that something is a complaint and passing that information on to the complaints office.

Deloitte View:

In order to support the Trust's statement that the contents of the Quality Report are accurate, we would expect organisations to have in place an internal process to ensure that the most up to date figures are used in reporting, and to perform cross-checks of data. These processes are particularly necessary for the Quality Report data as the scope of external assurance is focused on three specific areas each year. Our Data Quality Framework section below sets out considerations for Trusts in evaluating the overall process used to report performance data.

The three complaints metrics we tested do not cover all complaints received by the Trust. There is a risk that focussing on particular types of complaints in the Quality Report implies that these are the only, or most serious, complaints the Trust receives. This is especially the case where the indicators exclude "Type 3", high risk, complaints. The Quality Report reflects our recommendations to clarify that there are other complaints, including serious complaints, not included within the reported metrics.

Due to the nature of the complaints metrics, there are limitations on any testing – the completeness of reporting of informal complaints made to staff, and potentially the validity and accuracy of complaints they pass on is not always possible to check. However, we emphasise we do not have any issues identified from our testing of specific concerns in these areas.

Recommendations

Recommendations for improvement

We have identified recommendations based on our findings.

Indicator	Deloitte Recommendation	Management Response	Process Maturity
1. 62 day cancer waiting times	Training Different members of the cancer team are interpreting the requirements around adjustments to waiting times differently. Additional training should be provided to increase the consistency of reporting.	Agree with Deloitte recommendation and intend to implement. Responsible Officer: Laura Bewick, Cancer Service Manager Timeline: 30/06/2014 Process for updating Council of Governors: By exception via the Audit Committee update	A
2. 62 day cancer waiting times	Data validation The Trust should develop data quality validation reports to identify errors in manual data entry processes between Lastword and Infoflex, on a monthly basis prior to submission.	Agree with Deloitte recommendation. The Trust will implement data quality reports that can be used to identify potential errors in pathway milestone date recording. Responsible Officer: Jovin Synott Timeline: 30/06/2014 Process for updating Council of Governors: By exception via the Audit Committee update	A
3. 62 day cancer waiting times	Referred case data validation The Trust should periodically reconcile Infoflex and Open Exeter to identify any differences in finalisation of submitted data by other trusts which affects the Trust's reported performance on the metric. We note that the responsibility for the Trust's reported metrics ultimately rests with the Trust, and we have seen other organisations introduce these checks.	Do not agree with Deloitte recommendation. The Trust does not have control over the submissions made by other Trusts. The Trust would only benefit from reconciliation made on an exception basis to inform narrative of externally reported performance. Responsible Officer: N/A Timeline: N/A Process for updating Council of Governors: N/A	A
4. Complaints	Quality Accounts preparation process The draft of the Quality Report included incorrect figures for the number of complaints in two categories, which had been taken from an outdated report. This is the second year that issues have arisen in complaints reporting, and we recommend that the Trust review the process of internal checks over data reported for the Quality Report as a whole. The Quality Report requirements are expected to change for next year, and we would suggest this should be done in planning how to comply with the new requirements.	Agree with Deloitte recommendation. The Trust will ensure that reporting of complaints is made directly from the system that they are logged, which is called Datix. This will ensure there is a singular data source for all reporting, that is dynamic and up to date at the time of running the report. Responsible Officer: Jovin Synott Timeline: 30/06/2014 Process for updating Council of Governors: By exception via the Audit Committee update	R

Key:




Administrative

Developing

Lagging

Update on prior year recommendations

Our prior year recommendations on cancer waiting times have not been addressed.

Indicator	Deloitte Recommendation	Status	Management response
5. 62 day cancer waits	Single Shared Record of Inter Trust Transfers Implement a single shared record of Inter Trust Transfer forms to record outstanding information, progress to date, and final documentation obtained to ensure supporting documentation to evidence pathway end-dates (2011/12 recommendation).	 Not implemented and errors identified in the current year	Agree with Deloitte recommendation. This should ensure internal records are complete and cover requirement for good communication with other Trusts regarding key milestone dates being submitted to Open Exeter. Responsible Officer: Laura Bewick Timeline: 30/06/2014 Process for updating Council of Governors: By exception via the Audit Committee update
6. 62 day cancer waits	Implementation of Adjustments Re-commit to implementing the adjustments log control with independent review to ensure validity supported by appropriate documentation (2011/12 recommendation).	 Not implemented and errors identified in the current year	Agree in principle however should be superseded by recommendation made regarding training. Responsible Officer: Laura Bewick Timeline: 30/06/2014 Process for updating Council of Governors: By exception via the Audit Committee update
7. 62 day cancer waits	Highlight Missing Treatment Information Highlight missing treatment information where patients have been referred from other Trusts through the local cancer network to ensure evidence from the other Trusts to support the treatment date is recorded as third party evidence on Infoflex.	 Not implemented and errors identified in the current year	Agree in principle however should be covered by recommendation made around single shared record of Inter Trust transfers, which should ensure that shared record is complete in all cases. Responsible Officer: Laura Bewick Timeline: 30/06/2014 Process for updating Council of Governors: By exception via the Audit Committee update



Key:

Administrative

Developing

Lagging

Update on prior year recommendations

Indicator	Deloitte Recommendation	Current year status
8. Incidents resulting in severe harm or death	Action recording  <p>Implement a process for recording actions taken by the Clinical Risk Management team to ensure a clear audit trail from the incident form to the Datix and to the NRLS.</p>	<p>Action completed.</p> <p>A process is in place and implemented for recording actions taken by the team to ensure a clear audit trail. This is in the 'notepad' and 'documents' section of the risk management system where a recording of discussions – where pertinent – is recorded, or communications (emails) are appended. The policy has been updated.</p>
9. C.difficile	Mysis and Lastword interface  <p>Investigate the interface issues between Mysis and Lastword and address the underlying issue or ensure there are sufficient detective controls in place to identify when the automated interface has failed.</p>	<p>To be confirmed.</p>

Key:

Administrative

Developing

Lagging

Data Quality Framework

Data Quality Framework

Reliable data reporting is an area of increased regulatory focus.

Overview

The volume and importance of non-financial performance information across the NHS has grown significantly in recent years. Performance reporting has emerged as a key tool used both internally and externally. Managers use information to monitor performance, regulators use it to gauge risk, commissioners use it to ensure their priorities are met, and governors, patients and the public use it to gain more information about their trust and to hold them to account.

Whilst the availability and use of non-financial performance information has developed quickly, the control frameworks used to produce and control such information has not been subject to the same level of rigour as that of financial information. On average a trust will receive information on 61 performance indicators on a monthly basis, but very few will be subject to independent review. This can result in a potential assurance gap.

In the table below we have prepared a summary of key considerations that each trust should be able to answer regarding their performance information. It can be used as an assurance tool to gauge the risk around accuracy and completeness of performance information.

Area	Overview	Key considerations
System	The accuracy of an indicator is influenced by the level of automated vs. manual controls. In general, an automated system requiring minimal manual adjustment has a lower risk of error. However, this assumes that the system controls are operating as they are intended.	<ul style="list-style-type: none">• Is the indicator generated from one system or the interaction of different systems?• How often are system controls reviewed to ensure they are appropriate and meet indicator definitions?• How quickly is data produced after the event?• Does data require manual adjustment prior to being reported as a performance indicator?
Governance	Accuracy and completeness of indicators are influenced by the 'tone at the top'. Good performance would mean clarity of responsibility for performance metrics, clear processes and procedures in place for each metric which are regularly updated, and quick and comprehensive action where concerns have been raised.	<ul style="list-style-type: none">• Who is responsible for the quality and completeness of performance information at Board level?• If different individuals are responsible for different indicators, is it clear who is responsible for each?• Are there documented procedures and processes for each indicator and is this regularly updated?• If data quality concerns have been raised have they been addressed quickly and comprehensively?
Inputs	Some performance indicators rely on a wide variety of sources to produce the end metric. In general, the greater the number of separate sources of information, and the higher the volume of data, the greater the likelihood of error.	<ul style="list-style-type: none">• What is the volume of inputs of each indicator on a daily / weekly / monthly basis?• How many different sources of data are there, and how do you know they all apply consistently? methodology in collecting and reporting the data?• What checks are in place to ensure the consistency and completeness of input data?
Complexity and skill	Some indicators require specific skills to identify, analyse and report performance. Some indicators have complex rules, which require specialist consideration. If the complexity of these rules is not understood and applied correctly, there is a risk that indicators contain errors or are reporting incomplete information.	<ul style="list-style-type: none">• If performance indicators have specific rules, is there regular training to ensure that all individuals involved understand these rules and apply them correctly?• Does the Trust have its own assurance systems in place to test compliance with such rules?• Has the Trust got the appropriate skill and level of resources to identify, analyse and report performance for complex indicators?• If national guidance is not clear, does the Trust have local guidance regarding process and procedures and is this shared with appropriate individuals?

Responsibility statement

Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

What we report

Our report is designed to help the Council of Governors, Audit Committee, and the Board discharge their governance duties. It also represents one way in which we fulfil our obligations under Monitor's Audit Code to report to the Governors and Board our findings and recommendations for improvement concerning the content of the Quality Report and the mandated indicators. Our report includes:

- Results of our work on the content and consistency of the Quality Report, our testing of performance indicators, and our observations on the quality of your Quality Report.
- Our views on the effectiveness of your system of internal control relevant to risks that may affect the tested indicators.
- Other insights we have identified from our work.

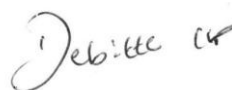
What we don't report

- As you will be aware, our limited assurance procedures are not designed to identify all matters that may be relevant to the Council of Governors or the Board.
- Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.
- Finally, the views on internal controls and business risk assessment in our final report should not be taken as comprehensive or as an opinion on effectiveness since they will be based solely on the procedures performed in performing testing of the selected performance indicators.

The scope of our work

- Our observations are developed in the context of our limited assurance procedures on the Quality Report and our related audit of the financial statements.

We welcome the opportunity to discuss our report with you and receive your feedback.



Deloitte LLP
Chartered Accountants

St Albans
19 May 2014

This report is confidential and prepared solely for the purpose set out in our engagement letter and for the Board of Directors, as a body, and Council of Governors, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. Except where required by law or regulation, it should not be made available to any other parties without our prior written consent. You should not, without our prior written consent, refer to or use our name on this report for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party. We agree that a copy of our report may be provided to Monitor for their information in connection with this purpose, but as made clear in our engagement letter dated 5 March 2014, only the basis that we accept no duty, liability or responsibility to Monitor in relation to our Deliverables.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Deloitte LLP is the United Kingdom member firm of DTTL.

© 2014 Deloitte LLP. All rights reserved.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Tel: +44 (0) 20 7936 3000 Fax: +44 (0) 20 7583 1198.

Member of Deloitte Touche Tohmatsu Limited

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	2.7/Jul/14
PAPER	Audit Committee Annual Report
AUTHOR	Rakesh Patel, Director of Finance
LEAD	Professor Richard Kitney, Non-Executive Director
EXECUTIVE SUMMARY	<p>This paper outlines key Audit Committee activity for the financial year 2013/14 and provides evidence for the assurances that have been made to the Board with regard to the Trust's risk management, internal control and governance processes being adequate and effective. The report summarises the external assurance received during the year from internal audit, external audit and the local counter fraud specialist.</p> <p>The paper also outlines how the Audit Committee has assessed the effectiveness of the external audit process and the significant issues that it has considered in relation to the 2013/14 Annual Accounts.</p> <p>The opinion of the Committee is that the Trust's risk management, control and governance processes are adequate and effective and may be relied upon by the Board.</p>
DECISION/ ACTION	To note.

CHELSEA AND WESTMINSTER HOSPITAL NHS FOUNDATION TRUST

Audit Committee Annual Report for financial year 2013/14

1.0 Introduction

- 1.1** The Audit Committee's chief function is to advise the Board on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money).
- 1.2** In order to discharge this function the Audit Committee has prepared an annual report for the Board and Accounting Officer. This report includes information provided by Internal Audit, External Audit and other Assurance Providers, including the Assurance Committee. This report covers the financial year to 31st March 2014.

2.0 Audit Committee's Opinion

- 2.1** Members of the Board should recognise that assurance given can never be absolute. The highest level of assurance that can be provided to the Board is a reasonable assurance that there are no major weaknesses in the Trust's risk management, control and governance processes.
- 2.2** The opinion of the Committee, based on the issues set out in section 3 below, is that the Trust's risk management, control and governance processes are adequate and effective and may be relied upon by the Board.

3.0 Information supporting Opinion

- 3.1** Summarised below are the key pieces of information / sources of assurance that the Committee has relied upon in formulating its opinion.

3.2 Internal Audit

- 3.2.1** 2013-14 represents the third full year of internal audit service provision by KPMG. KPMG has provided a substantial assurance Head of Internal Audit opinion for 2013-14 on the overall adequacy and effectiveness of the Trust's risk management, control and governance processes for the year ended 31 March 2014.

- 3.2.2** KPMG's opinion is that:

Substantial assurance can be given that there is a generally sound system of internal control on key financial and management processes. These are designed to meet the Trust's objectives, and controls are generally being applied consistently in all areas reviewed.

- 3.2.3** KPMG has delivered 11 reviews. Of these, an 'adequate assurance' opinion was provided for reference costing, board governance, financial management, financial reporting and business continuity. Four 'requires improvement' opinions were provided for reviews on clinical coding, recovery plans, clinical

audit and incident reporting. Two 'limited assurance' opinions were provided for reviews on assisted conception unit and data quality and assurance.

Within each review, areas of best practice have been highlighted by KPMG to enhance the current arrangements that are in place.

- 3.2.4** For the year to 31 March 2014, the Head of Internal Audit considered that there were no issues, in addition to those referred to within the two limited assurance reviews, that needed to be brought to the attention of Trust Management that they considered relevant to the Governance Statement.

3.3 External Audit

- 3.3.1** Deloitte LLP has continued to serve as external auditors.

- 3.3.2** The external auditors will be reporting to the Audit Committee on 22nd May 2014 on the accounts prepared for the year to 31st March 2014. It is anticipated that they will be issuing an unqualified audit opinion – Deloitte indicated to the Audit Committee that no material issues have been identified to date through their testing. The accounts will be approved at the Board on Tuesday 27th May and will be signed to ensure that they are submitted to Monitor before the deadline of 9am on Friday 30th May 2014.

Use of Resources: External audit are required to review the Trust's use of resources and to be satisfied that proper arrangements have been made for securing economy, efficiency and effectiveness in the use of resources. It is anticipated that their review will identify no matters that needed to be referred to in their audit report.

- 3.3.3** The Audit Committee reviewed the Quality Report on 22nd May and considered how assurance over the data quality of the 2013/14 Quality Report is given to the Board when they adopt the accounts for submission on 27th May.

External audit will provide a Limited Assurance opinion on the Quality Report and are required to undertake substantive sample testing on two mandated performance indicators and one locally selected indicator. They will also provide a report to the Council of Governors and the Board (known as the Governors' Report) on their findings and recommendations for improvement concerning the content of the quality report, the mandated indicators and the locally selected indicator. The two mandated performance indicators are 62 day cancer waits and 28 day readmissions, and the locally selected indicator is complaints performance.

- 3.3.4** The agreed metrics for External Audit are achievement of the audit within the planned audit days, submission of reports in line with internal deadlines, and submission of reports in line with Monitor deadlines. For the 2013/14 audit:

- All 2013/14 reporting was received in line with the deadlines set.

3.4 Other Committees

- 3.4.1** The Trust had two other committees during the year. These are the Assurance Committee and the Finance and Investment Committee (FIC).

- 3.4.2** The Assurance Committee assures the Board on systems, processes and outcomes relating to quality (patient safety, effectiveness and patient

experience), staff satisfaction and the environment including compliance with the Care Quality Commission Standards, with a focus during 2013/14 on the CQC's 'Intelligent Monitoring' reporting. In addition to the minutes being available to the Board from the Assurance Committee there is a monthly report which identifies key issues discussed and an assessment of assurance. A key part of the reporting of the committee is the 'Top Concerns' section that is delivered by the Director of Nursing and Quality and the Medical Director. Items changed in year to be reported verbally and actions required against these actions are noted and taken forward as appropriate.

Some of the key areas considered in year by the Assurance Committee are the following:

- Health and Safety
- Facilities
- Emergency Preparedness
- Patient Experience and Values
- Never Events
- Safeguarding and Learning Disabilities
- Local Performance Indicators and Quality Priorities
- Maternity
- Early Warning Scores
- Claims
- Medicines
- Complaints and attitudes of staff
- Mandatory training and appraisal
- Stress
- Failure to follow up patients / results.

3.4.4 The FIC assures the Trust Board on financial and investment policy issues, including oversight of capital investment business cases and contract awards.

3.4.5 All these committee minutes are made available to the Audit Committee.

3.5 Local Counter Fraud Service (LCFS)

3.5.1 Each NHS body is required to take necessary steps to counter fraud under instructions from the Secretary of State's Directions. As a Foundation Trust, this is one of our contractual requirements with CCGs. The Trust has complied with these Directions by agreeing an Annual Service Level Agreement with Parkhill for the delivery of the Local Counter Fraud Service for 2013/14, which includes a proactive counter fraud programme to detect fraud as well as investigations in response to alleged frauds. The Audit Committee receives a regular report on progress against the agreed work plan and annual report.

3.5.2 NHS Protect suspended the annual Qualitative Assessment of counter fraud provision within the NHS at the end of the 2010/11 financial year. This assessment measured the strengths and weaknesses of Local Counter Fraud arrangements within NHS bodies and banded NHS bodies into one of four rating levels. The ratings achievable were designated 1 – 4, 4 being the highest. The Trust scored a level 3 in 2010/11 (and also scored a level 3 in 2009/10 and 2008/09).

3.5.3 NHS Protect has now introduced the Self Review Tool (SRT) which requires all LCFS to assess their own work and grade each area either green, amber or red. This was submitted by the LCFS at the end of the 2012/13 financial year and the overall assessment was shown as green. The Trust was not selected for further review following this submission. The same submission process will be followed for the 2013/14 financial year.

3.5.4 Counter fraud arrangements are compliant with NHS Protect's Counter Fraud "Standards for Providers".

4.0 The Role and Operation of the Audit Committee

4.1 Membership of the Committee

4.1.1 The members of the Committee during 2013/14 were as follows:

Sir John Baker (Chair)
Prof Richard Kitney
Sir Geoff Mulcahy

Sir Geoff Mulcahy resigned from the Board and therefore the Audit Committee on 1st January 2014.

In addition the Chief Executive, Director of Finance, External Auditors, Internal Auditors, Local Counterfraud Specialist and Director of Corporate Affairs are in attendance.

4.1.2 The members of the Committee disclosed their interests, which included the following, in the Trust's register of interests:

Sir John Baker

- Chairman – Bladon Jets Ltd
- Non-executive Director – Midway Resources International
- Chairman - Motac Holdings Ltd
- Chairman – Friends of the Yehudi Menuhin School
- Chairman – Cranmer Court (Chelsea) Tenants Ltd
- Chairman – The Villiers Management Company Ltd

Prof Richard Kitney

- Director of RIK Consultants Ltd
- Chairman and Director of Visbion Ltd

Sir Geoff Mulcahy

- Chairman, Javelin Group
- Non-executive Director, Sunderland ARC
- Trustee, Consumer Credit Counselling Service and FCC

4.1.3 The Committee was supported by Paulina Crawford.

4.2 Operation of the Committee

4.2.1 Meetings and attendance

The Committee is required to meet quarterly in line with the terms of reference. Meetings took place during the period and were attended as follows:

	23 rd May 2013	10 th July 2013	24 th Oct 2013	29 th Jan 2014	TOTALS	
					Meetings attended	%
<i>Sir John Baker</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>P</i>	4/4	100%
<i>Prof Richard Kitney</i>	<i>A</i>	<i>A</i>	<i>A</i>	<i>A</i>	0/4	0%
<i>Sir Geoff Mulcahy</i>	<i>P</i>	<i>P</i>	<i>P</i>	<i>A</i>	3/4	75%
TOTAL	66%	66%	66%	33%	7/12	58%

Key – P (Present for meeting) A (Absent from meeting) N/A (Not applicable)

The attendance for meetings of the Committee was 58%, which is below the required quorum of 66%. The 29th January 2014 meeting was not quorate due to the resignation of Sir Geoff Mulcahy as non-executive director and the absence of Professor Richard Kitney, however it was agreed that the meeting could proceed with any decisions being referred to the next Audit Committee for ratification.

4.2.2 Performance Indicators

The Committee has established performance indicators for External Audit, Local Counter Fraud Service and Internal Audit.

We consider there are no issues about their performance that affects their ability to support this Committee in discharging its duties.

4.2.3 Assessment of effectiveness of the External Audit Process

The committee has engaged regularly with the external auditor over the course of the financial year, including in private sessions at which executive management was not represented. The subjects covered have included consideration of the external audit plan, matters arising from the audit of the Trust's financial statements, the review of the Trust's quality accounts and any recommendations on control and accounting matters proposed by the auditor.

The Trust carried out an OJEU tender for statutory audit services in 2010 and appointed Deloitte LLP on a 3 year contract with an option to extend for a further 2 years. The external auditor has provided non-audit services in the year with a total value of £634k comprising tax advisory services and support for a potential transaction. Auditor objectivity and independence have been safeguarded by assurance that the audit partner's remuneration is not connected with the volume or value of non-audit services provided to the Trust.

4.3.5 Significant issues considered by the committee in relation to the Annual Accounts 2013/14

The committee has considered and discussed issues including the following key points in relation to the Annual Accounts for 2013/14:

- The format and particularly the content of the Accounts;
- The accounting treatment adopted for the Trust's acquisition of Doughty House;
- The impact on the financial statements of the independent valuation of the Trust's land and buildings as at 31st March 2014. This was the first independent valuation since 31st March 2012 and the amounts and judgements involved are both of significance to the financial statements;
- The adequacy of provisions, for example in relation to NHS, Local Authority and other debtor amounts and contractual disputes. These provisions are financially significant and, by their nature, judgemental.

5.0 Governance and risk management

5.1 The following information regarding Governance was presented and discussed at the Audit Committee meetings during the year:

5.2 Risk Management

5.2.1 The Trust's system of risk management including adequacy of the risk identification, recording, reporting and monitoring arrangements is outlined in the Annual Governance Statement. The Governance Statement is to be approved at the meeting of 27th May.

5.3 Governance

The Audit Committee received an annual report on Information Governance at the 22nd May meeting. The Trust's compliance with information governance is monitored by the Health and Social Care Information Centre (HSCIC) via the Information Governance Toolkit (IGT) – an annual online self-assessment which must be submitted by 31st March.

For the 2013/14 Information Governance Toolkit submission the Trust scored 87% and was graded 'Satisfactory' (2012/13 95% 'Satisfactory').

As part of the Information Governance Toolkit submission the Trust confirmed the IG Statement of Compliance (IGSoC). The IGSoC is the agreement between Health and Social Care Information Centre.

The Audit Committee noted the management process for providing evidence to the IG Toolkit and the satisfactory (green) assurance. The Committee endorsed the Toolkit submission of 87% rating.

It was noted that the Trust has achieved Level 2 and above in all requirements which is satisfactory and compliant.

6.0 Conclusions

- 6.1.** The opinion of the Committee is that the Trust's risk management, control and governance processes are adequate and effective and may be relied upon by the Board.

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	2.8/Jul/14
PAPER	Membership Engagement and Communications Strategy Update 2014-15
AUTHOR	Katie Drummond-Dunn, Communications Manager Sian Nelson, Membership and Engagement Manager
LEAD	Layla Hawkins, Interim Head of Corporate Affairs
EXECUTIVE SUMMARY	This paper sets out a membership strategy update for approval by the Council of Governors.
DECISION/ ACTION	The Council of Governors is invited to comment on and approve this strategy.

**MEMBERSHIP ENGAGEMENT AND
COMMUNICATIONS STRATEGY UPDATE
2014/15**

1.0 Introduction

Since receiving authorisation as a Foundation Trust in October 2006, Chelsea and Westminster Hospital NHS Foundation Trust has made considerable efforts to build a membership that is vibrant and representative.

During the last year there has been increased recruitment, engagement and communication activity. This has helped keep our membership figures at the correct level defined in our Constitution.

1.2 What does this strategy cover?

This strategy focuses on the two key areas of membership activity:

- Part A – Development of a representative membership
- Part B – A strong focus on engagement and communication with existing members

As our membership has stabilised, the focus for 2013/14 will be on making sure each member feels fully engaged with the hospital they have chosen to invest their time in. If we do not provide existing members with good enough reasons to retain their membership and play an active part in the hospital, they will leave and we will have to expend more energy and resources on recruiting new members to replace them.

1.3 Which Trust staff are responsible for membership?

Sian Nelson (Membership and Engagement Manager) is responsible for membership recruitment and the Communications team - Layla Hawkins (Head of Communications) and Katie Drummond-Dunn (Communications Manager) are responsible for engagement of and communication with members of the Trust and of the public. There is strong interface with the Equality & Diversity Manager, Priti Bhatt.

The Membership Sub-Committee of the Council of Governors, which is chaired by Patient Governor Walter Balmford, oversees the Membership Strategy.

2.0 PART A – Membership Figures

The Trust's membership at the beginning of 2014/15 financial year was 15,276 an increase of 8 members compared with 2012/13.

Constituency	31 March 2013	31 March 2014
Staff	3,424	3,395
Patients	5,994	6,232
Public	5,850	5,649
Total	15,268	15,276

Recruitment is an on-going activity because of the need to recruit new members to maintain the current membership numbers – in order to replace members who move away from the area or who pass away.

2.1 Recruitment of new members

This strategy proposes that the focus for 2014/15 should be on effective engagement of existing members rather than active recruitment. It is important to note, however, that effective engagement could support the additional recruitment of members which would be resource-free.

We will continue to promote membership in the following ways:

- Open Day
- Annual Members' Meeting
- The Membership and Patient Advice & Liaison Service (PALS)
- Meet a Governor sessions

Membership figures will be monitored by the Sub Committee on a quarterly basis. There is contingency within the membership programme of activity to commence direct recruitment should numbers reduce significantly.

2.2 Development of a representative membership

Analysis of the membership database by age, gender and ethnicity is undertaken to help the Trust work towards developing a membership that is representative of the communities we serve.

The membership ethnic groups are fairly balanced when we compare the representation with our local populations, however it is recognised that membership recruitment should focus particularly on increasing the number of Black Minority group members.

The Membership Sub-Committee will develop stronger working relations with Healthwatch to ensure we hear the views of ethnic minorities in our communities and ensure we listen and act on any issues voiced. This will include using Healthwatch's existing communications channels to effectively engage with their members.

Alongside membership recruitment, it is important that we understand the needs of our members and learn about their experience of treatment and services. Therefore, we will seek ways to gather this information from the BME patient groups we recruit. This will support the main aim of the strategy which is to effectively engage with our existing membership base.

Under the Health and Social Care Act 2012 Governors are required to ensure that they represent interests of the membership and public as a whole. This will help us ensure that the programme of activities for 2014/15 is tailored to the needs of the membership. The Communications Team will support members of the Council of Governors in achieving this requirement. Over the next year we will consider how Local Authority Councillors work with their constituents to ensure that all views are represented, thus ensuring effective engagement.

PART B – Membership Engagement

3.1 Programme of activity 2014/15

The membership engagement programme for 2014/15 is the same as the strategy used in 2013/14.

Project	Funding
3 membership mailings per year (One issue funded by the Council of Governors)	£10,000
Open Day 2015	£20,000
Annual Members' Meeting	£5,000
6 Medicine for Members seminars	£5,000
Christmas at Chelsea and Westminster 2013	£8,000
12 Members' e-News	£2,600
Contingency for direct recruitment campaigns as advised by the Sub Committee	£3,000
Meet a Governor sessions (to encourage Council of Governors to participate in this activity)	N/A
Total	£53,600

3.2 Campaigns to engage members in key issues

The ***Shaping a healthier future*** implementation is now underway and it is important that members are clear about changes to services and developments to A&E care at Chelsea and Westminster.

The potential acquisition of the West Middlesex could have an impact on our membership base and constituencies. This will be a key focus of communication with members in 2014/15.

We will keep members abreast of developments around other potential partnership working with charities and Trusts.

3.3 'Meet a Governor' sessions

These sessions are communicated to members in advance through the *Trust News* membership mailings, the monthly *Members' News* email newsletters, and via the 'Get Involved' section of the Trust website. It is important that elected governors are involved in these important sessions as it is a key tool for engagement with members.

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	3.1/Jul/14
PAPER	Governors' Questions
AUTHOR	Layla Hawkins, Interim Head of Corporate Affairs
LEAD	Tony Bell, Chief Executive
EXECUTIVE SUMMARY	<p>1. The question raised by Angela Henderson: Can we have an update on the progress around the new system for outpatient bookings?</p> <p>Response from Roger Chinn, Consultant Radiologist/Divisional Medical Director for IMT:</p> <p>During the last year we have set up an Outpatient Improvement Board and our aim is to deliver a high quality patient experience that exceeds patients' expectations for outpatients at Chelsea and Westminster.</p> <p>We are looking to improve all aspects of the outpatient service, however the current focus is on patient letters, telephone systems, introducing alternative methods of communication such as email and texts and the implementation of customer service standards. We have a broad range of membership at the Board with patients, consultants, divisional directorates, general managers and members of the outpatients team all heavily involved.</p> <p>Looking to use IT to make appointment booking much easier through the 'patient portal' online system – which will empower patients to manage their own pathway.</p> <p>In the short term we have reviewed what's working and what's not, and as a result have changed our postal provider to ensure patients receive their appointment letters in a timely way.</p> <p>PRM system is one part of the IT strategy that has high priority at present. We are evaluating the costs and associated benefits to ensure best value for money and maximum benefit to patients. Equally critical is the need to ensure we obtain satisfactory integration with the whole care continuum. This is taking longer than expected due to the complexities involved and ensuring alignment with the Trusts overall strategies and other system requirements.</p> <p>We are expecting to have a discussion on this topic at the executive group in the next fortnight and hope to have a plan to take the Trust Board thereafter and the Council of Governors.</p>

	<p>2. The question raised by Sandra Smith-Gordon: As there have been comments on various aspects of the outpatient experience, especially at receptions and the waiting time on the day of appointment, should there not be an opportunity for patients to comment on the Friends and Family Test page?</p> <p>Response from Sian Nelson, Membership and Engagement Manager/PALS:</p> <p>The Friends and Family Test (FFT) is a Department of Health led survey. The results are published nationally and all NHS trusts are benchmarked. The survey asks patients upon discharge whether they would recommend similar care or treatment to Friends or Family.</p> <p>The FFT is mandatory in inpatients, A&E and maternity services. It is not yet mandatory in the outpatients department. However, we decided to pilot outpatients to get a feel for responses and best method to use. Therefore we only selected some of the outpatient areas. The mandatory programme begins 31st October 2014.</p> <p>3. The question raised by Sandra Smith-Gordon: As those completing the page are anonymous there is nothing to stop people completing the form multiple times or making spurious comments about departments they have not visited. In the light of this, what credence do you give to the results of the online Test?</p> <p>Response from Sian Nelson, Membership and Engagement Manager/PALS:</p> <p>The online survey is currently for testing only and the results are not combined with the official Friends and Family Test results, therefore people do not have the opportunity to skew the overall results. We guarantee anonymity to patients - all patient data is removed from the results. We are working on a plan to ensure security which will involve patients entering their date of birth and this information is checked against the trusts discharge data. This will then be used with the assurance that people cannot answer the survey multiple times or if they did not have an experience at Chelsea and Westminster Hospital.</p>
DECISION/ ACTION	To note.

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	3.3/Jul/14
PAPER	Council of Governors Funding Report
AUTHOR	Vida Djelic, Board Governance Manager
LEAD	Layla Hawkins, Interim Head of Corporate Affairs
EXECUTIVE SUMMARY	<p>This report provides an update on the Council of Governors budget.</p> <p>For the financial year 2012/13 of the £80k circa £73k had been committed to the projects approved by the Council of Governors and circa £63k was actually spent.</p> <p>For the financial year 2013/14 of the £80k circa £57k had been committed to the projects approved by the Council of Governors and circa £53k was actually spent.</p> <p>For the financial year 2014/15 it is being proposed that the Council of Governors budget is reduced to £69k. Of the £69k, £648 has been spent to date on the projects approved by the Council of Governors. Please note that the programme of communications and engagement activity for membership was supported by the Membership Sub-Committee and the Council of Governor is asked to approve this proposed expenditure.</p>
DECISION/ ACTION	<p>The Council of Governors is asked:</p> <ul style="list-style-type: none"> • To note the report. • To approve communications and engagement proposed expenditure. • To approve increase in funding for the Council of Governors Quality Awards as proposed by the Quality Sub-Committee.

2014/15 Financials for Projects

Project Name	Amount Committed	Actual Spend to Date	Expenditure Completed	Expected Expenditure Period	Lead
*Open Day 2014	£ 20,000.00			TBC	Katie Drummond-Dunn
12 Members' E-News	£ 2,600.00	£648.00		Monthly	Katie Drummond-Dunn
Xmas at C&W 2014	£ 8,000.00			Nov/Dec-14	Katie Drummond-Dunn
6 Medicine for Members seminars 2014/15	£ 5,000.00			Quarterly	Katie Drummond-Dunn
Annual Members' Meeting 2014	£ 5,000.00			Aug/Sep-14	Katie Drummond-Dunn
1 membership mailing per year (Feb 15)	£ 10,000.00			Jan/Feb-15	Katie Drummond-Dunn
Membership Recruitment Campaign for Annual Members Meeting	£ 1,500.00			Sep-14	Sian Nelson
Membership Recruitment Campaign for Open Day	£ 1,500.00			TBC	Sian Nelson
**Quality Awards	£ 2,000.00			Jul/Dec-14	Melanie Van Limborgh
FTGA Membership Subscription for the year 01/09/14 to 31/08/15	£ 3,600.00			Aug	Vida Djelic
£ 59,200.00		£ 648.00			

**Funding for Open Day 2014 was agreed by the Council of Governors in 2013/14.*

Quality Sub-Committee in June suggested the budget is increased to £3,000. **Action: Council of Governors to agree increase.

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	3.4/Jul/14
PAPER	*Membership Engagement and Communications calendar of events
AUTHOR	Katie Drummond-Dunn, Communications Manager
LEAD	Layla Hawkins, Interim Head of Corporate Affairs
EXECUTIVE SUMMARY	This is the programme of membership engagement and communications activities for the rest of 2014-15.
DECISION/ ACTION	The Membership Sub-Committee is invited to note this update and provide their feedback on the proposed activity.

Membership Engagement & Communications Calendar of Events 2013/14

Date/Month	Event/Activity	Lead	Cost/Funding source
July 2014			
Friday 11 July	Members' News Issue 4	Communications Manager	£216 (Council of Governors)
TBC	Medicine for Members seminar (Organ donation with James Van Der Walt to coincide with National Transplant Week)	Communications Manager	£700 (Council of Governors)
August 2014			
Friday 8 August	Members' News Issue 5	Communications Manager	£216 (Council of Governors)
Friday 15 August	Trust News membership mailing for all public and patient members (including covering letter from Chairman, Trust News and A5 flyers about details of 'Medicine for Members' seminars)	Communications Manager	£10,000 (Public Relations budget)
September 2014			
Friday 12 September	Members' News Issue 6	Communications Manager	£216 (Council of Governors)
TBC	Medicine for Members seminar	Communications Manager	£700 (Council of Governors)
Thursday 18 September	Annual Members Meeting	Head of Communications	£5000 (Council of Governors)
October 2014			
Friday 10 October	Members' News Issue 7	Communications Manager	£216 (Council of Governors)
TBC	Medicine for Members seminar	Communications Manager	£700 (Council of Governors)
November 2014			
Friday 14 November	Members' News Issue 8	Communications Manager	£216 (Council of Governors)
TBC	Medicine for Members seminar	Communications Manager	£700 (Council of Governors)
December 2014			

Date/Month	Event/Activity	Lead	Cost/Funding source
Friday 12 December	Members' News Issue 9	Communications Manager	£216 (Council of Governors)
Thursday 18 December	Christmas	Communications Manager	
January 2015			
Friday 16 January	Members' News Issue 10	Communications Manager	£216 (Council of Governors)
TBC	Star Awards launch	Communications Manager	Not from Council of Governors budget (Star Awards funded by Chelsea and Westminster Health Charity)
February 2015			
Friday 13 February	Members' News Issue 11	Communications Manager	£216 (Council of Governors)
TBC	Medicine for Members seminar	Communications Manager	£700 (Council of Governors)
March 2015			
Friday 13 March	Members' News Issue 12	Head of Communications	£216 (Council of Governors)

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	3.6/Jul/14
PAPER	Open Day 2014 evaluation report
AUTHOR	Katie Drummond-Dunn, Communications Manager
LEAD	Hawkins, Head of Communications and Marketing
PURPOSE	This paper provides a summary and evaluation of Open Day 2014
EXECUTIVE SUMMARY	<p>The Council of Governors provided funding for Open Day 2014 which was held on Saturday 14 June from 11am-3pm.</p> <p>More than 1950 visitors came to the event—and 112 new members were recruited.</p> <p>This evaluation report summarises the main activities which took place during the Open Day and outlines the feedback gathered by volunteers throughout the day.</p> <p>The report also makes recommendations for Open Day 2015 to be discussed by the Council of Governors including a request for funding to support next year's event.</p>
DECISION/ ACTION	The Council of Governors is invited to comment on the paper and to approve a request for funding of £20,000 for Open Day 2015.

Open Day 2014 – Evaluation Report

1.0 Introduction

- 1.1 Open Day 2014 was held from 11am—3pm on Saturday 14 June and was once again supported financially by the Council of Governors.
- 1.2 It was an opportunity for the Trust to place itself at the heart of its community by opening its doors to local people and giving them a chance to become more involved in their local hospital.
- 1.3 1,950 visitors came to the event which was officially opened by Joanna Lumley.

2. Aims

- 2.1 Broad aims of Open Day 2014 were to:
 - Market the Trust to current and potential Foundation Trust members, patients and local residents
 - Promote the Trust values, this year focussing on “Excellent”
 - Celebrate the Trust’s 21st anniversary
 - Promote the achievements of the hospital
 - Develop communication between Council of Governor’s representatives and Foundation Trust members
 - Encourage Open Day visitors to become Foundation Trust members
 - Promote health, fitness and wellbeing
 - Showcase developments such as the new Birth Centre
 - Improve staff morale
 - Engage with local stakeholders
 - Utilise the day as a fundraising opportunity for the Chelsea and Westminster Health Charity and other associated charities

3.0 Planning and implementation

- 3.1 A small Open Day Operational Group was formed to plan and manage the implementation of the event. The group consisted of Governors, the Trust Patient Experience Lead, and representatives from the communications team and the estates and facilities department.
- 3.2 The Communications Manager was responsible for project managing the Open Day including publicity, logistics, liaison with Trust teams, charities and partner organisations that took part in the Open Day.

4.0 Key events and highlights

- 4.1 Actress Joanna Lumley officially opened the event thanks to an invitation through Governor Wendie McWatters.
- 4.2 The Trust held its first public Schwartz round, which was well attended. The panel of four staff, including Chief Nurse and Director of Quality, talked about their *best day at work ever*.
- 4.3 The education and clinical skills team demonstrated how we train staff to deliver babies using a mannequin who simulates a real life labour, including making noises and taking gas and air.

- 4.4 The 'Health and Wellbeing Zone' located in the Lower Ground Floor Outpatients Department was a popular area. Visitors were able to ask for health advice or have general health checks including height, weight, blood and pressure.
- 4.5 Pre-event publicity included:
- Membership mailing to all Foundation Trust members in April including a covering letter from the Chairman and a copy of *Trust News*
 - Information on the Trust website including a prominent advertisement on the home page
 - A banner at the front of the hospital
 - Flyers and posters distributed widely in the local community teams involved in the Open Day and Governors – thank you to all Governors who helped with the distribution
 - Targeted mailings to schools in the local community about the Open Day
 - Advertising in the three local newspapers—*Hammersmith and Fulham Gazette*, *Kensington and Chelsea Gazette* and *Westminster Gazette*
 - A Gazette website advert
 - A letterbox leaflet drop to residences located nearest to the hospital
- 4.6 Post-event publicity included:
- Photo gallery on Trust website
 - Photo gallery in June/July issue of *Trust News*
 - Photo story on the Daily Telegraph website
- 5.0 Evaluation and feedback**
- 5.1 1950 visitors attended the Open Day
- 5.2 Volunteers encouraged visitors to fill in feedback forms:
- 100% rated the Open Day as 'Excellent' or 'Good'
 - 100% would definitely recommend the Open Day to friends and family
 - 100% said staff at the Open Day were friendly and approachable
- 5.3 Governors recruited 112 new Foundation Trust members during the Open Day.

6.0 Budget

6.1 The Council of Governors kindly provided £20,000 for the 2014 Open Day.

6.2 The table below provides a breakdown of costs:

Category	Item	Budget exc VAT
Entertainment		1,250.00
Photographer		180.00
Facepainter		280.00
Printing	Banner	160.00
	200 A3 Posters	36.00
	300 A4 Posters	31.00
	Mail merge	83.20
	500 Programmes	172.00
Advertising	Letterbox drop (35,000)	2,520.00
	Gazette newspaper and website (2 half pg in all 3 papers)	502.06
Balloons	1,000 helium-filled balloons	1,145.00
T-shirts	500 t-shirts	1,700.00
Furniture Hire	display boards	2,113.06
	tables	
	chairs	
Mugs	500 for membership recruitment	1,620.00
ISS	Bottled water, fruit for stands	533.00
ISS	Staff function; sparkling wine, hog roast	1,951.00
Staff vouchers	Staff restaurant vouchers x 500 @ £5 each - £2,500	1,923.72
Petty cast for stands		1,300.00
Best stand prize money		175.00
Canvas bags		469.00
Porters		631.74
Schwartz		70.00
Cake		75.00
Flowers		50.00
Total	£20,000	18,970.78

7.0 Open Day 2015

7.1 Subject to agreement and the availability of key members of the Executive team and the Council of Governors, it is proposed that Open Day 2015 will be held in June again next year. This is to avoid clashing with exam timetables for students attending the careers event and running the Teddy Bear Hospital. Pushing the date back would also help the Communications team manage two high profile events (the Star Awards take place at the end of April).

7.2 The Trust is very grateful for the financial support provided by the Council of Governors for previous Open Days and we would like to ask the Council to consider funding of £20,000 for Open Day 2015.

Katie Drummond-Dunn
Communications Manager
July 2014

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	4.1/Jul/14
PAPER	*Council of Governors Quality Sub-Committee Minutes – 10 June 2014
AUTHOR	Vida Djelic, Foundation Trust Secretary Melanie van Limborgh, Head of Quality and Assurance
LEAD	Elizabeth McManus, Chief Nurse and Director of Quality
EXECUTIVE SUMMARY	Draft minutes are enclosed.
DECISION / ACTION	For information

Council of Governors Quality Sub-Committee meeting 10 June 2014 Draft Minutes

Attendees	Melanie van Limborgh	MvL	Head of Assurance and Quality (Acting Chair)
	Anna Hodson-Pressinger	AH-P	
	Melvyn Jeremiah	MJ	Public Governor - Westminster Area 2
	Martin Lewis	ML	Public Governor - Westminster Area 1
	Susan Maxwell	SM	Patient Governor
	Wendie McWatters	WMW	Patient Governor
In attendance	Sonia Richardson	SR	Patient representative on West London CCG
	Sharon Connell	SC	Chaplaincy
	Carol Davis (in part)	CD	Patient Affairs Manager
	Dr Jacque Durbridge (in part)	JD	Consultant Anaesthetist and Medical Appraisal Lead
	Karen Robertson (in part)	KR	Divisional Director of Operations and Planned Care
	Katie Drummond-Dunn (in part)	KD-D	Communications Manager
	Patricia Gani	PG	Healthwatch representative
	Vida Djelic	VD	Board Governance Manager

1 **Welcome and Apologies for Absence** **MvL**

MvL welcomed members to the meeting.

Apologies were received from Libby McManus, Zoe Penn and Mary Mullix.

2 **Draft Minutes of the Council of Governors Quality Sub-Committee Meeting held on 11 March 2014** **MvL**

Minutes of the previous meeting were approved as a true and accurate record subject to the following changes:

- SR is a patient representative on West London CCG, remove 'North'
- PG said she will email VD with the correct wording re communication between hospital, GP and patient on p.5
- p.5, item 8, second para remove 'in year' and insert 'during'
- p.5 item 9, 2nd para replace 'she' with 'a friend'
- p.6, 2nd para, 2nd sentence at the end insert 'in a Wiltshire Hospital'

3 **Matters Arising** **MvL**

Ref Values

MvL noted can circulate a copy of complaints and PALS procedure to the sub-committee which is also available on the intranet. MJ noted that a guidance document would be useful for all governors to receive especially those who regularly do a meet a governor session.

The Sub-Committee noted that any comments/complaints in relation to clinical experience should be sent to Carol Davis and any minor comments i.e. in relation to lifts, escalators, supply of hand gels etc. should be directed to the PALS office.

MvL suggested that how governors are advised to respond to complaints/issues could be discussed outside the meeting at a time to be arranged and feedback of a guidance sheet provided back to the sub-committee. MvL invited governors to help this with CD.

Interested governors to advise MvL

Ref Quality Report

This is on agenda to be discussed later in the meeting.

Ref Quality Account themes log

MvL said that she has produced a laminated card which contains a set of issues which can be available for Sub Committee members to review as required.

Ref Quality Indicators

MvL suggested a member of the performance team could explain and present the Quality Indicators to the sub-committee at the September meeting.

Ref Stakeholders commentary

MvL thanked MJ for providing collated commentary for the Quality Account on behalf of the Council of Governors.

End of Life Care Strategy

The sub-committee noted that an update on this will be provided at the September meeting. MvL suggested that interested governors who may wish to join the group to contact Barry Quinn.

Ref Feedback from governors on patient experience

MJ said in relation to his comment from the previous minutes - the specific issue is about the appointment letter not clearly stating when and who to contact re: the appointment and that in the case he reported, it did not happen. MvL said that KR who is presenting later in the meeting could address these points.

3.1 Customer Service

KR

Karen Robertson, Divisional Director of Operations and Planned Care provided the sub-committee with an update on leading the improvement campaign. She said that one aspect of the campaign focuses on customer service, its importance, the expectations and how to exceed the same. This work is being undertaken in cooperation with staff.

The Trust has developed customer service standards for patients. A reminder of those standards for staff are placed in staff areas, in recruitment packs and discussed at induction and at appraisal.

Training has been provided to staff and feedback from staff who attended has been very positive.

It was highlighted that a certificate of customer service excellence has been recently introduced to be presented to staff who demonstrate high customer service skills in their work.

It was highlighted that patients are encouraged to resolve any clinical issues at a local level and those that cannot be resolved that they are then advised to visit PALS.

KR noted that the online booking appointment system is underway and some improvements are still to be made. She said that the 'Choose and Book' system will continue to be used; however, the new online system is independent of 'Choose and Book'.

PG queried if staff training is focused on a 'put yourself in your customer's shoes' position. KR responded that the training is primarily focused on that position and going beyond that to include aspects of 'what more' could be offered to customers/users of the Trust's services.

SR said that the role play is important in training. She noted her comments on the checklist:

- Typo 'offer a quite area'
- Privacy and confidentiality
- Discrete

SR noted comments on a general note i.e. re 1st offer to 'vulnerable' patients and that this should be to offer to all patients.

ML said that his particular interest is in reception staff and customer service and thinks that sometimes the Trust does not always 'get it right'. A recent observation included a reception staff member in one clinical area talking to a patient through a 'grill' type shutter. KR responded that she will address the comments received.

ML asked if governors could be in attendance at the training course. KR responded that having a governor to attend would be helpful.

ML commented that main reception desk reception staff who were very presentable and polite.

4 Complaints Report Q1

CD

Carol Davis, Patient Affairs Manager, noted the summary of the feedback received and trends identified by the complaints service in the Q4 of 13/14.

Highlights include:

- 77 type 2 complaints
- 3 type 3 complaints
- 31 complaints about aspects of clinical care
- 16 complaints about staff attitude/behavior
- 12 complaints about failure to follow correct procedure
- 9 complaints about communication and information given to patients
- 10 complainants referred their complain to the Parliamentary and Health Service Ombudsmen

It was highlighted that the Trust continues to review the details of complaints and concerns re: communication to inform the development of tailored training programmes.

AH-P queried if complaints re: aspects of clinical care if they are broken down by age. CD responded that information on that is not currently available.

PG queried if she could obtain guidance on the procedure re: a minor complaint. CD responded that the intention is that each area in question resolves all issues at local level immediately.

PG suggested that patients/users do not always want to go to PALS. MvL said she can highlight that issue to EM.

PG highlighted that it is important in signposting people in what to do if a comment comes. CD said this information is on the website and could be reduced and produced as a laminated copy.

MvL said that information can be provided to PG to forward to all Healthwatch offices in the local boroughs.

CD and MvL to liaise for laminated copies.

It was felt useful to have information available on all wards to patients in relation how patient can providing feedback, comments, complaints etc.

5 PALS Report Q1 CD

Main highlights include:

- 232 type 1 complaints received during Q4 of 13/14.
- top 3 complaints relate to appointments, delay/cancelation (out-patient), attitude of staff and communication/information to patients (various departments).

PG queried if there have been any problems relating to TNT delivery of appointment letters and if it has changed to the Royal Mail. VD responded that this will be checked with procurement and estates.

VD to contact procurement/estates.

The following points to put on this list to address at future time.

- behavior of doctors
- staff attitude

ML suggested CD attends all future Quality Sub-Committee meetings.

6 Quality Account themes log MvL

Dr Jacqueline Durbridge, Consultant Anaesthetist and Medical Appraisal Lead provided the background to the World Health Organisation (WHO) checklist.

The sub-committee noted that the checklist presents very useful tool in reducing surgical complications. It is used at 3 critical points:

- prior to anaesthesia
- before skin incision
- before patient leaves the theatre

The goal is to ensure the safe delivery of anaesthesia to the correct patient for the correct operation and other essential perioperative theatre practices.

An audit was conducted in 2010 and the results demonstrated 96% patients who had the checklist used as part of their care 64% were fully completed. However, the sign out before leaving theatre area was the main area not completed.

The focus is on revising and reviewing the content to ensure that it remains relevant in all areas.

A copy of WHO Checklist and Surgical Safety Checklist was tabled.

In response to a question from SM, DR responded that the checklist aims to reduce any incident events.

In response to a question from AH-P, JD said that all questions are completed at the beginning of surgery. Some elements are around estimating and preparing in advance as much as possible.

ML queried where the surgical safety checklist is kept. JD responded that it forms part of patient notes and is used for advanced care plan.

Sub-committee members highlighted this agenda item had been helpful.

7 Quality Report/Account 2013/14

MvL

MvL highlighted that it would be useful over the coming year to address quality issues raised in the stakeholder statements in the Quality Account appearing as not resolved.

Other comments received on the document included:

- use of simple language
- invite early comments from stakeholders so that issues can be reviewed before the Quality Account is due to be published.

MvL suggested that it would be helpful to review the Quality Account content throughout the year in order to monitor the progress.

ML said on his governor visit to the AAU ward he noticed that the most helpful staff member was a Healthcare Assistant.

AH-P said she had observed the attitude of some younger staff and commented in her view that these staff required robust training and leadership for them to be effective in their roles.

MJ said that a number of minor incidents occurred and this is linked to a staff being promoted or moved to a different post; the importance of induction in such cases was highlighted.

Quality Report Annual Review

MvL thanked MJ for providing a balanced statement on behalf of the Council of Governors.

It was noted that the Quality Account will be shortly published on the website and also wider publicity will be considered.

KD-D noted that the process for producing the Annual Review will remain the same as last year. It will be launched at the Annual Members' Meeting in September. She invited a governor volunteer to review the content. MJ expressed interest in being involved and this was supported by the committee.

WWM suggested a smaller size of the annual review and to keep the same font size as for 13/14.

8 Care Quality Commission Annual Inspection July 2014

MvL

MvL noted that the CQC inspection is due to commence on 8 July 2014.

An overview of information regarding these new style inspections that is currently available for highlighting includes:

- The inspection team may visit all hospital areas to ascertain where the Trust complies with the domains of 'safe, effective, caring, well-led' and responsive'
- The Trust has to provide relevant information and documents requested before the visit and some information may have to be provided on the day as relevant
- The inspectors are likely to interview a larger number of people than previously interviewed
- There will be a number of focus groups of staff and patients
- There will be a presentation before the inspection commences by the Chief Executive
- There will be an unannounced visit after the main inspection
- A debrief will be provided following the visit
- A 'Quality Summit' will be held at a date after the inspection

9 Feedback from governors on patient experience

ML said as mentioned earlier in the meeting he observed reception staff on a ward talking to patients through a 'grill' type shutter as noted by KR.

ML said that he observed drug trolleys on the AAU and David Erskine were not kept secure.

SC said she observed that hand gels were empty/missing in places near lifts.

PG queried, on behalf of Healthwatch, the London Ambulance Service (LAS) handover breaches and how this is being addressed. MvL asked PG to forward the relevant issues on an email in order that she could distribute this to the most appropriate member of staff in the Trust for clarification.

PG to forward relevant details to MvL for forward clarification for Healthwatch.

10 Council of Governors Quality Awards

SM/MvL

It was noted that the Quality Awards Planning Group had met earlier in the morning to consider the scoring. The final winners were highlighted as:

- The revolutionary Sexual Health Screen Service - Dean St Express
- Mars Paediatric Burns Dressing and Scar Management Team - Moving forwards for a Family Friendly Service
- Practical guidance for the management of palliative care on neonatal units' a national document for all healthcare professionals caring for babies with palliative care needs and their families
- Turning around Phototherapy
- Birth Centre
- CNS contribution to patient centred care and information delivery to people living with HIV and cancer (PLWHC)

Highly commended categories:

- Improving patient choice and Outcomes
- Looking after Lone Working Staff in the Community
- Radiology accreditation

11	Quality Indicators*	MvL
	It was noted that as reported earlier in the meeting that a member of the performance team is invited to present to the sub-committee at the September meeting.	
12	Quality Sub-Committee Terms of Reference*	MvL
	This item was 'starred' and therefore agreed as read.	
13	Council of Governors Funding Report*	VD/MvL
	This item was 'starred' and therefore taken as read.	
14	Any Other Business	
	None	
15	Date of next meeting – 11 September 2014	

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	4.2/Jul/14
PAPER	*Council of Governors' Quality Sub-Committee Terms of Reference
AUTHOR	Melanie van Limborgh, Head of Quality and Assurance
LEAD	Elizabeth McManus, Chief Nurse and Director of Quality
EXECUTIVE SUMMARY	<p>Good governance procedures outlines that Terms of Reference should be reviewed annually.</p> <p>It is suggested the current Terms of Reference for the Council of Governors' Quality Sub Committee are retained as relevant for use at the present time. It is understood that review is likely in the future.</p> <p>The Terms of Reference have however been checked for accuracy regarding attendees, but have not been otherwise updated.</p> <p>Terms of Reference can be further reviewed when advised.</p>
DECISION / ACTION	To approve continued use of the current Terms of Reference until otherwise advised.

Council of Governors Meeting, 17 July 2014

AGENDA ITEM NO.	4.3/Jul/14
PAPER	*Draft Minutes of the Council of Governors Membership Sub-Committee meeting held on 26 June 2014
AUTHOR	Vida Djelic, Board Governance Manager
LEAD	Walter Balmford, Chairman
EXECUTIVE SUMMARY	Draft minutes are enclosed.
DECISION/ ACTION	For information.

Council of Governors Membership Sub-Committee meeting, 26 June 2014 Draft Minutes

Attendees:

Attendees	Walter Balmford	WB	Chairman
	Chris Birch	CB	Patient Governor
	Anna Hodson-Pressinger	AH-P	Patient Governor
	Martin Lewis	ML	Public Governor - Westminster Area 1
	Steve Worrall	SW	Public Governor – Wandsworth Area 2
In attendance	Layla Hawkins	LH	Interim Head of Corporate Affairs
	Katie Drummond-Dunn	KD-D	Communications Manager
	Sian Nelson	SN	Membership Manager
	Swabrina Njoku	SNj	Healthwatch representative
	Vida Djelic	VD	Board Governance Manager

1 **Welcome and Apologies for Absence** **WB**

WB welcomed members to the meeting.

Apologies were received from Sam Culhane.

2 **Draft Minutes of the Meeting held on 11 February 2014** **WB**

Minutes of the previous meeting were approved as a true and accurate record of the meeting subject to the following change:

- add SN to in attendance list

3 **Matters Arising** **WB**

Ref Governors Handbook

The sub-committee has asked for the word 'complete' to be reworded as it suggests the handbook is finished.

The sub-committee noted that all other matters arising were completed.

ML thanked LH and KD-D on organising a very successful Open Day.

Ref. Membership Application Form

CB queried the cost of reprinting the membership application form. SN responded that a response would be provided after the meeting. **SN to provide a response to the sub-committee.** **SN**

CB queried the reasons for excluding free post on the membership application form.

He noted that in light of the Act 2012 every hospital publication needs to be updated to reflect governors expanded duties.

CB said that the membership application form wording had been discussed and agreed by the sub-committee on 24 January 2013 and was recorded in the minutes of that meeting and was subsequently ratified by the Council of Governors. He added that he had subsequently emailed LH, SN and George Vasilopoulos on the question of membership application form. CB reported that he had spoken with MJ about the issue and MJ suggested that the forms with the incorrect wording should be destroyed and not shared with the public.

LH responded that the Trust understands and respects new Governors roles under the Act 2012. Rewording of the form was proposed 18 months ago and it was inadvertently omitted from the current form. However, the form has been updated with the information on the sexual orientation as agreed by the sub-committee and the Council of Governors in 2013.

SN apologised for the error which occurred and said that in discussing with George Vasilopoulos that in order to minimize the cost of posting individual forms to Capita it was decided that the forms should be handed to the PALS office to collate and forward to Capita.

LH asked the sub-committee if they think there are any significant issues with the current forms. ML commented that he may have contributed to the error by requesting SN to order new forms which caused SN to revise the form too quickly.

LH confirmed that the membership form will in future be revised in cooperation with governors at the sub-committee.

WB concluded the item by saying that the error inadvertently occurred and the current forms will be used, however, not all forms should be used. Reprinting should be done in due course taking consideration of all of points raised by the sub-committee when next updating the form. The sub-committee agreed that the free post can be excluded from the form.

4 Membership Engagement and Communications Strategy 2014/15

KD-D/SN

LH noted CB's helpful comments on the membership strategy and highlighted that the Trust has a stable membership and proposed that the emphasis is on engaging with members.

LH added that the membership strategy was revised while KD-D was on annual leave and that her comments on the draft strategy will be taken into consideration. These are:

- To include 'meet a governor' sessions in the engagement plan for 14/15
- Open Day 2015 not 2014 as funding relates to the current financial year

The sub-committee discussed options around the date for the Open Day 2015. It was noted that attendance at the recent Open Day was very good.

KD-D noted that the engagement plan seems to be working well and plans to continue with the existing engagement activities. She invited comments from the sub-committee on the plan.

LH noted that a core group of governors do regular 'meet a governor' sessions. However, we need to engage governors in the wider governor/public engagement and those elected governors representing constituencies need to consider how to achieve it.

KD-D invited governors to seek views from members on the events and any topics for future Medicine for Members events. It was recognised that there needs to be a process for governors providing feedback from members. The sub-committee discussed the proposal for engaging with their constituents and agreed that it is a challenge.

LH noted that she will visit a Local Authority to see whether lessons can be learned in respect of Councilors' engagement with constituents. She will feedback to the group at the next sub-committee meeting.

CB noted that the sub-committee decided to reduce recruitment activity due to the membership numbers being steady and the focus will be more on engaging with members. He said he was happy that most of his comments on the membership strategy were accepted by LH. He suggested that the number of Medicine for Members events should increase from 6 to 8 or 10. To be agreed by sub-committee members.

He commented that the idea behind the meet a governor sessions is that a governor is available to talk to patients/public should anyone want to come forward.

KD-D said that she learned that governors at another London Trust visited the farmers market and they engage with members and suggested that a similar method could be used by Chelsea and Westminster governors.

AH-P suggested engaging with new doctors and proposed a breakfast is organised on our site. KD-D said that doctors attend various events at the hospital already. It was noted that it would be useful to invite the GP Liaison Manager for an update.

LH to invite the GP Liaison Manager to provide an update.

LH

ML queried if it would be possible to take a health bus to each constituency market in order to promote C&W and engage with members. SN responded that it can be arranged once the relevant event has been identified.

SNj noted that Healthwatch members receive weekly emails which provide details of events happening at Healthwatch and other events around the triborough area. She added that they can publicise some of our events including become a member of Chelsea and Westminster Hospital. ML asked if governors could have a stand at the Healthwatch Annual General Meeting. SNJ responded that it can be arranged. **SN to confirm hospital attendance at the Healthwatch Annual General Meeting.**

LH

CB said that he will send via email a few points regarding the strategy. The points received by email include:

- section 1.3, para 1, line 4 'responsible for engagement and communication with members of the Trust and of the public'
- section 2.0, part A, Heading to be titled: 'Membership figures' instead of 'Membership Recruitment'
- section 2.1, to bold sentence after 1st para 'We will continue to promote engagement and membership in the following ways:'

ML noted that youth membership is important and there were previously talks about visiting the Westminster Boys School and BME. SN suggested Vanessa Sloane is invited to the next meeting to provide an update as she leads on the Trust's Youth Parliament.

5 Membership engagement and communications calendar of events **KD-D**

KD-D noted that the programme details the events outlined in the Membership Engagement and Communications Strategy.

LH confirmed that CB's comments and general comments will be incorporated in the programme and circulated to the sub-committee. **LH to circulate.**

LH

6 Membership Recruitment update **SN**

SN highlighted that more members left than joined the membership of the Trust in the Q4.

CB queried the accuracy of membership ethnicity representation considering that 22% are unknown. LH responded that the analysis is being done on the demographic set by the local authority and it indicates that we are broadly representative. SNj noted that it would be useful to understand how membership compares to current patient demographics at C&W. To be considered at a future meeting.

SNj said that it is important to represent the local population. She added that it is desirable to increase BME members and in order to attract them it needs to be considered carefully how to sell it i.e what is in it for them. This is a challenge that other organisations face too.

CB commented that on p.2 it should say Figure 2 not 1. **SN to amend the figure appropriately.**

LH

In light of increasing the membership AH-P suggested that on discharge patients should automatically receive a membership form. LH responded that this might prove difficult unless incorporated into outpatient letters.

7 Annual Members meeting - proposal **LH/KD-D**

LH noted that the Annual Members' Meeting will be held on 18 September 2014 at 5.30pm.

LH invited comments on the meeting.

The sub-committee discussed venue for the meeting and suggestions include:

- to hold it near the Dean Street Express Clinic with a tour afterwards
- to hold the meeting in the community in order to increase visibility
- to keep the meeting at the hospital
- to have a 5 minute movie about the hospital i.e Dean Street Express Clinic, A&E redevelopment etc.

CB said that the chairs for the last year Annual Members' Meeting were comfortable. He highlighted that each presenter should have a time allocated for their presentation. LH confirmed this was the case and a practice of presentation takes place with the Chief Executive and Chairman.

8 Council of Governors Funding Report **LH**

LH noted that to date only £2,000 has been spent from 2014/15 budget.

It was noted that a paper providing an update on the current spend and also budget for the 2014/15 financial year will be presented at the Council of Governors meeting in July as Open Day expenditure should be processed by them. The Council of Governors' proposed budget will also form part of this paper.

AH-P suggested a Christmas party for governors to engage with members, a requirement reflected in the Health and Social Care Act 2012. LH said that it needs to be raised with the Council of Governors as they agree expenditure.

9 Feedback from patients **LH**

LH highlighted that this item is a new standing item on the sub-committee agenda and it will support the provision for feedback from engagement with members. It was agreed that more suitable title for this item would be 'feedback from members'.

10 Any other business

LH thanked ML and CB for rejoining the sub-committee.

11 Date of next meeting

The next meeting will be organized in September before the Council of Governors meeting. **Date of next meeting to be confirmed by VD.**

VD