NHS
Torbay and South Devon
NHS Foundation Trust

MINUTES OF THE 2024 ANNUAL MEMBERS MEETING

HELD AT 11AM ON FRIDAY 27 SEPTEMBER 2024

TREC, TORBAY HOSPITAL

Present:

Professor Chris Balch	Chairman
Adel Jones	Deputy Chief Executive
Mark Brice	Interim Chief Finance Officer
Andrew Postlewaite	Lead Governor
Alison Ramon	Chair - Membership Committee

Foundation Trust members, Governors, staff members and members of the public (present and via MS Teams)

In attendance:

Martin Beaman	Non-Executive Director
Loveday Densham	Governor
Sarah Fox	Corporate Governance Manager
Matt Giles	Governor
Annie Hall	Governor
Samantha Harding	Grant Thornton LLP
Jane Harris	Associate Director of Communications and Partnerships
Kirsty Hewett	Membership Manager
John Kiddey	Governor
Emily Long	Director of Corporate Governance and Trust Secretary
Nicola McMinn	Interim Chief Nurse
John Nutley	Governor
Jake O'Donovan	Director of Estates and Facilities
Laura Patrick	Head of Communications and Engagement
Tracy Pedley	PA to Director of Corporate Governance and Trust Secretary
Paul Richards	Non-Executive Director
Andrew Stilliard	Governor
Robin Sutton	Non-Executive Director
Siân Walker-McAllister	Non-Executive Director
Joanne Watson	Director of Health and Social Care
Robert Williams	Non-Executive Director

1. **Welcome and Apologies**

The Chairman welcomed those in attendance to the meeting. The Chairman wished to place on record thanks to the Trust Governors, in particular the Chair of the Governor Membership Committee, for their work to encourage Trust members to attend the meeting.

Those present were reminded that the meeting was being held as a statutory function of the Trust in order to present the Annual Report and Accounts and Auditor's findings for 2023/24 to its members.

Apologies for absence were received from Karen Barry, Joanna Bowtell, Val Browning, Dave Cawley, Arun Chandran, Liz Davenport, Louise Winfield, Councillor Ged Yardy, Robin Sutton, Hilary Milner, James Hartley and Vincent Williams

Noting that the Trust's Chief Executive, Liz Davenport, was not able to attend the meeting, a short message from her was played. She apologised for not being able to be at the meeting for personal reasons and that in her place, the Trust's Deputy Chief Executive would present on the Trust's performance over the last financial year.

2. **Lead Governor Welcome**

The Trust's Lead Governor, Andrew Postlethwaite, welcomed those in attendance on behalf of the Council of Governors. He thanked a number of people who had supported the Governors over the past year including: the Trust Foundation Office colleagues, Chair of the Governor Membership Committee and Deputy Lead Governor for her support to Andrew as Lead Governor.

Andrew reflected that the last year had been very busy, Governors had attended Trust Board meetings, observed Board Sub-Committees, supported the appointment process for new Non-Executive Directors and had involvement with GP Patient Participation Groups.

The meeting was informed that Governors, as part of their role, were required to hold Non-Executive Directors to account for their performance and that of the Board of Directors. They also provided a link between members of the public and the Trust. To support this work Governors had started to visit areas in the community. In addition, Medicine for Members events were being organised, the first of which would be held in November.

The meeting noted the Trust membership at the end of the financial year 20234/24 both by constituency and age range; the results of public governor elections and newly appointed governors during 2023/24.

3. **Minutes of the Annual Members meeting held on 21 September 2023**

The meeting approved the minutes of the Annual Members meeting held on 21 September 2023.

4. **Annual Report 2023/24 – Chief Executive and Chairman**

Adel Jones, the Trust's Deputy Chief Executive, provided the meeting with an overview of the Trust's Annual Report for 2023/24. The following was highlighted to the meeting:

- The Trust was an integrated care organisation – meaning the Trust provided care not just in the acute setting, but also in the community and adult social care.
- The Trust served c286,000 members of the community and this increased by a third in the summer months.
- The Trust had c6,700 colleagues and 405 volunteers.
- It had a budget of c£700m which was used to provide care on the acute site and across the community, including adult social care.
- The Trust delivered a range of services outside of the acute hospital in settings such as community hospitals and special units.
- The Trust was the lead provider for children and family health services in Devon.
- The Trust had six priorities:
    - More personalised and preventative care
    - Reduce inequity and build a healthy community with local partners

    - Relentless focus on quality improvement underpinned by people, process and technology
    - Build a culture at work where our people feel safe, healthy and supported
    - Improve access to specialist services through partnerships across Devon
    - Improve financial value and environmental sustainability
- The Trust supported the values of the NHS:
    - Commitment to quality of care
    - Compassion
    - Improving lives
    - Working together for patients
    - Everyone counts
    - Respect and dignity
- Our Communities:
    - The Trust renewed its commitment to delivering integrated care by signing a Section 75 agreement with Torbay Council in respect of provision of adult social care.
    - This did have a financial impact on the Trust which would need to be addressed over the coming year.
    - The Trust was the largest employer in Torbay and South Devon and took its role in community wealth building seriously.
    - The Trust's 0-19 service was a key component in providing preventative support for young people in Torbay.
- Our Challenges:
    - Financial – the Trust, with the rest of the Devon System, was in the National Oversight Framework. The Devon system was one of the most challenged systems in the country and better partnership working would be required to resolve this and provide sustainable services in the future.
    - The Care Quality Commission (CQC) had inspected the Trust and rated it as 'Requires Improvement'. The Trust agreed with this assessment and was able to demonstrate to the CQC the work taking place to make improvements.
    - The Trust had an estate infrastructure that was in many places between 70 and 100 years old which impacted on productivity.
    - The Trust had, however, made many small changes to its estate that had resulted in significant improvements for example Acute Medical Unit, additional theatres in Day Surgery, new endoscopy suite.
- Our Successes:
    - Cancer performance was excellent
    - The Trust had one of the lowest length of stay and no criteria to reside in the country.
    - The Trust also operated virtual wards; community physiotherapy virtual and augmented reality clinics; community dieticians supporting care homes to reduce admissions linked to falls and Urinary Tract Infections by ensuring clients were eating and hydrated.
- Our Partners:
    - The Trust had received funding to implement a new electronic patient record (EPR), this would connect all organisations across Devon with a single EPR supporting standardised clinical and operational practices.
    - The Trust had signed up to the Armed Forces Covenant Healthcare Alliance.
    - Services had been provided at the Exeter Nightingale Hospital.
    - The Trust had been part of a Keep Torquay Safety Pilot to support people who were unwell after a night out, reducing admission to hospital.

- Our Brighter Future:
    - The Trust needed to be able to demonstrate that the integrated care model was sustainable and to do this it needed to be more efficient and effective.
    - This would be achieved through delivery of the following pillars of work: digital; estate; people; One Devon Partnership.

The meeting received and noted the Deputy Chief Executive's presentation.

5. **Annual Accounts 2023/24 – Chief Finance Officer**

Mark Brice, Chief Finance Officer, briefed the meeting on the Trust's financial accounts for the year 2023/24, as follows:

- At the end of the financial year the Trust declared a deficit of £27m (which was aligned to the forecast agreed with NHS England); had spent £48.9m of capital; and had a £41.43m cash balance.
- In 2023/24 the Trust delivered £39.7m of savings, whilst continuing to deliver quality and safe services, against a plan of £46.6m resulting in an outturn deficit to plan of £7.6m; sold Torbay Pharmaceuticals; and managed the ongoing impact of industrial action, which whilst funded, impacted on overall cost and performance, although performance improved across many services.
- For 2024/25 an in-year deficit of 47.7m was planned, alongside significant cash efficiency and productivity expectations of £39.9m.
- The Trust's backlog reduction and performance recovery targets included the need to deliver 110% of 2019/20 pre-covid baseline levels.
- Headline financial numbers for 2023/24 were as follows:

£m	2023/24
Income	695.4
Pay costs	(367.4)
Non-pay costs	(345.8)
Finance costs	(7.4)
Other items (e.g. impairments)	(1.8)
Surplus / (Deficit)	(27.0)

- In closing, the need for the Trust to work with its partners to maximise opportunities was recognised as important, which would benefit the population the Trust and wider system served.

The meeting received and noted the report of the Chief Finance Officer.

6. **External Auditor Report – Grant Thornton**

Samantha Harding, Grant Thornton (GT), gave a presentation on the findings of the external audit for the year 2023/24:

- As the Trust's external auditors, GT had two responsibilities: to provide an opinion on financial statements, and to provide an opinion on value for money (VFM) arrangements and consider if there were any significant weaknesses.
- The external audit had been completed in time and an unqualified opinion provided.

- GT reported on a materiality of £10.8m (the level below which any error was not considered to affect the readability and reliably of the accounts), errors over £300,000 and senior officer remuneration to £20,000.
- Work was focussed on areas where assumptions were made which could lead to significant risk of material error: management override of controls; and valuation of property, plant and equipment.
- Other risks identified were IFRS 16 – private financial initiative implementation (leasing) and disposal of Torbay Pharmaceuticals.
- Based on GT's findings a number of recommendations were made to support improvement of the audit in future years, these included the responsiveness of the Trust's valuer to requests for information and the indices used to calculate data and fixed assets. Sample population information was also difficult to interrogate as the information was not cleansed before sharing with GT.
- There had also been issues regarding journals due to limited capacity in the finance system, but no issues were found following testing.
- Following these recommendations the Trust's Chief Finance Officer provided assurance that work was taking place to implement changes, with an improvement action plan in place that is being overseen by the Trust's Audit and Risk Committee.
- In respect of the VFM work undertaken by GT, this covered financial sustainability; governance and improving economy, efficiency and effectiveness. Significant weaknesses had been found in respect of financial sustainability, which recognised the Trust's financially challenged position as reported at the end of 2023/24.
- A question was raised around the fact that GT had to undertake additional work as it had not received all of the information it required when requested, and concern was expressed at the additional cost this added to the audit. This was acknowledged. The meeting was informed that two pieces of work were taking place to address these issues and the recommendations made by GT following the audit. The first was to undertake a review of the Trust's finance team to ensure it contained colleagues with the right skills and experience to deliver the functions of the finance team; secondly to identify early on if the Trust was dealing with any novel programmes of work, such as the sale of Torbay Pharmaceuticals, to ensure the auditors were kept briefed and involved in progress at all stages; and lastly to move away from using the District Valuer to provide a valuation of the Trust's property to a third party, who would be willing to share the indices and algorithms used to prepare its valuations.

The meeting received and noted the report of the Trust's External Auditor.

7. <u>Question and Answer Session</u>

Question asked by Gerald Penney, Trust Member in advance of the meeting:

Message: Teignmouth Hospital.

Now that the plan for a Teignmouth medical centre have been withdrawn and no schedule for transferring some services from Teignmouth to Dawlish hospital are forthcoming, are there any plans to revisit the modernisation of Teignmouth Hospital to cater for the shortfalls?

The Chair explained that the following was taking place:

- NHS Devon was working with Teignmouth GPs (who would have moved to the new health and wellbeing centre) to ensure they had premises available when their current location became unavailable.
- Some services would be moving to Dawlish Hospital, but there was a need for investment in Dawlish Hospital before this could take place.

- The Trust was continuing to work with the community of Teignmouth to identify other solutions. This could include the use of Teignmouth Hospital, however there was a need for significant investment in the hospital to make it fit for purpose – for example the top floor could not be used due to fire limitations identified by the fire brigade.

Further questions asked at the meeting:

The Trust had the largest deficit in Devon and had not been able to deliver its Continuous Improvement Programme (CIP) target for the year. Did the fact that the Teignmouth Health and Wellbeing Centre (HWBC) programme did no go ahead impact on the Trust's CIP delivery?

The following was noted:

- The non-delivery of the HWBC had not impacted on delivery of the Trust's CIP target. It was not able to be delivered due to increases in costs (the original scheme had been costed at £9m, but had increased over time to £19m).
- The HWBC project was a partnership between the Trust and the Integrated Care Board and across the Devon system there was not enough capital funding to support the delivery of the HWBC. There remained a commitment to ensure the right services would be provided for the population of Teignmouth.
- In respect of CIP, the Trust was a small organisation as part of the Devon system and had had challenges in delivering its CIP target but had delivered on those CIP plans that were in place. Part of the challenge in meeting the Trust's CIP target related to the non-delivery of system-wide CIP programmes.
- The Trust's Chief Executive and Chief Finance Officer were working closely with the system to ensure plans were in place for 2024/25 at Trust level, and across the system, to deliver efficiencies and also support fragile services.
- It was also noted that the Trust would be able to provide significant efficiencies if it had a fit for purpose digital system and estate environment.

How will the Government cutbacks affect Torbay's position in the New Hospital Programme (NHP)?

The meeting was informed that the Government was currently undertaking a review of the NHP and the outcome of this was expected at the end of October. At that time the Trust would understand its position in the programme and how long it might be until the new hospital would be completed. In the likely event that there would be delays, work was taking place to understand what works to the Trust's estate could wait until a new hospital was built and what would need addressed sooner. This work was being overseen by the Trust's Building a Brighter Future Committee. Those present at the meeting were encouraged to lobby for the Trust around the need for a new hospital and updated facilities.

Do you think admittances to the Trust will increase over winter due to the withdrawal of the winter fuel payment by the Government?

It was noted that the Trust worked closely with its community and voluntary partners to support its population, and this would include those who had had the winter fuel payment withdrawn. The Trust's Winter Plan would ensure that the Trust had the right capacity in place to manage increases in demand over the winter months.

A query was raised about a contract for care by a local supplier. It was agreed to address this outside of the meeting.

8. **Managing change in health services – hearing the voice of our members**

The meeting received a briefing on the Government priorities to transformation and change the NHS including:

- NHS transformation towards neighbourhood health services - from acute to community
- From analogue to digital
- From sickness to prevention
- Major themes from Lord Darzi's independent investigation into the NHS:
    - Re-engage staff and re-empower patients
    - Lock in the shift of care closer to home by hardwiring financial flows
    - Simplify and innovate care delivery for a neighbourhood NHS
    - Drive productivity in hospitals
    - Tilt towards technology
    - Contribute to the nation's prosperity
    - Reform to make the structure deliver

9. **Digital in Action: Transforming Health and Care Delivery in the NHS**

Nick Perés, Programme Director, Digital Innovation and Transformation Team and his team provided a presentation on the work at the Trust in respect of digital innovations and technology. Areas covered included:

- All projects designed with the human at the centre
- First NHS organisation to develop a digital futures laboratory
- Interactive and collaborative space for digital healthcare innovation
- The work of the team aligned to the Topol Review and Long-term Workforce Plan
- The laboratory provided engagement workshops with suppliers and innovations; 'testbed' for digital projects' safe environment for testing; subject matter experts; deep dive sessions on emerging technologies; digital clinics for healthcare professionals; and university fellowships and studentships.
- A landmark project in the last year included the establishment of VR sexual harassment training.
- Other work taking place was around eye tracking controlled MND wheelchair; improved simulation offering – enhanced interaction with virtual patient avatars; practice environments; and customable training scenarios
- Simulation sessions were provided in the community
- Collaboration with external companies
- Digital Literary and Inclusion Report 2024 – key insights and findings

The meeting received and noted the presentation on Transforming Health and Care Delivery in the NHS.

10. **Close of meeting**

In closing the meeting, the Chairman thanked everyone for their attendance.