

## Full Council of Governors Tuesday 14 February 2017 at 2 pm to 4.30 pm

Earl Mill, Dowry Street, Hathershaw, Oldham, OL8 2PF

### Present:

John Schofield	Chairman
Clive Brown	Public Governor, Bury
Derek Rowley	Public Governor, Bury
Ken Kendall	Public Governor, Bury
John Starkey	Public Governor, Oldham
Beryl Whiteley	Public Governor, Oldham
Karen Kelland	Public Governor, HMR
Ryan Cowan	Public Governor, HMR
Cllr. Peter Joinson	Appointed Governor, Rochdale MBC
Mary Foden	Public Governor, Stockport
Paul Carter	Public Governor, Stockport
Brian Wild	Public Governor, Stockport
Cllr June Somekh	Appointed Governor, Stockport MBC
Joyce Howarth	Public Governor, Tameside & Glossop
John Reddy	Public Governor, Tameside & Glossop
Wendy Hartley	Public Governor, Tameside & Glossop
Martin Stevenson	Public Governor, Trafford
Irving Normie	Public Governor, Trafford
Cllr Michael Young	Appointed Governor, Trafford Council
Jeanette Scott	Public Governor, Rest of England
Caroline Poole	Staff Governor, Allied Health Professionals
Richard Cliff	Staff Governor, Corporate & Support
Lynzi Shepherd	Staff Governor, Corporate & Support
Richard Valle-Jones	Staff Governor, Medical & Dental
Liz McCoy	Staff Governor, Social Care

### In Attendance:

Joan Beresford (Non-Executive Director/Deputy Chair), Ian Bevan (Non-Executive Director), Louise Bishop (Trust Secretary), Keith Bradley (Non-Executive Director), Lisa Howarth (Secretary to the Council of Governors/Minutes), Sandra Jowett (Non-Executive Director/Senior Independent Director), Michael McCourt (Chief Executive), Martin Roe (Executive Director of Finance/Deputy Chief Executive), Hayley Walker (Membership and Engagement Officer) and Donna Wrigley (Membership and Engagement Officer)

### Apologies:

Norma Bewley (Public Governor, Oldham), Charlotte Booth (Appointed Governor, HMR CCG), Lorraine Chipeta (Public Governor, Trafford), Lisa Featherstone (Appointed Governor, Bury CCG), Graham Foulkes (Appointed Governor, Oldham CCG), Cllr

Jackie Lane (Appointed Governor, Tameside MBC), Cllr Eddie Moores (Appointed Governor, Oldham CCG), Steven Moss (Public Governor, Tameside and Glossop), Mohammed Sarwar (Public Governor, HMR), Margaret Stoneman (Public Governor, HMR), Jan Trainor (Staff Governor, Nursing), Judy Williams (Public Governor, Trafford) and Ann Yates (Public Governor, Bury)

## **1. Apologies for Absence**

John Schofield (Chairman) notified the group of apologies received for the meeting.

The Chairman advised that Carrie Quinn, Public Governor for Stockport had stepped down in January 2017, and in line with the constitution, the person who polled the next highest number of votes in the last election was contacted. The Council welcomed Mr Brian Wild who commenced in post on 1 February 2017.

## **2. Declarations of Interest**

Mr Schofield advised that this was a standing item on the agenda and required that, where a member of the Council of Governors had an interest in any agenda item scheduled for discussion, they would declare it at the beginning of the meeting and withdraw from the discussion on that item.

The Chairman declared an interest against agenda item 4.

## **3. Minutes of the previous meeting of the Council of Governors**

### **3.1 Minutes of meeting held on 16 November 2016**

The Chairman presented the minutes of the previous meeting for approval.

**The Council of Governors approved the minutes of the last meeting as a true record.**

### **3.2 Matters Arising/Action Plan**

The Chairman presented the action plan which listed matters arising from the previous meeting.

**The Council of Governors noted the action plan.**

## **4. Appointment and Remuneration Committee**

### **4.1 Briefing note from Appointment and Remuneration Committee held on: 18 January 2017**

*At this point Mr Schofield left the meeting and Joan Beresford (Non-Executive Director/Deputy Chair) took over as Chair.*

Ms Beresford presented the briefing note from the Appointment and Remuneration Committee held on 18 January 2017.

Five of the six boroughs were represented by nine Public Governors plus five Staff Governors.

In response to a request from the Governors, the Chief Executive, Michael McCourt and Executive Director of Finance /Deputy Chief Executive, Martin Roe attended the meeting to answer the committee's questions about the current environment the Trust was operating in to help them understand the context for the proposal in relation to the terms of office for Tony Berry, Non-Executive Director/Audit Committee Chair, and John Schofield, Chairman.

In relation to the proposal, the Committee unanimously agreed that the rationale for the extension of terms of office for Tony Berry and John Schofield were not constituted as exceptional circumstances. The Committee further declined an offer to meet with NHS Improvement (NHSI).

Jose Fernandez, Director of Workforce presented reports on succession planning and NED Remuneration. The Committee deferred the discussion on NED Remuneration to the next meeting in April 2017 in order to absorb the information provided within the report.

The Committee further discussed the rationale for establishing a core membership for the Appointment and Remuneration Committee. The Terms of Reference were amended and submitted to the Council for approval.

### **The Council of Governors noted the report**

#### **4.2 Terms of Reference**

Louise Bishop (Trust Secretary) presented the Terms of Reference for the Appointment and Remuneration Committee for approval.

The Appointment and Remuneration Committee agreed to establish a 'core membership' to ensure a degree of consistency in the deliberation and decision-making. It was proposed that the quorum would comprise six Governors, five of whom would be from a named list of core members and one of whom would be a staff Governor.

The terms of reference were submitted to the Council noting the tracked changes. Ms Bishop presented the amendments in relation to items 2 and 7.

### **The Council of Governors approved the changes to the Terms of Reference for the Appointment and Remuneration Committee**

#### **4.3 NED Terms of Office**

John Starkey (Public/Lead Governor: Oldham) presented the proposal in relation to the terms of office for Tony Berry, Non-Executive Director/Audit Committee Chair, and John Schofield, Chairman.

## **Tony Berry – Non-Executive Director/Audit Committee Chair**

Mr Starkey reported that Mr Berry's term of office was due to end on 31 March 2017, at which time he would have served six years as a Non-Executive Director.

At the Appointment and Remuneration Committee on 12 October 2016, Governors debated whether the Trust still faced exceptional circumstances, since the situation was deemed to have changed and the Committee therefore asked for members of the Board to attend their meeting in January 2017 to answer questions to help them make the decision. The Committee recognised that changing the decision made in July 2016 would mean having to recruit a new Non-Executive Director at relatively short notice and, since Mr Berry's term had not previously been extended beyond the recommended six year maximum, therefore agreed to appoint him in principle for a further two years (subject to annual reappointment) and the usual requirements being put in place. The Council approved this proposal in November 2016.

At the Appointment and Remuneration Committee on 18 January 2017, members of the Board provided the Committee with background information about the current environment, to enable them to consider an extension of the Chairman's term of office. The Committee decided that the exceptional circumstances originally proposed to them in July 2016 (relating to the Manchester Mental Health and Social Care Trust tender and the fact that the Manchester Devolution arrangements were still at a relatively early stage) no longer existed and it was therefore not appropriate to extend the terms of office for the Chairman and, for consistency, not appropriate to extend Mr Berry's term of office.

On reflection, as Mr Berry was the Audit Committee Chair, his leaving the Trust on 31 March 2017, as proposed, would have significant implications for the running of the Audit Committee. As a minimum, a replacement Audit Committee Chair would need a period of training and shadowing to fully understand the role, format and function of the Committee and crucially would need to observe the May 2017 Audit Committee meeting to deal with the statutory submission of the Annual Accounts and Annual Governance Statement.

The Trust asked the Council to consider extending Mr Berry's term of office for a further two months, until 31 May 2017, to enable effective handover to occur so there was minimal impact on operational effectiveness. This would normally be presented at an Appointment and Remuneration Committee meeting but, due to insufficient time, a vote was held at today's meeting.

The Council voted on the proposal, 22 Governors voted: 19 Governors voted in favour of extending Mr Berry's term of office for a further two months from 1 April 2017 to 31 May 2017, three Governors voted against the extension.

**The Council of Governors approved the proposal to extend Mr Berry's term of office for a further two months from 1 April 2017 to 31 May 2017.**

## **John Schofield – Chairman**

The Chairman's term of office was due to end on 31 October 2017, at which time he would have served an initial six years as Chairman, plus an extension of three years due to exceptional circumstances, a total of nine years since Pennine Care became a Foundation Trust.

The Council was asked to ratify the unanimous recommendation from the Appointment and Remuneration Committee that the Chairman's term of office was not extended beyond 31 October 2017.

The Council voted on the proposal, 23 Governors voted: 21 Governors approved the recommendation not to extend the term of office beyond 31 October 2017. Two Governors voted against.

### **The Council of Governors approved the recommendation not to extend the Chairman's term of office beyond the 31 October 2017.**

The Council recorded their sincere gratitude to the Chairman for his commitment and service to the Trust and looked forward to a continued positive and productive relationship for the remainder of his term of office.

Governors communicated a strong message in respect of NED terms of office; all NEDs were appointed for three years initially at which point a checkpoint was in place where a further three year appointment was possible subject to satisfactory appraisal. Currently the appraisal was only conducted by the Chair, and the Governors recommended that a more formal process was followed, for example, involving Governors and Executive Directors.

Governors expected that all NED terms of office would end after six years and that the Trust would involve them in succession plans to ensure healthy turnover of NEDs.

*Mr Schofield returned to the meeting at this point and resumed the Chair.*

## **5. Local Constituency Meetings**

The Chairman advised that highlights from the Local Constituency Meetings (LCMs) were provided within the papers for information. Governors were invited to present additional feedback to the Council.

### **5.1.1 Bury**

Clive Brown (Public and Deputy Lead Governor, Bury) advised that the outcome of the public consultation on the redesign of urgent care services had been concluded at a public meeting on 18 January 2017. The CCG advised that the walk in services, as they operated presently, would not form part of future systems. Bury Walk in Centre (WiC) would remain open until end of March 2017 and Prestwich would remain open until end of September 2017.

The CCG had since launched a further eight week consultation, ending on Tuesday

11 April 2017. Two public meetings would be held in March 2017. A final decision would be made at a future CCG Governing Body meeting.

The WiC remained as an agenda item at the LCM.

### **5.1.2 Oldham**

Mr Starkey noted the next meeting of the Oldham LCM would be held on Wednesday 15 February 2017.

### **5.1.3 Heywood, Middleton and Rochdale**

Jeanette Scott (Public Governor, Rest of England) advised that Ian Mello, Head of Commissioning and Provider Management, NHS HMR CCG attended the meeting in December 2016 and provided an update on the locality plans.

### **5.1.4 Stockport**

Paul Carter (Public Governor, Stockport) advised plans continued for the 2017 Mental Health engagement event, which would be held on 10 October 2017.

### **5.1.5 Tameside and Glossop**

Joyce Howarth (Public Governor, Tameside and Glossop) presented an update on Autism Training. Funding had been approved for all Tier 4 staff to receive Autism Training. Due to the complex nature of the training an external provider was required, therefore a procurement process was required. It was hoped the training would commence in April 2017.

Healthwatch attended the meeting in January 2017 and provided an overview of the role and advised that their next public meeting in April 2017 would focus on Mental Health.

### **5.1.6 Trafford**

Martin Stevenson (Public Governor, Trafford) noted the next meeting of the Trafford LCM would be held on Wednesday 1 March 2017.

**The Council of Governors noted the feedback.**

## **6. Chief Executive Report**

### **6.1 Chief Executive Update**

Michael McCourt, Chief Executive advised he was taking up a new post with Central Manchester Foundation Trust as the interim Chief Executive of the Manchester Provider Board and would oversee the Board's response to deliver new models of care within the city.

Mr McCourt personally thanked the Council of Governors for their support during his time as Chief Executive. The Council in turn thanked him for his leadership and commitment to the Trust and wished him every success in his new role.

Mr McCourt advised that the Trust was in good shape and although 2017/18 would be a challenging year for the organisation, the Trust was driving forward the Local Care Organisation (LCO) developments in Bury, Oldham and Trafford, along with Mental Health programme budgets in each of the five towns.

### **The Council of Governors noted the report**

#### **6.2 Single Oversight Framework**

Ms Bishop presented a briefing on the Single Oversight Framework.

Previously NHSI assessed the performance of foundation trusts using the Monitor Risk Assessment Framework and issued two ratings – a Financial Risk Rating and a Governance rating. Trusts submitted regular reports, with the frequency based on the level of risk associated with the Trust.

The Financial risk rating was reported as a number, between 1 and 4 with the Trust being rated at 3 as at the end of quarter 2, which was in line with the Trust's plan. The Governance risk rating was issued as a RAG Rating, and the Trust was consistently rated Green.

From 1 October 2016, NHSI issued a new Single Oversight Framework, which applied to both foundation trusts and non-foundation trusts, and was designed to help providers attain, and maintain, Care Quality Commission (CQC) ratings of 'Good' or 'Outstanding'.

NHSI used a framework to help identify the level of support required, based on five themes (quality of care; finance and use of resources; operational performance; strategic change; leadership and improvement capability). Each organisation was placed into a 'segment' numbered between 1 and 4, according to the level of support required.

The Trust received a CQC inspection rating of 'Requires Improvement' and therefore had been placed in segment 2, which meant that the Trust would be offered 'targeted support' to enable improvements to be made, and to help the Trust attain a rating of 'Good'.

Ms Bishop advised that the Council would be informed at each meeting as to which 'segment' the Trust had been placed in.

### **The Council of Governors noted the report.**

#### **6.3 Governor questions**

Mr Brown enquired as to how the Trust was supporting staff based at the WiC during the period of consultation. Mr McCourt advised Keith Walker, Executive Director of

Operations and Stuart Richardson, Service Director: Bury Community Services was working closely with the CCG.

Ryan Cowan, Public Governor (Heywood, Middleton and Rochdale) enquired to an update on the locality plans in Greater Manchester. Mr McCourt advised that six plans had been approved to date; all other plans would be agreed in the next 2-3 months, and shadow working would commence in 2017/18 with a go live date in April 2018.

## **7. Chairman's and Non-Executive Director activity report**

The Chairman presented the Non-Executive Director activity report for the period ending 31 December 2016.

**The Council of Governors noted the report.**

## **8. Performance and Quality Assurance Committee**

### **8.1 Briefing note from Performance and Assurance Committee held on 15 December 2016**

Mr Starkey presented the briefing note from the Performance and Quality Assurance Committee held on 15 December 2016.

The function of the Committee was to seek assurance that the Trust was meeting appropriate standards of healthcare. Governors received papers for the meeting beforehand.

Five of the six boroughs, plus the Rest of England, were represented by the ten Public Governors plus two Staff Governors present, and the meeting was chaired by the Chairman. Minutes of the meeting from 29 September 2016 were approved subject to a slight amendment and actions arising were presented.

In previous meetings, Governors had noted an increase in self-harm incidents amongst younger people. As a result of this, the Trust arranged for presentations from Matt Walsh (Patient Safety Lead), Ann Marie-Malley (Risk Manager), Daniel Cope (CAMHS In-patient Manager) and Sara Barnes (Healthy Young Minds Directorate Manager) where Governors were provided with an overview of their findings.

Various Trust officers were present and a number of key items were discussed: the People and Organisational Development Strategy; Performance and Quality Assurance Committee highlight report; financial overview; monthly integrated quality governance report, and new business/tender tracker.

The Chair reported that the Trust had received a 'Requires Improvement' rating from the CQC Inspection and advised a joint session with the Board and Governors would be held following the Quality Summit in February 2017.

Governors posed a number of questions throughout the meeting.

**The Council of Governors noted the report**

## **9. Council of Governors**

### **9.1 Council of Governors activity report**

The Chair presented the Governors' activity report for the period October to December 2016 for information and requested that Governors forward any anomalies to Miss Howarth (Secretary to the Council of Governors) outside of the full meeting. The list was extensive and Mr Schofield praised the Governors for their involvement.

**The Council of Governors noted the report.**

### **9.2 Governors Attendance at full Council of Governors**

The Chair presented the latest attendance report, reminding the group that this formed a standing agenda item and was therefore submitted to each meeting.

Mr Schofield noted that the Trust Constitution required that failure to attend three consecutive meetings without reasonable cause could cease the Governor role. A number of Governors had reached the threshold and letters had been sent requesting that they commenced attendance with immediate effect.

Mr Schofield further noted the lack of attendance from some of the Appointed Governors, and acknowledged the input from those Appointed Governors who did regularly attend meetings, but stressed the need to review the contributions from the Appointed Governors more broadly.

**The Council of Governors noted the report**

## **10. Other Reports**

### **10.1 Constitutional Review**

Louise Bishop, Trust Secretary advised that a task and finish group was held on 10 January 2017 with the Staff Governors to discuss the staff composition.

The proposed changes would be discussed with the Board of Directors and Council of Governors prior to approval in May 2017.

**The Council of Governors noted the update.**

### **10.2 Governors self-assessment of collective performance**

Ms Bishop reported the Code of Governance recommended that Governors undertook a periodic review of their collective performance; therefore an assessment tool was developed based on the Code's recommendations about how the Governor's various roles and responsibilities should be conducted. The recommendations were then worked through with the Governors during a development session, where evidence of compliance against Code provisions was discussed, which in turn generated a RAG (Red, Amber, Green) rating and score.

The development session was held on 10 January 2017; at this meeting governors requested a hold was placed on the assessment until after the joint Board and Governor session on the CQC Quality Report.

The assessment would be submitted to the full Council at the next meeting in May 2017 for information

<b>Action:</b> <b>LH</b>
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**The Council of Governors noted the update.**

## **11. Any Other Business**

### **11.1 2017 Elections to the Council of Governors**

Ms Bishop presented an update on the forthcoming elections for 2017. 12 seats would naturally come to the end of their term of office on 30 June 2017. During February 2017 all Governors received a letter informing them of their term of office with an option for Governors to relinquish the role.

Ms Bishop advised that a schedule of pre-election roadshows had been arranged and would commence on 21 February 2017 and run through to the end of March 2017. As in previous years, Governors were invited to participate in the roadshows to give their perspective on the role.

The notice of election would be published on 24 April 2017, the deadline for nominations would close on 10 May 2017, and results of the election would be announced on 20 June 2017.

**The Council of Governors noted the update.**

### **11.2 Update on Chief Executive Recruitment**

The Chairman presented an update on the Chief Executive recruitment.

In order for the executive team to continue to ensure the efficient and effective running of the Trust, the following interim arrangements would be operational from 1 March 2017:

- **Martin Roe**, current Executive Director of Finance/Deputy Chief Executive would become Acting Chief Executive
- **Dr Henry Ticehurst**, Medical Director would also become Acting Deputy Chief Executive
- **Emma Tilston**, current Deputy Director of Finance would become Acting Executive Director of Finance

The Chair advised that it was for the Non-Executive Directors to appoint and remove the Chief Executive. A task and finish group had been established and attendance consisted of the Chairman, Deputy Chair, Senior Independent Director, Trust Secretary and the Lead and Deputy Lead Governor. The task and finish group had appointed

GatenbySanderson to facilitate the recruitment process and interviews had been confirmed for the 9 and 10 May 2017.

The Chair assured the Committee that Governors would be involved in the wider stakeholder interviews and that the Council of Governors was required to approve the appointment of the new Chief Executive at the meeting in May 2017.

**The Council of Governors noted the update.**

### **11.3 Update on CQC Inspection: Quality Report**

The Chairman presented an update on the joint Board and Governors development session held on 8 February 2017, facilitated by Zoe Molyneux, Associate Director of Quality Governance. The Board and Governors were advised of the service line and overall inspection outcome, areas of good practice and key improvement themes.

The Chair further advised that an Improvement and Transformation Board had been established and would be chaired by Simon Wootton (Chief Officer, HMR CCG) along with representation from all six CCGs plus representatives from the Trust to focus on the 15 identified key improvement themes. The committee asked that a nominated Governor joined the panel.

**The Council of Governors noted the update.**

### **12. Date and time of next meeting**

The next meeting was scheduled to take place on Tuesday 16 May 2017 at 2 pm at Earl Mill, Dowry Street, Hathershaw, Oldham, OL8 2PF