




# **Torbay and South Devon NHS Foundation Trust**






## **Council of Governors**

Anna Dart Lecture Theatre, Horizon Centre, Torbay Hospital.

25 September 2019 10:00 - 25 September 2019 12:00

# AGENDA

#	Description	Owner	Time
1	<b>OPENING MATTERS</b>		
1.1	Chairman's welcome and apologies for absence: Jane Downes, Chris Edwards, Barbara Inger, Sally Taylor. To receive	Chair	10:00
1.2	<b>Declaration of interests</b> To receive	Chair	
2	<b>BUSINESS FROM PREVIOUS COUNCIL OF GOVERNORS' MEETING</b>		
2.1	Minutes of Council of Governors' meeting held on 19 June 2019 (enc) To approve  02.1 - 2019.06.19 DRAFT CoG minutes.pdf 7	Chair	
2.2	<b>Matters arising not covered elsewhere on the agenda</b> To receive	Chair	
3	<b>BUSINESS REPORTS</b>		
3.1	Chairman's report (verbal) To receive	Chair	10:05
3.2	<b>Chief Executive's report (enc)</b> To receive  03.2 - Chief Executive's report.pdf 17	Chief Executive	10:10
4	<b>GOVERNANCE REPORTS</b>		
4.1	<b>Appointment of External Audit Services (enc)</b> For approval  04.1 - Appointment of External Auditor.pdf 29	Company Secretary	10:20

#	Description	Owner	Time
4.2	<p><b>Governor Observer Appointments (enc)</b></p> <p>For approval</p> <p> 04.2 - Governor Observer Role - Process Refresh.p... 35</p>	Company Secretary	10:30
4.3	<p><b>Company Secretary's report (enc)</b></p> <p>To receive</p> <p> 04.3 - Company Secretary's Report.pdf 43</p>	Company Secretary	10:40
4.4	<p><b>Lead Governor's report including Comms Log (enc)</b></p> <p>To receive</p> <p> 04.4 - Lead Governor's Report.pdf 59</p>	Lead Governor	10:50
4.5	<p><b>Governor's Committee and Working Group Reports</b></p> <p>To receive</p>	Governor Chair / Representative	11:00
5	<b>NON-EXECUTIVE DIRECTOR REPORTS</b>		
5.1	<p><b>Non-Executive Director Committee Reports:</b></p> <p>To receive</p>	Chief Executive	11:10
5.1.1	<b>Audit Committee (verbal)</b>	Mrs S Taylor	
5.1.2	<b>NEDs' Nominations, Remuneration and Terms of Service Committee (verbal)</b>	Sir R Ibbotson	
5.1.3	<b>Quality Assurance Committee (verbal)</b>	Mrs J Lyttle	
5.1.4	<p><b>Finance, Performance and Digital Committee (enc)</b></p> <p> 05.1.4a - 2019.06.25_FPD_Cttee_Report_to_Board... 65</p> <p> 05.1.4b - 2019.07.30_FPD_Cttee_Report_to_Board... 67</p>	Mr R Sutton	
5.1.5	<b>Governors' Nominations and Remuneration Committee (verbal)</b>	Sir R Ibbotson	
6	<b>MEMBER AND GOVERNOR QUESTIONS</b>		
6.1	<p><b>Questions from Members and Governors</b></p> <p>To receive</p>	Chair	11:20
7	<b>CLOSING MATTERS</b>		
7.1	<b>Any other business</b>	Chair	

#	Description	Owner	Time
7.2	<p>Details of next Council of Governors' meeting: Wednesday 18 December 2019, 2pm – 4pm in the Anna Dart Lecture Theatre, Horizon Centre, Torbay Hospital</p> <p>For information</p>		
7.3	Close of meeting	Chair	11:50*
	*A private meeting for Governors will take place at 11.50am		
	Executive Directors, Non-Executive Directors and members of the public please leave the meeting at this point		

## INDEX

02.1 - 2019.06.19 DRAFT CoG minutes.pdf.....	7
03.2 - Chief Executive's report.pdf.....	17
04.1 - Appointment of External Auditor.pdf.....	29
04.2 - Governor Observer Role - Process Refresh.pdf.....	35
04.3 - Company Secretary's Report.pdf.....	43
04.4 - Lead Governor's Report.pdf.....	59
05.1.4a - 2019.06.25_FPD_Cttee_Report_to_Board.pdf.....	65
05.1.4b - 2019.07.30_FPD_Cttee_Report_to_Board.pdf.....	67



**MINUTES OF THE COUNCIL OF GOVERNORS MEETING**

**HELD ON 19 JUNE 2019 AT 2PM**

**IN THE ANNA DART LECTURE THEATRE, HORIZON CENTRE, TORBAY HOSPITAL**

Governors

* Nicole Amil	* Richard Ibbotson (Chair)	* Michael Birch
Derek Blackford	Lesley Archer	Peter Coates
* Craig Davidson	* Bob Bryant	* Chris Edwards
* Eileen Engelmann	* Carol Day	* Annie Hall
Jonathan Hawkins	* Lorraine Evans	* Lynne Hookings
April Hopkins	David Hickman	* Michael James
* Mary Lewis	* Barbara Inger	* Wendy Marshfield
* Anna Pryor	* Paul Lilley	Elizabeth Welch
	John Smith	

Directors

* Liz Davenport	Chief Executive	(CE)
* Dawn Butler	Interim Director of Transformation and Partnerships	(IDTP)
* Paul Cooper	Director of Finance	(DoF)
Lesley Darke	Director of Estates and Commercial Development	(DECD)
Rob Dyer	Medical Director	(MD)
Judy Falcão	Director of Workforce and Organisational Development	(DWOD)
* John Harrison	Chief Operating Officer	(COO)
* Jane Viner	Chief Nurse and Deputy Chief Executive	(CN)
* Chris Balch	Non-Executive Director	(CB)
* Jacqui Lyttle	Non-Executive Director / Senior Independent Director	(JL)
Vikki Matthews	Non-Executive Director	(VM)
Paul Richards	Non-Executive Director	(PR)
Robin Sutton	Non-Executive Director	(RS)
Sally Taylor	Non-Executive Director / Vice Chair	(ST)
* Jon Welch	Non-Executive Director	(JW)

(\* denotes member present) ( ) = present for part of meeting

In attendance:

Jane Downes	Company Secretary	Company Secretary
Monica Trist	Corporate Governance Manager and minute taker	Secretary CGM

**1. OPENING MATTERS**

**1.1 Welcome and Apologies**

**Action**

Apologies were received from Lesley Archer, Peter Coates, David Hickman, April Hopkins, John Smith, Elizabeth Welch, Lesley Darke, Rob Dyer, Judy Falcão, John Harrison, Jane Viner, Vikki Matthews, Paul Richards, Robin Sutton and Sally Taylor.

1.2 **Declaration of Interests**

None.

**2. BUSINESS FROM PREVIOUS COUNCIL OF GOVERNORS' MEETING**

2.1 **Minutes of the Meeting held on 22 March 2019**

The minutes were approved as a true record of the meeting.

2.2 **Matters arising not covered elsewhere on the agenda**

None.

**3. BUSINESS REPORTS**

3.1 **Chairman's Report**

Chairman welcomed governors to the meeting and explained that the Trust was currently experiencing severe operational pressures – the COO and Chief Nurse would attend as much of the meeting as possible. Chairman welcomed the new local-authority appointed governors: Cllr Jonathan Hawkins (Devon County Council), Cllr Lorraine Evans (Teignbridge District Council) with South Hams District Council still to nominate a governor. Chairman advised governors that he had written on behalf of the CoG to thank retiring governors for their service to the Trust.

Members watched the video “A Year in the Life of” which demonstrated the many achievements of the Trust during 2018/19.

Chairman advised that a detailed report on governance issues would be provided by Company Secretary, but he wished to draw the following points to the attention of governors:-

With regard to the Sustainability and Transformation Partnership (STP), Chairman advised that a further update would be brought to 23 July Board to CoG meeting, including information on Governors’ future involvement in the Devon system, and the expected direction of travel. Chairman explained the background to the Devon STP, and the recent appointment of Dame Suzi Leather as STP Chair was seen as a positive appointment. She had visited the Trust and understood the care model approach.

Torbay and South Devon and New Devon CCGs had now merged. Dr P Johnson, the former Torbay Chair, was now Chair of the merged CCG, with the new CEO for the CCG not yet appointed. Mairead McAlinden was leading the Devon Acute Service Review. Chairman confirmed that Provider Trusts in the Devon system were Torbay and South Devon NHS Foundation



Trust (the Trust), Devon Partnership Trust (DPT), University Hospital Plymouth and Royal Devon and Exeter NHS Foundation Trust (RD&E). The Devon system was also overseeing some North Devon services and working closely with the Trust and Livewell, a social enterprise providing integrated care across Plymouth and West Devon.

Jane Viner, Chief Nurse, was now the Executive Lead for workforce issues across the STP, with Paul Richards, Non-Executive Director, supporting IT and digital issues. The Chief Executive, supported by the Trust's executive team, were working hard to develop a cross-Devon system approach.

### 3.2 **Chief Executive's Report**

Chief Executive spoke about the ongoing need for transformation in order to meet the increasing growth in demand. She reminded governors that the Trust's demographic profile was 25 years ahead of the national average, and the Trust needed to provide a service to satisfy the multiple needs being presented by patients and service users, both now and in the future.

Improvements to infrastructure were required and new ambulatory care centres were being provided with the support of the Leagues of Friends. Transformation would release investments which would help to drive improvements, which would improve performance and the patient experience. The Trust had ended 2018/19 in financial deficit, and although the position for 2019/20 was slightly improved there was still a need to deliver cost improvement plans and improve efficiencies which a single organisation could not deliver – collaborative working would be the key to success.

There was a need to explore other opportunities such as Mental Health improvements, working in partnership with DPT and Primary Care. The Peninsula Clinical Services Review led by Mairead McAlinden was looking at how to increase resilience across clinical services – focussed initially on Cardiology, Dermatology and Neurology in North Devon, RD&E and the Trust. Developments in digital services and technology-enabled care would help people to remain safe and well at home. Developing the workforce would be key, both internally and across the STP, including the voluntary sector, in order to ensure a resilient workforce for the future and this would also require optimising educational opportunities to meet future staffing needs. The operating plan had taken some time to finalise: £87.5m additional funds had been allocated to Devon to help delivery of the wider STP transformation plans.

## **4. GOVERNANCE REPORTS**

### 4.1 **Company Secretary's report**

Company Secretary asked the Council of Governors to receive and note the contents of the Company Secretary's Report and approve the following as required:

#### **Appointment of Lead Governor and Deputy Lead Governor**

The current appointments of Lead Governor and Deputy Lead Governor will conclude in October 2019 and the CoG is asked to review and agree the appointment process. Details of the role and eligibility for election to Lead and Deputy Lead Governor were included in the report. Public Governors expressing interest may submit (up to) a 200 word supporting statement detailing experience, skills and abilities in order to gain supporting votes and the appointment is for one term of one year. Governors would be invited to vote for their preferred candidate for Lead Governor and Deputy and would have one vote each.

Mrs Inger asked why the period of tenure had reduced from two years to one year and Company Secretary advised this would give more governors the opportunity to act as Lead Governor. Mr Bryant suggested it would be advantageous for the Lead Governor and Deputy Lead Governor to be appointed from different constituencies. Chairman felt this could be helpful but would be dependent on candidates. Mrs Hall asked about the requirement for a Deputy and the Chairman confirmed that Deputy Lead governor was not a mandated role, however Mrs Marshfield described the benefits of the role. Mr Lilley also expressed support for the ongoing role of Deputy Lead Governor.

Nominations for the roles were invited by 12 July, with voting packs if required to be issued by 19 July for return by Friday 16 August 2019. If there was one candidate for either role, the candidate will be elected unopposed. The Chairman will consult with governors if there were no nominations for Lead Governor and if there were no candidates for Deputy Lead Governor, the position will remain vacant. Election results will be announced after 19 August 2019 and ratified at the Council of Governors meeting on 25 September 2019.

Governors approved the process and timeline for the appointment of Lead Governor and Deputy Lead Governor.

### **Council of Governors Development Programme 2019/20**

Company Secretary informed Governors that the output of the February 2019 self-assessment had informed the Council of Governors Development Programme for 2019/20. Regular monitoring would be undertaken and a progress report would be presented to the next CoG meeting. Company Secretary advised that this work would be taken forward by the Membership Group and the governors' Task and Finish Group.

Governors approved the Council of Governors 2019/20 Development Programme.

### **Membership of Council of Governors Committees and Governor Observer Roles**

Company Secretary said that the Trust was currently undertaking a review of its governance structure and it was proposed that the process for appointing committee membership and observer roles would follow conclusion of the review, with a view to confirming those appointments at the next Council of Governors meeting. In the interim period, Governors currently undertaking those roles will continue in post.

Governors noted that the refresh of membership of Council of Governors committees and Governor observer roles will take place in July/August and be confirmed at the next Council of Governors meeting.

### **Governor Training and Development**

Since the last meeting Governors had attended the NHS Providers Annual Governor Focus Conference on 9 May. As well as governor attendance at the conference, Trusts were invited to apply for a free Governor Showcase exhibition stand. The Trust successfully submitted an application to exhibit its recent work on membership engagement with South Devon College.

All Governors were invited to attend a Governor Induction Presentation on 15 April 2019, facilitated by the Company Secretary, and followed by a tour of the hospital site.

Governors noted the Training and Development events attended by Governors.

### **Resignation of Governor**

Governors noted the resignation of Mr Ken Allen as Governor for Torbay with effect from 10 June 2019. Company Secretary confirmed that the next placed candidate in the Governor elections for Torbay would be invited to take up post for the remainder of Mr Allen's term as Governor.

### **Appointment of Membership Manager**

Sally-Ann Reay had been appointed as the Foundation Trust's new Membership Manager and will take up the role with effect from 24 June 2019. Mr Davidson asked if this was a full-time post and this was confirmed.

### **2019 Council of Governors Workplan**

Governors received and noted the 2019 workplan for the CoG.

Members received and noted the contents of the Company Secretary's report.

## **4.2 Lead Governor's report including Constituency reports and Communications Log**

Mrs Marshfield, Lead Governor (LG), presented her report, highlighting areas of topical interest since the last CoG meeting on 22 March 2019. The Council of Governors continue to be actively involved with supporting the Trust and members and recently participated in the annual appraisal process for the NEDs and Chairman.

Governors had attended a Board Development session on 22 May, where a detailed briefing was provided by the Executive Team on the Trust's financial position, performance targets and the Annual Plan.

A verbal presentation on the national governor focus conference had been made by Mrs Inger at the 5 June pre-CoG meeting, and a written report had been circulated by Mrs Pryor regarding future areas for development.

LG advised that governors' constituency groups continued to attend local PPG meetings and to support the consultation processes at Dartmouth and Teignbridge. Members of the CoG continue to meet bi-monthly with the COO, which provided a valuable opportunity to be briefed on and discuss challenges facing the organisation. Governors also continued to participate in CQC mock audits, providing opportunities for governors to meet with inpatients and clinical staff and observing the management of patient care and the patient experience.

Governors continued to support the Staff Heroes selection process and attend any opportunities to raise the profile of the CoG, including recent attendance at the celebration of the anniversary of the Horizon Centre, Volunteers' tea party and presentations to Rotary Groups on the role of the CoG.

LG highlighted the following items for future meetings:- Review of Observer role at committees; Implementation of Governors Development Programme; Review of Communications Log. LG would work with Corporate Governance Manager to bring together a list of activities carried out by the constituencies.

LG asked members to consider the contents of the Governors' Communications Log and governors expressed concerns about the delay in responding to some of the questions – Company Secretary to review process outside of the meeting.

Members noted the contents of the Lead Governor's report.

Moving to constituency reports, LG said it would be good to share best practice across the constituencies and Governors explored some ideas on how to achieve this. Governors received reports on the meetings held in the public constituencies of Torbay, Teignbridge and South Hams and Plymouth, where governors were actively engaged in supporting proposals for the development of the Dartmouth Health and Wellbeing Centre, and expressed some concern at the lack of communications from the Trust on this issue.

Governors noted the contents of the constituency reports provided.

#### **4.3 Governor's Committee and Working Group Reports**

##### **4.3.1 Quality and Compliance Committee (QACC)**

Mrs Marshfield as Committee Chair advised that the meeting due to be held on 12 June had been postponed until 26 June.

##### **4.3.2 Membership Group**

Mrs Hookings as Chair of Membership Group reported on the meeting held on 7 May and the additional meeting held on 19 June. The Membership Group had been asked to oversee progress of the membership

development programme and to participate in a Task and Finish group for this purpose. There had been an exchange of correspondence between the Group and the Trust about the function of the Membership Group and the Chairman had now replied advising that a budget of £2k had been allocated to progress the work of the Group and this would be taken forward by the newly-appointed Membership Manager. The Group had attended various events and functions to promote the Trust and identify new members and further engagement opportunities had been identified. Contact had been made with Torbay and Totnes Hospital Radios, looking to promote membership of the Trust and recently a student from South Devon College had been presented with an award for designing a "Have Your Say" poster. Some examples of the poster designs were on display at the meeting.

Mrs Hookings informed governors that the Trust had proposed a series of regular monthly network meetings which would serve to keep governors briefed on current issues. Governors expressed some concerns at being asked to attend 12 further meetings each year, although Company Secretary suggested some current meetings could be combined with the network meetings, for example pre-CoG meetings. The Chairman acknowledged the governors' views: as they were volunteers, it was important to use governor resources wisely and Company Secretary would consider how best to progress the introduction of network meetings.

Governors noted the contents of the QACC and Membership Group reports.

## **5. NON-EXECUTIVE DIRECTOR REPORTS**

### **5.1 Non-Executive Director Committee Reports:**

Chairman invited questions from governors on the reports submitted and the business of the Committees.

**5.1.1 Audit Committee:** There were no questions from governors on the work of the Committee, and Lead Governor, as Governor Observer, commented on how well-run the Committee was under Mrs Taylor's chairmanship.

**5.1.2 NEDs' Nominations, Remuneration and Terms of Service Committee:** There were no questions from governors on the work of the Committee. Company Secretary advised that the change of name was to avoid confusion with the Governor's Nominations Committee. Chairman thanked governors for their involvement with recent Executive Director recruitment process: the new Director of Transformation and Partnerships would commence employment with the Trust in July.

**5.1.3 Quality Assurance Committee:** Mrs Lyttle, QAC Chair, provided a verbal report, advising that the Committee had reviewed various high risk areas including A&E, Cancer performance, 52-week waits and Theatres, to assure the quality and safety of these services. The Committee had also reviewed quality and safety aspects of domiciliary and Intermediate Care services, as well as Acute services. Mrs Lyttle felt that the information provided would help provide assurance to governors on the services provided by the Trust.

There were no questions from governors on the work of the QAC.

- 5.1.4 **Finance, Performance and Digital Committee:** Written reports had been provided on the work carried out at the last two meetings, and Mr Welch, who had chaired those meetings, advised that he had also provided a report to the Trust Board regarding FPDC business. One key item related to the resilience of IT personnel and equipment, and an external review of these was being commissioned.

There were no questions from governors on the work of the Committee.

- 5.1.5 **Charitable Funds Committee:** Mrs Lyttle, Committee Chair, said that written report had been provided on the March meeting and she gave a verbal report on the 12 June meeting. The Trust's investment manager had informed the Committee of a good financial performance and return on invested funds, despite a turbulent financial market. Fund managers were being encouraged to ensure that funds were spent. Mr Bryant queried why Charitable Funds were not being spent and Mrs Lyttle explained the strategy developed by the Committee to ensure that funds were spent for the benefit of patients and service users, rather than being retained at local level and the inter-dependence with other parts of the system. £1.4m had been spent over the past year.

Mr Bryant queried the administration charge paid by the committee and DoF advised that the Charitable Funds were a separate legal entity with no employees and the administration charge equated to approximately 5% of Fund income, representing good value for money. Mrs Lyttle confirmed that employment of an external firm to provide admin services had been considered but this would cost considerably more and the administration charge was kept under regular review by the Committee.

There were no further questions from governors on the work of the committee.

- 5.1.6 **Governors' Nominations and Remuneration Committee:** Chairman thanked governors who had been involved with the recruitment of Mr Balch as NED.

There were no questions from governors on the work of the Committee.

## **6. MEMBER AND GOVERNOR QUESTIONS**

### **6.1 Questions from Members and Governors**

On behalf of the CoG, Lead Governor raised the following questions, which had arisen from discussions at the governors' pre-CoG meeting:

- 1) *Governors are requesting an update regarding the detail of the communication strategy for briefing the public and all partners for the proposed development of the health and well-being centres at both Dartmouth and Teignbridge.*

Lead Governor advised that she and Deputy Lead Governor had discussed with the Company Secretary, the new portfolio holder for communications. Company Secretary advised that a key responsibility for the new Membership Manager would be to support governors in their communications with Trust members and the public.

- 2) *Some months ago governors requested a briefing from the communication team regarding their roles and areas of work and responsibilities. We are repeating the request for the briefing to be provided.*

Chief Executive responded that she had discussed the development of the Communications Strategy with Company Secretary. This would be essential for the transformation work being undertaken by the Trust and the work being undertaken with the STP. The Communications Strategy would be refreshed and the long term plan would be discussed with governors and key stakeholders. Discussions were ongoing with the CCG and STP regarding resourcing of communications for the Devon STP.

CE reported on developments regarding the Dartmouth Health and Wellbeing Centre, and the close working with South Hams District Council following approval by the Trust Board. CE confirmed that various local groups had been established and these were being communicated with directly. Communications were being issued to the local media whenever there was any progress to report. The detailed business plan would be submitted to FPDC for approval and CE confirmed the Trust had been progressing plans for the Dartmouth Health and Wellbeing Centre as quickly as possible. CE was pleased to report the recent procurement of two intermediate care beds in Dartmouth.

With regard to the Teignmouth Health and Wellbeing Centre, CE confirmed that financial proposals had been submitted to Teignbridge Council, and a meeting was being held in the week commencing 24 June together with the CCG: all parties were keen to progress and all available information had been supplied to promote development of the Teignmouth Health and Wellbeing Centre.

Governors noted the response provided to the questions raised.

## **7. CLOSING MATTERS**

### **7.1 Any other business**

Lead Governor asked a further question of the Chief Executive:-

- 3) *With regard to engagement with staff, Governors would like to know how staff are informed of any proposed service changes?*

CE reminded governors of the launch of “Our Journey” earlier in the year, which would be used by individual teams to inform their strategy. A video had been produced recently to refresh this message. Weekly updates were provided to staff on progress with Transformation activity. Meetings were currently being held with senior managers from the new ISUs, as the Trust

recognised that the scale of transformation required could not be achieved without the full engagement of staff – the involvement of frontline staff would be key to successful delivery.

Mrs Hookings informed the CoG of the illness of Mrs Cathy French, former Teignbridge Governor and Lead Governor, and the current Lead Governor advised that she had written to Mrs French on behalf of the CoG.

The Chairman had received a card from Christina Carpenter, former S Hams and Plymouth public governor who had recently emigrated to Australia, and the Chairman had replied offering his best wishes to her on behalf of the CoG and the Trust.

## **7.2 Close of meeting**

The meeting closed at 1600 hours.

## **7.3 Details of next Council of Governors' meeting:**

Wednesday 25 September 2019, 10am – 12pm in the Anna Dart Lecture Theatre, Horizon Centre, Torbay Hospital.

## **7.4 Details of Annual Members Meeting:**

Wednesday 25 September 2019, 2pm - 4pm in TREC, Horizon Centre, Torbay Hospital.



COUNCIL OF GOVERNORS				
Report title: Chief Executive's Business Update			Meeting date: 25 September 2019	
Report appendix	n/a			
Report sponsor	Chief Executive			
Report author	Company Secretary			
Report provenance	Reviewed by Executive Directors 17 September 2019			
Purpose of the report and key issues for consideration/decision	To provide an update from the Chief Executive on key corporate matters, local system and national initiatives and developments since the previous Council of Governors meeting.			
Action required (choose 1 only)	For information <input type="checkbox"/>	To receive and note <input checked="" type="checkbox"/>	To approve <input type="checkbox"/>	
Recommendation	The Council of Governors are asked to receive and note the Chief Executive's Business Update.			
Summary of key elements				
Strategic objectives supported by this report	Safe, quality care and best experience	X	Valuing our workforce	X
	Improved wellbeing through partnership	X	Well-led	X
Is this on the Trust's Board Assurance Framework and/or Risk Register	Board Assurance Framework	X	Risk score	20
	Risk Register	X	Risk score	20
External standards affected by this report and associated risks	Care Quality Commission	X	Terms of Authorisation	X
	NHS Improvement	X	Legislation	
	NHS England	X	National policy/guidance	X
	<ul style="list-style-type: none"> <li>Failure to achieve key performance standards.</li> <li>Failure to achieve financial plan.</li> </ul>			

<b>Report title:</b> Chief Executive's Business Update		<b>Meeting date:</b> 25 September 2019
<b>Report sponsor</b>	Chief Executive	
<b>Report author</b>	Company Secretary	

## 1. Trust key issues and developments update

Key issues and developments to draw to the attention of Governors since the last Council of Governor meeting held on 19 June 2019 are as follows:

### 1.1 Safe Care, Best Experience

#### 1.1.1 Theatres Update

The refurbishment of Theatres A and B will be complete by the end of September and following a period of clinical testing will re-open in mid-October.

#### 1.1.2 Health and Wellbeing Centres Development Programme

##### Dartmouth

As we move towards the next phase of our plans for Dartmouth and work on the new health and wellbeing centre gathers pace, we are reviewing with the Clinical Commissioning Group ('CCG') how we best engage with the people of Dartmouth. In September 2018, Torbay and South Devon NHS Foundation Trust agreed to set up a single collaborative forum with all local stakeholders – known as the Dartmouth Health and Wellbeing Centre Working Group. The first meeting of the Working Group was held in October 2018, independently facilitated by Healthwatch Devon. The Working Group's agreed main purpose was twofold; to determine the best site for the proposed Health and Wellbeing Centre; and, to discuss the provision of intermediate care beds. These purposes have been fulfilled and the Trust and the CCG have thanked those involved for their contribution to the achievement of the objectives. We are now considering how best to engage with stakeholders and local people on how we work together to deliver improved health and wellbeing for the people of Dartmouth. The development of the health and wellbeing centre will be an important part of this but we also want to think about the role individuals, community and voluntary sector organisations and other statutory bodies play in supporting the whole population to remain as well and as independent as possible. Both the Trust and the CCG remain committed to involving local people in the development of the health and wellbeing centre as part of our wider ambition to improve health and wellbeing in the Dartmouth area, and are seeking views on how to achieve this by involving Governors and others.

Meanwhile, the partners in the Health and Wellbeing Centre are working on more detailed plans for its design and build, for consideration by South Hams District Council. The development will include a total of around 150 car parking spaces, mitigating the loss of the existing overflow parking spaces on the site. Once the detailed plans are drawn up, local residents will have plenty of opportunity to comment on the proposals through the planning process. The NHS is also keen that the local community decides

on the name of the Centre. Partners are aiming for plans to be submitted to the November meeting of the South Hams District Council Planning Committee.

## **Teignmouth**

The proposal to establish a health and wellbeing centre on the Brunswick site in Teignmouth has been through the NHS England/NHS Improvement process and was well received. A recommendation will be submitted to the Clinical Commission Group Governing Body in October 2019.

The integrated way of working and in particular in the Coastal locality has received national and international recognition. The local team has held a number of information sessions for people across Devon and wider to explain the model of care and how it works. The CCG are holding one of these focus sessions specifically for members of their Governing Body in Teignmouth on Thursday 26 September and have extended this invitation to the Teignbridge Governors.

The Head of Integrated Care – South, Devon CCG has also been invited to attend the Governor Network meeting on 8 October and together with the Trust's Director of Estates and Commercial Development will brief Governors in more detail on the programme for developing health and wellbeing centres.

### **1.1.3 Community Nursing**

Trust staff have been working with consultants from Meridian since September last year to review the efficiency of community services. One of the findings of the review is that by organising our community nursing services differently, taking full account of the different geographical footprints and demographics of our localities, we can provide the same level of service and increase face to face contact with patients.

Our partnership with other organisations across health and care has allowed some things that have traditionally been done by the NHS to be done by others, enabling our staff to use their specialist skills to better effect. Our community nursing teams will continue to play a vital role in delivering services to local communities.

Under the new way of working, there will be a different skill mix within some teams to meet changes in demand and to ensure we can offer the right care at the right time, in the right place, and better aligned with new ways of working,.

Our community nursing teams have already successfully implemented new ways of working in Torquay and, more recently, Newton Abbot and we are now looking to introduce changes in our remaining three localities – Coastal, Paignton and Brixham and Moor to Sea. These changes will be made over time whilst continually reviewing quality and safety of the service being delivered.

Vacancies will be reviewed as they arise and for some staff we are looking to utilise their skills within other nursing services. Whilst we accept that this may take some time to achieve we are keen to work with our teams to progress this together, recognising how important our nursing workforce is to delivering care. We will support staff through any changes and continually, monitor and review the service provided, listening to their thoughts to ensure that our new ways of working takes account of their views.

### 1.1.4 Minor Injuries Units – Dawlish and Totnes

Opening hours at Dawlish and Totnes Minor Injuries Units (MIUs) have been temporarily reduced due to short term staff shortages. The move is intended to ensure continued quality and safety across all centres and the units are still open when most patients use them. The temporary opening hours, which are in operation now, are:

- Dawlish MIU, Dawlish Community Hospital, Barton Terrace, EX7 9DH
  - MIU opening hours: 10am to 6pm, seven days a week
  - X-ray opening hours: 1.30pm to 5pm, Monday to Friday (no change)
- Totnes MIU, Totnes Community Hospital, Coronation Road, TQ9 5GH
  - MIU opening hours: 9am to 6pm, seven days a week
  - X-ray opening hours: X-ray 9am to 1pm, seven days a week (no change)

Opening hours at Newton Abbot MIU are unchanged and the service continues to run as normal from 8am – 8pm, seven days a week. The X-ray service also continues unchanged at Newton Abbot from 9am to 5pm seven days a week.

We have been facing a number of workforce challenges due to staff sickness and turnover and are actively recruiting and training staff so that we can return to normal opening hours as soon as possible.

## 1.2 Well Led

### 1.2.1 Month 4 - Performance against the NHS Improvement Single Oversight Framework:

In July, the Trust did not meet the following national performance standards:

**Urgent care 4 hour standard:** In July, the Trust achieved 84.3% of patients discharged or admitted within 4 hours of arrival at Accident and Emergency Departments (ED); against a trajectory of 86%.

**Referral to Treatment times (RTT):** RTT performance for July was 81.13% of people waiting less than 18 weeks, which is slightly behind the trajectory of 81.5%. The number of patients waiting 52 weeks has remained about the same and is within our planned trajectory.

**62 day wait cancer standard:** The Trust achieved 84.1% against the national standard of 85% for July.

**Diagnostics:** The diagnostics standard was not met in July with 13.6% of patients waiting over 6 weeks against the standard of 1%.

### 1.2.2 Month 4 performance against 2019/20 Plan

- **Overall financial position:** The financial position at 31 July 2019 showed a £7.08m deficit, which is £1.25m adverse against the plan of £5.83m deficit.

- **CIP savings delivery position:** The Trust has an annual savings target of £17.5m of which £14.5m has been identified. Work is ongoing to identify further CIP opportunities to enable the Trust to meet its target.
- **Capital expenditure:** Capital expenditure at month 4 is £2.69m against a full year plan of £21.56m.

### 1.3 Valuing our Workforce, Paid and Unpaid

#### 1.3.1 Staff Heroes Awards

As well as recognising the achievements of our staff in a bi-monthly celebration breakfast at the Bay View restaurant, we have re-introduced our annual evening awards ceremony. The ceremony which will be held on Thursday 26 September 2019 at the Grand Hotel, Torquay will be attended by staff, directors and governors.

We are delighted to announce the following finalists for the 2019 annual Staff Heroes Awards. Of particular note is the nomination of Anna Pryor, Staff Governor who has been shortlisted in the category '*Outstanding contribution to sharing information*'.

#### **Outstanding contribution to 'Strengthening partnerships'**

The Windmill Centre

Phillippa Lovell - Work Experience Co-ordinator / NHS Careers School Liaison

Susan Bywaters - Equipment Lead

#### **Outstanding contribution to 'Wellbeing at work'**

Dr Jonathan White - Junior Doctor

Paul Norrish - Digital Learning Manager

Sarah Burns - Freedom to Speak Up Guardian

#### **Outstanding contribution to 'Right Care Right Place'**

Individual - Support services

Lin Taylor - Pharmacy Purchasing/Computer Systems Manager

Lorraine Thompson - Sensory, Disability Information Service & Accessible Information Lead

Michael Hawley - Wayfinder

Individual - clinical services

Angie Abbott - Head of Podiatry and Orthotics

Carley Dore - Speech and Language Therapist

Louise Challis - Respiratory & Neonatal Nurse, Children's Community Team

#### **Teams**

Children's Speech and Language Therapy

Breast Care Unit

Theatres

#### **Outstanding contribution to 'Sharing Information'**

Anna Pryor - Staff Governor

John Broom and the Blue Badge Team

### **Outstanding contribution to 'Prevention and staying well'**

Newton Abbot Community Transport  
Specialist Midwives and Matrons Team  
Sarah Levio and Podiatry

Thank you to all Governors who participated in the judging and a huge 'congratulations' to all of our finalists.

### **1.3.2 Board Appointments**

The recruitment process to appoint to the substantive role of Chief Finance Officer, following the departure of Paul Cooper, Director of Finance concluded earlier this month with the successful appointment of David Stacey. David joins us from North Middlesex University Hospital NHS Foundation Trust and will take up his position in January 2020. David Killoran will continue as Interim Director of Finance until next year allowing a handover of responsibilities.

### **1.3.3 Staff Awards**

The following prestigious awards have been made to our staff:

**RCNi Nurse Award - Joanna Broderick** won the Child Health category for developing a safe, structured guideline for weaning premature babies with chronic neonatal lung disease off oxygen. The guideline will have the benefit of reducing the number of community nurse visits, enabling families to get back to normal life sooner and improving service efficiency.

**Queen's Nurse – Lisa Pullen** has been awarded the title of Queen's Nurse in recognition of her high standards of community nursing practice.

**Ambulatory Surgery Congress – our day surgery emergency team** won first prize and our **day case hip replacement service** won second prize for presenting projects based on innovative work to transform patients' lives, improve their experience in hospital, reduce waiting lists and costs and improve clinical efficiency.

## **2. Chief Executive Engagement: August and September**

I continue to meet with external stakeholders and partners. Meetings I attended during August and September are shown below.

<b>Internal</b>	<b>External</b>
<ul style="list-style-type: none"><li>• Medical Staff Committee</li><li>• Staff Side</li><li>• Joint Consultative Negotiating Committee</li><li>• Joint Local Negotiating Committee</li><li>• SPI Walkaround – St Edmunds</li></ul>	<ul style="list-style-type: none"><li>• Interim Director of Adult Services and Housing, Torbay Council</li><li>• Director of Public Health, Torbay Council</li><li>• Meeting with the Interim Accountable Officer, Devon CCG</li><li>• STP Chief Executives' Meeting</li><li>• STP Programme Delivery Executive Group</li><li>• STP Collaborative Board</li></ul>

<ul style="list-style-type: none"> <li>• Staff Heroes</li> <li>• Staff Awards Annual Presentation Event</li> <li>• Community Nurses</li> <li>• Lead Governor</li> <li>• Video blog sessions: <ul style="list-style-type: none"> <li>○ Torbay Pharmaceuticals</li> <li>○ Catering</li> <li>○ Medical Students</li> <li>○ Staff Olympics</li> <li>○ Nutrition and Hydration</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Chief Officer, Adult Care &amp; Health Digital Transformation &amp; Business Support, DCC</li> <li>• South West Regional Talent Board</li> <li>• Devon A&amp;E Delivery Board</li> <li>• Children and Young Persons Partnership Board</li> <li>• Devon ICM Meeting</li> <li>• Chief Financial Officer, NHSI</li> <li>• SDT System Improvement Board#</li> <li>• STP Director of System Transformation</li> <li>• Royal Devon and Exeter NHS FT Board Meeting</li> <li>• BCU Commander South Devon Alliance Administration Services Department</li> <li>• Chief Executive, South Western Ambulance Service NHS FT</li> <li>• Speaker – Public Health England Annual Conference</li> <li>• Devon County Council Overview and Scrutiny Committee</li> <li>• Volunteering in Health AGM</li> </ul>
--	---

### 3 Local Health and Care Economy Developments

#### 3.1 Service Developments/Changes

##### 3.1.1 Primary Care Networks

Following approval by Devon Clinical Commissioning Group of all 31 applications for Primary Care Networks (PCNs), the PCNs became operational with effect from 1 July. The new networks will build on current core primary care services and enable greater provision of proactive, personalised and coordinated integrated health and social care.

#### 3.2 Partner and partnership updates

##### 3.2.1 Healthwatch engagement on NHS Long Term Plan

Healthwatch England commissioned local champions Healthwatch Torbay, Plymouth and Devon to engage with our local population and service providers to gather their views about the NHS Long Term Plan. They held a number of focus group workshop sessions in the local community and promoted two surveys developed nationally by NHSE - a generalised survey and a specific condition survey.

They have now published their report of this engagement.

In total, there were **540** general survey responses, **221** specific condition survey responses, and **170** attendees on the focus group workshops across Devon – **nearly 1,000 people**. Of the survey respondents, the majority (66%) were aged over 55, female (65%) and 'White British' (92%).

The following is a brief summary of the key themes and issues discussed for each of the open-ended questions for both the NHSE surveys and the focus groups, categorised by the three NHSE priority areas for the future: **Prevention**, the **role of the community** and **Technology**.

### *Prevention*

- Respondents would like to see the NHS focus on preventative medicine and early detection of illness.
- Patients in Devon would like to see a reduction in the time they wait to see their GP or receive a referral.
- Patients said they would benefit from greater continuity of care and the opportunity to be treated by the same staff when possible, with many emphasising the importance of building trust and rapport with staff.
- Many respondents felt that the NHS would benefit from better communication between services, allowing a more integrated or holistic approach to their treatment.
- Patients feel that their medical treatment should be a joint decision made in partnership with staff, and that information should be made more easily available in order to support them in making their choices.
- Having access to domiciliary or locally-based care is of high importance to many, however respondents have concerns about the accessibility and quality of care in their area. These concerns are exacerbated by a lack of public transport in areas of Devon.
- Respondents are concerned about the quality and affordability of local residential homes.
- Autism, dementia, and mental health respondents reported the least satisfaction from their experience of care, reporting long waiting times and difficulty accessing support. Overall, cancer respondents reported the shortest waiting times and easiest access to support.

### *Role of the Community*

- Focus group responses of patients with specific conditions (e.g. dementia, heart and lung diseases, and cancer) showed that patients with dementia had a more negative overall experience than those with cancer or heart and lung diseases.
- Focus group participants talked about the importance of mental health awareness and overcoming the stigma of the condition in receiving diagnosis and treatment.
- Many are concerned about access to resources in the local area, with those in rural areas describing difficulties in travelling to GP and hospital appointments.
- Adequate end-of-life planning is important to people in Devon. However, many respondents expressed concerns about the current quality of end-of-life care in the NHS; some mentioned the negative experiences of relatives or spouses.
- Cancer services showed that the emphasis on the responsiveness to their needs have made a significant improvement when compared to other conditions. On the whole Cancer and Heart & Lung experienced effective follow through of care, whereas people with Dementia did not. In this latter category responses were more often provided from a carer perspective.



## Technology

- People in Devon would like to see improvements in the use of technology and online services. Many would like to see more of their GP services available online, particularly the ability to view their full, unabridged medical record.
- However, multiple respondents expressed concern that their local services are too reliant on online services, often at the expense of the elderly or those who cannot use or access a computer. It is important to many in Devon that GP services remain accessible to those who have difficulty using the internet.
- Focus group responses of patients with specific conditions (e.g. dementia, heart and lung diseases, and cancer) also expressed anxiety about a future where personal contact is replaced by technology.
- People in Devon consider timely and consistent communication to be very important
- Patients have concerns about the management and security of their personal data.

The full report is available to view at: [www.healthwatchtorbay.org.uk/about-us/meetings-reports/](http://www.healthwatchtorbay.org.uk/about-us/meetings-reports/).

### 3.2.2 Engagement on Devon Long Term Plan

Devon is developing a local version of the national NHS Long Term Plan, called 'Better for You, Better for Devon'. The plan will make sure we are fit for the future, providing high-quality care and better health outcomes for people and their families, through every stage of life. Here in Devon, we have undertaken a period of engagement, which concluded on 5 September 2019, to develop our own Long Term Plan. The aim of the engagement is to make sure our local plan is relevant to local needs and clearly sets out our shared vision for the future. The plan will focus on improving people's health and mental health, and supporting people to stay well.

Our local engagement plan will feed into the Devon plan and will focus on the key areas of resilient communities and specialist services. Our Governors, members and the public have had the opportunity to have their say on the Devon plan.

The outcomes of the consultation will influence the final plan, which will be submitted in October 2019.

## 4 National Developments and Publications

Details of the main national and regional developments and publications since the last Council of Governors meeting have been circulated to Governors through the weekly developments update briefings. The item of particular note that I wish to draw to the attention of the Council of Governors are as follows:

### 4.1 Government

#### 4.1.1 Guidance for no-deal Brexit

Further to the direction from the Professor Keith Willett the EU NHS Exit Strategic Commander in addition to the SRO, the Trust has now identified a suitably trained EU Exit Trust lead. The Team we have been requested to establish will consist of the SRO,

two emergency planning officers and the established leads from procurement and workforce

The team will follow direction from the SW Region EU Exit Planning team to ensure that the Trust has:

- Full contingency plans in place to ensure safe services for patients can continue to be provided in the event that the UK leaves the EU without a deal.
- A coordinated team in place to oversee EU exit preparations.
- Undertaken a deep dive into department specific EU exit plans to confirm that suppliers or services are prepared.
- Undertaken exercising and testing of contingency plans and preparations.
- Attended regional events to confirm the operational response and what is needed at a local level.
- A robust command brief published for the EU exit period.

#### **4.1.2 Public health provision**

A departmental review has decided that local government will continue to lead on public health, putting to an end speculation the NHS would take control of these services.

However, the Department of Health and Social Care's Report concluded sexual health commissioning should be shared between local councils and the NHS.

### **4.2 NHS England and NHS Improvement**

#### **4.2.1 Ward cleanliness to be displayed 'food hygiene style'**

All patient-facing areas must display star ratings with grades 0 to 5 to show assessments of the quality of cleaning, under plans drawn up by NHS Improvement. Patient-facing areas, such as wards and theatres, are currently required to display a percentage score for cleanliness, with 85 per cent considered to be good. The star ratings are being introduced because it is thought this will be easier for patients to understand. The ratings will be dated and valid until the next scheduled audit, which will vary depending on the area. External inspections will be carried out at least once a year to check trusts are complying with the new rules.

#### **4.2.2 NHS Pension Scheme**

As part of the theme of making NHS the best place to work, the government is bringing forward a consultation on a new pension flexibility for senior clinicians. The proposal would give senior clinicians the option to halve the rate at which their NHS pension grows, in exchange for halving their contributions to the scheme.

### **4.3 Care Quality Commission**

#### **4.3.1 Adult Inpatient Survey 2018**

The results of the 2018 Adult Inpatient Survey - covering 144 NHS acute trusts in England (but not mental health, community or ambulance trusts) were published in July. Results published include: a national summary of key findings, scores out of 10 for each trust, alongside a banding of 'better', 'worse' or 'about the same' when compared with other trusts, a benchmark report for each trust, available through NHS Surveys.

For our organisation we secured a response rate of 51:47% which is an increase on the previous year. Our results were also better than most Trusts for 3 questions:

Q.32. In your opinion, did the members of staff care for you work well together?

Q.51 Was your discharge delayed due to waiting for medicines/to see a doctor for ambulance?

Q.65. Did hospital staff discuss with you whether you may need any further health or social care services after leaving hospital (e.g. services from a GP, physio, or community nurse, or assistance from social services or the voluntary sector)?

Our Trust's results were worse than most trusts for zero questions and were about the same as other Trusts for 60 questions.

A more detailed analysis of the results will be taken to the Feedback and Engagement Group, in July and shared accordingly within the Trust.

## **5 Local Media Update**

### **5.1 News release and campaigns highlights:**

- Advice and guidance for local people to not only use the right services when they need care this summer but to look at ways they can help themselves to stay well by hydration and sun protection.
- Celebration of a number of awards and achievements such as Baby Friendly Accreditation, Education awards as well as individual achievements of Queen's Nurse title.
- How trained therapy dog, Lulu, is helping people in our Intensive Care Unit.
- Support for young people affected by drug or alcohol use – how we can support and keep people safe including helping people to become aware of known risks and side effects.
- Encouraging people to apply for a whole range of roles in the Trust as well as celebrating the graduation from the well-renowned internship scheme 'ASPIRE', based at Torbay Hospital.
- Our HOPE programme is now available right across the Torbay and South Devon area and includes some condition specific courses including for people living with diabetes.
- Calling on people who are inspired by research to forge a better future for patients by becoming a Research Champion.
- Thank you to the many people and groups who have generously raised money to support our care.

## **6 Recommendation**

The Council of Governors are asked to receive and note the Chief Executive's Business Update.



<b>COUNCIL OF GOVERNORS MEETING</b>			
<b>Report title:</b> Appointment of External Audit Services		<b>Meeting date:</b> 25/09/19	
<b>Report appendix</b>	Appendix 1: Briefing note – extract from Reference Guide for Foundation Trust Governors Appendix 2: Appointment Process Timeline (draft)		
<b>Report sponsor</b>	Company Secretary		
<b>Report author</b>	Company Secretary		
<b>Report provenance</b>	Discussed with Audit Committee Chair, Chairman, Interim Chief Finance Officer and Senior Procurement Managers.		
<b>Purpose of the report and key issues for consideration/decision</b>	The purpose of the report is to present the proposed appointment process, including timeline, for the Trust's external auditor, and request expressions of interest from Governors to join the External Auditor Appointment Panel.		
<b>Action required</b>	<b>For information</b> <input type="checkbox"/>	<b>To receive and note</b> <input type="checkbox"/>	<b>To approve</b> <input checked="" type="checkbox"/>
<b>Recommendations</b>	The Council of Governors is asked to (i) Approve the timeline for the appointment of external auditor; and (ii) Submit expressions of interest in joining the External Audit Appointments Panel to the Company Secretary by 9 October 2019.		
<b>Summary of key elements</b>			
<b>Strategic objectives supported by this report</b>	<b>Safe, quality care and best experience</b>		<b>Valuing our workforce</b>
	<b>Improved wellbeing through partnership</b>		<b>Well-led</b>
<b>Is this on the Trust's Board Assurance Framework and/or Risk Register</b>	<b>Board Assurance Framework</b>	n/a	<b>Risk score</b>
	<b>Risk Register</b>	n/a	<b>Risk score</b>
<b>External standards affected by this report and associated risks</b>	<b>Care Quality Commission</b>		<b>Terms of Authorisation</b>
	<b>NHS Improvement</b>	X	<b>Legislation</b>
	<b>NHS England</b>	X	<b>National policy/guidance</b>

<b>Report title: Appointment of External Audit Services</b>		<b>Meeting date:</b> 25 September 2019
<b>Report sponsor</b>	Company Secretary	
<b>Report author</b>	Company Secretary	

## 1. Introduction

- 1.1 The Council of Governors is responsible for the appointment of a Foundation Trust's auditor.
- 1.2 The Council of Governors approved a contract extension for the current external auditor, PricewaterhouseCoopers ('PWC'), to provide audit services to 1 July 2020.
- 1.3 The Audit Committee will run the process but the final decision on any appointment rests with the Council of Governors.
- 1.4 It is deemed best practice for the Audit Committee to establish to prepare a specification defining the role and capabilities required, including the necessary qualifications, skills and experience, and agree the specification with a governors' audit working group.
- 1.5 The process by which the appointment process will be guided will be drawn from the NHS Code of Governance for Foundation Trusts and the Reference Guide for Foundation Trust Governors (see Appendix 1).

## 2. Discussion

- 2.1 The extended contract with the Trust's external auditor, PWC will conclude at the end of June 2020. The Trust is therefore looking to start the procurement process before the end of the year.
- 2.2 The Code of Governance sets out the governance arrangements for the appointment process foundation trusts must adhere to. The Council of Governors role is set out as follows:

*"It is for the Council of Governors to appoint or remove the auditor at a general meeting of the Council".*

Therefore, it is the Council of Governors as a whole (rather than, say a committee or a working group) who appoints or removes the auditor. Appendix 1 gives more detail on the procurement process and how the final decision will be made.

- 2.3 The draft timeline for the appointment process is attached as appendix 2.
- 2.4 A selection panel will be established in which Governor representation is required. The selection panel for the appointment of external auditor is proposed as:
- Two finance representatives – to include Interim Director of Finance
  - Two Non-Executive Directors including the Audit Committee Chair
  - Two (or more) Governor representatives

The panel will also have in attendance in an advisory capacity:

- Deputy Head of Procurement and Supplies, and
  - Company Secretary
- 2.5 Governors interested in joining the selection panel should notify Jane Downes, Company Secretary by 9 October 2019.

### **3. Recommendation**

The Council of Governors is asked to:

- (i) Approve the timeline for the appointment of external auditor; and
- (ii) Submit expressions of interest in joining the External Audit Appointments Panel to the Company Secretary by 9 October 2019.

Council of Governors 25 September 2019

**Briefing Note - Appointment of External Auditor**

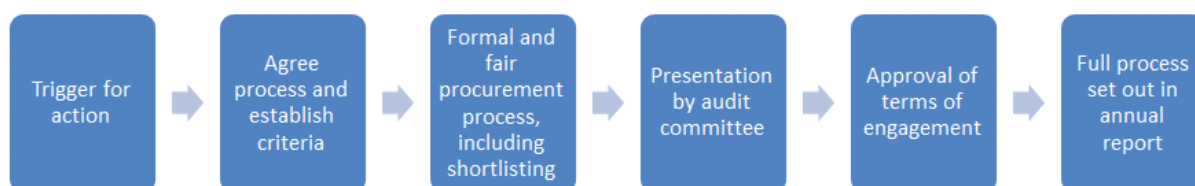
**Extract from Reference Guide for NHS Foundation Trust Governors (Monitor (now NHSI) August 2013)**

The Council of Governors should take the lead in agreeing with the Audit Committee the criteria for appointing, reappointing and removing external auditors

The Audit Committee should also make recommendations to the Council of Governors in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the external auditor. If the Council of Governors does not accept the Audit Committee's recommendation, the board of directors should include in the annual report a statement from the Audit Committee explaining the recommendation and should set out reasons why the Council of Governors has taken a different position.

The Audit Committee is not responsible for appointing external auditors; that is the responsibility of the council of governors. That said, governors may benefit from using the skills and experience of the Audit Committee if they feel this is appropriate.

**Key stages for appointing the auditor**



**Agree process and establish criteria** - The Council of Governors should take the lead in agreeing with the Audit Committee the criteria for appointing, re-appointing or removing auditors. As with all appointments, the procedure for appointing (or re-appointing) an auditor must be formal, rigorous and transparent – reference NHS Foundation Trust Code of Governance section C.3.3.

The Audit Committee will run the process but the final decision on any appointment rests with the Council of Governors. Having established objective criteria, the Audit Committee should:

1. Agree with the Council of Governors a clear process for nominating a new auditor or re-appointing the existing one, including a timetable showing the deadline by which a new appointment should be made; and
2. Prepare a specification defining the role and capabilities required, including the necessary qualifications, skills and experience, and agree the specification with the governors' audit working group.



**Procurement process** - The Audit Committee should run a formal procurement process to obtain the best candidate as fairly and transparently as possible. The exact form of the procurement process may vary depending on the NHS foundation trust's particular procurement rules but it must be within procurement law. This is complex and the Audit Committee and the governors' audit working group are likely to need legal advice before embarking on a procurement process.

**Presentation by the Audit Committee** - The Audit Committee and the governors' audit working group should present to the Council of Governors:

- the procurement process they have followed;
- the results of the procurement process; and
- recommendations.

The recommendations should describe in full the shortlisted candidates and assess their relative strengths and weaknesses. They should also propose terms of engagement for the external auditor.

**How will the council of governors make a final decision?** - The council of governors should then make a final decision in line with its statutory obligations.

If the council of governors chooses to make an appointment, the Audit Committee will need to approve the auditor's terms of engagement. The Council of Governors and the Audit Committee should consider in particular how long the appointment should last. Best practice is to appoint an auditor for a period which allows it to develop a strong understanding of the NHS foundation trust, normally three to five years – reference NHS Foundation Trust Code of Governance section C.3.6.

Should the council of governors feel unable to make an appointment, for example, because it is unwilling to accept the Audit Committee's recommendations or believes the procurement process was flawed, then the Audit Committee and the governors' audit working group must set to work again at speed. The law requires the NHS foundation trust to have an auditor at all times, so they should adhere to the appointment timetable they will have drawn up at the start of the process. However, they may need to consider extending the incumbent auditor's contract to ensure that their trust is never without an auditor.

#### **Links to documentation referred to above**

Monitor Code of Governance

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/327068/CodeofGovernanceJuly2014.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/327068/CodeofGovernanceJuly2014.pdf)

## Procurement Timeline

10.8.19	Identify framework and obtain documents	complete
	Identify potential evaluation panel/working group	complete
	complete documents on mini competition and service specification	complete
6.9.2019	Draft timeline produced	complete
25.9.2019	COG Meeting- agree timeline and request nominations from Governors to join the working group/Panel	
9.10.2019	Last day for expressions of interest from Governors to join the External Auditor Appointment Panel.	
16.10.19	Audit Committee meeting- confirmation of the timelines and working group members	
13.11.2019	Audit Committee to have finalised specification for inclusion in the Further Competition (FC) document. Draft provided.	
11.12.2019	FC document (questions and specification) to be checked and signed off by Working Group ready for issue. Weightings to be agreed and finalised.	
16.12.2019	FC document issued	
27.1.2020	Receive Responses. Evaluation and Clarification period. Check References etc.	
17.2.2020	Agree structure and content of presentations. Shortlist 3 companies to present if required	
9.3.2020	Presentations if required	
16.3.2020	Presentation clarifications to suppliers if required	
6.4.2020	Responses to presentation clarifications	
22.4.2020	Auditor Panel Recommendation*	
6.5.2020	Decision approved by Board*	
13.5.2020	COG approve appointment*	
11.5.2020	Formal Debrief of Unsuccessful Organisations	
	Notification to successful supplier and award call off.	
by 5.6.2020	Organisation must publish a notice of local auditor appointment within 28 days of appointment	
1.7.2020	<b>Contract commences</b>	

### KEY DATES

- \* 22 April 2020      Audit Committee receive panel recommendation and make recommendation to Board/COG
- 6 May 2020        Board meeting receive and agree recommendation
- 13 May 2020       COG approve appointment

<b>COUNCIL OF GOVERNORS MEETING</b>				
<b>Report title:</b> Governor Observer Role – Process Refresh			<b>Meeting date:</b> 25/09/19	
<b>Report appendix</b>	Appendix 1: Board sub-committee meetings information			
<b>Report sponsor</b>	Company Secretary			
<b>Report author</b>	Company Secretary			
<b>Report provenance</b>	Discussed with Chairman and Lead Governor			
<b>Purpose of the report and key issues for consideration/decision</b>	<p>The purpose of the report is to present the process by which the Governor Observer role will be refreshed.</p> <p>The document presents information on those governor observer seats that will become available with effect from 1 January 2020.</p> <p>The process outlined in this report will not apply to the following Council of Governors committees/groups :</p> <ul style="list-style-type: none"> <li>• Governor's Nomination and Remuneration Committee</li> <li>• Membership Group</li> <li>• Quality and Compliance Group</li> </ul>			
<b>Action required</b>	<b>For information</b> <input type="checkbox"/>	<b>To receive and note</b> <input checked="" type="checkbox"/>	<b>To approve</b> <input checked="" type="checkbox"/>	
<b>Recommendations</b>	<p>The Council of Governors is asked to</p> <p>(i) Note that the appointment of Governor Observers will apply to all Board sub-committees; and</p> <p>(ii) Approve the nomination and appointments process of Governor observers to Board sub-committees.</p>			
<b>Summary of key elements</b>				
<b>Strategic objectives supported by this report</b>	<b>Safe, quality care and best experience</b>		<b>Valuing our workforce</b>	
	<b>Improved wellbeing through partnership</b>		<b>Well-led</b>	<b>X</b>
<b>Is this on the Trust's Board Assurance Framework and/or Risk Register</b>	<b>Board Assurance Framework</b>	n/a	<b>Risk score</b>	
	<b>Risk Register</b>	n/a	<b>Risk score</b>	

<b>External standards affected by this report and associated risks</b>				
	<b>Care Quality Commission</b>		<b>Terms of Authorisation</b>	
	<b>NHS Improvement</b>	<b>X</b>	<b>Legislation</b>	
	<b>NHS England</b>	<b>X</b>	<b>National policy/guidance</b>	<b>X</b>

<b>Report title: Governor observer role – process refresh</b>		<b>Meeting date:</b> 25 September 2019
<b>Report sponsor</b>	Company Secretary	
<b>Report author</b>	Company Secretary	

## 1. Introduction

Key points to draw to the attention of the Council of Governors:

- 1.1 The purpose of Governor observers is to help Governors understand the function of the Board of Directors and how it discharges its responsibilities and to support Governors in holding Non-Executive Directors (NEDs) to account for the performance of the Board.
- 1.2 The Council of Governors agreed to extend the current tenure of office of those Governors appointed as observers until the Trust governance restructure had concluded. The timing of the refresh has also facilitated governors who have been elected most recently the opportunity to put their name forward.
- 1.3 The governance restructure has concluded and an additional Board sub-committee established.
- 1.4 A new People Committee, replacing the Workforce and Organisational Development Group will take effect from October 2019.
- 1.5 The recent governance restructure has enabled the Board to consider the purpose of the Governor observer role and its original intent. The Board supports the view that for governance reasons the role of the Governor observer should focus on those Board sub-committees chaired by NEDs.
- 1.6 Governors are invited to submit expressions of interest in the following Board sub-committees:
  - Audit Committee,
  - Finance, Performance and Digital Committee,
  - Charitable Funds Committee
  - People Committee
  - Quality Assurance Committee.

Information on each of these Board sub-committees is attached in appendix 1.

- 1.7 The process outlined in this report does not apply to the committees/groups reporting to the Council of Governors as these are subject to their own terms of reference. For the avoidance of doubt these are: Governors Nominations and Remuneration Committee, Membership Group and Quality and Compliance Committee.

## 2. Discussion

### 2.1 Nominations/Election Process

2.1.1 Governors are invited to express interest in the following Board sub-committees:

- Audit Committee
- Charitable Funds Committee
- Finance, Performance and Digital Committee
- People Committee
- Quality Assurance Committee

2.1.2 A Governor may put their name forward for more than one Board sub-committee, and will be appointed if they are the only candidate.

2.1.3 If more than one Governor puts their name forward for one of the Board Sub-Committee's listed above, then a secret ballot will be held in which all Governors will be asked to vote for their preferred candidate. The candidate receiving the most votes will take the role of Governor observer on that Board sub-committee.

2.1.4 If a Governor puts their name forward for more than one Board sub-committee and that Board sub-committee is subject to secret ballot by virtue of more than one Governor expressing interest, the Council of Governors will be asked to vote by secret ballot.

2.1.5 If a Governor receives the highest number of votes for more than one Board sub-committee, they will be asked to choose which Board sub-committee they wish to be appointed as Governor Observer, and will be duly appointed. In that scenario, the second placed candidate for the committee they have declined to be appointed to, will be appointed.

2.1.7. If there are no expressions of interest in a Board sub-committee by the closing date, it will be at the Chairman's discretion whether to leave the position vacant or invite a Governor of their choice to fill that vacancy.

### 2.2 Tenure

2.2.1. The term of office will be one year ie from 1 January 2020 to 31 December 2020.

## 2.3 Timeline

2.3.1 The nominations and election (if required) timeline is proposed as follows:

25 September 2019	Council of Governors approve the nominations and election process
7 October 2019	Opening date for nominations
25 October 2019	Closing date for nominations
31 October 2019	Results announced
7 November 2019	Election forms issued (if required)
22 November 2019	Closing date for receipt of voting forms
28 November 2019	Voting results announced
18 December 2019	Results formally notified at the Council of Governors meeting
1 January 2020	Governor observer roles commence

## 3. Recommendations

The Council of Governors is asked to:

- (i) Note that the appointment of Governor Observers will apply to all Board sub-committees; and
- (ii) Approve the nomination and appointments process for Governor observers at Board sub-committees.

## Board sub-committees – role and purpose

### Audit Committee

- Meetings: Meetings are held quarterly in January, April, July and October.  
An additional meeting is held in May to review the annual report and accounts.  
Meeting duration is 2 to 3 hours.
- Chair: Sally Taylor, NED
- Membership: All Non-Executive Directors
- Attendees: Chief Finance Officer, Chief Nurse, Company Secretary  
External Audit, Internal Audit, Local Counter Fraud Specialist
- Purpose: The committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole organisation – in particular:
- All risk and control related disclosure statements, together with any accompanying head of internal audit opinion, external audit opinion prior to submission to the Board of Directors.
  - The effectiveness of the management of principal risks.
  - The policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements.
  - The policies and procedures for all work related to counter fraud, bribery and corruption.

### Charitable Funds Committee

- Meetings: Meetings are held quarterly in March, June, September and November  
Meeting duration is 2 hours
- Chair: Jacqui Lyttle, NED
- Membership: Sally Taylor NED, Chief Finance Officer, Medical Director
- Attendees: Senior Finance Managers
- Purpose: The committee is responsible for
- Controlling the management and administration of the charitable funds for the Trust.
  - Govern, manage and regulate the finances, accounts, investments, assets, business and other affairs of the charity.
  - Providing appropriate and effective financial controls and procedures, that money is used for an appropriate purpose and funds are not overspent.
  - Approving major expenditure proposals requiring financing by the charity.



## Finance, Performance and Digital Committee

- Meetings: Meetings are held on a monthly basis  
Meeting duration is no more than 3 hours
- Chair: Chris Balch, NED
- Membership: Robin Sutton, NED, Paul Richards, NED, Chief Finance Officer, Chief Operating Officer, Director of Transformation and Partnerships
- Attendees: Senior Finance Managers
- Purpose: The Committee is responsible for:
- Overseeing, co-ordinating, reviewing and assessing the financial, performance and digital management arrangements; including monitoring the delivery of the NHS 10 Year Plan and supporting Annual Plan decisions on investment and business cases.
  - Providing the Board with an independent and objective review of, and assurances, in relation to significant financial, performance and digital risks which may impact on the financial viability and sustainability of the Trust.
  - Providing detailed scrutiny of financial, performance and digital matters in order to provide assurance and raise concerns (if appropriate) to the Board of Directors.
  - Assessing and identifying risks within the finance, performance and digital portfolio and escalating this as appropriate.
  - Making recommendations, as appropriate, on financial, performance and digital matters to the Board of Directors.
  - Determining those matters delegated to the Committee in accordance with the Scheme of Delegation and Standing Financial Instructions as set out in the Trust's Standing Orders.

## People Committee

- Meetings: Meetings are held bi-monthly starting in October 2019.  
Meeting duration is 2.5 hours.
- Chair: Vikki Matthews, NED
- Membership: Chris Balch, NED and Jon Welch, NED, Director of OD & Workforce, Chief Nurse and Chief Operating Officer,
- Attendees: Senior Managers, Integrated Service Units, Senior Managers, OD & Workforce, Guardian of Safe Working, Freedom to Speak Up Guardian.
- Purpose: The Committee is responsible for:
- Reviewing national and local workforce guidance and strategies including the NHS People Plan.
  - The Trust's overarching People Plan and associated activity/implementation plan.

- Considering the key people and workforce performance metrics and targets for the Trust.
- Receive reports in relation to internal and external quality and performance targets relating to people and workforce.
- Conduct reviews and analysis of strategic people and workforce issues and agree the Board level response.

### Quality Assurance Committee

Meetings: Meetings are held bi-monthly

Meeting duration is 2 hours

Chair: Jacqui Lyttle, NED

Membership: Vikki Matthews, NED, Jon Welch, NED, Chief Nurse, Medical Director, Chief Operating Officer, Director of OD & Workforce

Purpose: The Committee is responsible for:

- Monitoring, reviewing and reporting on the quality (safest care, effectiveness of care, best experience) of clinical and social care services provided by the Trust.

This will include review of:

- The systems in place to ensure the delivery of safe, high quality, person-centred care.
- Quality indicators flagged as 'of concern' through escalation reporting or as requested by the Trust Board.
- Progress toward delivery of the care model strategy.

<b>COUNCIL OF GOVERNORS MEETING</b>			
<b>Report title:</b> Company Secretary's Report		<b>Meeting date:</b> 25/09/19	
<b>Report appendix</b>	Appendix 1: Council of Governors Development Programme 2019/20 Appendix 2: Auditors Report to the Council of Governors on audit of financial statements and limited assurance report on the Annual Quality Account Appendix 3: Council of Governors Work Plan 2019 Link to 2018/19 Annual Report and Accounts		
<b>Report sponsor</b>	Company Secretary		
<b>Report author</b>	Company Secretary		
<b>Report provenance</b>	n/a		
<b>Purpose of the report and key issues for consideration/decision</b>	The report provides corporate governance updates on matters of relevance to the Council of Governors.		
<b>Action required</b>	<b>For information</b> <input type="checkbox"/>	<b>To receive and note</b> <input checked="" type="checkbox"/>	<b>To approve</b> <input checked="" type="checkbox"/>
<b>Recommendations</b>	To receive and note the Company Secretary's Report.		
<b>Summary of key elements</b>			
<b>Strategic objectives supported by this report</b>	<b>Safe, quality care and best experience</b>		<b>Valuing our workforce</b>
	<b>Improved wellbeing through partnership</b>		<b>Well-led</b>
<b>Is this on the Trust's Board Assurance Framework and/or Risk Register</b>	<b>Board Assurance Framework</b>	n/a	<b>Risk score</b>
	<b>Risk Register</b>	n/a	<b>Risk score</b>
<b>External standards affected by this report and associated risks</b>	<b>Care Quality Commission</b>		<b>Terms of Authorisation</b>
	<b>NHS Improvement</b>	X	<b>Legislation</b>
	<b>NHS England</b>		<b>National policy/guidance</b>

<b>Report title: Company Secretary's Report</b>		<b>Meeting date:</b> 25 September 2019
<b>Report sponsor</b>	Company Secretary	
<b>Report author</b>	Company Secretary	

## Introduction

The report provides corporate governance updates on matters of relevance to the Council of Governors.

### 1. Appointment of Lead Governor and Deputy Lead Governor

- 1.1 The current appointments of Lead Governor and Deputy Lead Governor will conclude in October 2019.
- 1.2 The Council of Governors agreed the process for the appointment of the Lead Governor and Deputy Lead Governor at the Council of Governors meeting on 26 June 2019.
- 1.3 No nominations for either role were received by the closing date.
- 1.4 The current Lead Governor, Wendy Marshfield has indicated her willingness to continue as Lead Governor until the conclusion of her term of office in March 2020.
- 1.5 The current Deputy Lead Governor, Carol Day has indicated her willingness to continue as Deputy Lead Governor until March 2020.
- 1.6 A further call for interest from Governors to fill the position of Lead Governor and Deputy Lead Governor will be undertaken after the December COG meeting.

#### Action required:

**To note an extended term of office for the current Lead Governor and Deputy Lead Governor to March 2019; and**

**To note that a further call for interest for the positions of Lead Governor and Deputy Lead Governor will be undertaken after the December COG meeting.**

### 2. Council of Governors Development Programme 2019/20

- 2.1 The Council of Governors established a task and finish group to oversee and monitor progress against the Council of Governors Development Programme for 2019/20 (attached as Appendix 1).
- 2.2 The meeting held on 6 August was well attended by Governors and good progress has been made against the majority of actions.
- 2.3 The areas highlighted as requiring action in Q2 will be prioritised for Q3. The action to bring to the COG's attention is the review of the Constitution and the proposal to set up a sub-group to lead that review. The sub-group will include the Chairman and Senior Independent Director.

**Action required: To note progress against Council of Governors Development Programme 2019/20.**

### **3. Annual Report (including Quality Account) Annual Accounts and Auditors Report**

The NHS Act 2006, as amended, states that the following documents must be presented to the Council of Governors at a general meeting.

- Annual Accounts
- Any report of the Auditor on them
- Annual Report

Due to the volume of papers (over 250 pages), the Annual Report and Annual Accounts can be found on the Trust website at the following link: Governors may request a hard copy by contacting the Foundation Trust Office. Hard copies will also be made available at the Annual Members Meeting.

<https://www.torbayandsouthdevon.nhs.uk/uploads/annual-report-and-accounts-2018-2019.pdf>

For ease of reference the Auditors Report to the Council of Governors on the audit of financial statements and the limited assurance report on the Annual Quality Account are attached as appendix 2. The external auditor will formally present the Auditors Reports at the Annual Members Meeting to be held at 2pm on 25 September 2019.

**Action required: To receive and note the Annual Report, Annual Accounts and Auditors Report to the Council of Governors.**

### **4. Annual Operational Plan 2019/20**

Foundation Trusts are required to submit an Annual Operational Plan to NHS Improvement each year. The guidance is very prescriptive regarding content and this version follows the specific requirements for each section.

Following the publications of the NHS Long Term Plan and Operational Planning guidance, together with strategic planning sessions, the Board of Directors signed-off the Annual Operational Plan for 2019/20 and submitted it to NHS improvement deadline.

### **5. Disclosure and Barring Service (DBS) Checks**

In line with best practice, DBS Checks will be introduced for all elected and appointed Governors with effect from 2020.

**Action required: To note the introduction of DBS Checks for elected and appointed Governors with effect from 2020.**

### **6. 2019 Council of Governors Work Plan**

The 2019 work plan for the Council of Governors is presented for information at Appendix 3.

**Action required: To receive and note the 2019 Council of Governors work plan.**

Council of Governors Development and Delivery Programme 2019/20					
Key Activity		Q1 2019/20	Q2 2019/20	Q3 2019/20	Q4 2019/20
<b>Development Objective 1: Representing members and the public Engagement Plan</b>					
1	Develop a Member Events Programme				
2	Design an e-newsletter for distribution to members, public, stakeholders and for posting on the website				
3	Establish a regular generic activity update from Governors to members				
4	Refresh the Governor section of the website				
5	Utilise the membership database for surveys about Trust services				
6	Increase communications via social media				
7	Align Board to Council meetings to focus on strategy/forward planning				
<b>Development Objective 2: Holding NEDs to account: Involvement Plan</b>					
8	Allocate discussion time on the agenda for COG and Board to Council meetings				
9	Timetable COG agenda setting meetings between Chairman & Lead Governor/Deputy				
<b>Development Objective 3: Supporting Governors Training and Development Plan</b>					
10	Establish monthly Governor 'network' meetings comprising Chairman's Briefing, information on 'hot topics', developmental sessions and Governor information/feedback session				
11	Issue fortnightly briefing update to Governors				
12	Establish programme of bespoke training sessions focussing on the role of the Governor				
<b>Development Objective 4: Constitution Review</b>					
13	Review to focus on: composition of the Council of Governors, meeting best practice/regulations and general update				
<b>Key:</b>					
<b>Red</b>		<b>Amber</b>		<b>Green</b>	
<b>Action not started</b>		<b>Action underway/progressing</b>		<b>Action completed</b>	

## **Independent Auditors' Limited Assurance Report to the Council of Governors of Torbay and South Devon NHS Foundation Trust on the Annual Quality Report**

We have been engaged by the Council of Governors of Torbay and South Devon NHS Foundation Trust to perform an independent assurance engagement in respect of Torbay and South Devon NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the 'Quality Report') and specified performance indicators contained therein.

### **Scope and subject matter**

The indicators for the year ended 31 March 2019 subject to limited assurance (the "specified indicators") marked with the symbol **(A)** in the Quality Report, consist of the following national priority indicators as mandated by Monitor (operating as NHS Improvement) ("NHSI"):

<i><b>Specified indicators</b></i>	<i><b>Specified indicators criteria</b></i>
Percentage of patients with a total time in A&E of four hours or less from arrival to admission, transfer or discharge	Page 220 of the Quality Report
Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers	Page 220 of the Quality Report

### **Respective responsibilities of the Directors and auditors**

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the NHS Foundation Trust Annual Reporting Manual ("FT ARM") and the 'Detailed requirements for quality reports 2018/19' issued by NHSI. The Directors are also responsible for the conformity of the specified indicators criteria with the assessment criteria set out in the FT ARM and the 'Detailed requirements for external assurance for quality reports 2018/19' issued by NHSI and for reporting the specified indicators in accordance with those criteria, as referred to on the pages of the Quality Report listed above.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- The Quality Report does not incorporate the matters required to be reported on as specified in the FT ARM and the 'Detailed requirements for quality reports 2018/19';
- The Quality Report is not consistent in all material respects with the sources specified below; and
- The specified indicators have not been prepared in all material respects in accordance with the criteria set out in the FT ARM and the 'Detailed requirements for external assurance for quality reports 2018/19'.

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM and the 'Detailed requirements for quality reports 2018/19'; and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially consistent with the following documents:

- Board minutes for the financial year, April 2018 and up to the date of signing this limited assurance report ("the period");
- Papers relating to quality reported to the Board over the period April 2018 to the date of signing this limited assurance report;
- Feedback from the Commissioners dated 26 April 2019;
- Feedback from Governors dated 26 March 2019;
- Feedback from the local Healthwatch organisation dated 12 March 2019 and 21 March 2019;
- Feedback from the Overview and Scrutiny Committee dated 22 March 2019 and 29 April 2019;

- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 3 April 2019;
- The 2018 national inpatient survey dated 13 June 2018;
- The 2018 national staff survey dated 26 February 2019;
- The Head of Internal Audit's annual opinion over the Trust's control environment dated 28 May 2019; and
- Care Quality Commission inspection, dated 17 May 2018.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information.

### **Our Independence and Quality Control**

We complied with the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Use and distribution of the report**

This report, including the conclusion, has been prepared solely for the Council of Governors of Torbay and South Devon NHS Foundation Trust as a body, to assist the Council of Governors in reporting Torbay and South Devon NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2019, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Torbay and South Devon NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

### **Assurance work performed**

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000 (Revised)'). Our limited assurance procedures included:

- reviewing the content of the Quality Report against the requirements of the FT ARM and the 'Detailed requirements for quality reports 2018/19';
- reviewing the Quality Report for consistency against the documents specified above;
- obtaining an understanding of the design and operation of the controls in place in relation to the collation and reporting of the specified indicators, including controls over third party information (if applicable) and performing walkthroughs to confirm our understanding;
- based on our understanding, assessing the risks that the performance against the specified indicators may be materially misstated and determining the nature, timing and extent of further procedures;
- making enquiries of relevant management, personnel and, where relevant, third parties;
- considering significant judgements made by the NHS Foundation Trust in preparation of the specified indicators;
- performing limited testing, on a selective basis, of evidence supporting the reported performance indicators, and assessing the related disclosures; and
- reading the documents.



A limited assurance engagement is less in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

### **Limitations**

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable, measurement techniques, which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the criteria set out in the FT ARM and 'Detailed requirements for quality reports 2018/19'.

The nature, form and content required of Quality Reports are determined by NHSI. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by Torbay and South Devon NHS Foundation Trust.

### **Conclusion**

Based on the results of our procedures, nothing has come to our attention that causes us to believe that for the year ended 31 March 2019:

- The Quality Report does not incorporate the matters required to be reported on as specified in the FT ARM and the 'Detailed requirements for quality reports 2018/19';
- The Quality Report is not consistent in all material respects with the documents specified above; and
- The specified indicators have not been prepared in all material respects in accordance with the criteria set out in the FT ARM and the 'Detailed requirements for external assurance for quality reports 2018/19'.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Bristol

29 May 2019

The maintenance and integrity of the Torbay and South Devon NHS Foundation Trust's website is the responsibility of the directors; the work carried out by the assurance providers does not involve consideration of these matters and, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported performance indicators or criteria since they were initially presented on the website.

# ***Independent auditors' report to the Council of Governors of Torbay and South Devon NHS Foundation Trust***

## **Report on the audit of the financial statements**

---

### **Opinion**

In our opinion, Torbay and South Devon NHS Foundation Trust's Group and Trust financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and Trust's affairs as at 31 March 2019 and of the Group's income and expenditure and the Group's and Trust's cash flows for the year then ended; and
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2018/19.

We have audited the financial statements, included within the Annual Report and Accounts 2018/19 (the "Annual Report"), which comprise: the Group and Trust's Statement of Financial Position as at 31 March 2019; the Statement of Comprehensive Income for the year then ended; the Group and Trust's Statement of Cash Flows for the year then ended; the Group and Trust's Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

---

### **Basis for opinion**

We conducted our audit in accordance with the National Health Service Act 2006, the Code of Audit Practice and relevant guidance issued by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice"), International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

---

### **Material uncertainty relating to going concern**

#### ***Material uncertainty relating to going concern***

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.1.2 to the financial statements concerning the Group's and Trust's ability to continue as a going concern.

Financial plans negotiated across the Devon Sustainability Partnership footprint were agreed and submitted on 23 May 2019. The Board of Directors acknowledge that the Foundation Trust, with the benefit of additional income agreed through that process, is forecasting a £4.7m surplus for 2019/20. The forecast is based upon a number of assumptions including the delivery of cost improvement plans, the limited cash headroom within that plan, and that contracts will be signed in line with this agreement. In this context, the Board of Directors recognise the risk that the Foundation Trust might fail to deliver on its financial plan and require financial support from the Department of Health and Social Care during the course of 2019/20 in order to meet its liabilities and continue to provide healthcare services. The extent and nature of the financial support from the Department of Health and Social Care, including whether such support will be forthcoming or sufficient, is currently uncertain, as are any terms and conditions associated with the funding. The existence of such material uncertainty may cast doubt about the Trust's ability to continue as a going concern.

These conditions, along with the other matters explained in note 1.1.2 to the financial statements, indicate the existence of a material uncertainty, which may cast significant doubt about the Group's and Trust's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the Group and Trust were unable to continue as a going concern.

#### ***Details of material uncertainty***

The Department of Health and Social Care Group Accounting Manual 2018/19 requires that the financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of a NHS Foundation Trust without the transfer of the services to another entity, or has no realistic alternative but to do so. The Trust's current year surplus is £2.1 million, which was behind its originally planned control target.

The Trust is forecasting a surplus for 2019/20 and having sufficient cash balances during the year. This is contingent on the cost improvement plans being achieved, a working capital facility from the Department of Health and Social Care, which has not yet been confirmed, and having no adverse impact from unsigned income contracts.

### *Work we performed on going concern*

In considering the financial performance of the Trust and the appropriateness of the going concern assumption in the preparation of the financial statements, we obtained the 2019/20 annual plan as well as the Trust's cash flow forecasts until the end of May 2020 and:

- examined the impact of cash flow sensitivities and assessed these against the Trust's ability to meet its liabilities as they fall due; and
- sensitised the assumptions behind the Trust's financial forecasts by comparing them to historical performance.

The Trust's forecasts suggest that further funding will be required for the Trust to meet its liabilities from quarter two of 2019/20. The Trust will negotiate additional loan funding in the last two quarters of 2019/20 to cover the financial requirements for the rest of the financial year. The Trust has stated it will begin these negotiations in the 2019/20 financial year (at least two months prior to the loan being required). The Trust will also assess the need for further funding for 2020/21 when negotiating its control total.

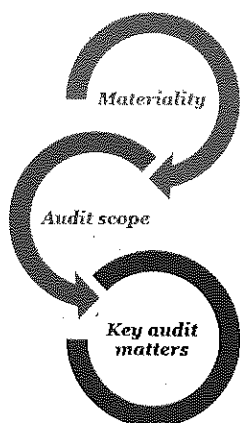
---

## **Our audit approach**

### *Context*

Our audit for the year ended 31 March 2019 was planned and executed having regard to the fact that the Group's and Trust's operations and financial stability were largely unchanged in nature from the previous year. In light of this, our approach to the audit in terms of scoping and key audit matters was largely unchanged apart from one key audit matters that was new this year with regards to financial sustainability.

### *Overview*



- Overall Group materiality: £8,820,000 (2018: £8,550,000) which represents 2% of total revenue.
- In establishing our overall approach, we assessed the risks of material misstatement and applied our professional judgement to determine the extent of testing required over each balance in the financial statements.
- Going concern
- Risk of fraud in revenue and expenditure recognition
- Revaluation of land and buildings

---

### *The scope of our audit*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

### *Key audit matters*

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to going concern, described in the 'Material uncertainty relating to going concern' section above, we determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

---

**Key audit matter**

---

**How our audit addressed the key audit matter**

---

Risk of fraud in revenue and expenditure recognition – Trust

*See note 1 to the financial statements for the directors' disclosures of the related accounting policies, judgements and estimates relating to the recognition of revenue and expenditure and notes 3 to 5 for further information.*

There continues to be financial challenges in the NHS as demand outstrips funding available. There is increased scrutiny on financial performance as the Trust continues to deliver the benefits associated with the Integrated Care Organisation.

The Trust agreed a control total of £1.725 million surplus with NHS Improvement. The Trust was required to achieve their quarterly control total targets to receive Provider Sustainability Funding income, which is paid in quarterly instalments.

The Trust receives the majority of its income from local commissioners and the local authority for the services it provides. The majority of contracts are block contracts, which is a fixed agreed amount paid for the year. Other sources of income are variable and based on activity or variations agreed during the year. These variable elements pose the greatest risk and where we focus our work.

Within these contracts, there are variable performance measures, including penalties, which are dependent on the delivery of activity. The Trust has a risk share agreement in place with the Clinical Commissioning Group, which is that a 50% of variance against plan will be received by, or payable to the counterparties.

We determined the risks to be:

- the Trust being under increasing financial pressure. It has set a control total for the financial year, with STF revenue paid when certain financial and non-financial targets are met. Whilst the Trust is looking at ways to maximise revenue, there is an incentive for the Trust to recognise as much revenue as possible in 2018/19 to meet its control total;
- inappropriate recognition of revenue from 2019/20 to 2018/19 in order to improve the current year position;
- inappropriate recognition of revenue where the performance obligation has not occurred; and
- deferral of expenditure from 2018/19 to 2019/20, through an understatement of liabilities, or an overstatement of prepayments.

---

**Revenue**

We evaluated and tested that the accounting policy for income and expenditure recognition was consistent with the requirements of the DHSC Group Accounting Manual 2018/19, particularly with the implementation of IFRS 15 *Revenue from Contracts with Customers*.

We read the relevant parts of the risk share agreement against the outturn performance to ensure that no monies were owed by the Trust. We also agreed to agreements with the Clinical Commissioning Group that no monies were repayable because of the Trust's under-performance against their control total.

For a sample of revenue transactions, which do not arise from block contract arrangements, we agreed the income recognised back to supporting documentation and cash receipts to ensure that they were accounted for in the correct period. In addition, we tested the controls over the patient record system to support the patient activity.

We tested a sample of other revenue by tracing the transaction to invoices or other correspondence, and using our knowledge and experience in the sector, to determine whether the revenue was recognised in the correct period. Items of other revenue included private patient revenue, overseas patient revenue, education and training, and research and development.

**Expenditure**

We selected a number of invoices and payments recognised after the year-end, traced them to supporting documentation, such as invoices to determine whether the expenditure was recognised in the correct period.

Furthermore, we performed testing on a sample basis, to agree payments made and invoices received after the year-end to supporting documentation and checking that, where they related to 2018/19 expenditure, an accrual was recognised appropriately.

**Manipulation through journal entries**

Our journals work was carried out using a risk based approach. We used data analysis techniques to identify the journals that had unusual account combinations. Where unusual journals were identified, we traced them back to supporting documentation to verify our understanding of the journal and corroborate the reason for the journal and the amount recorded.

Our testing identified no issues that required further investigation.

#### Revaluation of land and buildings – Trust

*See note 1 to the financial statements for the directors' disclosures of the related accounting policies, judgements and estimates and notes 6 and 16 for further information.*

Property, plant and equipment (PPE), totalling £189.3 million, represents the largest balance in the Trust's statement of financial position. The value of land is £7.7 million and of buildings is £145.3 million. All PPE assets are measured initially at cost with land and buildings being subsequently measured at fair value based on regular valuations. The valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The Directors provide input to the Valuer on the assumptions to be used in the valuation methodology, which determines the carrying value of the assets, any impairments and the associated depreciation charge.

The Trust commissioned the valuer during 2018/19 to complete a full valuation of the Trust's land and buildings.

We determined the areas of risk to be:

- assumptions made by the Directors, including the condition of the assets, any obsolescence, build costs and the location of a "modern equivalent asset";
- the estimated useful life of the buildings; and
- the accuracy of the underlying data provided to the valuer by the Directors (e.g. Gross Internal Areas), which is used in the valuation.

We confirmed that the valuer engaged by the Trust to perform the valuations had professional qualifications and was a member of the Royal Institute of Chartered Surveyors (RICS).

We obtained and read the relevant sections of the full valuation performed by the Trust's valuer. Using our own valuations specialist, we obtained the methodology and assumptions applied by the valuer and checked they were consistent with market practice and other expected benchmarks

We tested the data provided by the Trust to the external valuer by:

- checking that the portfolio of properties included in the valuation was consistent with the Trust's fixed asset register; and
- confirming to estates records that the gross internal area used by the Trust's valuer was accurate.

We agreed that the values provided to the Trust by the valuer had been correctly included in the accounts and that the valuation movements were accounted for correctly.

We have evaluated the impact of depreciating the components over a different life and calculated the impact on depreciation. The difference is immaterial.

Our testing noted no material changes in carrying value.

Other than the matter noted in the 'Material Uncertainty relating to going concern' paragraph, we determined that there were no further key audit matters relating to the financial statements of the Group to communicate in our report.

#### *How we tailored the audit scope*

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Trust and the Group, the accounting processes and controls, and the environment in which the Group operates.

The Trust comprises one single entity with books and records all retained at the head office in Torquay. The Group comprises the Trust and SDH Developments Limited. We performed full scope audit procedures on both the Trust and its subsidiary company. We performed our audit at the head office in Torquay.

#### *Materiality*

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	<i>Group financial statements</i>	<i>Trust financial statements</i>
<i>Overall materiality</i>	£8,820,000 (2018: £8,550,000)	£8,379,000 (2018: £8,550,000)
<i>How we determined it</i>	2% of revenue (2018: 2% of revenue)	2% of revenue (2018: 2% of revenue)
<i>Rationale for benchmark applied</i>	Consistent with last year, we have applied this benchmark, a generally accepted auditing practice, in the absence of indicators that an alternative benchmark would be appropriate.	Consistent with last year, we have applied this benchmark, a generally accepted auditing practice, in the absence of indicators that an alternative benchmark would be appropriate.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was £168,100 to £8,820,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £300,000 (Group audit) (2018: £300,000) and £300,000 (Trust audit) (2018: £300,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Performance Report and the Accountability Report, we also considered whether the disclosures required by the NHS Foundation Trust Annual Reporting Manual 2018/19 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) and the Code of Audit Practice require us also to report certain opinions and matters as described below.

### *Performance Report and Accountability Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Performance Report and Accountability Report for the year ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2018/19.

In light of the knowledge and understanding of the Group and the Trust and their environment obtained in the course of the audit, we did not identify any material misstatements in the Performance Report or Accountability Report.

In addition, the parts of the Remuneration and Staff reports to be audited have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2018/19.

## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Accountability Report set out on page 73, the directors are responsible for the preparation of the financial statements in accordance with the Department of Health and Social Care Group Accounting Manual 2018/19, and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and Trust or to cease operations, or have no realistic alternative but to do so.

The Trust is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

We are required under Schedule 10 (1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report to you where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. We have undertaken our work in accordance with the Code of Audit Practice, having regard to the criterion determined by the Comptroller and Auditor General as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the Council of Governors of Torbay and South Devon NHS Foundation Trust as a body in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

---

## **Other required reporting**

### **Arrangements for securing economy, efficiency and effectiveness in the use of resources**

Under the Code of Audit Practice we are required to report, by exception, if we conclude we are not satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019.

We draw your attention to the Group's Financial Review and Annual Governance Statement on page 74 of the Annual Report, which includes further details on the matters noted below and the Trust's actions to address the issues.

### *Adverse opinion*

As a result of the matters set out in the Basis for Adverse Opinion and Key Audit Matter section immediately below, we have concluded that the Trust has not put in place proper arrangements for securing economy, efficiency and effectiveness in the use of its resources for the year ended 31 March 2019.

### *Basis for Adverse Opinion and Key Audit Matter*

We focused on this area in particular due to the deterioration in the Trust's financial position and the uncertainty over the Trust's ability to continue as a going concern. The Trust continues to experience increases in demand for services that are outstripping increases in funding and cost savings being achieved.

The Department of Health and Social Care Group Accounting Manual 2018/19 requires that the financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of a NHS Foundation Trust without the transfer of the services to another entity, or has no realistic alternative but to do so.

We note that:

- while the Trust is forecasting a surplus in 2019/20, the Trust has limited headroom with regards to cash;
- cost improvement plans have not all been developed for 2019/20; and
- the Trust's cash flow forecasts suggest that further funding will likely be required for the Trust to meet its liabilities in 2019/20.

The extent, nature and availability of any financial support to meet funding requirements, which includes a working capital facility from the Department of Health and Social Care, has not yet been confirmed.

In considering the financial performance of the Trust and the appropriateness of the going concern assumption in the preparation of the financial statements, we obtained the 2019/20 annual plan and:

- examined the impact of cash flow sensitivities and assessed these against the Trust's ability to meet its liabilities as they fall due; and
- sensitised the assumptions behind the Trust's financial forecasts by comparing them to historical performance against plan.

The Trust's forecasts suggest that further funding will be required for the Trust to meet its liabilities from quarter two of 2019/20. The Trust will likely negotiate additional loan funding in the last two quarters of 2019/20 to cover the financial requirements for the rest of the financial year. The Trust has stated it will begin these negotiations in the 2019/20 financial year (at least two months prior to the loan being required). The Trust will also assess the need for further funding for 2020/21 when negotiating its control total.

---

### Other matters on which we report by exception

We are required to report to you if:

- the statement given by the directors on page 67, in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance, that they consider the Annual Report taken as a whole to be fair, balanced and understandable, and provides the information necessary for patients, regulators, and other stakeholders to assess the Group's and Trust's performance, business model, and strategy is materially inconsistent with our knowledge of the Group and Trust acquired in the course of performing our audit.
- the section of the Annual Report on page 29, as required by provision C.3.9 of the NHS Foundation Trust Code of Governance, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.
- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19 or is misleading or inconsistent with our knowledge acquired in the course of performing our audit. We have not considered whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.
- we have referred a matter to Monitor under Schedule 10 (6) of the National Health Service Act 2006 because we had reason to believe that the Trust, or a director or officer of the Trust, was about to make, or had made, a decision which involved or would involve the incurring of expenditure that was unlawful, or was about to take, or had taken a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.
- we have issued a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006.
- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

---

### Certificate

We certify that we have completed the audit of the financial statements in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Code of Audit Practice.

*Heather Ancient*

Heather Ancient (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

Date: 29 May 2019



**Appendix 3**

**Council of Governors 2019 Workplan**

<b>Agenda item</b>	<b>27 February Board to Council (private)</b>	<b>22 March Quarterly meeting</b>	<b>22 May Board to Council</b>	<b>19 June Quarterly meeting</b>	<b>23 July Board to Council (private)</b>	<b>25 September Quarterly meeting/ AMM</b>	<b>23 October Board to Council (private)</b>	<b>18 December Quarterly meeting</b>
Chairman's Report		X		X		X		X
Chief Executive's Report		X		X		X		X
Annual Quality Account					X	X (amm)		
Annual Report and Accounts					X	X (amm)		
Annual Plan	X		X		X	X	X	
Annual Plan Governor feedback report	X		X		X		X	
Forward Agenda Plan		X		X		X		X
Governor events – feedback		X		X		X		X
Lead Governor's Report (inc constituency reports)		X		X		X		X
Feedback from Cttee's/Working Groups		X		X		X		X
Governor's Communication Log		X		X		X		X
Auditors Report to Governors						X (amm)		
Register of Interests				X				
Lead/Deputy Governor appt. process				X				
Appointment of Lead/Deputy Governor						X		
Appointment of NED		X						
Company Secretary's Report		X		X		X		X
Annual cttee/group membership review						X		
Membership Strategy – annual update						X (amm)		
Elections update report		X						
Election results report		X						
External Auditor appointment - update						X		X
Ad hoc reports/presentations		X		X		X		X
2019 Annual Members Meeting						X		



**Council of Governors**  
**Wednesday 25 September 2019**

<b>Agenda Item:</b>	4.4
<b>Report Title:</b>	Lead Governor's Report
<b>Report By:</b>	Lead Governor
<b>Open or Closed:</b>	Open under the Freedom of Information Act
<b>1. Summary of Report</b>	
1.1	Topical areas of interest presented by the Lead Governor arising since the last Council of Governors meeting on 19 June 2019.
<b>2. Main Report</b>	
2.1	The Council of Governors continues to be actively involved with supporting the Trust and members. Following a meeting with the Chief Executive on 19 August, a number of developments have been confirmed and communicated to Governors.
2.2	At the Board to CoG Development session on 23 July, the Chief Executive provided the context for the NHS long term plan to the Council of Governors. A detailed briefing was provided by the Executive Team on the Trust's Long Term Plan and the Medical Director provided a presentation on the STP long term plan. Governors were asked to contribute their views on the proposals as part of the public consultation process and have also been involved with seeking the views of Members and the public.
2.3	Following approval of the Council of Governors' Development Plan, the operational Task and Finish Group are now working on the implementation of the plan, particularly focussing on engagement with Trust Members and the public. The Company Secretary's Report provides more detail on progress against the plan.
2.4	Governors' constituency groups continue to attend their local PPG meetings, feeding back to members on the developments in primary care and views of patients etc. Governors also continue to support the consultation processes at Dartmouth and Teignbridge. Wendy Marshfield and Lynne Hookings recently attended the Compass House Medical Practice Open Day to promote the Trust and provide information on the role of governors.
2.5	As part of the Governors' development programme, a series of Network meetings are being set up starting in October 2019. These will provide the opportunity for governors to meet with the Chairman, COO and other members of the Trust's Executive and senior management team, to receive further information on issues which have arisen at the Trust Board and to inform governors on emerging items of topical interest. Venues will vary to allow maximum participation by staff and governors - details will be provided by the Trust Office and through the Governors' Newsletter. I do hope governors will take the opportunity to attend these meetings whenever possible.

2.6	Governors are also continuing to participate in CQC mock audits with the clinical teams, providing opportunities for governors to meet with inpatients and clinical staff and observing the management of patient care and the patient experience: the most recent Audit was in the Radiology Department. This work also includes preparation for the expected CQC inspection later this year.
2.7	Governors participated in the Chief Finance Officer selection process, which took place on 6 September.
2.8	Governor colleagues continue to support the Staff Heroes selection process and to take the opportunity to attend various events to raise the profile of the Council of Governors. The Chairman kindly arranged for six places for governors at the annual Staff Heroes event to be held on 26 September 2019, and all governors were invited to apply.
2.9	The CoG would like to welcome Sally-Ann Reay, the Trust's Membership Manager, who took up post in June. The Membership Manager has already undertaken a range of actions to inform and engage with governors and to improve communications. Key to this is the issue of a regular newsletter for members and key stakeholders which has been warmly welcomed by governor colleagues. The Governors' Communications Log will now be issued as an appendix to the newsletter on a regular basis.
2.10	Key areas for future meetings include:- <ul style="list-style-type: none"> <li>• Review of Trust Constitution</li> <li>• On-going implementation of Governors Development Programme</li> <li>• Review of Governors' Communications Log process</li> </ul>
2.11	Finally, I do hope that Governors will be able to attend the Annual Members' meeting being held this afternoon (2pm Wednesday 25 September), to engage with our members and to receive information from the Chairman, Chief Executive, Director of Finance and External Auditors (PwC) on the Trust's performance during the year, as reflected in the Annual Report and Accounts. There will also be presentations at the meeting from some staff and teams about their achievements and new ways of working, which help to benefit our patients and service users.
<b>3. Recommendations</b>	
3.1	Governors are asked to note the contents of the Governors' Communications Log.
<b>4. Decisions Needed to be Taken</b>	
4.1	Note and comment on the information outlined above and attached.
<b>5. Attached to this Report</b>	
Attachment one      -      Governors' Communications Log	

ID	Date Requested	Governor	Constituency	Summary Description	Executive Lead	Response Date	Summary Response	Status
33	Wed 27/02/2019	C Davidson @ Extra B2CoG	South Hams	Mr Davidson asked what proportion of Medical agency costs was due to failure to recruit consultants and what proportion to the lack of Junior Doctors. DoF did not have the figures to hand but would check and advise CoG.	P Cooper – DoF	Fri 05/07/2019	<p><b>2018/19 :-</b>  Agency consultants: 11.6 WTE, Cost £2,583k, Annualised cost/WTE 245  Agency trainee grade: 12.7 WTE, Cost £1,873k, Annualised cost/WTE 145</p> <p><b>2019/20 (Month 01-02):-</b>  Agency consultants: c.20 WTE. Monthly cost £405k, (£4,860k annualised – increase on 2018/19 average)  Agency trainee grade: c.11 WTE (similar to 2018/19 average)</p>	Responded
39	Wed 12/06/2019	Lead Govner	CoG	Governors are requesting an update regarding the detail of the communication strategy for briefing the public and all partners for the proposed development of the health and well-being centres (H&WBC) at both Dartmouth and Teignbridge.	L Davenport – CE	Wed 12/06/2019	<p><i>LG and Dep LG had held discussions with CoSec, now portfolio holder for communications. A key responsibility for new Membership Manager would be to support governors in their communications with Trust members and the public.</i></p> <p>Dartmouth H&amp;WBC - Ongoing close working with South Hams District Council following approval by Trust Board. Various local groups established and these were being communicated with directly. Communications being issued to local media whenever there was any progress to report. Business case to be approved at FPDC, and plans to be progressed as quickly as possible. 2 intermediate care beds recently procured in Dartmouth.</p> <p>Teignmouth H&amp;WBC - Financial proposals submitted to Teignbridge Council, and meeting to be held week commencing 24 June together with CCG: all parties keen to resolve this issue and all available information had been supplied to promote development of the Teignmouth H&amp;WBC.</p>	Responded
40	Wed 12/06/2019	Lead Govner	CoG	Some months ago governors requested a briefing from the communication team regarding their roles and areas of work and responsibilities.	L Davenport – CE	Wed 12/06/2019	CE had discussed development of Communications Strategy with CoSec. This would be essential for transformation work being undertaken by the Trust and work being undertaken with the STP. The Communications Strategy would be refreshed and the long term plan would be discussed with governors and key stakeholders. Discussions ongoing with CCG and STP regarding capacity of the Communications Team.	Responded
41	Wed 12/06/2019	Lead Govner	CoG	With regard to engagement with staff, Governors would like to know how staff are informed of any proposed service changes?	L Davenport – CE	Wed 12/06/2019	Governors had previously been advised of launch of “Our Journey” , to be used by individual teams to inform their strategy. Video recently produced to refresh this message. Weekly updates provided to staff on progress with Transformation activity. Meetings currently being held with senior managers from the new ISUs, as the Trust recognised that the scale of transformation required could not be achieved without the full engagement of staff – involvement of frontline staff is key to successful delivery.	Responded
42	Wed 26/06/2019	P Coates	South Hams	Omission from Integrated Performance report (IPR) to 25 June FPDC – previously in the section “Focus Reports - Workforce” there has been a table titled “Workforce plan v actual” but not included in June report. Please confirm Workforce Plan information will be included in future IPRs?	J Falcão – DWFO	Wed 26/06/2019	The workforce plan table was not included in the Workforce focus report as part of the M2 Integrated performance report to FPDC owing to a timing issue - this information was not available when the report was produced. This should be included in the Performance Report for July Board, with the intention to include in future FPDC Performance Reports, timing permitting.	Responded
43	Wed 26/06/2019	P Lilley	Torbay	With reference to the BBC 1 programme "War on plastic" regarding plastics and the ticking time bomb that this is creating not only for today but more importantly for the next generation. Does the Trust have a policy on reducing our plastic consumption and where ever possible either eliminating it or switching to more sustainable products?	L Darke – DECD	Fri 16/08/2019	The Trust does have a sustainability policy and a policy on reducing plastic consumption, so wherever possible we do eliminate the use of plastics and switch to more sustainable products. Sadly, sustainable products are usually more expensive and often cost-prohibitive but the Trust will always try to reduce the use of plastics wherever possible.	Responded
44	Mon 01/07/2019	Lead Govner	CoG	The governors understand that Mears are carrying out an audit on Bay Care's performance as a provider of domiciliary care. What input is the Trust having to this? Is it appropriate that Mears should be carrying out this work, given their previous poor performance as a provider of domiciliary care?	J Harrison - COO	Fri 12/07/2019	Mears have a current contract with ICO for market management and quality assurance within Domiciliary Care for Torbay. Mears have always been responsible for both of these functions within their contract. The Trust continues to work closely with both Mears and Bay Care to ensure that quality of care is improved and the Quality Assurance Improvement Team now working with Bay Care to provide support and assurance. Continuing work with Mears, Bay Care and Healthwatch to ensure a range of quality assurance processes in place. Mears and Bay Care both have contracts with both the Trust and Devon County Council. (DCC). DCC may also request Mears to carry out quality audits on Bay Care as part of their contact with Mears.	Responded
45	Mon 01/07/2019	Lead Govner	CoG	The governors understand that Bay Care is having difficulty in filling all Packages of care requested , owing to increasing demand. Is this correct and if so what measures is the Trust taking to resolve this position?	J Harrison - COO	Fri 12/07/2019	Bay Care are able to fulfil their contractual requirements for filling packages of care. At times, in any provider, there are situations where both clients and providers are unable to reconcile differences of view on how packages are delivered and in these circumstances our social care teams work closely with clients and providers to resolve differences and ensure there are clear boundaries and expectations. The Trust continues to work with providers, Mears, local authority and CCG commissioners to develop the local market and support initiatives such as 'proud to care' , which supports and therefore increases the domiciliary care workforce. This is a national initiative addressing some of the workforce challenges about this key and important workforce.	Responded
46	Mon 01/07/2019	Lead Govner	CoG	Governors would like to know if TSDFT is developing a strategy on working in greater partnership with the voluntary sector to support the government's expectations outlined in the NHS 10 year Plan?	A Jones - DoTP	Thu 15/08/2019	<p>The Trust has had development links and joint working in partnership with the voluntary sector as part of the care model for some time.</p> <p>We have a number of contracts with Voluntary Sector organisations and have had a number of joint successes including the Well Being coordinator model, the Friends Centre in Brixham and Personal Support Assistants. We have also started planning voluntary sector engagement events, which will start in Torquay this autumn at a ward level, building on the successful work already happening in Torquay with the Health and Social Care Co-ordinators, community builders and Community Led Support work. A voluntary sector steering group has been established, including colleagues from the voluntary sector in Torbay and South Devon, operating on co-design principles.</p> <p>These arrangements are slightly different across our footprint as the Trust manages Adult Social Care in Torbay on behalf of the Council whilst in South Devon this is managed by the County Council. However similar work and outcomes take place across our geography. All this work is to help community resilience and promoted as asset based approach for local people to they have a greater say and ownership of health and social care. The focus of voluntary sector work is prevention and early intervention so people can live independently in their community.</p>	Responded

47	Mon 01/07/2019	P Coates	South Hams	Governors were surprised to note from the CIP action plan tabled at 25 June FPDC meeting that measures being considered include a review of the use of Thornbury agency and a review of specialising of patients. Governors thought that a robust mechanism was already in place, involving Executive Director authorisation of the use of Thornbury and specialising of patients, which would only happen in exceptional circumstances. Please could the governors have assurance that this is the case.	J Viner – CN	Thurs 22/08/2019	<p><b>Thornbury use:</b> There is currently a well-established process for booking Thornbury agency. There is good control in most areas with little or no use of Thornbury. However, recent reports show that for Critical Care Unit (CCU) and the Emergency Department (ED) where it has been more difficult to reduce use as there is a very limited supply of these specialist nurses locally and they tend to work for Thornbury.</p> <p>The reference in the FPDC to a review of specialising was to highlight the need to continuously review current processes and be open to alternatives to reduce demand and increase capacity. A number of options to reduce demand for agency in critical care have been considered including closing a CCU bed but at present this is not possible. We are therefore focussing on options for alternative temporary staffing solutions but the highly specialist nature of CCU makes it difficult to identify.</p> <p>ED is also an area of focus as current operational activities to reduce ED demand have not delivered, governors are well sighted on this. We are therefore exploring different shift patterns and flexible working for substantive staff.</p> <p>The aim is to drive Thornbury use to the minimum. We are having some success across general ward areas but there are some specialist areas where it is proving more difficult.</p> <p><b>1:1 specialising:</b> There is currently a well-established process for booking bank Healthcare Assistants (HCA) to support 1:1 specialising. The development of an HCA bank pool in 2018 has generally provided the required staff to meet demand however, recent evidence suggests that wards may be duplicating requests and over booking.</p> <p>In 2017 the Trust participated in the NHSI 90-day project to reduce the need for 1:1 specials. This included moving those who need a 1:1 supervision in to a single bay, employing de-escalation activities and managing the environment. Whilst this had a positive impact, recent reports show that requests for 1:1 specials have continued to increase.</p> <p>The reference in the FPDC to a review of specialising was to highlight the need to continuously review current processes and be open to alternatives to reduce demand and increase capacity. We are currently relaunching the 90-day project and exploring the options of increasing the bank pool or using an external provider such as 'Bed Watch' to meet demand.</p> <p>Specialising is not exceptional, it is a well-recognised and accepted solution to managing variability in demand however, we need to ensure we keep the use of bank HCA to the minimum by keeping our processes under constant review.</p>	Responded
49	Tue 23/07/2019	E Welch	Torbay	At 23 July Board to CoG Governors raised the issue of lengthy delay for diagnostics.	J Harrison - COO	Mon 12/08/2019	<p>Extract provided from Radiology's weekly snapshot showing number of patients waiting by time band (in weeks) for their appointment (0-over 10). Most patients are booked within a few weeks of referral</p> <p>Wait in weeks</p>	Responded
50	Wed 07/08/2019	C Davison & M Lewis	South Hams	With regard to nurses and intermediate care provision: as part of CIP savings has a reduction in more senior nursing staff in the community been planned?	J Viner – CN	Mon 12/08/2019	There is no intention to lose senior community nursing posts. There has been a review of the community nursing service in line with a mandated requirement to review safe staffing each year. This thorough piece of work suggests that there may be an opportunity to review skill mix and how nursing resource is currently distributed. The plan is for the report and recommendations to be further reviewed in discussion with the teams and leads before any changes are made.	Responded
51	Wed 14/08/2019	C Davidson	South Hams	The governors would like to know what cardiac and pulmonary rehab schemes operate in South Devon and the process for supporting and referring patients, as Dartmouth Together are looking to extend Exercise on Prescription in the Dartmouth area through the Leisure Centre?	R Dyer – MD	Tue 20/08/2019	Contact details for the relevant clinicians forwarded to C Davidson by the Corporate Governance Manager on 20th August.	Responded
48	Mon 01/07/2019	Lead Govner	CoG	With regard to the Healthwatch report: "What does it feel like to be a young person living in Torbay?", governors are seeking feedback on actions taken by the Trust and its partners in response to the recommendations/findings of this report	J Viner – CN	Wed 28/08/2019	The Healthwatch report was presented and discussed at the Children Strategic Partnership Board in April; an action plan has been drafted and will be overseen by that group. Part of the actions would involve developing strategies so that young people in Torbay in the Bay can be aware of the various services/ work ongoing.	Responded
50	Wed 07/08/2019	C Davison & M Lewis	South Hams	With regard to nurses and intermediate care provision: as part of CIP savings has a reduction in more senior nursing staff in the community been planned?	J Viner – CN	Mon 12/08/2019	<p>There is no intention to lose senior community nursing posts. There has been a review of the community nursing service in line with a mandated requirement to review safe staffing each year. This thorough piece of work suggests that there may be an opportunity to review skill mix and how nursing resource is currently distributed. The plan is for the report and recommendations to be further reviewed in discussion with the teams and leads before any changes are made.</p> <p><u>Update from CGM: 06/09/2019</u> - The Chief Nurse's letter was emailed to all Governors on 04.09.2019 and also attached as an appendix to the Governors Newsletter Issue 5 dated 06.09.2019.</p>	Responded
50A	Thu 29/08/2019	C Davidson	South Hams	Letter sent by Chief Nurse in response to question about Community Nursing is extensive in the description of reasons for and methods used to review community nursing but it doesn't provide the actual planned change which is what concerns the public who hear that cuts are to be made in the number of staff. Nor does it address the worrying issue of staff going outside of the Trust to get support for what clearly is a contentious matter. 1) Why was there a delay in receiving the Chief Nurse's response letter? 2) Why did the letter received not explain the falsely reassuring response in the governors' Comms Log?	J Viner – CN	Fri 30/08/2019	<p>1) I can only apologise for the delay in sending Jane Viner's letter through to you and again am sorry that you did not receive this before the stakeholders meeting.</p> <p>2) I have spoken to Jane Viner following receipt of your email. She has reviewed her letter and the original response published in the Comms Log, and does not feel that she is able add any further information on this issue at the current time.</p>	Responded

52	Thu 22/08/2019	P Coates	South Hams	<p>Could maps be included on the web site by area? For Moor to Sea area could this:-</p> <p>a) Include Kingsbridge Hospital and Norton Brook (Kingsbridge) , Salcombe and Modbury surgeries</p> <p>b) Show the area covered by Livewell</p> <p>c) Show GP practice areas</p> <p>It would also be helpful to show other PCNs in the area covered by the Trust.</p>	J Downes - CoSec	Tue 03/09/2019	<p>Thank you for your question.</p> <p>We are in the process of identifying suitable maps showing constituency and Trust boundaries, and will arrange for these to be published on the Trust website.</p> <p>However the Trust does not hold the information requested relating to GP practice areas, PCNs, or the area covered by Livewell: the CCG and Livewell may be able to provide this for you and I have forwarded contact information to you.</p>	Responded
53	Wed 28/08/2019	P Coates	South Hams	<p>At 27 August FPDC meeting we had an interesting conversation on the backlog.</p> <p>Attached are graphs showing the incomplete pathways and the RTT%. This information comes from the FPIC and Public Board papers.</p> <p>On looking at these numbers Vikki Matthews questioned how the RTT% was calculated and I would be interested in the reply to this question: could you please find out how the % is arrived at.</p>	J Harrison - COO	Mon 02/09/2019	<p>Will be on September FPDC agenda as "Matters arising" to enable Governor observer to ask this question and information to be presented</p>	Responded
54	Fri 30/08/2019	P Coates	South Hams	<p>I refer to the line in FDPC papers SDHIP003 – Dartmouth Concept Development Proposal: Noted that legal advice regarding the status of Covenants within the Title Deeds of Dartmouth Hospital had been sought and further information was awaited.</p> <p>At the stakeholder meeting in Dartmouth on August 27th it was inferred /noted that the covenants stopped the hospital being sold until further work was undertaken and therefore there would no longer be one million pounds to help fund the new H&amp;WBC.</p> <p>What is the procedure to make the FPDC aware of this change in circumstances?</p>	L Darke – DECD	Mon 02/09/2019	<p>We have always known that there is a covenant on HALF of the oldest part of the Hospital , the seaman's house. This will not change our plans or stop us selling or developing the Hospital site, so are very confident of the £1m from the site. We are seeking additional legal advice re getting the covenant lifted.</p> <p>The Trust was asked a hypothetical question in the meeting:- If you can't sell the Hospital site due to the covenant would this mean that the H&amp;WBC would not go ahead? I simply clarified the covenant was on only a small bit of the site and gave assurance that the sale of Dartmouth clinic and other community sites enables us to guarantee the availability of the funding in the unlikely event that it does not come from the Hospital site, so the H&amp;WBC is not at risk. I will ensure that the minutes of the meeting accurately represent the discussion and these have been circulated to attendees for comment.</p> <p>The FPDC will be sighted and receive assurance on the Final costings of the H&amp;WBC, plans for this and the outline development plans for both the Hospital and the Clinic sites in due course and before we move into very detailed design and submit planning.</p>	Responded
55	Mon 02/09/2019	P Coates	South Hams	<p>Following Integrated Performance report received at 27 August FPDC. Page 47 Workforce Statistics refers – More explanation about the variances are needed. Administration and Estates overspend needs an explanation – this situation has gone on for many months. Compared to the previous month the budget showed a reduction of 9 but the actual figure had increased by 24 this means that the variance has risen from 64 to 99. Is this an area where we can achieve financial savings?</p>	J Falcão – DWFOD	Wed 04/09/2019	<p>This question has been referred to the Director of Workforce and OD, who will provide detailed response in a report to the People Committee, chaired by Vikki Mathews.</p>	Responded

56	Wed 04/09/2019	P Coates	South Hams	<p>I am writing to you as I am uncertain as to which NED can answer my concerns.</p> <p>Being a governor is difficult as I am fully aware that we are not operational but circumstances arise which impinge on operational. My concern are statements made in public which reflect badly on the Trust and therefore reflect on the Governors who would be seem to be shown to be not looking after patients' interests which is after all one of our responsibilities</p> <p>The subject is community nurses</p> <ul style="list-style-type: none"> <li>- I was first aware of unrest when the nurses featured on Spotlight some time ago. This was just before a FPDC and I was assured at the meeting that numbers would not be reduced and this was just an unfortunate incident of some members of the Trust staff going to the press.</li> <li>- I then became aware that the nurses had then met Sarah Wollaston</li> <li>- At the last FPDC it was inferred that there would not be a reduction in WTE's in this area</li> <li>- I then received an e-mail from Craig on Friday bemoaning an article in the Dartmouth Chronicle – I get the Kingsbridge Gazette so do not see articles that are town specific</li> <li>- Yesterday I went in to the Southhams newspapers to read the article and was more than disappointed. The Editor Tim Leigh very kindly sent it to me – it is attached.</li> <li>- Yesterday I also received Sarah Wollaston's monthly newsletter and I quote "and why I am calling for plans to cut District Nurses to be scrapped. It is not possible to take 3.5 WTE district nursing posts out of the Moor to Sea locality without seriously undermining essential care for patients. It would also break a clear promise made by the local NHS Trust to the people of Dartmouth to increase community services. It is seriously worrying that the Trust is considering cutting district nurse posts; I have also met with nurses and those from the voluntary sector to hear their concerns about the impact on patient care and existing voluntary support teams"</li> </ul> <p>Given the assurances I received at FPDC, the article and Sarah Wollaston's comments are contradictory to this assurance. What is the correct position?</p>	J Downes - CoSec	Thu 05/09/2019	<p>We were equally concerned about the factual inaccuracies and comments contained within the report. You can be assured that a robust statement has been issued to the Dartmouth Chronicle, by the Trust and in conjunction with the CCG, stating our position and correcting inaccuracies within the report, for example data on beds usage and how patients with dementia are cared for .</p> <p>You will have also seen the letter issued this week from Prof Jane Viner, Chief Nurse in response to Craig Davidson's questions in relation to community nursing. This provides a full and up to date description of the current position in relation to community nursing.</p> <p>Could I also mention as a gentle reminder that future questions are directed to the FT Office in the first instance. This will help us in managing the process of logging and responding to Governor questions in a timely way.</p>	Responded
57	Mon 09/09/2019	P Coates	South Hams	<p>Referring to previous reply issued by the Trust relating to governors' question on Community Nursing: (Q50 from Governors Comms Log refers)-</p> <ol style="list-style-type: none"> <li>1) Please confirm that we are not reducing WTE hours – Jane Viner's written reply does not say this. SW's comments specifically say a reduction of 3.5 WTE's.</li> <li>2) Secondly nowhere in the article is dementia and bed usage mentioned – could you please tell me why this is included in your comments?</li> </ol>	J Viner – CN	Mon 09/09/2019	<p>We can confirm there have been no further developments since the Chief Nurse's letter dated 21 August 2019. With regard to staffing, this was covered on pages 1 to 3 of the Chief Nurse's letter.</p>	Responded



## Report of Finance, Performance and Digital Committee Chair to TSDFT Board of Directors

<b>Meeting date:</b>	25 June 2019
<b>Report by + date:</b>	Robin Sutton, 26 June 2019
<b>This report is for:</b> (please select one box)	Information <input checked="" type="checkbox"/> Decision <input type="checkbox"/>
<b>Link to the Trust's strategic objectives:</b> (please select one or more boxes as appropriate)	1: Safe, quality care and best experience <input checked="" type="checkbox"/> 2: Improved wellbeing through partnership <input checked="" type="checkbox"/> 3: Valuing our workforce <input checked="" type="checkbox"/> 4: Well led <input checked="" type="checkbox"/>
<b>Public or Private</b> (please select one box)	Public <input checked="" type="checkbox"/> or Private <input type="checkbox"/>

### Key issues to highlight to the Board (Month 2, May 2019):

1. For assurance the Committee reviewed the Month 2 Financial Performance, the control total deficit of £5.3m is £1.3m adverse to budget. There is currently a high risk that the Q1 PSF will not be achieved. Against a CIP target of £20.0m, savings of £14.4m have so far been identified of which £12.2m has been classified as medium risk. The Trust is in the process of developing a detailed recovery plan.
2. For assurance the Committee reviewed the Month 2 Performance Standards together with related management actions and mitigations. These standards continue to suffer from the impact of the ongoing operating theatre closures. Assurance was given that the Q1 4 Hour A&E trajectory will be achieved.
3. NHSI self-certification for Month 2 was approved by the Committee.
4. The EPIC letter of intent was approved by the Committee.
5. The business cases for the TP ERP Project, Brixham Hospital, Dartmouth HWBC and Network Replacement were all approved by the Committee.
6. For assurance the Committee received a verbal update on the 2019/20 Business Planning Process and STP negotiation.
7. For assurance the Committee reviewed two risks (Risk Numbers 1070 and 2223) from the Financial, Digital and Compliance Risk Registers.
8. Torbay Pharmaceuticals financial performance for May 2019 was reviewed by the Committee. Assurance was given that TP remains on track to achieve the budgeted contribution for the financial year.
9. The Committee noted the HIS report from 19 June 2019 and approved the proposed SIRIUS review of HIS.
10. SDHIP meeting report of 10 June 2019, SPQFG meeting report for 13 June 2019 and CIEG meeting report of 30 May 2019 were noted by the Committee, no CBEAG meeting this month.
11. The Committee workplan for 2019 was reviewed and noted.

12. The Children and Family Health Board finance report for June 2019 was noted by the Committee.

**Key Decision(s)/Recommendations Made:**

1. To note the above.

Name: Robin Sutton (Committee Chair)

## Report of Finance, Performance and Digital Committee Chair to TSDFT Board of Directors

<b>Meeting date:</b>	30 July 2019
<b>Report by + date:</b>	Robin Sutton, 31 July 2019
<b>This report is for:</b> (please select one box)	Information <input checked="" type="checkbox"/> Decision <input type="checkbox"/>
<b>Link to the Trust's strategic objectives:</b> (please select one or more boxes as appropriate)	1: Safe, quality care and best experience <input checked="" type="checkbox"/> 2: Improved wellbeing through partnership <input checked="" type="checkbox"/> 3: Valuing our workforce <input checked="" type="checkbox"/> 4: Well led <input checked="" type="checkbox"/>
<b>Public or Private</b> (please select one box)	Public <input type="checkbox"/> or Private <input checked="" type="checkbox"/>
<p>Key issues to highlight to the Board (Month 3, June 2019):</p> <ol style="list-style-type: none"> <li>1. For assurance the Committee reviewed the Month 3 Financial Performance, the control total deficit of £4.94m is £0.02m favourable to budget. The Q1 PSF was just achieved, no 52 week wait fines have been assumed. Against a CIP target of £20.0m, savings of £14.5m have so far been identified but the route to cash is challenging. The Trust is in the process of developing a detailed recovery plan with single oversight by Executives.</li> <li>2. For assurance the Committee reviewed the Month 3 Performance Standards together with related management actions and mitigations. These standards continue to suffer from the impact of the ongoing operating theatre closures. Trajectory for the Q1 4 Hour A&amp;E trajectory was achieved.</li> <li>3. NHSI self-certification for Month 3 was approved by the Committee.</li> <li>4. CIP delivery plans were discussed and additional assurance is required by Executives.</li> <li>5. The business cases for Diagnostics, Teignmouth HWBC and Bovey Tracey Hospital were all approved by the Committee and go forward to Main Board.</li> <li>6. For assurance the Committee received an update on the STP negotiation and risk share.</li> <li>7. For assurance the Committee reviewed three risks (Risk Numbers 1083, 1159 and 1266) from the Financial, Digital and Compliance Risk Register.</li> <li>8. Torbay Pharmaceuticals financial performance for June 2019 was reviewed by the Committee. Assurance was given that TP remains on track to achieve the budgeted contribution for the financial year.</li> <li>9. The Committee noted the revised Capital Expenditure plans following NHSI requests to reduce plans by 20%.</li> <li>10. SPQFG meeting report for 11 July 2019, CBEAG meeting of 4 July 2019 and CIEG meeting report of 24 July 2019 were noted by the Committee.</li> <li>11. The Committee workplan for 2019 was reviewed and noted.</li> </ol>	
<p><b>Key Decision(s)/Recommendations Made:</b></p> <ol style="list-style-type: none"> <li>1. To note the above.</li> </ol>	

Name: Robin Sutton (Committee Chair)