

**Council of Governors – Public Session**

Minutes of the Council of Governors (Public Session) meeting held on Wednesday 3<sup>rd</sup> October 2018 at 14:30-15:30 in the Boardroom, Hambleton Wing, King's College Hospital, Denmark Hill.

**Minutes****Chair:**

Ian Smith Interim Trust Chair

**Elected Governors:**

Chris North	Lambeth / Lead Governor
Diana Coutts-Pauling	Bromley Governor
Penny Dale	Bromley Governor
Sam Waterson	Lambeth Governor
Victoria Silvester	Southwark Governor
Jane Allberry	Southwark Governor
Pam Cohen	Southwark Governor
Stephanie Harris	Southwark Governor
Paul Cosh	Patient Governor
Andrea Towers	Patient Governor
Carole Olding	Staff Governor – Nursing and Midwifery
Claire Saha	Staff Governor - Allied & Health Professionals

**Nominated/Partnership Organisation Governors:**

Charlotte Hudson	South London & Maudsley NHS Foundation Trust
Phidelda Lisowska	Joint Staff Committee

**In Attendance:**

Peter Herring	Interim Chief Executive
Faith Boardman	Non-Executive Director
Prof Ghulam Mufti	Non-Executive Director
Dr Alix Pryde	Non-Executive Director
Dawn Brodrick	Director of Workforce Development
Siobhan Coldwell	Trust Secretary and Head of Corporate Governance
Dr Shelley Dolan	Chief Operating Officer & Chief Nurse
Lisa Hollins	Director of Improvement, Informatics & ICT
Abigail Stapleton	Director of Strategy
Prof Jules Wendon	Executive Medical Director
Lorcan Woods	Chief Financial Officer
Adam Cayley	Financial Improvement Consultant
Simon Dixon	Deputy Chief Financial Officer
Nina Martin	Assistant Board Secretary
Dale Rustige	Corporate Governance Officer ( <i>minutes</i> )
Jonathan Gooding	External Auditor – Deloitte LLP ( <i>part meeting</i> )

**Apologies:**

David Jefferys	Bromley Governor
Alfred Ekellot	Lambeth Governor
Barbara Goodhew	Lambeth Governor
Susan Wise	Lambeth Governor
Craig Jacobs	Patient Governor

Kevin Labode	Staff Governor – Administration and Clerical
Cllr. Robert Evans	Nominated/Partnership Governor – Bromley Council
Cllr. Jim Dickson	Nominated/Partnership Governor – Lambeth Council
Richard Leeming	Nominated/Partnership Governor – Southwark Council
Dr Sadru Kheraj	Nominated/Partnership Governor – Lambeth Clinical Commissioning Group (CCG)
Noel Baxter	Nominated/Partnership Governor – Southwark Clinical Commissioning Group (CCG)
Prof Anne Marie Rafferty	Nominated/Partnership Governor – King’s College London

Item	Subject	Action
018/28	<b>Welcome and Apologies</b> Apologies for absence were noted.	
018/29	<b>Declarations of Interest</b> None.	
018/30	<b>Chair’s Action</b>  It was noted that the NED/COG appraisal meeting had been rescheduled to 16 <sup>th</sup> October 2018 and invitations were sent out.	
018/31	<b>Minutes of the Previous Meeting</b> The minutes of the last meeting held on 10 <sup>th</sup> May 2018 were approved as accurate.	
018/32	<b>Matters Arising / Action Tracker</b> There were no outstanding actions for the Council to review; all items on the action tracker were marked as deferred.	

## FOR REPORT

### 018/33 Rigorous Governance

#### 1. Annual Report and Accounts 2017/18

The Council noted the Trust’s Annual Report and Accounts 2017/18.

The recent celebration of the 70<sup>th</sup> anniversary of the NHS was noted. As part of the celebrations the Trust had also featured in several BBC documentaries with celebrity guests working alongside Trust staff. Plenty of people were also reached via social media.

It was noted that the planned deficit in the 2017/18 financial year grossly differed from the actual figure – approximately a £100m underestimate. Various underlying causes were identified such as grip and control issues, leadership issues, operational challenges, short-term decisions taking priority over long-term focus, and coding activity difficulties. The Trust had started building firm foundations in place to ensure these issues do not crop up in the future.

There was a question from the Council on how the Trust would reassure itself on the accuracy of its figures for the 2018/19 financial year. It was noted that the Trust had implemented robust processes for improved financial grip and control. Forecasted figures

Item	Subject	Action
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from the first few months of the financial year had also been reflected in actual figures. It was also noted that the Audit Committee would be closely monitoring audit processes and working closely with the internal and external auditors.

Furthermore, The Trust's Finance Department had been working with the Trust's 23 care groups in forming the budget. Area leads for each care group were instructed to not sign off budgets unless they were completely satisfied. It was noted that all areas have monthly performance meetings, with representation from all care groups and where finance, workforce and performance activities are discussed.

The Trust had secured £98.9m in loans for the 2018/19 financial year to help with its financial position. There was also positive news relating to the lowering of the interest rate paid by the Trust, which was lowered from 6% to 3.5%.

The Council noted that further improvement could be made on the making the language and reporting style more accessible to lay people. However, it was acknowledged that much of the reporting within the Trust's Quality Accounts was mandated.

There was a question from the Governors regarding the closures of community dental clinics in the surrounding area of Croydon and the south sites. It was noted that the decision taken to close some of clinics was based on utilisation. Unfortunately underutilised clinics had to undergo review. Previous care was absorbed into other sites. This was also aligned to advice provided by local CCGs.

## 2. External Audit Opinion

The Council received and noted the Independent Auditor's Report for the Trust's Board of Directors and Council of Governors. This was produced by the Trust's external auditor Deloitte LLP. The purpose of the report was to give a true and fair view of the state of the Trust's affairs as at 31<sup>st</sup> March 2018.

Jonathan Gooding, Senior Statutory Auditor, presented a verbal report. He noted that part of the auditing process involved ensuring that the Trust's accounts were consistent with all other figures and documentation. A view was also given on value for money and the Trust's going concerns.

Much more work was done in auditing for the 2017/18 financial year to ensure that the financial figures were accurate. A detailed review was undertaken for income, capital expenditure, value of properties and the management control of financials. Thirteen control weaknesses were identified. Errors in the accounts were also found totalling £20m, which the Trust reviewed and corrected immediately; this was caused in the most part by transactional issues with King's Facilities Management (KFM).

The auditors reported that the Trust's Annual Report 2017/18 is sufficient and acceptable. It was noted that there was a delay in the submission of the Annual Report as strong assurance was required on its accuracy. The auditor's opinion is that the Trust was meeting its debt repayment. Although, it identified a weakness in delivering value for money.

The auditors were satisfied that the Quality Accounts 2017/18 met statutory requirements.

It was noted that 40% of NHS acute trusts have the same qualifications as King's in terms

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	of value for money and going concerns.	
	It was noted that this was the 7 <sup>th</sup> year that Deloitte had audited the Trust. Deloitte also audited 37 other NHS trusts.	
	The Council noted that the audit and Annual Report & Accounts for 2017/18 appeared thorough and clear. Council thanked all those involved for their efforts in producing the work.	
	<b>3. Annual Members' Meeting on 3<sup>rd</sup> and 4<sup>th</sup> October 2018</b>	
	The Council noted the dates of this year's AMM. There would be two events held: 3 <sup>rd</sup> October 2018 in Southwark and 4 <sup>th</sup> October in Bromley.	
<b>018/34</b>	<b><u>Governor Involvement and Engagement</u></b>	
	<p><b>a) Governor Strategy Committee</b> No update was received due to the absence of Mr Ashish Desai, Chair of the Strategy Committee.</p>	
	<p><b>b) Membership and Community Engagement Committee (MCEC)</b> The Council noted a written summary on the recent MCEC meeting on 27/06/2018. The Committee Chair, Penny Dale, provided a verbal update. Concerns were noted regarding the disappointingly low turn-out at the MCEC meeting in June. It was also noted that more Governors were strongly encouraged to engage in Patient Participation Group (PPG) meetings.</p>	
	<p><b>c) Patient Experience &amp; Safety Committee (PESC)</b> The Council noted a written summary on the recent PESC meeting on 10/07/2018. The Committee Chair, Victoria Silvester, provided a verbal update. Concerns were noted regarding the disappointingly low attendance at the PESC meeting in July.</p>	
	<b>FOR INFORMATION</b>	
<b>018/35</b>	<b>Confirmed Minutes of Governor Sub-committees</b>	
	<p>The Committee noted the following minutes:  a) Governor Strategy Committee, 19/04/2018  b) Membership and Community Engagement Committee, 19/04/2018  c) Patient Experience &amp; Safety Committee, 19/04/2018</p>	
<b>018/36</b>	<b>ANY OTHER BUSINESS</b>	
	None.	
<b>018/37</b>	<b>Date of next meeting</b> Wednesday 6 <sup>th</sup> March 2019 (14:30-15:30) in Bromley, venue TBC	