

Item 3
Council of Governors (in Public)

Minutes of the Meeting of the Council of Governors held on
Tuesday 4th March at 13:00
(Conference Room and via Microsoft Teams)

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Present:

Val Davies	Chair
Michelle Beaver	Staff Governor – Registered and Non Registered Nurses
Vivienne Carr	Public Governor - Cheshire
Terence Comerford	Public Governor – Merseyside
Dr Neil French	Nominated Governor – University of Liverpool (MS Teams)
Dr Jonathan Kendall	Staff Governor – Registered Medical Practitioners
Elaine Holme	Lead Governor/Public Governor - Merseyside
Denis McAllister	Public Governor – Cheshire
Stephen Storey	Public Governor - Cheshire
Dusty Rhodes	Public Governor – North Wales (MS Teams)
Ian Ferguson	Public Governor – Merseyside
Lynsey Jackson	Staff Governor – Non Clinical
Ray Davis	Public Governor – Cheshire
Cllr Richard McLean	Nominated Governor – Liverpool City Council (MS Teams)
Keith Wilson	Staff Governor – Non Clinical
Sharon Faulkner	Staff Governor – Registered and Non Registered Nurses
Margaret Roberts	Public Governor – North Wales (MS Teams)
Kim Crowe	Public Governor – Merseyside
Peter Wareham	Public Governor – North Wales
Wendy Caulfield	Nominated Governor – Friends of Robert Owen House (MS Teams)
Karen Higginbotham	Nominated Governor – Liverpool John Moores University (Teams)
Dorothy Price	Staff Governor – AHP, Technical and Scientific
Peter Humphrey	Public Governor - Merseyside

In attendance:

Liz Bishop	Chief Executive
David Flory	UHLG Chair
James Sumner	UHLG Chief Executive
Bob Burgoyne	Non-Executive Director (MS Teams)
Margaret Carney	Non-Executive Director
Joan Matthews	Director of Nursing, Quality & Safety
Ben Vinter	Director of Risk & Corporate Governance
Tom Pharaoh	Director of Strategy
Claudette Elliott	Non-Executive Director
Sarah Barr	Chief Digital Officer
John Doyle	Non-Executive Director
Manoj Kuduvalli	Medical Director
Jonathan Mathews	Chief Operating Officer
James Thomson	Chief Finance Officer
Rachael McDonald	Deputy Chief People Officer
Gill Donnelly	Communications and Membership Officer
Nicola Shurvinton	Cath Lab Matron
Ruth Gaunt	Executive Office Manager (Minutes)

Apologies for absence:

Jane Royds
Nick Brooks
Michael Carney

Chief People Officer
Non-Executive Director
Public Governor - Merseyside

Opening Matters

The Council of Governors meeting was conducted using a hybrid approach where Governors could attend in person or via video conferencing to ensure ease of access. In order to conduct this meeting efficiently, the papers were produced as usual and in accordance with the business cycle and distributed on 21st November 2024 by e-mail and posted to those who had requested this.

A template was circulated in advance for each Governor to complete individually. This gave each participant the opportunity to record comments and questions as they reviewed each paper prior to the meeting. Responses were collated and those questions/comments were raised by the Chair or referred to the Governor to raise during the course of the meeting. This pre-work had been particularly helpful for virtual meetings and enabled the Council of Governors meeting to be conducted efficiently given the number of participants.

The Chair also invited Governors to make contributions during the course of the meeting. Governors attending virtually posed questions and made comments using the 'raise hand' or 'chat' functions on the video conferencing facility.

David Flory and James Sumner attended the meeting to observe and made introductions. DF and JS highlighted their enthusiasm in working with the organisation and working closely with the Council of Governors.

1. Apologies for absence

Noted above.

2. Declarations of interest relating to Agenda Items

All meeting participants were asked to declare any interests in respect of items listed on the agenda. All participants confirmed that they had no interests to declare beyond those that may already be known and on Trust registers.

3. Minutes of the Council of Governors (CoG) held on 3rd December 2024

The Council of Governors agreed the minutes were an accurate reflection of the meeting and **approved** for the meeting held on 3rd December 2024.

4. Action Log

The action log was reviewed, and the following action was noted as complete.

Action 1 - Committee Updates – Quality Committee. It was enquired about the current staffing levels in the Radiology Department, specifically whether the department has the appropriate number of staff or if recruitment is still ongoing. Further details to be provided.

Update – JM advised that the radiology department are actively recruiting to all vacancies. The division actively discuss recruitment and retention. A request has been made that the radiology manager work on capacity and demand. Performance has improved steadily and recruited consistently. JM noted that there are staff available to deliver core sessions and work is ongoing to sustain

the position going forward. AEC panel planned for the end of March for one vacancy.

The impact of targeted lung checks on radiographers was questioned, and JM explained that these checks are conducted using mobile scanners and outsourced services, with external companies handling the reporting and scanning and does not impact inpatient activity.

5. **Patient Story**

Joan Mathews, Director of Nursing, Quality & Safety presented the positive patient story. The story was provided by the sister of a patient who described the lived experience of the patients journey from the family perspective.

The story highlighted the outstanding, compassionate, expert, high-quality care received at LHCH that the family stated they will forever appreciate. Although the story doesn't have the outcome the family wished for, they are grateful for the dedicated team who treated him with respect and dignity.

This update was well **received** by the Council of Governors. The significance of end-of-life care was highlighted, showcasing an excellent example of the team's strengths

6. **Service Presentation - REACT Resuscitation in Cath Labs**

Joan Mathews, Director of Nursing, Quality & Safety introduced Nicola Shurvinton, Cath Lab Matron who attended the meeting to provide the REACT Resuscitation in Cath Labs service presentation.

Resus training is specific to the Cath lab environment, developed to tailor ALS guidelines for the labs. REACT looks at human factors and how that plays a part in responding in an emergency and high adrenalin environment. The first LHCH course took place in October 2022.

Principles of REACT include establishing and assigning clearly defined roles for each team member to remove confusion and potential delays and improve communication. Roles include emergency leader, airway and breathing, defibrillation and pacing, manual CPR, mechanical CRP, drugs and timing, resource coordinator. REACT communication boards are displayed in each Cath lab. Introduction of the board is now well embedded in the WHO checklist process. This early intervention is having a good impact on patient outcomes.

The team no longer routinely request the full 222 team, only anaesthetist and ODP are required. Data suggests staff feel more confident in an arrest situation.

NS highlighted the barriers to implementation in practice however this has much improved. IF questioned the resistance and what is done to overcome this. MK explained that people require a good case for change made to them which is not easy when there are appropriately embedded processes in place. A level of resistance is appropriate as not all change should be accepted, and appropriate questioning is necessary. LHCH are one of the earlier adopters of REACT and one of the leading centres.

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

7. Chair's Briefing

The Chair informed the Council of Governors that LAASP work continues with positive progress made. David Flory and James Sumner will support the Trust to move forward with this journey from 1st April.

NHSE Chief Executive, Amanda Pritchard has stepped down and will be replaced on an interim basis by Jim Mackey who is currently Newcastle Hospital CEO. Cathy Elliott will take over from Graham Urwin as CEO at the ICB..

Neil Large, previous LHCH Chair has been appointed as interim Chair at the Countess of Chester Hospital.

LB and VD have a visit scheduled from the NHS Confederation on 1st March.

The Board strategy day took place over 2 half days. The strategy day covered annual risk appetite and annual planning. A presentation was provided by One Liverpool, the voluntary and community faith sector. There are almost 2000 organisations, 45% of those deal with health, well-being and social care. A commitment has been made to look at opportunities to work more closely together.

On Day 2, there was a joint digital board session with Clatterbridge. This emphasised key areas the Board of Directors should focus on regarding digital advancements and cybersecurity.

NEDs completed walkarounds of different ward areas. The Chair attended a walkaround of research and pharmacy where a strong desire to collaborate was observed.

The Council of Governors **received** the briefing.

8. Chief Executive Report

Liz Bishop, Chief Executive Officer provided the Chief Executive report and highlighted key areas of note.

LAASP is progressing well - the Case for Change is due to be presented to the ICB Board in March and Trust Board in April. Alongside this, the people principles have been agreed and will operate across all providers working in an open and transparent way. The people principles with shared as part of the Case for Change communications and engagement plan which has progressed well.

The Clinical Reference Group has been established and the CEOs attended the Programme Board agreeing next steps. Information will be shared when more detail is agreed.

LB welcomed James Sumner and David Flory who will work with LHCH teams and Council of Governors on the transition into the group. LB stated that the JC had identified uncertainty as the biggest risk, particularly concerning its impact on the workforce and the organisation's future strategy. However, it is crucial that this is communicated to staff.

IF questioned how the Case for Change will be communicated through the organisation. LB advised that communications would take place through regular conversations and governance structures. In addition, the communications team will organise constructed sessions where staff can voice concerns. KW

expressed concern around the ICB doing their job correctly, improving quality of care. LB advised that the ICB have provided one year of funding to support the work to include communications and engagement, and a request will be made for further funding.

Cyber update

Sarah Barr, Chief Information Officer for LHCH and Clatterbridge, provided an update in addition to the cyber update provided in the CEO report. SB advised that the national cyber security operations centre have written a cyber report based on the November incident. The initial draft was received in February and the final report is expected in the next couple of weeks.

A hot debrief session will take place within Cheshire & Merseyside with EPRR teams regarding cyber incidents and will also include the Wirral incident in November.

The joint digital board session for LHCH and Clatterbridge was facilitated by NHS Providers with insight impact from Hackney Council who were adversely affected by a massive cyber attack with huge cost consequences and impact on people.

SB will be appointed as senior responsible owner position across Cheshire and Merseyside for cyber, working closely with the ICB. Currently in the process of establishing a blueprint for provider CIOs to work from with a set of KPI's to ensure standards are improved across the group and across Cheshire & Merseyside consistently. SB is planning a session with provider CIOs, where learning can be shared from cyber incidents.

SB advised that the NHSE cyber security operations centre actively monitor in real time, any possible attacks. Organisations to ensure they have enrolled all devices on the Microsoft defender endpoint. Work is also taking place with the National Crime Agency.

NF questioned where the attack happened and how it got onto the system. SB advised that the infiltration happened via a shared Citrix gateway across LHCH and Alder Hey. The threat actor used weak credentials to enter the system and passed through the network, compressing data for release. That entree point has been taken down. SB noted that shadow IT is addressed through audits to review any platforms coming onto the network.

Governor Update

Elaine Holme, Lead Governor noted that Peter Humphry attended the Lead Governor symposium discussions. EH will provide an update following the next symposium discussions scheduled to take place on 7th March.

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

9. Non-Executive Directors

9.1 Committee Updates

Non-Executive Directors who Chair each of the sub committees presented key updates, emerging trends and issues from the Strategic Oversight Framework (SOF).

Audit Committee

John Doyle, Non-Executive Director provided an update from the Audit Committee held on 14th January.

The Board has agreed to an independent investigation of the IDigital service. An internal review evidenced underperformance in service delivery ranging from cyber security, project management and governance. Terms of reference have been agreed, and the investigation will be overseen by the non-executives and reported to the board in due course. The Trust and the IDigital service provider have agreed to terminate the contract. New Management arrangements will be proposed in the near future.

The Committee were provided with an update on cyber security incidents. The systems impacted by the security breach were taken offline and Business continuity plans implemented. Initially support was provided by NHSE/KPMG and National Crime Agency to contain the threat and deliver an action plan. The latter is being implemented by IDigital with support from Clatterbridge. Work is ongoing to bring systems back online with the appropriate cyber security measures. The Information Commissioner's Office has been informed.

The report stated that data quality over a number of national measures ranged between 97% - 99%. Risk reporting compliance levels are 99% exceeding KPI targets.

Clinical Audit Plan - Partial compliance reported in some areas. Plans in place to improve performance and achieve acceptable assurance at year end.

Assurance gained on readiness for the introduction of a new Procurement Act which comes into force February 25. Assurance gained on waivers having due process.

Risk Management Core – High Assurance, Clinical Audit – Moderate Assurance. Waiting list recommendations have been partially implemented. Overall plan slightly behind but MIAA expect to complete all audits/follow ups by March 25.

New Audit Lead Liz Luddington attended and will work with Finance team on Audit plan for 24/25. Audit Committee members agreed that the workplan had been met in quarter 3 and were confident that the workplan would be delivered by the year end.

SF questioned when Citrix will be back online. SB advised work has taken place to rebuild the gateway, currently under peer review with complex passwords or practical alternatives for clinicians embedded. The team will communicate once safely up and running.

IF questioned the impact of cyber-attacks on the integration plan as part of LAASP from a digital point of view. SB confirmed that this brings an opportunity to work more collaboratively across Liverpool setting those standards across providers of Liverpool with a collective understanding to increase standards.

KW inquired if individuals affected by the data breach have been notified and would there be any compensation that the organisation would be required to provide. LB advised that all due processes has been followed as previously advised.

Charitable Funds Committee

Bob Burgoyne, Non-Executive Director provided an update from the Charity Funds Committee held 14th January 2025.

Overall income for the year to date is at £421,405 which is 11% above target. Legacy income is at £30,065 against a target of £40,000. Further legacy income is expected.

Capital Campaign - Work is progressing on applications to multiple Charitable Trusts for the £1.5 million campaign for a new Simulation Training and Education Centre as partnership bids with the University of Liverpool.

Charity Expenditure - Due to current commitments to approved projects the General fund has declined to £48,000. For this reason, a paper was presented on a number of actions to temporarily limit expenditure including pausing approval of new projects and appointments of new staff that had been approved to support the charity

Overall financial position is positive - While the level of the general fund has declined the charity still has an investment portfolio with a market value of £1.025M and it was agreed that this could potentially be mobilised to underwrite future expenditure.

EH inquired about the purpose of the general fund, and BB advised this is used for things related to staff wellbeing, building works, research activity. A large amount of the fund already being committed.

BB will attend his last Charitable funds committee on 12th March when the Committee Chair role will be handover over to John Doyle.

Quality Committee

Claudette Elliott Non-Executive Director summarised key messages from the SOF discussed at the Quality Committee on 14th January and highlighted key areas of note.

As part of the Quality committee, all quality and equality impact assessments associated with cost improvement programmes were reviewed with no concerns highlighted related to those programmes.

Surgical site infections surveillance and audit continues and is now extended to include thoracic surgery.

End of Life annual report provided good assurance, providing good levels of care for individuals at the end of their life. The report noted the longstanding issue with incomplete completion of end of life flow sheets which is being addressed by the team and will be addressed as part of performance.

There were two ongoing patient safety incidents, however this has reduced to one with two recommended areas for investigation which are currently underway.

CE noted the detailed information and assurance provided by colleagues in several key areas and expressed gratitude to the staff who are working to maintain the quality and safety of services for patients.

EH noted progress to address recommendations for improving compliance with Radiology Alerts had been ongoing for a long time and questioned when the conclusion would be made. MK advised that radiology alerts responses continue, however the audit process has encountered data alignment and data

quality issues. On reviewing the data, at least 90%+ have had RAR's. Meetings are taking place with the clinical audit team, analytics team and EPR team to reconcile the audit more accurate. This is monitored regularly with close monitoring of incidents. MK to provide an update at the next meeting.

MK

People Committee

Margaret Carney, Non-Executive Director summarised SOF performance and key points from the People Committee held on 3rd March. Noting the presentation was tabled given the scheduling of the meeting.

The biggest performance challenge for People Committee is sickness with the rate increasing to 6.02% in December, exceeding the target of 4.5%. Both short- and long-term sickness is a challenge. Area of focus being long term, top reason being non-work-related stress and anxiety. MC confirmed that there would be no support to increase the sickness target further, the target of 4.5% has been hit several times. There appears to be no clear correlation between the index of multiple declarations and sickness levels. IF questioned if the HR department have an opinion on managers' capability to manage both long-term and short-term sickness. MC advised that assurance has been provided by the HR team to support managers to deliver this.

While the Trusts position reflects local and national trends there is a concentrated focus on ensuring compliance with the sickness absence policy. An in-depth sickness absence review will take place monthly, assessing each case individually to identify opportunities to reduce absences and enhance employee support.

Voluntary turnover has decreased and is now below the target of 10%, marking the lowest rate since November 2023. Mandatory training compliance is improving but is still slightly below target due to a new safeguarding children mandatory training package. RD questioned the timescale to become in target and raised concerns around patients suffering from lack of staff training. MC explained that business partners are visiting each division, targeting the support where compliance is lower and working with managers in those areas to bring up that training. Focus is made on critical mandatory training. There maybe an extent of mandatory training being too wide, and an ongoing review is taking place. If mandatory training is not up to date for bank staff, then they cannot take any shifts.

The committee received the results of a deep dive into sickness absence. The committee looked at divisional trends, reasons for absence and the sickness absence/return to work processes. The Committee was assured that the Trust was taking this issue very seriously and has asked for a report back when the next review is undertaken.

The regular assurance report indicates good progress against the People Strategy and compliance with key HR, Learning & Development activity. A significant number of People Strategy actions are work in progress and this year will be crucial to ensure all areas are delivered.

The response rate on the staff survey was 62% and early indicators are the results remain extremely positive. Results are embargoed until 13th March.

Equality, Diversity, Inclusion and Belonging remains a key focus for the Committee. It is pleasing to note that the investment in staff networks is

beginning to pay off. A carers network and Disability and Chronic Illness staff network have recently been launched.

Strategic Research & Innovation Committee

Bob Burgoyne, Non-Executive Director provided an update from the Research and Innovation Committee held on 9th December 2024.

The committee reviewed a paper on potential research KPIs for incorporation into the Strategic Oversight Framework (SOF) for reporting to the board and the Council of Governors. The KPIs related primarily to recruitment to and set up times for commercial, and non-commercial clinical trials. The committee welcomed the chance to see the current data which demonstrated overall good performance but also areas for improvement such as recruitment to the non-commercial portfolio. The committee agreed that this was a good starting point and the next step would be to put this into the correct format for the SOF. A further draft was presented at the meeting which took place on 18th February with a request to present at the next Board meeting on 25th March.

It is still planned that a new research strategy will be developed but this will be delayed pending planned discussions across partners in the city and across the wider region to ensure a joined-up approach as exemplified by the recent award for £5.7M from NIHR for commercial clinical trials across Cheshire and Merseyside. MK is keen that the draft research strategy is progressed, and a draft has been requested for the next meeting in May.

A satisfactory report on research finances was received by the committee.

Phil Jennings from Health Innovation North West Coast attended the meeting on 18th February and provided a presentation on how the organisation can work with staff at LHCH to help develop their areas around innovation and help to move forward to commercial application.

BB noted confidence when handing over the Committee Chair position to MK, the Trust will be in a strong position regarding research performance monitoring, developing the research strategy, and advancing innovation, enabling MK to successfully move forward with these initiatives.

Integrated Performance Committee

Claudette Elliott provided an update from the Integrated Performance Committee held on 17th February 2025. Information related to month 9.

At the end of month 9, 5 standards continue to show below the national KPI or statistical variance. All were expected or show levels of improvement based on mitigation plans in place. All 5 standards will continue to be monitored and closely aligned against any clinical risk.

Elective activity in month was just below plan, with case mix and non-elective demand is still being monitored against financial performance.

Good progress with cancer performance, although reported a month in arrears, in November 31 and 62-day standards were compliant except for Faster Diagnosis where we are non-compliant.

Consistent focus is being placed on long waiters, with the 65 and 52-week waiters being monitored weekly by the Divisional teams.

Surgery long waiter position remains a risk across the pressured cardiac service lines, encouragingly continue to improve incrementally.

DM01 (Diagnostics) significantly improvement over the last few months with a focus on waits above 13 weeks, recovery is expected to run on in the financial year with the known risks to performance being Cardiac MRI.

SOF report presented and discussed in detail. The committee was assured by the improvements across the cancer standards. The committee was equally assured by the approaches and plans in place to mitigate and recover where performance is below standard, e.g. faster diagnosis, surgery long waiters, and diagnostic above 13 weeks.

All indicators will continue to be monitored through Finance & Performance Group as well as Operational Board.

The committee received a detail update on LHCH approach to Productivity Improvement Plans agreed focus will be on: Theatre and Cath Labs, Outpatients, Diagnostic Delivery and Coding and Data Capturing.

The committee thanked Executive Leads and their teams for the improvements made within operational effectiveness. It was recognised that despite a challenging year teams have been focused on improving LHCH performance.

Finance

The Month 9 position is showing a £9,930k surplus. This is £470k lower than plan, show improvements in line with the recovery plan agreed with the Integrated Care Board (ICB).

Welsh contract is a cost per case arrangement, currently over-performing this is reflected in the financial position, and continues to support the Trust's financial improvement.

The Medicine division continues to achieve the planned levels of activity. The Surgery division is under-performing against elective plan, driven by significant levels of emergency demand.

Targeted Lung Health Check programme has been delayed resulted in an income shortfall. The programme is now fully operational and is recovering some of the shortfall from the opening months of the year.

Pay costs are stable, with low levels of agency spend. However, costs for the medical workforce remain higher than budget, the stretch target issued by the ICB remains undelivered, placing pressure on the overall Trust pay budget. There are non-pay budgetary pressures driven by overspends in theatres and Cath labs, due to increased non elective activity and higher prices. Drugs price inflation is also contributing to the overspend. There remains slippage against the CIP target. Almost 100% of the annual recurrent figure has been identified, with 82% being transacted.

The SOF was discussed in detail at the committee, the committee recognises the significant demands within the system. Committee assured by the prudent approach to financial management at LHCH. Where there are financial pressures, the Committee was equally assured by the mitigations describe,

however it was recognised, that a wider system approach should be considered to address issues such as increased non elective activity.

The committee acknowledged the hard work undertaken by all teams in transacting our CIP with a reported improved position of 82% at the Committee meeting held on 17 February. A collaborative approach has been evident with divisional and finance teams working together to achieve our planned CIP target. Planning guidance for 2025/26 received with increased expectations in efficiencies, productivity, managing headcounts and improvements in achieving nationally mandated standards/targets.

The Committee thanked the Executive Lead and their team for overall management of LHCH finances throughout the year to date, this is despite a challenging time, with an even more challenging 2025/26 forward planning.

Target for next year is being worked through at group and ICB level.

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

9.2 Strategic Oversight Framework (SOF) Performance Dashboard

Circulated for information. The SOF provides dashboards used to display performance against key drive and watch metrics. NEDs as Chairs of sub-committees examine, challenge and question performance and hold Executive Directors to account. Each sub-committee has their own dashboard which includes further measures.

10 Performance & Operations

10.1 Finance Report

James Thomson, Deputy Chief Finance Officer provided a review of the ambitious financial plan set at the beginning of the year. Forecasting a surplus of £14.1 million, aligning with the overall financial plan.

JT highlighted overperformance in certain areas, notably in medicine and Wales contracts. Elective workload management remains within expected parameters, presenting limited risk for this financial year.

Non-Elective workload in Surgery is above plan, impacting the ability to deliver all planned elective activities and incurring higher non-pay costs compared to elective procedures.

Regarding the Cost Improvement Programme (CIP), the Trust has identified and planned to recover 100% of the CIP for the year, with 82% transacted at month 10. It is expected that the Trust will meet CIP target for this financial year. However, there is a risk associated with the non-recurrence of some savings, which will affect the position in the next financial year.

For 2024-2025, it is anticipated that the Trust will meet the financial plan and targets, including capital expenditure. Managing capital closely to ensure every penny is spent effectively, prioritising equipment, infrastructure, and cybersecurity. Cash position remains strong, supporting all activities and underpinning the financial performance.

JT advised that the organisation operates within a system managed by NHS England, encompassing all trusts in Cheshire and Merseyside. LHCH surplus supports LHCH overall system position. Historically, as a foundation trust, could

reinvest surplus cash into capital infrastructure. However, this is not the case currently. Any cash increase from improved financial performance is held on the balance sheet, earning interest. This contributes to LHCH financial performance for the year. Increasing the surplus generates cash, which benefits the organisation, but cannot reinvest as previously.

Given the challenge across systems, prioritising risk at trust and system level, LHCH will invest when needed maintaining infrastructure to the best it can be with the envelope available. Operational and clinical colleagues are involved in making sure money is spent as effectively as possible.

Planning will conclude at the end of March/April however planning submissions have been made to the ICB and NHSE. The trust has a surplus financial plan at the last iteration. All organisations are being challenged to improve, whether in a surplus or not. The default planning position at this stage is that organisations will replicate their financial performance if they're in a surplus from 2024/25. Default position would mean that LHCH would have another £14m surplus. However, due to the way the surplus was achieved, this is not replicable, due to benefits from one off events. Therefore, ensuring there is an understanding of the surplus from an operational perspective, building on that foundation while managing risk.

JT noted NHS financial environment for 25/26, which includes capping elective activity. Commissioners have a fixed amount to pay for elective work. For the last few years money would follow on a case-by-case basis. Therefore, this will be managed differently going forward, working with the ICB and commissioners on how this will be managed. Due to heavy elective workload, this has potential implications on capacity. JT, JM and the divisions are working on implications of that.

CIP as a minimum will be the level of CIP delivered during 204/25 and the system are working on an average 5% CIP. There is focus on whole time equivalent and head counts and planning for that. The latest LHCH submission shows an increased workforce due to the service transfer of the Digital service back into the Trust. Other areas of growth include further roll out of the targeted health lung programme. Both can be explained as a defensible position. LAASP, Alder Hey and Mersey Care are working together on a cluster plan within the system to understand the level of financial risk in the sub-system. LAASP are working through a financial framework to standardise approaches on key issues, ensuing CIP opportunities are shared and reported consistently.

Individual organisational plans are being submitted to the ICB and NHS England, also working with partners to manage the risk of the overall deficit position through the of best use of resource and best CIP.

TC inquired with respect to the cash balance, and questioned if there would be any danger of that money being ceded to less well conforming trusts within the integration. LB noted that the landscape is changing, working as a system. Every pound should be spent wisely for the benefit of patients. There are rules in place, however in the stage of transitioning out of those rules. As Liverpool providers, there should be a way to act as one. JT advised that patents benefit from organisations being as productive and cost effective as possible. VD noted that the challenge in navigation should not be underestimated and thanked JT and the team. Whatever decisions are made financially, it will not compromise the quality and safety for patients.

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

10.2 *Integrated Incidents, Complaints and Claims Report Q1/Q2

Ben Vinter, Director of Risk and Corporate Governance noted that the report had been circulated prior to the meeting for information. The report summarises trends on incidents, claims, patient contacts, complaints and FTSU which are in line with historical trends and demonstrate a good, robust and supportive culture within the organisation and approach to organisational learning. BV shared the information to emphasise transparency which is crucial to the assurance process, as reported the quality committee had already updated.

It was highlighted that claims totalled £13m over a period of 10 years, and it was questioned whether other Trusts information is available to compare. BV advised that benchmarking is incorporated within modern hospitals. Most NHS trusts have insurance that is paid into a common scheme. BV to benchmark against other trusts.

BV

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

11 Strategy and Service Improvement

11.1 System, collaboration, networks and partnerships update

Tom Pharaoh, Director of Strategy presented the update on LHCH collaboration, system and networks.

LHCH is committed to collaboration and partnership working to improve services for patient and population. There are multiple points of focus for collaboration in Cheshire and Merseyside's healthcare system. LHCH clinicians and managers are fully engaged on all relevant collaborative work, leading it where appropriate. Liverpool's NHS Trusts are collaborating ever more closely to deal with the challenges that the city's healthcare system face. Regular updates on Liverpool and other collaborations will be shared with Governors as information is available.

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

11.2 Capital Programme

James Thomson, Chief Finance Officer presented the capital programme update.

Major schemes include Catheter Laboratory 7. Handed to the Trust in Summer 2024 from DD Porter Limited. All works complete including wall cladding and remediation works. Final accounts being finalised. Commissioning complete and first patient treated in January 2025. To be fully operational in 25/26 which will increase capacity as part of activity planning.

Theatre K project was handed over 23rd October 2024. Additional pendant works completed. First patient use in February 2025 (decant from Theatre C). Endoscopy works to facilitate the use of a new laser system are anticipated to be complete by 1st April 2025.

The project to provide new ventilation systems to Theatre C, D, E & F was approved July 2024. City Build started on site in September, which take us to first week of May 2025.

Capital Programme Forecast 2024/25, £7.8m. Forecast includes £0.35m of digital capital infrastructure support, linked to risk profile.

2025/26 capital planning is in progress across the Trust. This is led by the Trust's Head of Estates and Capital. All Divisions have had input into the capital programme for next year. This includes all operational and digital teams. The Trust uses a risk framework to prioritise capital projects, on an ongoing basis. This is informed by strategic, clinical and operational factors. The Trust has identified an opening capital requirement of c£9m, against an initial envelope of £6.2m. The Trust will present its final 25/26 capital plan at March Trust Board for approval. The Trust recognises that it is working with system and will refine its planning and priority process, to cover changes in how capital is managed in 25/26 and beyond.

Planning 2025/26 – Draft Programme include; Theatre K equipment and fitting out. Ward redevelopment (Birch). Digital infrastructure – storage. Digital infrastructure PACS. Cyber security. Theatre Ventilation.

Capital risks include demand for capital is larger than the operational envelope available – post final prioritisation. The financial environment is challenging, and capital schemes that do not deliver extra income or reduced costs, may not be sustainable. The digital position is currently under review, and there may be additional demand to manage and maintain infrastructure. In the event of infrastructure failure, the planned contingency is not sufficient.

New capital funding streams may become available subject to national programme priorities – e.g. diagnostic equipment.

IF noted that considering the programme forecast, the plan has been executed well with no significant budget overruns and asked if this is something that has been seen historically. JT advised that capital can be variable, and the organisation are managing things closely as it stands with good governance behind each scheme reporting to JM and operational team. Keeping contingency, managing spend through the year and managing risks. This is a common approach across LAASP.

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

11.3 Quality and Safety Strategy update

Joan Mathews, Director of Nursing, Quality and Safety provided the quality and safety update. The strategy is almost complete and will be presented to the QSEC meeting on 7th March followed by Quality Committee in April, with updates provided to the Quality Committee every six months.

The strategy has been aligned with the quality priorities. Lindsay Jackson has been heavily involved from the QI perspective and has also considered feedback from patients and families on areas for improvement. Joan M will provide further updates after it has been reviewed by the Quality Committee.

12 Governor Issues

12.1 13.1 Board Self – Certifications incl Corporate Governance statement

Ben Vinter, Director of Risk and Corporate Governance presented the Board Self – Certifications including Corporate Governance statement.

Historically, the Council of Governors have considered certifications that the organisation had to make, but rules had changed over the last year. BV felt it was important to report to the CoG to bridge the transition. Any considerations from the previous certifications remain valid for new reporting, which is largely steered by the Audit Committee.

BV provided a summary of issues for consideration. BV requested the CoG raise any issues considered to be relevant for reporting to either JD as Audit Chair, or LB as the Accounting Officer. The process will be managed in line with national guidance.

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

12.2 Review Governors' Register of Interests

Ben Vinter, Director of Risk and Corporate Governance presented the Governors' Register of Interests report. The Standing orders for the practice and procedures of the Council of Governors states that Governors are required to comply with the Foundation Trust's standards of business conduct and declare interests that are material to the council.

The report sets out the arrangements in place for the declaration of interests and includes the register of interests to be reviewed by the Council of Governors on an annual basis.

The Council of Governors **noted** the arrangements for declaring interests and reviewed the updated register of declared interests and confirmed that there were no material conflicts.

12.3 License Condition G4: Fit and Proper Persons Requirement

Ben Vinter, Director of Risk and Corporate Governance presented License Condition G4: Fit and Proper Persons Requirement report. The Council of Governors **noted** that the Governor 'fit and proper persons' self-declarations have been received as noted all confirmed the criteria as met.

12.4 Governor Elections

Ben Vinter, Director of Risk and Corporate Governance presented the Governor Elections report. The report highlights the timetable and process for the planned Governor elections for 2025/26.

A full timetable for this election process is provided within the report for the CoG to note. Governors who are coming to the end of their term of office are requested to follow the nomination process as appropriate if they wish to re-stand for a further three-year term. Governors who may be impacted by this, are encouraged to actively engage in the process if it aligns with their interests and availability.

The Council of Governors **supported** the ongoing election timetable which is scheduled to commence on 13th May 2025. The Council of Governors **noted** the update.

13 Working Groups

13.1 Membership and Communications Sub Committee

Dot Price provided an update. The Membership and Communications Sub-Committee met on 13th February 2025.

LHCH Charity provided an update on the work of the charity, highlighting it had been a positive year despite a challenging economic climate, and shared key focuses for the forthcoming year.

All key performance indicators within the Membership & Community Engagement Strategy had been achieved year to date. Younger people are encouraged to join.

LHCH Matters, Issue 1 is scheduled for publication in March 2025 sharing news, developments, features and key health messages to members (public and staff) and the wider LHCH community.

The LHCH Membership & Community Communications and Events Calendar was discussed for 2025/26.

The LHCH Photo Competition will re-launch in March 2025. Entries are encouraged from across the LHCH catchment area on the 'Great Outdoors' theme. Shortlisted entries will be displayed on the hospital corridors for the benefit of patients, families, staff and visitors.

The Council of Governors **received** the contents of the report.

13.2 Governor Attendance Report

The Chair presented the Governor attendance report for information.

VD noted that feedback shows how committed LHCH governors are. LHCH are fortunate to have so many people willing to attend each meeting. VD thanked the Governors on behalf of the Board of Directors.

The Council of Governors **noted** Governor attendance to statutory quarterly meetings, annual joint development day and participation in training and development opportunities.

14 Date and Time of Next Meeting:

Tuesday 3rd June 2025, 1pm.

15 Meeting Effectiveness

The Council of Governors were happy with the effectiveness of the meeting.

16 Resolution:

To exclude the public from the meeting at this point by reason of the private nature of business to follow.