

Members' Council General Meeting

Hospital Boardroom

Chair: Prof. Sir Christopher Edwards

Date: 17 September 2009

Time: 3:00 – 5:00 pm

Present:

Constituency	Class	Name as desired	
Trust Board Chairman		Prof. Sir Christopher Edwards	CE
Public	Kensington and Chelsea 2	Sandra Smith-Gordon	SSG
Public	Hammersmith and Fulham 1	Martin Bradford	MB
Public	Hammersmith and Fulham 2	Christine Blewett	CBLE
Public	Wandsworth 1	Mary Symons	MS
Public	Westminster 1	Ann Mills-Duggan	AMD
Public	Westminster 2	Martin John Lewis	ML
Patient		June Bennett	JB
Patient		Walter Balmford	WB
Patient		Jane King	JK
Patient		Jim Smith	JS
Patient		Chris Birch	CBIR
Staff	Contracted	Alison Delamare	AD
Staff	Medical and Dental	Brian Gazzard (Deputy Chairman)	BG
Staff	Nursing and Midwifery	Sue P Smith	SPS
Staff	Support, Administrative and Clerical	Cathy James	CJ
Appointed	Wandsworth PCT	Dr David Finch	DF
Appointed	Royal Borough of Kensington and Chelsea	Cllr. Frances Taylor	FT

Appointed	Westminster City Council	Cllr. Cyril Nemeth	CN
Appointed	The Royal Marsden NHS Foundation Trust	Nicky Browne	NB
Appointed	Royal Brompton and Harefield NHS Trust	Duncan Macrae	DM

In attendance:

External Auditors	Deloitte LLP, Partner - Audit	Heather Bygrave	HB
Trust Board	Non-Executive & Vice Chairman	Charles Wilson	CW
Trust Board	Non-Executive	Andrew Havery	AH
Trust Board	Non-Executive	Karin Norman	KN
Trust Board	Non-Executive	Colin Glass	CG
Trust Board	Non-Executive	Richard Kitney	RK
Trust Board	Chief Executive	Heather Lawrence	HL
Trust Board	Director of Finance	Lorraine Bewes	LB
Trust Board	Medical Director	Mike Anderson	MA
Trust Board	Director of Nursing	Andrew MacCallum	AMC
Trust Board	Deputy Chief Executive	Amanda Pritchard	AP
Trust Executive	Director of Strategy	Amit Khutti	AK
Trust Executive	Dir. Of Governance	Catherine Mooney	CM
Secretariat	Interim FT Secretary	Dianne Holman	DH
Communications	Head of Communications	Matt Akid	MAK
MPALS	Membership & Engagement Manager	Sian Nelson	SN

1.1 Welcome & Apologies

CE

CE called the meeting to order and welcomed newly- appointed stakeholder representatives, Dr. Finch of NHS Wandsworth and Cllr. Nemeth of Westminster City Council.

CE noted the apologies tendered: Maria Elena Arana (patient)

1.2 Declaration of Interests

CE

CE invited declarations of interest. None were tendered.

1.3 Minutes of Previous Meeting held on 18 June 2009 **CE**

The minutes of the previous meeting held on 18th June 2009 were agreed as a correct record of proceedings. JB pointed out a typo on the cover sheet, '2008', for correction.

1.4 Matters Arising **CE**

CE noted that actions taken were in the paper. He referred to ref. 1.5 and reflected on the recent Chief Executive's Strategy Workshop which was one of the action points from the Joint Away Day. SSG commented that she found the workshop very useful.

1.5 Chairman's Report (oral) **CE**

CE said that having regard to the number of items on the agenda, there was nothing substantial to report.

2.1 Report of the Task and Finish Group – Name of Members' Council and Members of the Council **CE**

CE reported on the proceedings of the Members' Council task and Finish Group at which it was recommended that the names 'Governor' and 'Council of Governors' should be put to the Annual Members' Meeting for a vote after consulting the Board of Directors and then the Members' Council.

The Members' Council supported this recommendation.

MS asked if the name change to 'governors' would have any impact on the name of the Annual Members Meeting. CE confirmed that there would be no impact as all governors were members though not all members were governors.

2.2 Report of the Task and Finish Group – governance arrangements (including Terms of reference agenda sub committee) **CE**

CE invited the meeting to discuss item 2.3, Meeting times (oral), during this segment as it was related to the discussion of governance arrangements.

CBIR offered that there would be up to 15 new members after November's elections and it would be useful to attract and accommodate those members who are unable to leave work early. CBIR suggested a new starting time of 6:30pm. WB agreed in principle but suggested that a 6:00pm start was more appropriate.

CE invited the views of the members. There were a variety of views and a number of categories of individuals who could be affected by different starting times were identified.

It was agreed that individual Council Members would be surveyed to determine the time for the next meeting only which is scheduled for **VD**

Thursday 3rd December 2009. The options proposed were: 4.30pm; and 6.00pm. The dates and times of the 2010 meetings will be agreed at December's meeting when the newly-elected Council Members are installed.

CE continued with the report of the Task & Finish Group in response to the issues of:

- the excessive length of meetings;
- the need to focus on the most important issues;
- actively involving both lay and professional Council Members; and
- mechanisms to facilitate the optimal contribution of the Council and its members.

The meeting agreed to adopt the recommendations set out in the paper to address the concerns raised and approved the establishment of the Agenda Sub-Committee and the draft Terms of Reference presented to the meeting.

The Quality Agenda will be discussed further at the next General Meeting of the Council when the newly-elected representatives are available to comment.

CM

2.3 Meeting times (oral)

CE

This item was discussed under 2.2 above.

2.4 Re-appointment of Non-Executive Directors

CE

KN and CW were excused from the meeting before the start of any discussion on account of conflict of interest.

Charlie Wilson (CW)

CE reported on the findings of CW's appraisal: CW continues to contribute effectively and demonstrate commitment to the role of Non-Executive Director, Vice Chairman and Senior Independent Director. CE invited the meeting to further consider that CW had been a tremendous supporter of the hospital for several years though his work was not always visible to the wider membership. His skills are very valuable to the Trust particularly at this time when the Trust is facing major change.

CE explained CW had served the Trust for a period of nine (9) years and in accordance with the NHS Foundation Trust Code of Governance was now subject to annual re-election. CE proposed the re-appointment of CW for a further term of one year.

There was unanimous support for CW's re-election.

The meeting approved the re-appointment of CW for a further term of one year ending on 31st October 2010.

CM

CE also reported on recent information coming from the Foundation Trust Network in the previous week on the remuneration of Foundation Trust Non-Executives Directors. This indicated that most foundation trusts paid higher fees to their Vice-Chairs, Audit Committee Chairs and Senior

Independent Directors. CE noted that while C&W recognised the additional responsibilities of the role of Audit Committee Chair in setting remuneration, it had omitted to do the same for the roles of Vice Chair and Senior Independent Directors.

CE noted that CW held both these additional responsibilities and, in light of the new survey results coming to light, proposed that the annual remuneration for CW is increased to £18,000 (comparable to the Audit Committee Chair) for the new term in order to avoid perpetuating a situation that was inequitable. CE clarified that an increase was not being proposed for any other Non-Executive Directors.

Some members asked for more time to consider the proposal for increased remuneration as this was not included in the paper as they would have expected. CE explained that he felt that it was more appropriate to afford the candidate some discretion and privacy. Some members disagreed and felt that it was fair to put this in the public domain.

It was suggested that this issue was referred to a sub-committee. DH advised the meeting that the Constitution stated that it was the role of the Members' Council to decide remuneration. The nominations Committee was responsible for appointments of Non-Executive Directors rather than remuneration. Another member commented that it would not be fair on the candidate to defer the decision to a later general meeting.

It was agreed that in future any proposed changes to the terms and conditions on re-appointment would be circulated in advance of the general meeting.

The meeting agreed to increase the annual remuneration of CW to £18,000 with effect from 1st November 2009. **CM**

Karin Norman (KN)

CE reported on the findings of KN's appraisal: KN continues to contribute effectively and demonstrate commitment to the role of Non-Executive Director. In particular, CE praised KN's advice and work in the development of treasury policy which enabled the Trust to be pro-active and avoid the catastrophic consequences of the collapse of the banking sector in 2008. CE proposed the re-appointment of KN for a further term of three years.

There was unanimous support for KN's re-election.

The meeting approved the re-appointment of KN for a further term of three years ending on 31st October 2012. **CM**

CW and KN were then invited to rejoin the meeting and were informed of the decisions and congratulated.

2.5 Policy for the Composition of the Non-Executive Directors¹ **CE**

CE invited the meeting to consider the draft policy which was a

¹ Constitution 12.5.1

requirement of the Constitution.

In relation to the eligibility requirements of Non-Executive Directors set out in the Constitution, MA advised that Imperial College was no longer part of the University of London. The meeting noted the change in circumstances and approved the policy.

2.6 Report on Chair Appraisal

CW

For this part of the meeting, CE vacated the Chair and was excused from the meeting. The Vice Chairman of the Board of Directors, CW, presided over the meeting in his absence in accordance with the provisions of the Constitution.

CW thanked, on behalf of BG, those Council Members who took part in the appraisal of the Chairman and presented the report to the meeting. One member said that there was enormous support for the Chairman but asked if the criticisms made by Council Members were conveyed to the Chairman. CW confirmed that this was done and the issues and recommendations for the improvement of the effectiveness of meetings had been incorporated in CE's paper which was discussed at the Task & Finish Group.

The meeting noted the report. CE was then invited to re-join the meeting. CW then handed the Chair back to CE for the remainder of the meeting.

2.7 Membership Development and Communication work plan

AMC

AMC introduced the annual work plan and invited SN to talk the group through the highlights.

SN described the key activities which would enable the Members' Council Communications Sub-Committee to meet the objectives of its Membership Development and Implementation Strategy. SN pointed to the numerous patient forums set up within the hospital that represent specific clinical areas of care and invited Council Members to get involved.

In response to CBIR, SN confirmed that approximately 200 members were recruited in the campaign leading up to the Annual Members' Meeting.

JB noted that 'public' was omitted from the list of members in paragraph 3.0 of the annual plan. AMD said that plan should make clear the reasons why the membership should support this particular foundation trust.

MS felt that there was a problem with the branding of the Trust and asked if it was a local or a national hospital. HL referred to the recently held Strategy Workshop which addressed the future of the hospital – both its local and specialist facets and noted that the Trust is increasingly being recognised for a number of specialist services. CE felt strongly that the NHS was first and foremost a national service and a patient should be able to go the expert in their condition. FT's view was that the hospital was popular because it was perceived as a local hospital.

The meeting asked for the work plan to be updated with the amendments requested by JB and AMD and consistent application of

SN

the terminology for the Members' Council and then brought back to the Members' Council.

2.8 Complaints Policy

AMC

AMC presented a paper on the changes to the Complaints Policy, both local resolution and second stage and how these would be implemented.

CN asked if the Trust was responsible for meeting the cost of liability arising from complaints out of its own funds. CE explained that the NHS Litigation Authority settled the liability from a pool of funds to which individual Trusts contribute in accordance with their individual risk ratings.

CBIR suggested that the time targets for resolution set out on pages 3 and 4 were not realistic given current performance levels. DF asked if there was a reporting mechanism to monitor the achievement of targets. HL explained that a reporting mechanism was in place and in 90% of cases, the time targets were met.

2.9 Presentation of Annual Report & Accounts 2008/09²

LB

LB stated that it was a statutory responsibility to present the Annual Report and Accounts to the Members' Council. LB described the main contents of the Annual Report 2008/09 and explained that it had been laid before Parliament.

LB highlighted the financial performance of the Trust in 2008-09 which included:

- A surplus of £9.6million
- A financial risk rating from Monitor of 5 out of 5, where 5 is low risk and the top rating that an FT can achieve
- Capital expenditure of £19 million (double the level in the preceding period)
- Remaining within the authorised prudential borrowing limit
- 'Green' rating from Monitor for Governance
- 'Green' rating from Monitor for Mandatory Goods and Services

LB then invited questions.

CBIR asked if 56 Dean Street was funded by PCTs. LB and HL explained that they contributed indirectly as they paid the Trust for the care of patients. It was also noted that as a Foundation Trust, there was no longer the requirement to get the NHS to contribute funding for capital projects.

The meeting adopted the report.

WB congratulated LB on the marvellous job done in producing the Annual Report. LB explained that it was a team effort.

2.10 External Auditors' Report

HB

HB introduced the audit letter and explained its purpose and the responsibilities of her firm. HB confirmed that she was able to issue an

² Constitution 17.6

unqualified (or 'clean') opinion on the Trust's accounts for the year ended 31 March 2009 within the deadline set by Monitor. HB also confirmed that there were no significant audit adjustments and that the Trust's management had formulated an action plan for the implementation of her firm's recommendations for improving internal controls. HB also confirmed the independence of her firm within the meaning of all regulatory and professional requirements.

There were no questions from Council Members. The meeting noted the report.

2.11 Report of the Audit Committee³

AH

AH introduced the Audit Committee as a sub-committee of the Board of Directors and described its responsibility in providing assurance to the Board and in reporting to the Members' Council. AH explained that the Audit Committee found that the Trust's risk management, control and governance processes were adequate and effective and could be relied upon by the Board; and weakness in internal control identified would be dealt with by senior managers under the action plan.

SSG commented that many Council Members were not financially literate and asked if there could be a workshop similar to those held in late 2008 to enhance their skills.

LB

WB commented that it was very sensible to base the depreciation charge on a residual value of 50% rather than nil at the end of the life of the building.

The meeting noted the report.

2.12 Re-Appointment of the Auditor⁴

AH

HB was excused from the meeting before the start of this discussion.

CE introduced the discussion by citing the long association of the auditors with the engagement and explained that the trust had thought through the issue quite carefully having regard to independence requirements.

AH explained that the partner rotation scheme operated by the firm is a mitigating factor but that it was proper that the audit should be market tested in 2011.

One member asked about the quantum of fees paid to the audit. LB explained that this was disclosed in the Annual Report earlier presented to the Members' Council and depended on the size of the NHS organisation as set out in very clear guidance.

The meeting approved the re-appointment of Deloitte as auditor for a term of one year ending 30th September 2010.

³ Code F.3.2

⁴ Code F.3.5 / Constitution 16.4

2.13 Single Equality Scheme **AP**

AP informed the meeting that the Trust was developing a Single Equality Scheme to replace the earlier scheme. This goes to the Board of Directors in October 2009. AP asked Council Members with an interest in Equality and Diversity to feed back to Priti Bhatt on the Work Plan. Leaflets were available on the way out of the meeting.

2.14 Funding Report and request for allocation for website development **MA**

CBIR asked if the directory of the Trust's services for adults had been accounted for in arriving at the 2009-10 unallocated budget of £47,261. CM said that it had been omitted. *Post meeting note: On page 1 where the table reads 'Children's Services £19,817' this should have read 'Adult Services £19,817'. Only one directory is funded by the Members' Council and that is the Adult Service Directory. Therefore, the figure for the unallocated budget 09-10 of £47,261 is correct.*

In relation to the funding of the website, some members thought that it was inappropriate to ask the Members' Council to allocate funding for what was an operational priority for hospital funding. HL explained that the funds which the Members' Council had been invited to allocate belonged to the hospital and was not a separate pot. BG agreed with the principle that the Members' Council should have some discretion to allocate the funds as they thought best but urged Council Members to approve the funding for the website as it was a high priority item. CE commented that the website gave members the ability to interact with the hospital and is in keeping with the aims and objectives of the Members' Council.

CBIR commented that there was no budget (outside of printing) for the Trust News. MAK said that that the budget was intended for particular projects and the Team should be able to be creative in raising funds.

AMD asked if the website developments would enable both information outwards and information upwards. MAK confirmed that it would enable both.

The meeting approved the request for funding of the website development.

3.1 Finance Report – July 2009 **LB**

This paper was noted.

3.2 Performance Report – July 2009 **LB**

This paper was noted.

3.3 Membership Report **SN**

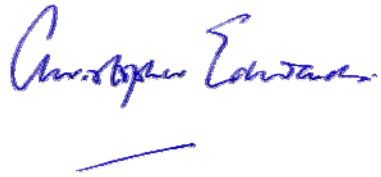
This paper was noted.

4 ANY OTHER BUSINESS

There being no further business the meeting adjourned.

5 DATE OF THE NEXT MEETING 3rd December 2009

Signed by

A handwritten signature in blue ink, appearing to read 'Christopher Edwards', with a horizontal line underneath.

Prof. Sir Christopher Edwards
Chairman
3rd December 2009