

Item 3

Council of Governors (in Public)

**Minutes of the Meeting of the Council of Governors held on
Tuesday 3rd June at 13:25
(Conference Room and via Microsoft Teams)**

Present:

David Flory	Chair
Michelle Beaver	Staff Governor – Registered and Non Registered Nurses
Dr Jonathan Kendall	Staff Governor – Registered Medical Practitioners
Denis McAllister	Public Governor – Cheshire
Stephen Storey	Public Governor - Cheshire
Ian Ferguson	Public Governor - Merseyside
Ray Davies	Public Governor – Cheshire
Keith Wilson	Staff Governor – Non Clinical
Vivienne Carr	Public Governor - Cheshire
Kim Crowe	Public Governor – Merseyside
Dusty Rhodes	Public Governor – North Wales (MS Teams)
Dr Neil French	Nominated Governor – University of Liverpool (MS Teams)
Dorothy Price	Staff Governor – AHP, Technical and Scientific
Peter Humphrey	Public Governor – Merseyside
Margaret Roberts	Public Governor – North Wales (MS Teams)
Peter Wareham	Public Governor – North Wales
Wendy Caulfield	Nominated Governor – Friends of Robert Owen House (MS Teams)

In attendance:

James Sumner	Chief Executive
Joan Matthews	Director of Nursing, Quality & Safety
Ben Vinter	Director of Risk & Corporate Governance
Claudette Elliott	Non-Executive Director
Nick Brooks	Non-Executive Director
John Doyle	Non-Executive Director
Manoj Kuduvalli	Medical Director
Jonathan Mathews	Chief Operating Officer
Jane Royds	Chief People Officer
Gill Donnelly	Communications and Membership Officer
Ruth Gaunt	Executive Office Manager (Minutes)
James Bradley	Deputy Chief Finance Officer

Apologies for absence:

Jackie Bird	Non-Executive Director
Sarah Barr	Chief Digital Officer
Tom Pharoah	Director of Strategy
James Thomson	Chief Finance Officer
Sharon Faulkner	Staff Governor – Registered and Non Registered Nurses
Elaine Holme	Public Governor – Merseyside
Terence Comerford	Public Governor – Merseyside
Mike Carney	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 23rd May 2025 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.

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 4th March 2025**

The Council of Governors agreed the minutes were an accurate reflection of the meeting and **approved** for the meeting held on 4th March 2025.

4. **Action Log**

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

Action 1 - Audit Committee Update - Update regarding recommendations for improving compliance with Radiology Alerts.

Update – MK explained that the development of a new audit tool is complete. The audit tool reviewed historical non-responses and found that 94% are complete. This is a significant improvement compared to the previously reported figures of around 80%. A review has taken place of 3 years' of the remaining 6% that initially lacked responses. No issues or harm have been identified in any of the cases reviewed so far. Necessary actions were taken, but the responses simply hadn't been documented at the time. DF thanked MK for the greater level of understanding and assurance.

Action 2 - Integrated Incidents, Complaints and Claims Report Q1/Q2. BV to arrange benchmarking claims against other Trusts.

Update - Benchmarking complete. On review of cardiac specialist units, LHCH sit at position 2/22 in terms of claims. There were no causes for concern highlighted by NHR.

5. **Patient Story**

Joan Mathews, Director of Nursing, Quality & Safety presented the positive patient story. Ollie explained his transition from a child to adulthood needing numerous pacemaker implants and how the transition has affected him overtime.

Ollie highlighted the difference of moving from face-to-face appointments to technologically enabled care represented by a box in his bedroom which monitors his pacemaker daily with alert based follow up. Ollie uses his experiences for others to benefit from.

Joan M noted the importance in consideration of actions and what that means to patients, physically, mentally, and psychologically.

This update was well **received** by the Council of Governors.

7. Chair's Briefing – NEDs Walkabouts

The Chair welcomed James Sumner, Chief Executive to the Council of Governors meeting.

8. Chief Executive Report

James Sumner, Chief Executive Officer provided the Chief Executive report and highlighted key areas of note.

JS noted assurance received from MK who reported on the one item in the performance report that was off track, which now has a resolution in place. Overall, the organisation is performing well, especially financially, and remains in a good position despite challenges.

JS informed the CoG that the long-awaited 10-year plan, remains in draft but informal indications are that the ambition is excellent with hope for the future with strong neighbourhood and community elements. The imminent spending review will dictate how much the current version may be diluted.

The NHS is working to move away from the last 5 years of annual planning, moving to a 3-year planning timetable with planning for next year starting in the summer, however money is likely to be more challenging. Focus will remain on finance, long waiters and winter.

The North West is hugely challenged with a collective deficit plan for 2025-26 of over £500m with £1m deficit in month 1. Cheshire & Merseyside financial plans are still being reviewed.

PricewaterhouseCoopers (PwC) have been requested to meet with each Trust. JS and DF have meetings scheduled regarding LUHFT, LWH and LHCH. PwC are likely to explore Board governance, financial governance and CIP plans. Each organisation will be treated in the same way. Certain organisations have had long deficits and certain organisations have had longstanding surpluses. However, there are similar levels of opportunities in all organisations.

Cheshire & Merseyside ICB have employed a Turnaround Director who is placing controls in the system across Cheshire & Merseyside, which directly impacts on staff.

- All Trusts will move to the same point of pay for bank.
- All Trusts to have the same medical staffing pay.
- Freeze on admin and clerical vacancies.

The level of control is driven by the North West and the national team.

Organisations will work on the 3-year plan that will enact across the Trusts in Liverpool and ensure systems and processes are in place around those controls are robust with quality impact assessments.

The PwC review instructed by the ICB and supported by the region, is expected to conclude in the next couple of weeks, taking a view on the financial position and financial plan, followed by an agreed plan going forward that Trusts will be monitored on. Meetings are scheduled to ensure consistency across Liverpool.

JS highlighted ongoing concerns regarding recurrent CIP across the system.

KW suggested the reduction in bank rates will affect many staff, some who rely on bank work whose income will be affected leading to psychological issues. KW inquired if support will be provided for those staff members. JS agreed there will be an impact and confirmed that staff wellbeing support is provided however NHS organisations are unable to offer financial support.

Due to varying degrees of concern with staff, IF highlighted the need for regular communication to address real concerns, preventing impact of delivery of the site.

JS suggested once the PwC work is concluded, plans should be clearer.

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 11th March 2025.

Audit Terms of Reference reviewed and approved.

Draft Annual Governance statement was presented. The statement described the risks faced by the Trust including significant waiting list and cyber attacks. The report states that a substantial level of assurance could be evidenced and MIAA and Grant Thornton were satisfied with the assurance level. The level of assurance is conditional on the Grant Thornton audit findings.

Digital update presented. The report showed substantial progress has been made to reduce risk, however it was clear that there was more to be done to improve security. The Board approved the creation of an independent review and TOR. The review has been undertaken and the draft report will be discussed at the private Board of Directors meeting. Gaps within the digital processes have been closed. All systems have gone off business continuity plans.

Internal audit plan 24/25 is progressing and be completed by year end. No significant risks reported.

MIAA internal audit plan 2025/2026. MIAA and the executive team based the plan on identified significant risks in 2025/26. The Committee approved the plan

but requested that time be pencilled in for potential work regarding integration with UHLG and a review of SLAs given that the iDigital SLA was not fit for purpose.

KW inquired if there are plans to increase iDigital security and education for staff. JD advised that there are several improved securities including wider applicable roll out of Microsoft Defender and supporting dual authentication.

Charitable Funds Committee

John Doyle, Non-Executive Director provided an update from the Charity Funds Committee held 11th March 2025.

The committee received a draft annual review for 24/25. The report outlines its objectives which align with LHCH strategy. The Charity has supported events and provided equipment thus supporting patients and staff. The Charity expects to raise £677k and is one of the most effective charities in LAASP when comparing average income per member of staff.

The Charity outlined its budget 25/26 which includes a major capital project being Heart Surgery Simulators to help in the training of Junior Doctors. The Board approved the 25/26 Budget.

The Charity continues to seek funding from known national charities and is putting a proposal for a Limax laser to the Marina Daglish Foundation. The laser can find the smallest tumours therefore stopping the cancer from spreading very quickly.

The Charity has cash and reserves amounting to £1.2m as at end of February 25. £700k funds are held by specific services and wards with an aim to increase access and understanding of what funding exists and how to access it. A strategy is being written in order to raise awareness.

JS enquired if ongoing cost and maintenance for charitable fund purchases are signed at the committee and if they would impact the NHS budget rather than the charity. JD confirmed that business cases are written to include maintenance costs.

IF questioned if there are guidelines for charity funds, given the increased pressure on capital budgets. JD confirmed that funds can be spent on anything included within the charity guidelines which are adhered to. The annual review and report incorporates purchases made by charitable funds.

Quality Committee

Nick Brooks, Non-Executive Director summarised key messages from the SOF discussed at the Quality Committee on 29th April and highlighted key areas of note.

Formal complaints are low, compared with the same period last year, with approximately 50% reduction.

Concern was raised several months ago regarding the friends and family test reduction to 96%. This has now raised to 98.5%.

PPCI call balloon time is a measure of time taken between a patient with a developing heart attack and having their blocked coronary artery opened by

stent. The performance in hospital is good, but the total time from the first call (externally) has been as low as 35% with a target of 150 minutes. There has been a slight improvement.

Surgical site infection has been a focus of great collective initiative from the cardiac surgeons and some improvements and reductions in the rate of surgical site infections are being noted. Actions from multiple levels are having an effect.

A slight reduction in venous thromboembolism performance has been noted. The complex metric includes assessment of risk of patients having blood clots in veins. Training and further focus are in progress. The team have voluntarily joined the National Sentinel stroke audit, and it is important to note the slight delay due to the changing audit criteria. The level of rehabilitation criteria will not be met due to resources. Rehabilitation has improved within the hospital to some extent, with the introduction of a partial weekend service, although mainly applicable to general physiotherapy.

The Trust has made excellent progress with Getting it Right First Time (GIRFT), completing most recommendations in the various specialties to which it applies. There are several recommendations which LHCH will not be compliant. Most cases are not relevant to LHCH. Mike Filek will provide a breakdown analysis to the quality committee of areas of recommendations of where LHCH are not compliant.

SS noted that work took place around poor outcomes of patients on waiting lists and inquired if the work is now complete. NB advised that the process of improved scrutiny and regular contact of patients on waiting lists is in place, to include alerts to consultants if required, reported to the QSEC meeting. This in turn reports to the Quality Committee.

People Committee

Jackie Bird, Non-Executive Director was unable to attend the meeting. JB provided an introduction.

Strategic Research & Innovation Committee

Manoj Kuduvali, Medical Director provided an update from the Research and Innovation Committee.

Last Research and Innovation Committee meeting on 13th May could not go ahead due to not being quorate (apologies received) and has been rescheduled

The local LHCH research strategy in abeyance pending LASSP research strategy and priorities being discussed as it would be important to align with the Group.

SOF research metrics were presented at the Operational Board meeting and are expected to be presented at the next Council of Governors meeting.

Integrated Performance Committee

Claudette Elliott provided an update from the Integrated Performance Committee held on 24th April 2025. Information related to year end position. The Committee was assured on the steps being undertaken to mitigate where performance is below standard.

The issue of waiting times is addressed at the committee. Long waiters continue to be closely monitored as part of that process with assurance provided to the committee.

Several performance areas were not fully meeting the expected standards. One of the key points raised with Executive colleagues was how the mitigation measures are being monitored. Jonathan Mathews and his team provided helpful information, particularly around the weekly reviews and assessments being conducted against set trajectories. While the overall waiting list size has increased slightly, no significant concerns have been raised, especially in terms of safety or potential harm.

Finance

The meeting focused on key issues, particularly how effectively finances are managed. However, this is becoming increasingly challenging due to growing demands—not only as part of the wider system but also on individual organisations.

Last year, LHCH achieved a 93.6% delivery on Cost Improvement Plans (CIPs), which is commendable. However, concerns remain about the recurrent nature of those savings. It is clear more work is needed to ensure CIPs are sustainable in the long term. This will likely involve making some difficult decisions, many organisations are facing similar pressures.

For the coming year, CIP target stands at 7%, which may be stretched further, depending on the ongoing reviews being conducted by PwC and others, as well as the financial position of Cheshire and Merseyside. These factors could impact LHCH either positively or negatively.

Overall, during the Integrated Performance Committee, Executive colleagues have been consistently open and transparent, highlighting both the areas where strong progress is being made and those where challenges remain. Their insights have been well-articulated, providing a comprehensive overview of what lies ahead.

Communication with staff was a key focus of the committee discussions, especially recognising the immense effort this year alongside finance teams. As further pressures are expected, it is vital to communicate these challenges clearly and involve staff in shaping solutions. Their frontline experience offers valuable insights. Despite the difficulties ahead, LHCH approach must remain collaborative, transparent, and centred on delivering the best outcomes for the communities served.

KW raised concern whether savings achieved will ever truly be sufficient. At some point, someone must say that enough is enough, because continuing down this path is simply not sustainable and is demoralising for staff. JS advised that NHSE productivity work suggests there are still areas explore, and it is important to fully exhaust those opportunities but also to be clear when no more can be done.

DF advised that discussions take place emphasising the importance of committing to what can realistically be delivered. The Chief Executive challenges unrealistic expectations, using data to support a clear and honest dialogue about what is possible.

CE highlighted the importance of regular staff briefings which are beneficial for staff.

IF advised that capital plans were written for refurbishments to Birch Ward which have not progressed and questioned if the capital expenditure plan has been significantly impacted by requests for additional savings. JB advised that separate capital allocation is agreed with the ICB and a prioritisation process is carried out with each division and corporate area. Outcomes are communicated across the organisation before being approved by the Board. This process is separate from the cost savings programme and is somewhat protected from it, though still constrained by system-wide limitations across Cheshire and Merseyside. Capital prioritisation is directly linked to risk, particularly estate and equipment risks, with the aim of delivering the best outcomes for patients and staff

JM advised that Birch Ward is one of the busiest wards, however due to current site delivery pressures, there has been a challenge to visualise and planned before enacting any decant that would be necessary to support any ward refurbishment. This acts as a barrier to progress in addition to the appropriate prioritisation of capital spend notwithstanding the acknowledged preparation of a business case. Activity levels should be balanced with capacity, options are being explored with Broadgreen to progress.

JS advised that the spending review guidelines incorporated within the draft 10 year plan are understood to incorporate commitments that Trusts that are in surplus, can spend their cash reserves in new ways.

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.

JM informed the Council or Governors that LHCH closed month 12 in a strong position, setting up well for the new financial year. The dashboard shows solid and sustainable progress across divisions which is thanks to all staff involved. Overall, the organisation is in a good place and should keep building on this.

10 Governor Issues

10.1 Lead Governor Appointment

Ben Vinter, Director of Risk and Corporate Governance presented the Lead Governor Appointment report.

The purpose of the paper is to recommend the appointment of a new Lead Governor. A process to appoint the lead governor was approved by the Council of Governors at their extraordinary meeting held on 24th March 2025. Following this process, it is recommended that Ian Ferguson, Public Governor-Merseyside be appointed as the new Lead Governor.

IF noted his commitment to the Trust and, while declaring a personal interest as a patient of LHCH, IF will aim to ensure the Trust continues to deliver the highest standard of care to everyone in the community it serves.

The Council of Governors **approved** the appointment with immediate effect.

10.2 Lead Governor Welcome & Feedback from Network/Engagement

IF thanked the Council of Governors for the trust in taking on the role of Lead Governor. IF would be happy to raise concerns of the governors to the leadership team.

There are currently governor vacancies and BV and Gill Donnelly are in the process of supporting elections to, hopefully, fill those vacancies.

IF will liaise with BV regarding the Chair objectives.

The Symposium of Governors for Cheshire and Merseyside is scheduled for 19th September at the Quaker Meeting Rooms in Liverpool, running for the full day from 9:30. The agenda is still evolving. Around 80 people are attending from across the region, including 7 from LHCH—a strong showing for a specialist Trust. There are still spaces available. It was also noted that the event should address issues across Cheshire and not just focus on Merseyside, which has been acknowledged.

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

10.3 CoG Objectives

Ben Vinter, Director of Risk and Corporate Governance presented the CoG objectives report. The purpose of the report is to present an update to the Council of Governors of progress against the objectives agreed. BV thanked Gillian Donnelly for the contribution to the report.

Governors are actively involved in supporting Board recruitment and holding Non Executive Directors accountable for performance.

BV requested Governors share feedback with BV, DF or IF regarding objective setting for the year ahead.

The Council of Governors **received** the update highlighting progress against the objectives agreed for the Council of Governors for the calendar year of 2025.

11 Board of Directors Information Sharing

11.1 Annual Staff Survey

Circulated for information only.

DF acknowledged the fantastic staff survey as testimony to the leadership of the organisation.

11.2 PLACE Assessments

Circulated for information only.

11.3 Finance Report

Circulated for information only.

11.4 People Strategy Update

Circulated for information only.

12 Working Groups

13 Membership and Communications Sub Committee

Dot Price provided an update. The Membership and Communications Sub-Committee met on 15th May.

The Liverpool Soroptimist have named the LHCH Charity as their Charity of the year, which is expected to boost fundraising.

Membership numbers are strong, almost 10,500, and all performance indicators have been met.

The photo competition has been reintroduced, with 50 shortlisted entries to be displayed in the hospital.

Despite a drop in general donations, there has been a 5% increase in the charity lottery.

Several challenge events are underway, and the team continues to explore new ideas. The next meeting is scheduled for August 2025.

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

14 Any Other Business

14.1 Council of Governors Elections

BV informed the Council of Governors that Governor elections close on 11th June. This includes vacancies for:

- England and Wales
- Cheshire
- Staff Governors x 2

14.2 Contingency Fund

KW inquired whether the Trust continues to have access to the contingency fund, held in a high-interest account, interest previously used for capital purchases as needed. JB advised that the Trust currently hold significant cash balances that generate substantial monthly interest. While this is accounted for separately from capital performance, some of the cash can be used to support capital purchases. The accounting rules are complex, but the interest income remains a valuable resource. Cash balances remain the responsibility of LHCH.

15 Date and Time of Next Meeting:

Tuesday 16th September 2025.

16 Meeting Effectiveness

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

17 Resolution:

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