

**A MEETING OF THE MEMBERS' COUNCIL OF
THE SOUTH LONDON AND MAUDSLEY NHS FOUNDATION TRUST
WILL BE HELD ON THURSDAY, 13th JUNE 2013 AT 5:00 PM
IN THE PILOWSKY ROOM, MAUDSLEY LEARNING CENTRE**

(NOTE – CHANGE OF VENUE FROM PREVIOUSLY LISTED)

AGENDA

- 1 Welcomes, introductions and apologies for absence.
 - 2 To receive any declarations of interest.
 - 3 Questions and answers (10 minutes – see overleaf).
- FOR DECISION**
- 4 To agree the minutes of the Members' Council meetings held on:
 - Thursday, 13th December 2012 Attachment A1
 - Thursday, 7th March 2013 Attachment A2and to note any matters arising.
 - 5 To agree the recommendations from the Nominations Committee: To be tabled
 - Recruitment of a Non Executive Director
 - Re-appointment of a Non Executive Director
 - 6 To agree changes to the FT Constitution. Attachment B
- FOR DISCUSSION**
- 7 Recovery college – presentation by Gabrielle Richards. Presentation
 - 8 GovernWell – induction and training for Governors. Attachment C
- FOR INFORMATION**
- 9 Kings Health Partners update Verbal
 - 10 To receive reports from the Members' Council Working Groups: Attachment D
 - Quality (Noel Urwin)
 - Annual Plan development (Noel Urwin)
 - Bids Steering Group (Noel Urwin)
 - Membership Development and Communications (Dr Dele Olajide) Attachment E
 - 11 Chief Executive's and Directors' reports. Attachment F

- 12 Audit Committee report. Attachment G
- 13 Forward planner.
- 14 Any other urgent business.
- 15 To note future dates of meetings of the Members' Council in 2013:
- 10th September at 3.30 pm – Glaziers Hall
 - 12th December at 5.00 pm - Maudsley Learning centre

Please send apologies to Carol Stevenson telephone 020 3228 2441 or email membership@slam.nhs.uk

Item 3 - questions and answers

At the joint meeting between the Members' Council and Board of Directors held in November 2011 it was agreed that a 10 minute slot would be made available for members of the Trust to submit questions related to services provided by the Trust. In order that a considered response can be made at the meeting, members are asked to submit any questions to the Paul Mitchell, Trust Secretary by 10.00 am on Monday, 10th June 2013.

These can be made by:

Post: Trust HQ, Maudsley hospital, Denmark Hill, SE5 8AZ

Telephone: 020 3228 5376

Email: paul.mitchell@slam.nhs.uk

Attachment A1

MEMBERS' COUNCIL – SUMMARY REPORT

Date of meeting: 13th June 2013
Name of Report: Minutes of the meeting held on
13th December 2012
Author: Paul Mitchell, Trust Secretary
Presented by: Madeliene Long, Chair

Purpose of the report:

To agree the minutes and to note any matters arising:

- Covered at the meeting held on 7th March.

**MINUTES OF THE MEETING OF THE MEMBERS' COUNCIL OF
THE SOUTH LONDON & MAUDSLEY NHS FOUNDATION TRUST (SLaM)
HELD ON THURSDAY 13TH DECEMBER 2012
IN THE BOARDROOM, MAUDSLEY HOSPITAL**

PRESENT	Madeliene Long	Chair
Elected members	Valerie Baker	Elected Member
	Stephanie Correia	Elected Member
	David Dean	Elected Member
	Mark Ganderton	Elected Member
	Andy Glyn	Elected Member
	Rudo Gombera	Elected Member
	Dr Caroline Hough	Elected Member
	Dr Francis Keaney	Elected Member (Staff)
	Angela Lewis	Elected Member (Staff)
	John Muldoon	Elected Member
	Dr Dele Olajide	Elected Member (Staff)
	Roger Oliver	Elected Member
	Olu Oluwashina	Elected Member (Staff)
	Nick Stewart	Elected Member (Staff)
	Noel Urwin	Elected Member
Partner Organisations	Sophie Corlett	MIND
	Ian Creagh	King's College London
	Andrew Eyres	Lambeth Primary Care Trust (PCT)
	Catherine McDonald	Southwark Council
	Crada Onuegbu	Lewisham Council
IN ATTENDANCE	Dr Martin Baggaley	Medical Director
	Dr Patricia Connell-Julien	Non Executive Director
	Nick Dawe	Interim Finance Director
	Richard Dyer	Member
	Harriet Hall	Non Executive Director
	Gus Heafield	Acting Chief Executive Officer
	Kumar Jacob	Non Executive Director
	Nigel McCorkell	West London Mental Health NHS Trust
	Paul Mitchell	Trust Secretary
	Zoe Reed	Director of Strategy & Business Development
	Gabrielle Richards	Head of Occupational Therapy
	Carol Stevenson	Membership Officer
	Aaron Wilson	Researcher, King's College London
APOLOGIES	Hilary McCallion	Director of Nursing and Education
	David Ngwe	Elected Member
	Tim Smart	King's College Hospital FT

Ref	Issue	Who	When
MC 12/36	<p>INTRODUCTION</p> <p>Madeliene Long welcomed the new and re-elected members. It was noted that those re-elected were:</p> <ul style="list-style-type: none"> • Stephanie Correia (representing local public members) • Paul Paterson (representing local service users) • Roger Oliver (representing carers) and • Dr Dele Olajide (representing SLaM staff) <p>Those new to the Member's Council were:</p> <ul style="list-style-type: none"> • Ms Caroline Chikowore and Mr David Nkwe, representing public members in the rest of England and Wales; • Mr Mark Ganderton and Ms Rudo Gombera, representing service users in the rest of England and Wales; and • Dr John Bainton, Mrs Angela Lewis and Mr Olu Oluwashina, representing staff. <p>Sophie Corlett reported that she will be leaving the Members' Council at the end of the year. Madeliene Long thanked her for the contribution she had made to the Members' Council.</p> <p>Andrew Eyres (Lambeth PCT) commented that the PCTs will cease to exist from April 2013 so the March meeting will be his final one, in this capacity.</p>		
MC 12/37	<p>DECLARATIONS OF INTEREST</p> <p>Standing declarations of interest were taken.</p>		
MC 12/38	<p>QUESTIONS</p> <p>There were no questions submitted.</p>		
MC 12/39	<p>MINUTES OF PREVIOUS MEETING - MEMBERS' COUNCIL</p> <p>The minutes of the meeting held on 11th September 2012 were AGREED as an accurate record.</p> <p>Matters Arising:</p> <p>Skills Audit This will be circulated before Christmas.</p> <p>External Auditor Noel Urwin confirmed that Deloitte have been appointed and confirmed that a meeting was being arranged between Deloitte and the Audit Group. He asked that anybody who wished to attend should contact him or Carol Stevenson.</p>	PM	Dec 12

**MC
12/40**

NOMINATIONS COMMITTEE

Madeliene Long tabled the report of the Nominations Committee.

Appointment of a Non Executive Director

The Nominations Committee had met on 8th November 2012, consisting of John Muldoon, Dele Olajide, Noel Urwin and Madeliene Long (chair) to interview Mr Stephen Hesford. Stuart Bell (external adviser), Gus Heafield (acting Chief Executive) and Paul Mitchell (Trust Board Secretary) were in attendance.

John Muldoon, Dr Dele Olajide and Noel Urwin spoke in support of the recommendation.

Concern was raised that the service user member of the Nominations Committee had not been present at the interview panel. It was noted that he had sent an apology on the day and was confirmed to be fully supportive of the decision.

AGREED:

The recommendation from the Nominations Committee for the appointment of Mr Stephen Hesford as a Non Executive Director on the SLaM Board of Directors for a period of three years.

All present voted in favour apart from Caroline Hough who asked that her abstention be recorded.

Post meeting note: Roger Oliver asked that his opposition to the appointment be recorded.

Re-appointment of a Non Executive Director

Madeliene reported that Harriet Hall had come to the end of her present term as a Non-Executive Director on the Foundation Trust Board on 30th November 2012. She has been subject to appraisal by the Chair on annual basis.

Harriet had chaired the Service Quality Improvement Committee. The terms of reference of this committee had been strengthened to reflect the increasing profile of patient safety and quality issues within the NHS. Harriet had also served on SUI panels, Board Level Inquiries and Mental Health Act panels.

The Chair's review of the performance has been concluded and endorsed Harriet Hall's continued ability to contribute to the Board in the light of the knowledge, skills and experience required.

AGREED:

The recommendation from the Nominations Committee for the re-appointment of Ms Harriet Hall as a Non Executive Director on the SLaM Board of Directors for an initial period of 12 months, to be reviewed by the Chair during the course of the year.

<p>MC 12/41</p>	<p>SOUTH LONDON HEALTHCARE TRUST</p> <p>It was noted that this had been the subject of discussion at the special meeting of the Members' Council on 26th November.</p> <p>Madeliene Long confirmed that a joint KHP response had been drafted to the Trust Special Administrator (TSA)'s report. This included a covering letter drawing attention to the lack of acknowledgment of the benefits of the AHSC in developing new models of care and the lack of emphasis made by the TSA to mental health care.</p> <p>The timetable was noted:</p> <ul style="list-style-type: none"> • Responses to consultation to TSA: 13th December 2012 • TSA's recommendations to Secretary of State: 7th January 2013 • Secretary of State's final decision (including implementation plan): 1st February 2013. • Organisational changes: Projected date 1st April 2013. 		
<p>MC 12/42</p>	<p>KING'S HEALTH PARTNERS</p> <p>Madeliene Long reported that William McKee has been appointed as Director of Transition and Transformation. He would lead on the development of the full business case for the creation of a new academic healthcare organisation.</p>		
<p>MC 12/43</p>	<p>ANNUAL PLAN MEMBERSHIP MEETINGS</p> <p>Paul Mitchell gave a presentation about the main points raised in the series of public membership consultation meetings regarding the development of the Trust's forward plan. He highlighted:</p> <p>Feedback – general provision of care</p> <ul style="list-style-type: none"> • Early intervention and prevention • More therapies, less medication <p>Feedback – treatment</p> <ul style="list-style-type: none"> • Speedier access • Respect confidentiality • Be taken seriously • Better staff awareness of cultural, linguistic and ability needs <p>Feedback – in patients</p> <ul style="list-style-type: none"> • More structured day • More activities • Keep appointments on wards <p>Feedback – discharge</p> <ul style="list-style-type: none"> • Advice and information • Continuity of care • Support for personalisation <p>Practical support</p> <ul style="list-style-type: none"> • Legal help, carers awareness of powers of attorney • Support networks and self help groups 		

	<ul style="list-style-type: none"> • Information about local voluntary services • Peer support • Respite care <p>Working with GPs</p> <ul style="list-style-type: none"> • Better education and understanding about mental health • Closer working between SLaM and GPs <p>Saving money</p> <ul style="list-style-type: none"> • Fewer buildings • Review administrative and management costs • Use opportunities from KHP for closer integration of services and departments <p>Lessons learned</p> <ul style="list-style-type: none"> • More advance notice of meetings • Use of networks is key to ensuring good attendance • A more informal conversational style works best <p>Repeat in 2013</p> <ul style="list-style-type: none"> • Definitely <p>Discussion</p> <p>Zoe Reed thanked Andy Glyn and Noel Urwin for chairing two of the meetings.</p> <p>Various approaches would be required to incorporate the suggestions into the planning, and feedback will be given so that contributors can see how SLaM has responded.</p> <p>AGREED: Planning should start now for the events in 2013 and be included in the Members' Council's schedule of events.</p>	PM	Dec 12
MC 12/44	<p>WORKING GROUPS Three groups have met:</p> <p>Communications and Membership Dr Dele Olajide reported a Plain English project for the Trust was being considered.</p> <p>Quality Group Noel Urwin reported that the group met on Tuesday, 20th November 2012. The main topic of discussion was the issue identified in the External Auditor's report on the Trust Quality Report specifically relating to ePJS recording of Home Treatment assessments.</p> <p>Annual Plan Group Noel Urwin reported that the group prepared for the public meetings reported above (MC12/43).</p>		
MC 12/45	<p>CHIEF EXECUTIVE'S REPORT</p> <p>Gus Heafield presented his report.</p> <p>He highlighted:</p>		

	<ul style="list-style-type: none"> • The Mandate to the NHS Commissioning Board, which gives mental health a prominent position • The awards given to various SLaM staff / researchers. • Paul Calaminus will be leaving SLaM to become Chief Operating Officer at Camden and Islington NHS FT. • Croydon Triage ward has now opened. 		
MC 12/46	<p>ANY OTHER BUSINESS</p> <p>Richard Dyer enquired about SLaM policies regarding carers.</p> <ul style="list-style-type: none"> • Madeliene Long suggested this topic be addressed in a future Questions and Answers session. 		
MC 12/47	<p>DATES OF NEXT MEETINGS</p> <p>Dates for 2013 were confirmed as:</p> <ul style="list-style-type: none"> • 7th March – Maudsley Board Room (subsequently changed to Glaziers Hall) • 13th June – Bethlem Royal Hospital (to include a site visit) • 10th September – Maudsley Learning centre • 12th December - Maudsley Learning centre 		

Z:\Members' Council\Meetings\
CMS/PNJM December 2012

Attachment A2

COUNCIL OF GOVERNORS – SUMMARY REPORT

Date of meeting:	13 th June 2013
Name of Report:	Minutes of the meeting held on 7 th March 2013
Author:	Paul Mitchell, Trust Secretary
Presented by:	Madeliene Long, Chair

Purpose of the report:

To agree the minutes and to note any matters arising:

- A further joint meeting between the Council of Governors and Board of Directors to be held in the new Maudsley Learning centre (ORTUS).

**MINUTES OF THE MEETING OF THE MEMBERS' COUCIL OF
 THE SOUTH LONDON AND MAUDSLEY NHS FOUNDATION TRUST (SLaM)
 HELD ON THURSDAY 7th MARCH 2013
 AT GLAZIER'S HALL, LONDON**

PRESENT	Madeliene Long	Chair
Elected members	Valerie Baker Dr Caroline Hough John Muldoon Roger Oliver Noel Urwin	Elected member Elected member Elected member Elected member Elected member
Partner Organisations	Catherine McDonald	LB Southwark
In attendance	Dr Martin Baggaley Dr Patricia Connell-Julien Robert Coomber Nick Dawe Harriet Hall Gus Heafield Olivia Howarth Kumar Jacob Hilary McCallion Paul Mitchell Louise Norris Zoe Reed	Medical Director Non-Executive Director Non-Executive Director Interim Finance Director Non-Executive Director Acting Chief Executive Business Manager, CE Office Non-Executive Director Director of Nursing & Education Trust Secretary Director of HR Director of Strategy & Business Development
Apologies	Dr John Bainton Stephanie Correia David Dean Andrew Glyn Dr Francis Keane Angela Lewis Paul Paterson David Nkwe Dr Dele Olajide Olu Oluwashina Tim Smart	Elected member Elected member Elected member Elected member Elected member Elected member Elected member Elected member Elected member Elected member KCH, FT

Ref	Issue	Who
MC/ 13/01	DECLARATIONS OF INTEREST It was noted that declarations of interest could be given at any time during the meeting.	

<p>MC/ 13/02</p>	<p>QUESTIONS AND ANSWERS</p> <p>Prior to the meeting, the Members’ Council and members of the FT had the opportunity to submit questions which could be answered with a considered reply at the start of the meeting. The questions and answers were as follows:</p> <p>Caroline Hough: What process of consultation does SLaM follow before changing services or introducing changes that affect service users?</p> <p>Answer: We seek to involve / inform people about service change proposals through PPI, overview and scrutiny and other networks. We value the opinion and experience of service users, carers and staff and the importance of listening to what they say and taking account of what we hear when developing our plans.</p> <p>Where we are introducing a significant change (as opposed to commissioners) we have a duty to lead a formal, public consultation.</p> <p>When consulting with service users and carers all consultations are expected to be discussed and reviewed with CAG internal Service User & Carer advisory groups. The CAG PPI lead will also submit a proposal of consultation to the Borough Based Service User Monitoring Forum for their views and opinions. A number of consultation proposals have been submitted to the Patient Experience Group (PEG) for further advice and guidance before the full consultation process is undertaken.</p> <p>When it is relevant SLaM is legally obliged to consciously think about the need to advance equality, eliminate discrimination and foster good relations as part of our decision making process in the design, delivery and evaluation of our policies, practices and services.</p> <p>To do this equality analysis we use an Equality Impact Assessment template to prompt the necessary analysis of evidence, consultation or conversations needed to help understand the impact of the change/development on people with different protected characteristics. The process also helps us to identify the steps we can take to maximise any positive or mitigate any negative impacts of the planned policy / function / service development on equality, discrimination and good relations.</p> <p>Caroline Hough: What reasonable adjustments and forms of support does SLaM provide for those working for the Trust but who are not employed?</p> <p>Answer:</p> <ol style="list-style-type: none"> 1. Depending on what the service user is being asked to undertake, training will be provided. 2. Support is given before the opportunity is undertaken (outline of what is expected). 3. After the activity has taken place there will be a de-brief. 4. Depending on the nature of the activity some individuals will have access 	
-----------------------------	---	--

- to mentoring and coaching.
5. On all occasions the activity needs to take into account the individuals education background and disability.
 6. If the activity is provided through the involvement register the individual will receive a set rate of pay for their expertise and involvement.
 7. The Trust provides volunteering and vocation services to support service users with opportunities to get back into the workplace.
 8. With the development of the recovery college the objective is to further enhance the above.

Caroline Hough pointed out that the answer was directed at service users and not necessarily volunteers and others who work with SLaM. There should be an emphasis on treating all people as individuals.

Roger Oliver: What pre panel interview checks are made of prospective candidates as to their antecedents and character, such as Internet, CRB, and other relevant searches, which could be made known to the panel and Council members before final approval? And if none why shouldn't there be a vetting policy in place?

Answer: Pre- interview checks may be made on official websites to check the accuracy of information supplied related to previous employment. CRB checks are made on the recommended applicant post interview.

Roger Oliver: Is there a pre election vetting procedure for Member's Council representation nominees? If not why shouldn't there be a vetting policy which includes Internet searches and checks that the person is what they say, e.g. service user representative from the National constituency? Finally does a representative for the National service user constituency have to have some connection with the SLaM National wards or service, such as a past or present patient, or just be another Mental Health Trust's patient?

Answer: It is up to an individual member to select which constituency they wish to join. The form can be filled in on paper or on line. All staff are automatically opted into membership unless they ask to be excluded. The eligibility for each constituency is defined in the relevant paragraphs of the Foundation Trust constitution. Eligibility for the service user constituency is defined as:

“An individual

whose name is recorded as a patient on the Trust's patient administration system or other record maintained by the Trust for the purpose of identifying patients of the Trust and who has, within the period specified below, attended the Trust as a patient,

who has within the period specified below, attended the Trust as the carer of a patient,”

MC/ 13/03	<p>MINUTES OF PREVIOUS MEETING</p> <p>It was noted that as the meeting was inquorate it would not be possible to agree the minutes from the previous meeting as being an accurate record. However Madeliene Long briefly updated on any progress on actions listed:</p> <ul style="list-style-type: none"> • Skills audit – completed. • Members’ Council vacancy replacement - to tie in with the review of the FT Constitution. • Appointment of a Non-Executive Director – to be discussed at the Nominations Committee meeting which was scheduled for the following week. • SLHT – the business case for the acquisition of the Princess Royal Hospital, Bromley is due be considered by the Secretary of State. 	
MC/ 13/04	<p>FRANCIS REPORT</p> <p>Hilary McCallion presented a series of slides detailing recommendations from the Francis report most pertinent to Governors. Some key recommendations were noted and discussed:</p> <ul style="list-style-type: none"> • Each organisation is required to publish a report on progress annually. • There needs to be a culture where the patient is the priority, with a culture of transparency. • Any disagreements staff have about procedures must be raised and corrective action be taken. • Integrated hierarchy of service. • Responsibility for and effectiveness of healthcare standards. • Role of FT Governors should be enhanced and become more accountable. • Performance management and strategic oversight. • Patient, public and local scrutiny. • Openness, transparency and candour. • Full disclosure where death is because of an act/omission by an organisation. <p>Hilary McCallion then updated with the engagement progress, the following bodies have been briefed:</p> <ul style="list-style-type: none"> • The SLaM Trust Executive • Board of Directors • Members’ Council • Nurse Executive <p>The following groups will be engaged in the near future:</p> <ul style="list-style-type: none"> • The Senior Leadership Group • Staff in the main hospital sites <p>It was noted that CAGs are taking forward through their implementation plans.</p>	

	<p>Questions:</p> <p>Catherine McDonald commented that the report was primarily focussed on acute care, how does SLaM plan to respond given the nature of its community based services?</p> <p>Hilary McCallion responded that the focus was on keeping people safe. The same principles will apply, and the Trust will need to undertake work to analyse how this works in the community. This may form the basis for future discussions with Borough Overview and Scrutiny Committees.</p> <p>Gus Heafield also commented that it was essential for the Board to remain connected with services on the ground.</p> <p>Valerie Baker pointed out that whilst the report was lengthy, the key points related to basic nursing care.</p> <p>Roger Oliver raised the issue of SLaM patients being referred to acute hospitals for their physical health care needs. He suggested that SLaM will need to devise a way of measuring their quality of care.</p>	
<p>MC/ 13/05</p>	<p>MEMBERS' COUNCIL WORKING GROUPS</p> <p>Quality Noel Urwin updated the Members' Council. The external auditor was working with the Trust to help agree quality indicators as part of the submission to Monitor. There is an upcoming piece of work to assess the way SLaM implements the requirements of the Mental Health Act.</p> <p>Annual Plan Development Noel Urwin updated on the Members' Council input to the development of the Trust's Annual Plan.</p> <p>Bids Steering Group Noel Urwin reported that the Group has been in contact with successful bidders from the previous programme in order to carry out an evaluation.</p> <p>Social Inclusion Recovery Board Roger Oliver updated. At the last meeting the majority of the discussion was regarding the proposed Recovery College.</p>	
<p>MC/ 13/06</p>	<p>JOINT MEETING BETWEEN THE BOARD OF DIRECTORS AND THE MEMBERS' COUNCIL</p> <p>Madeliene Long introduced the report of the recent joint meeting between the Members' Council and Board of Directors held on Friday, 22nd February 2013. The format of the meeting followed the pattern adopted in previous years where presentations were made on Members' Council activity and Board of Directors activity during the previous year. Feedback was made on what went well in 2012</p>	

	<p>and what areas could be improved.</p> <p>Gus Heafield highlighted the following priority areas for 2013:</p> <ul style="list-style-type: none"> • Financial challenge in the new commissioning environment • Service transformation and continuous quality improvement • Francis • Better integration of service, teaching and research objectives • Managing partnerships, new structures • Critical mass and viability issues for specialist services • Workforce fit for the future • Ensuring the IT and Estates strategies support the Trust during these times of change <p>Further table work and feedback then took place on suggested priorities for 2012. The overall feedback from the meeting was that it had been a positive and constructive session. One immediate recommendation was that it would be helpful to have such engagement more than once a year and that a further event should be scheduled for later in the summer to be held in the new Maudsley Learning Centre.</p>	PM
<p>MC/ 13/07</p>	<p>CHIEF EXECUTIVE'S REPORT</p> <p>Gus Heafield highlighted the key areas of focus from the report which were:</p> <ul style="list-style-type: none"> • Francis Report • FSA assurance required from Aramark • The prestigious Regius professorship award bestowed on the Institute of Psychiatry. 	
<p>MC/ 13/08</p>	<p>NEXT MEETING</p> <p>Thursday, 13th June 2013.</p> <p>The venue was subsequently changed to the new Maudsley Learning Centre.</p>	

Attachment B

MEMBERS' COUNCIL – SUMMARY REPORT

Date of meeting: 13th June 2013
Name of report: Changes to the FT Constitution
Author: Paul Mitchell, Trust Secretary
Presented by: Madeliene Long, Chair

Purpose of the report:

To receive proposals for changes to the FT Constitution.

This paper has been circulated to the Council of Governors (Members' Council) for comments. Of those received all have been supportive. If agreed the following is recommended:

- 3.1 Take to the meeting of the Board of Directors in June 2013.
- 3.2 Issue agreed recommended changes for consultation to the SLaM membership in July 2013.
- 3.3 Delegate responsibility for drafting agreed amendments to the constitution to the Trust Secretary.
- 3.4 Present to the general members' meeting for approval in September 2013.

Review of FT Constitution

1. Introduction

The Foundation Trust's Constitution is the key document that regulates the membership, election of governors and the appointment of Non-Executive Directors and the Chief Executive. The commencement orders relating to the Health and Social Care Act 2012 (H&SCA) pass responsibility for approving the Constitution to the Board of Directors and Council of Governors. The Constitution has also to be adopted at a general members' meeting.

A paper was brought to both the meetings of the Board of Directors and the Council of Governors in September 2012 proposing a two stage approach to amending the Constitution.

- Stage 1 – carry out the changes required as a result of changes to the Monitor model Constitution. Authority to complete was delegated to the Acting Chief Executive and Trust Secretary by 1st October 2012 and agreed by the Trust Chair. These changes have since been approved by Monitor
- Stage 2 – carry out a wider review of the FT Constitution making recommendations to meetings of the Board of Directors and Council of Governors.

2. Changes to the current Constitution

2.1 Name - Council of Governors (Members' Council)

The name "Members' Council" has been applied since FT authorisation in November 2006. As a result of the passing of the Health and Social Care Act 2012 all governing bodies are referred to as Councils of Governors. As this was reflected in the Monitor core Constitution these changes have already been made at stage1 (above).

It is proposed that the SLaM governors' body is referred to as the Council of Governors (Members' Council).

2.2 Size of the Council of Governors (Members' Council)

There are currently 26 elected and 13 nominated governors plus the Chair which makes for a governing body of 40. Whilst it is important to retain a body that is of a size to be effective in making decisions, **there appears to be no appetite to change the size of Council of Governors (Members' Council).**

2.3 Commissioning arrangements

Changes in the organisation of the NHS as a result of Health and Social Care Act 2012 have led to the abolition of the four local Primary Care Trusts and NHS London all of which had nomination rights to the Council of Governors (Members' Council).

It is recommended that the successor bodies (Lambeth CCG, Southwark CCG, Lewisham CCG, Croydon CCG and NHS England [London]) are offered the opportunity to nominate representatives to the Council of Governors (Members' Council).

2.4 Commercial activities

The phraseology used to describe commercial activity is “non principal purpose activities” and these require governor approval for planned increases of more than 5%. **It is recommended that this should be reflected in the Constitution.**

2.5 Significant transactions

The H&SCA gives Trusts the option of defining significant transactions. The current definition set out by Monitor is that transactions representing in excess of 25% of gross assets require approval by governors. **It is recommended that this should be reflected in the Constitution.**

2.6 Rest of England and Wales constituencies

The FT has divided its patient and public constituencies between local (Lambeth, Southwark, Lewisham and Croydon) and the rest of England and Wales. Whilst it has been possible to recruit sufficient numbers of members to stand for election in the public constituency (Rest of England and Wales) it has proved to be difficult to encourage service users to stand in the patient (Rest of England and Wales) constituency. Indeed, the Trust has been carrying three vacancies for over three years. **It is recommended that the distinction between local and national is abolished so that there is just one constituency for patients (nine places) and public (eight places).**

3. Recommendation for action

3.1 Take the proposals arising from the review of the Constitution to the respective meetings of the Council of Governors (Members' Council) and Board of Directors in June 2013.

3.2 Issue agreed recommended changes for consultation to the SLAM membership in July 2013.

3.3 Delegate responsibility for drafting agreed amendments to the Constitution to the Trust Secretary.

3.4 Present to the general members' meeting for approval in September 2013.

Paul Mitchell
Trust Secretary
May 2013

Attachment C

MEMBERS' COUNCIL – SUMMARY REPORT

Date of meeting: 13th June 2013

Name of report: GovernWell, training for Governors

Author: Paul Mitchell, Trust Secretary

Presented by: Paul Mitchell, Trust Secretary plus
Kim Hutchins, Head of Development and Engagement,
Foundation Trust Network

Purpose of the report:

To update the Council of Governors (Members' Council) on the development of GovernWell, the new national governor training programme.

GovernWell

GovernWell is the new national governor training programme, commissioned by the [NHS Leadership Academy](#) to ensure Governors are equipped to meet their new responsibilities under the Health and Social Care Act 2012.

The full programme - due to be launched in the summer - will be a one-stop resource for Foundation Trusts (FTs) to develop their Governors' knowledge and skills to better hold Boards to account. Further information will be presented to the meeting of the Council of Governors (Members' Council).

- The [core training](#) is suitable for all types of Governors in the first year of their first term of office, and for those Governors who would like a refresher.
- The [specialist modules](#) (effective questioning and challenge, accountability, NHS finance and business skills, the governor role in non-executive appointments, and strategy and planning) are suitable for those Governors who are more experienced and for those with specific governor duties and responsibilities.

The courses have been developed with direct input from Governors, Chairs and Trust Secretaries and have a high level of interactivity.

Paul Mitchell

Trust Secretary

June 2013

Attachment D

COUNCIL OF GOVERNORS – SUMMARY REPORT

Date of meeting:	13 th June 2013
Name of report:	Report from working groups
Author:	Carol Stevenson
Presented by:	Noel Urwin

Purpose of the report:

To receive an update on the recent activity of the Working Groups:

- Quality
- Annual plan development
- Bids steering group

REPORT FROM WORKING GROUPS

Quality Group

The Quality Group met on Tuesday, 14th May 2013. The (final) draft of the Quality Account was discussed. A statement (below) was produced following the meeting for inclusion in the Quality Account.

Statement

The Members Council appreciate the opportunities, through their Quality Group, to engage throughout the year in the development of SLaM's Quality Account. Several of their observations are already incorporated in the final version of the Account. They will shortly be meeting with the External Auditors to obtain a further independent view of the Account. The following comments are put forward as an initial independent perspective, which will be followed up in further Quality Group meetings.

1. Overall the Account is an informative and objective summary of the Trust's continuing efforts to deliver quality improvements in all services.
2. The Account brings out the fundamental importance of good quality data. The Members Council recognise the complexities inherent in achieving robust data systems to support both national targets and SLaM's own quality priorities. It is noted that the Trust has established seven new priorities for development in 2013/14.
3. The MC also recognise that close working between the Trust Executive and the CAGs is essential in achieving these priorities, and this is well illustrated in the Account. The Quality Group have been kept in touch with current plans to strengthen Executive resources to support, guide, and lead CAG performance: they have noted the intention to appoint a CQUIN project manager.
4. The MC endorse the need for close consultation with other stakeholders, and believe they can contribute through their involvement with strong local networks. Four public borough-based public meetings on the Annual Plan are scheduled later in 2013, in which MC members now take a lead role. They now recommend that these meetings should now incorporate quality issues as well. They suggest that 'popular' versions of both the Annual Plan and the Quality Account should be available for these meetings.
5. The Account realistically illustrates how effective quality performance is challenged by the changing and significantly increasing demand for the Trust's services. It is the MC's view that the reasons for these changes should be better understood both within SLaM and by stakeholders, to assist in developing more focussed service improvements, and a speedier transition from R&D 'bench' to 'bedside' care. The MC suggest that the services of KHP's fourth partner - Kings College London - should be enlisted both through the Institute of Psychiatry and as appropriate other KCL departments, both to analyse the current changes in demand and to predict how they might develop in the future.

6. Finally MC members (notably carers) have raised individual concerns (based on experience) about the quality of service in privately managed hospitals and community facilities, and would wish to be assured that these resources (currently in increasing use by SLaM and by Commissioners) are subject to the same degree of quality regulation as in the public sector."

Annual plan development group

The Annual Plan and Strategy group met on 9th May. This provided an opportunity for an update and opportunity for comment on the development of the Annual Plan.

Bids Steering Group

The group discussed the current Bids scheme (Keep on Sniling) with particular reference to the evaluation of bids. Volunteers to help carry out evaluation visits are welcomed.

It was agreed that an event for bidders should be held in the summer / autumn.

The next bids scheme is planned to start in April 2014.

CS / May 2013

Attachment E

MEMBERS' COUNCIL – SUMMARY REPORT

Date of meeting: 13th June 2013
Name of report: Membership and Communications Group
Author: Olivia Howarth
Presented by: Dr Dele Olajide

Purpose of the report:

To receive an update on the recent activity of the Membership and Communications Group regarding:

- By elections to the Council of Governors
- Data protection mailing
- Members' discount scheme
- Membership development

To approve the recommendations arising out of this group regarding the Plain English campaign.

BY ELECTIONS TO THE COUNCIL OF GOVERNORS (CoG)

The Council of Governors is currently carrying ten vacancies across the service user, carer and staff constituencies.

This number of vacancies not only mean that members are not fully represented, but also means that a full meeting of the CoG runs the risk of not being quorate (one third required) if other circumstances contribute to a small number in attendance. The CoG Working Groups are also affected.

Therefore, it was decided to hold by-elections in these constituencies, starting in late June 2013, with the intention of filling these vacancies. The results will be announced in late August/early September.

DATA PROTECTION MAILING

Personal details of all our members are kept on our secure Membership database. These details include name, contact details, age, gender, ethnicity and constituency. The Data Protection Act requires the personal information we hold to be accurate and up to date.

To this end, we need to contact our members at intervals to let them know what information we hold on them in our database and to give them the opportunity to correct information that is inaccurate.

The decision was taken to mail all members individually to show them what data we hold and inviting them to let us know if any of it needs updating.

This exercise has been timed to coincide with the by elections to the Council of Governors.

DISCOUNT SCHEME

On 13 May a discount scheme was rolled out to our members in partnership with Healthcare Staff Benefits (HSB). The discounts are for services and products from retailers around London and the local area.

To mark the launch, a HSB employee came to the Maudsley canteen to give away promotional materials and a mini iPad. There are now plans to have similar events in the other main sites.

MEMBERSHIP DEVELOPMENT

Each year the Trust selects an event in the local community to highlight the benefits of SLaM membership. In the last three years the Lambeth Country Show has been attended and this has proved to be a successful means of engaging with local residents and signing up new

members. This year Lewisham People's Day has been selected, this will be taking place on Saturday, 13th July 2013. Any support at the stand would be appreciated.

The group recommended that a membership target of 13,000 be built into the Annual Plan. Progress remains disappointing in developing a larger number of service user members and this should be the priority for membership development in 2013/14. One immediate priority could be the opting in to membership of all service users on the trust's involvement register. This should be explored further with the relevant parties.

PLAIN ENGLISH

It has been proposed by the Membership and Communications Group that SLaM adopts the Plain English standard, a recognised benchmark of clear and written information, in our publications.

The nature of our organisation means we have a specific obligation to use clear and simple language at all times.

The primary benefit is that our service users and the wider public find our publications clear and easy to read. There is also positive reputational value, SLaM would be leading as the first NHS mental health trust to adopt this.

The proposal is to adopt the 'lifetime' Plain English membership, which requires an up front fee of £12,000.

We will focus on key publications initially, such as the annual report, website and patient information leaflets. These will receive the Crystal Mark, a Plain English 'seal of approval', which we can request free of charge under corporate membership. As well as this, we will nominate staff from across the organisation to be trained each year. This will ensure a gradual and consistent approach throughout the organisation.

When this system is in place, we will be in a position to evaluate and continue to roll out training and support to other teams in order that our documents are consistent.

The Council of Governors is asked to approve this recommendation.

OH / May 2013

MEMBERS' COUNCIL – SUMMARY REPORT

Date of meeting: 13th June 2013

Name of Report: Chief Executive's report

Author: Paul Mitchell, Trust Secretary

Presented by: Gus Heafield, Acting Chief Executive

Purpose of the report:

To update the Council of Governors (Members' Council) on Trust and national issues.

Chief Executive's Report

June 2013

1. National issues

Government's initial response to the Mid Staffordshire NHS Public Inquiry Report

The Department of Health has published its initial response to the recommendations of the Mid Staffordshire NHS Foundation Trust Public Inquiry. 'Patients First and Foremost' sets out an initial response, on behalf of the health and care system as a whole. It details key actions to make sure patients are 'the first and foremost consideration of the system and everyone who works in it' and to restore the NHS to its core values.

It sets out a collective commitment and a five-point plan of action to eradicate harm and aspire to excellence, focused on:

- preventing problems
- detecting problems quickly
- taking action promptly
- ensuring robust accountability
- ensuring staff are trained and motivated.

New national pledge to improve children's health and reduce child deaths

A new pledge about making improvements to the health of children and young people has been launched. The pledge is part of the Government's response to the Children and Young People's Health Outcomes Forum. Dr Daniel Poulter MP, Parliamentary Under Secretary of State for Health was first to sign the pledge, at an event at the Evelina Children's Hospital – part of Guy's and St Thomas NHS Foundation Trust.

Patient-led assessments of the care environment (PLACE)

Jane Cummings, Chief Nursing Officer, has set out the arrangements for the new system for assessing the quality of the hospital environment, which replaces Patient Environment Action Team (PEAT) inspections from April 2013. PLACE assessments will apply to all hospitals delivering NHS-funded care, including day treatment centres and hospices. Trusts are asked to ensure that their services are ready to engage with the PLACE process when it goes live in April 2013.

NHS organisational changes

The NHS organisational changes brought about as a result of the Health and Social care Act 2012 have now come into place. PCTs have been replaced by Clinical Commissioning Groups, these will now be one of the key partner organisations for the Trust, particularly as the detailed negotiations on service contracts for 2013/14 are concluded.

Changes at Monitor

From 1st April 2013 Monitor took on new powers as the sector regulator for health care, with a core duty to protect and promote the interests of patients. The nature of the Trust's relationship with Monitor changed from being authorised to being licensed. Eventually, all organisations providing NHS funded services will have to be licensed whereas authorisation was limited to Foundation Trusts. The license gives Monitor regulatory powers to ensure compliance.

Monitor will also be responsible for:

- setting prices for NHS-funded care, in partnership with NHS England enabling integrated care
- safeguarding choice and preventing anti-competitive behaviour which is against the interests of patients
- supporting commissioners to protect essential health care services for patients if a provider gets into financial difficulties.

Staff from the Cooperation and Competition Panel have now officially joined Monitor and make up the new Cooperation and Competition directorate. The team lead on their role in safeguarding choice and preventing anti-competitive behaviour.

The Queen's speech

This set out the Government's legislative programme for the year ahead. The Government will legislate for a social care cap in a Care Bill and limiting migrants' access to free NHS services in an Immigration Bill.

The Government has now published its Care Bill. It will go to the House of Lords first and the second reading debate, introducing the Bill, is expected on 21st May with the Lords Committee Stage involving detailed scrutiny provisionally starting on 6th June. The Bill has three parts:

1. Modernising social care legislation and implementing the Dilnot recommendations on the funding of social care.
2. Implementing the recommendations of the Francis report that require primary legislation.
3. Setting out the statutory basis of Health Education England (including Local Education and Training Boards) and the Health Research Authority.

A&E services

Plans to strengthen performance in urgent and emergency care are being put in place across the country to help hospital A&E departments meet demand and tackle waiting time pressures.

NHS England has joined with the NHS Trust Development Authority (NTDA) and Monitor, which are responsible for provider regulation, to ensure coordinated action to ease the immediate pressures.

At the same time, a review will take place to understand the causes of problems, which differ around the country.

A&E departments have seen a rise in the number of patients they are seeing in recent years, with an extra 4 million people a year using emergency services compared with 2004.

Although 90 per cent of A&E patients are seen within four hours concern has been growing about the underlying trend of more patients waiting longer.

The maximum four-hour wait in A&E remains a key NHS commitment to the public, set out in the NHS Constitution.

2. Congratulations

Director of Human Resources and Organisational Development

Louise Norris will be leaving SLaM on 30th June to take up the role of Director of Human Resources at Central and North West London NHS Foundation Trust. Louise has made a significant contribution to the Trust in the nine years that she has worked here, providing strategic leadership and direction in an area that is of critical importance to our organisation. On a personal note, I have valued working with Louise as a member of the Executive team during this time. I am sure you will want to join me in wishing her well in her new role.

3. Trust issues

CEO and Director recruitment

The recruitment to the Chief Executive post is underway. An advertisement has been placed and the closing date is Friday, 7th June. An interview date is being arranged.

Interviews for the Director of Nursing and Education will be held on Thursday, 27th June.

The CAMHS Service Director post has been advertised. An interview date has been arranged for mid June.

Integration of Psychology and Psychotherapy Professional Leadership

A reorganisation of psychology and psychotherapy is being proposed that will integrate the two professional groups into a single structure of professional leadership for psychological therapists in SLaM. This will enable more systematic governance of psychological therapies as the structure will involve individuals from a range of professional backgrounds whose connection is that they are primarily employed to deliver psychological therapies (including assessment, treatment, teaching, consultation etc). The new structure will be a simpler and leaner structure releasing a cost saving; allow resources to be deployed more effectively; ensure a more representative body of expertise readily available to CAGs to advise on quality and standards of practice, workforce planning and service delivery relating to the full range of psychological therapies.

Dulwich hospital consultation

Initial discussions have taken place as to whether adult mental health services could be co-located in the Dulwich Hospital development as there could be real advantages if enough GP practices are located there. However, more detail on how SLaM can interact with primary care and work in the proposed health centre is needed.

The consultation does acknowledge the need to provide co-ordinated services to support long term conditions – which include mental health and the need to support the elderly population. There is an expectation that memory assessment will be part of the new model. It also acknowledges the plans to develop integrated care models possibly as part of the wider Southwark and Lambeth Integrated Care (SLIC) initiative.

Gus Heafield
Acting Chief Executive
June 2013

Attachment G

MEMBERS' COUNCIL – SUMMARY REPORT

Date of meeting: 13th June 2013

Name of report: Audit Committee report to the Council of Governors (Members' Council).

Author: Steven Thomas, Audit Committee Secretary

Presented by: Gus Heafield, Acting Chief Executive

Purpose of the report:

To receive the report from the Audit Committee to the Council of Governors (Members' Council) including an updated copy of the Audit Committee's report to the Board.

To note that a verbal update will be given to the Members' Council in respect of the submission of the Annual Accounts and Quality Account on 31st May 2013 and the final External Audit opinion on these two returns.

South London and Maudsley NHS Foundation Trust ('SLaM')

Audit Committee Report to Members' Council 2012/13

1. Nature and scope of this report

1.1 The Terms of Reference ('TOR') of the Audit Committee ('the Committee') approved by the Board in January 2013 state the following:

- (a) *'the Committee's Chair will report to the Members' Council: annually on the Committee's work; and (if and as the Committee considers it necessary) on matters needing action or improvement, and the corrective steps to be taken. (TOR 14.3 refers); and*
- (b) *annually report to the Members' Council as to the performance of the external auditor (including details such as the quality and value of the work, and the timeliness of reporting and fees) to enable the Members' Council to consider whether or not to reappoint the external auditor. The Committee will also make recommendations to the Members' Council as to the appointment, reappointment, termination of appointment and fees of the external auditor and (if the Members' Council rejects the Committee's recommendations) prepare an appropriate statement for the Board to include in the Annual Report' (TOR 8.1(a) refers).*

1.2 This report, approved by the Committee on 21 May 2013 and supplemented where appropriate by a verbal report from the Committee Chair (or by another AC member on his behalf) to the Members' Council, seeks to fulfil those reporting obligations.

2. Annual report on the Committee's work (attached)

2.1 Attached is a final draft copy of the Committee's 2012/13 Annual Report, a draft of which the Committee considered at its meeting held on 21 May 2013.

3. Report on matters needing action or improvement

3.1 The Committee confirms that no such matters have arisen which it considers need to be raised with the Members' Council. During the year the Committee has, in accordance with its role, reported regularly to the Board of Directors and flagged issues for its attention, such as those noted in the Committee's 2012/13 Annual Report (paragraphs 2.5 and 4.2 of that report refer).

4. External auditor

4.1 As outlined in the attached Annual Report (section 4 refers) the Committee has reviewed the performance of the external auditor and on that basis considers that (Annual Report 2.4 refers) the performance of SLaM's external auditors (including the quality and value of the work, the timeliness of reporting and the external audit fee) is and has been appropriate.

4.2 In September 2012 the Members' Council appointed Deloitte to replace the Audit Commission as SLaM's external auditor. The process by which Deloitte was appointed involved three meetings of a group of representatives from the Members' Council, the Audit Committee Chair, the Director of Finance and Corporate Governance, the Head of Procurement and the Audit Committee Secretary. The group met representatives from Deloitte on two occasions and made a recommendation to the Members' Council that, using the result of a full-scale OJEU tendering exercise conducted by Guy's and St Thomas' NHS Foundation Trust and as permitted under the terms of that tendering exercise, Deloitte be appointed as SLaM's external auditor for the three years 2012/13 to 2014/15, with an option for SLaM to extend this for a further two years. This is subject to Deloitte's ongoing satisfactory performance in that role, which the Audit Committee has confirmed for 2012/13.

4.3 The Board and the Members' Council were duly informed about, and involved in, the process outlined above.

Attachment

2012/13 Annual Report of the Audit Committee

South London and Maudsley NHS Foundation Trust ('SLaM')

2012/13 Annual Report of the Audit Committee

1. About this report

1.1 This report builds on the in-year reporting by the Audit Committee ('AC') to the Board of Directors ('the Board') of key relevant issues as these are identified. The report focuses on matters relating to the year ended 31 March 2013 ('2012/13', or 'the year') but may refer to other matters where considered helpful. The plan for review and consideration of this report is as follows:

- 21 May 2013: draft of this report reviewed at the special accounts review meeting of the AC; and
- 28 May 2013: final version of this report considered at the Board meeting.

1.2 This report takes account of guidance in 'The Audit Committee Handbook' issued by the Department of Health in 2011. In format and general content the report is consistent with the AC's Annual Reports produced for previous years.

2. The AC and its conclusions for the year 2012/13

2.1 **Purpose.** The overall role of the AC is to promote the efficient and effective management of risk and excellent financial management and governance within SLaM (paragraph 2.1 of the AC's current Terms of Reference ('TOR') refers).

Conclusions for the year 2012/13

2.2 The AC has reflected on and reviewed its constitution (as set out in its TOR), its work for the year and the reports and other information provided to it by SLaM management, internal audit, external audit and the Local Counter Fraud Specialist ('LCFS'). On that basis, the AC confirms that:

- (a) the Assurance Framework, and the associated systems and procedures that support it, are generally satisfactory for their purpose of risk management, noting that some further specific improvements are required and are being implemented (AC TOR 2.1(a) refers);
- (b) the financial systems and procedures used within SLaM are generally satisfactory for their purpose of financial reporting and control, noting that some further specific improvements are required and are being implemented (AC TOR 2.1(b) refers); and
- (c) the AC has reviewed the Annual Accounts and Annual Report for the year ended 31 March 2013, and considers that it is appropriate for the Board to approve these documents (AC TOR 4.2 refers).

2.3 To the extent possible from knowledge gained through membership of the Board and of its committees including the AC, during the year AC members have also commented to the Board as appropriate on key SLaM initiatives and key issues faced by SLaM (such as those noted in 4.2 below).

2.4 On the basis of its review, the AC considers that the performance of SLaM's external auditors Deloitte (including the quality and value of the work, the timeliness of reporting and the external audit fee) is and has been appropriate. **The AC's recommendation to the Members' Council** is that Deloitte should continue as SLaM's external audit provider.

2.5 The AC flags the following areas for attention. These continue to be the most significant risk areas where SLaM needs to make progress in an increasingly challenging environment, or to improve control and efficiency:

- (a) **competitive marketing/benchmarking.** SLaM needs to understand competitive marketing/benchmarking (including commissioners' needs) so that SLaM has hard evidence to demonstrate the superior quality, efficiency and value for money of SLaM's service;
- (b) **Estates Department management issues.** These issues include the timescale for resolution of issues, and identification/resolution through the performance management system;
- (c) **Planning and risk management.** Improvements are necessary to improve the 'realism' of planning (including cost improvement planning) and risk management; and
- (d) **the impact of the KHP process.** The impact of the KHP process, for example on strategic management capacity

3. Constitution of the AC

3.1 **AC membership.** The Board keeps under review the balance of skills and experience of the AC's members, and the need for rotation of roles. Details of AC members are as follows:

- (a) **Robert Coomber** joined SLaM as a Non Executive Director ('NED') and AC member in May 2007 and took on the role of AC Chair in June 2007. In June 2010 his role as NED and AC Chair was confirmed for a further three years;
- (b) **Professor Shitij Kapur** was appointed as a NED in September 2010 for a term of three years, and became an AC member in March 2012. Professor Kapur is Dean and Head of School at the Institute of Psychiatry, King's College London; and
- (c) **Dr Patricia Connell-Julien** was appointed as a NED in June 2008 and was re-appointed in June 2011 for a further term of three years. Dr Connell-Julien became an AC member in March 2012.

3.2 The AC considers that the AC has maintained at all times an appropriate balance of skills and experience, including the recent relevant financial experience of Robert Coomber.

3.3 **AC meetings: fitness for purpose.** The Director of Finance and Corporate Governance ('DoF') has a standing invitation to attend all AC meetings as do SLaM's internal auditors, external auditors and Local Counter Fraud Specialist ('LCFS'). Other members of the Board may attend if they wish. The AC invites the attendance of the Trust Chair, the Chief Executive, other Executive Directors and Non Executive Directors and senior SLaM management if and as necessary given the business planned for each AC meeting. AC meetings must be held not less than four times a year. In addition to those meetings, a special purpose AC meeting is held each year to consider the draft audited accounts and related documents. The AC has an annual work plan, integrated with SLaM's workplan, and schedules its meetings to consider and act on specific issues within that plan, and to consider other key relevant issues if and as these become apparent. Appendix A to this Annual Report records details for the AC's meetings held in the year.

3.4 **AC reporting.** After each AC meeting the AC Chair reports to the next Board meeting any key relevant issues identified by the AC. That report is accompanied by full draft minutes of the AC meeting, and by a report on documents signed and sealed on behalf of SLaM.

4. The AC's work for the year 2012/13

4.1 The AC fulfils its remit in the following three main ways, in turn explained further below:

- (a) internal processes – review of assurances requested from SLaM's management;
- (b) independent assurances – review of assurance reports from internal auditors, external auditors and LCFS further to the AC's overall direction of their work; and
- (c) 360° assessment – by/of the AC and other parties.

Internal processes

4.2 The AC calls for SLaM management (including CAG Service Directors/Leaders) to attend its meetings to provide reports and assurance, and to update the AC about progress on implementing recommendations following audit and other assurance reviews. Appendix A lists all SLaM management attending the AC's meetings in the year. Key areas which the AC is monitoring in this way, and the AC's views thereon, include the following. The AC's discussions with CAG Service Directors/Leaders in these areas have been particularly helpful:

- (a) **competitive marketing/benchmarking.** SLaM needs to understand competitive marketing/benchmarking (including commissioners' needs) so that SLaM has hard evidence to demonstrate the superior quality, efficiency and value for money of SLaM's service;
- (b) **Estates Department management issues.** These issues include the timescale for resolution of issues, and identification/resolution through the performance management system;
- (c) **Planning and risk management.** Improvements are necessary to improve the 'realism' of planning (including cost improvement planning) and risk management; and
- (d) **the impact of the KHP process.** The impact of the KHP process, for example on strategic management capacity.

4.3 The AC monitors SLaM's progress in resolving agreed corrective actions derived from internal audit reports.

4.4 The AC integrates its operations with those of the other committees of the Board, for instance through:

- (a) the reporting, by committee Chairs at each Board meeting, of any key issues identified at committee meetings;
- (b) consideration at each AC meeting of any key matters which the SQISC considers should be reported to the AC; and
- (c) cross-membership of committees, as noted in SLaM's 2012/13 Annual Report and Accounts. For example. Dr Connell-Julien's Board responsibilities include chairing the Trust-wide Mental Health Act Committee, membership of the Patient Safety and Service Improvement Committee and lay membership of the Trust's Postgraduate Medical Education Board.

4.5 SLaM's annual accounts for 2012/13 received an unqualified ('clean') audit opinion from the external auditors. In line with best practice for production of annual accounts, executive management produced a report to the full Board concluding that there were no significant doubts about SLaM's ability to continue as a going concern.

4.6 In addition to reports on relevant key financial issues arising during the year, the DoF also reported to the AC on: documents signed and sealed on behalf of the Board; breaches of the procurement requirements set out in SLaM's Standing Financial Instructions; agreed waivers of the procurement requirements set out in SLaM's Standing Financial Instructions; and write-offs of losses and special payments including write-offs and compensation for claims to damage to staff belongings and property.

4.7 At its meetings the AC reviews and comments on the Assurance Framework as required by the AC's terms of reference which state that: *'The Assurance Framework is the strategic system for assessing, recording monitoring and managing all significant risks across SLaM. The role of the [AC] is to ensure that risks are properly assessed, recorded and responded to in a manner which promotes the best possible use of resources and patient care and meets all appropriate governance and care standards. The role of the [AC] is periodically to review the composition of the assurance framework in order to determine if it is both current and proportionate and to test the management systems which support it in order to assess the effectiveness and efficiency of risk management throughout SLaM'* (AC TOR section 3 refers).

Independent assurances

4.8 Based on its consideration of the Assurance Framework, audit reports and other information received during the year, the AC has directed audit resources to carry out risk-based reviews of SLaM's systems, including review of specific issues and follow-up reviews on areas previously audited, as summarised below.

External Audit

4.9 **Change in external audit provider.** As from September 2012 SLaM changed its external audit provider from the Audit Commission to Deloitte, duly using the results of a competitive tendering exercise conducted by a partner body in KHP. The main reason for the change was the Government's decision to disband the Audit Commission. The appointment process included:

- (a) an initial meeting including representatives from the Members' Council and the AC, the DoF, the Head of Procurement and the AC Secretary. That meeting considered selection criteria and options for the process, including a fresh tendering exercise;
- (b) an informal meeting between representatives from Deloitte and three representatives from the Members' Council, the DoF, the Head of Procurement and the AC Secretary;
- (c) a formal meeting between representatives from Deloitte and representatives from the Members' Council and the AC, the DoF, the Head of Procurement and the AC Secretary. At this meeting Deloitte presented a proposal document and responded to questions thereon; and
- (d) formal appointment of Deloitte to the external audit role by the Members' Council on 11 September 2012. The Members' Council was duly involved and informed at all stages of the process.

4.10 The work of external audit falls into two broad categories: audit of SLaM's annual accounts to provide an opinion thereon; and assessment of SLaM's use of resources ('value for money' – 'VFM' work). In December 2012 the AC reviewed and was content with external audit's plans for its work for 2012/13, and the audit fees proposed being:

- £61,800 for the audit of the financial statements;
- £4,000 for 'whole of Government accounts' work; and
- £12,000 for quality accounts work.

4.11 The AC received regular progress reports from external audit about their work, and has also received from them:

- (a) their draft Annual Governance Report covering their audit work on the 2012/13 audited annual accounts. External audit anticipates completing that work shortly, and **anticipates issuing an unmodified ('clean') audit opinion on the 2012/13 accounts;**
- (b) external audit's draft Annual Governance Report also noted that external audit **did not anticipate reporting any issues** as regards SLaM's arrangements for securing economy, efficiency and effectiveness in its use of resources (**Value for Money**);
- (c) external audit's draft report on their **2012/13 Quality Report external audit assurance review**. Based on their work and discussions to date, external audit has flagged an issue relating to the exemptions applied by SLaM in calculating the 'Access to crisis interventions team' performance indicator. Although the exemption was notified to Monitor and improves understanding it is probable that a technical qualification of the quality accounts may be recorded despite satisfactory progress having been made with all data quality issues identified by the external auditors last year.
- (d) additional reports and briefings during the year, as appropriate.

Internal Audit

4.12 As noted in their Audit Needs Assessment document, internal audit provides an independent, objective assurance and consulting service designed to add value and improve an organisation's operations. As such, its role embraces two key areas:

- (a) the provision of an independent and objective opinion to the 'Accountable Officer' (the Chief Executive), the Board and the AC on the degree to which risk management, control and governance support the achievement of SLaM's agreed objectives; and
- (b) the provision of an independent and objective consultancy service specifically to help line management improve SLaM's risk management, control and governance arrangements.

4.13 Parkhill has acted as SLaM's internal audit provider since September 2011. The AC has regularly reviewed, commented on and approved (with amendments where necessary) internal audit's plans. The planned internal audit work supported Parkhill's 2012/13 Head of Internal Audit Opinion.

4.14 Parkhill's key overall conclusion for 2012/13 is that: *'Significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design or inconsistent application of controls put the achievement of particular objectives at risk.'*

4.15 The AC has:

- (a) monitored regular progress reports requested from Parkhill on Parkhill's delivery of internal audit plans, and influenced changes to the plan to direct work to risk areas identified as internal audit work progressed;
- (b) noted that internal audit has completed and issued finalised reports on 24 audit assignments, and that for a further 4 audit assignments draft reports have been issued;
- (c) noted that for the 24 finalised audit reports, 19 provided assurance statements (and 5 related to follow up work or other work of a type not resulting in an opinion);
- (d) noted that all of those 19 reports provided at least 'adequate assurance', indeed 14 provided 'substantial assurance';
- (e) noted that of the 4 reports currently in draft, a 'substantial assurance' opinion was anticipated for 2, an 'adequate assurance' opinion was anticipated for 1, and 1 other report was on work of a type not resulting in an opinion; and
- (f) flagged to the Board key issues noted from the foregoing.

LCFS ('Local Counter Fraud Specialist')

4.16 SLaM's LCFS service is provided by Parkhill through a service level agreement separate from that applying to internal audit services.

4.17 As requested by the AC to meet mandated requirements, LCFS will provide an Annual Report for 2012/13 outlining delivery of the counter fraud plan through work on the prevention and detection of fraud, and through investigation into specific instances of suspected fraud. The AC requested and received regular updates on fraud issues from LCFS during 2012/13.

Other independent assurances about SLaM's operations

4.18 To help it to maintain and enhance the efficiency and effectiveness of its operations, in selected areas SLaM uses the consultancy and advisory services of some of the major independent accountancy firms. Significant points from their reports are flagged at AC meetings and/or dealt with at Board level if and as appropriate. For example Grant Thornton has been working with SLaM to review and resolve the issue of lack of support for certain key performance indicators.

360° assessment of the AC and other parties

4.19 In line with best practice the AC structures and monitors its operations through processes such as the following:

- (a) ongoing monitoring of progress against an agreed AC annual work programme;
- (b) review/amendment of the AC's own terms of reference for continued relevance, for subsequent review/approval by the Board, most recently in January 2013;
- (c) private discussions with SLaM management, internal audit and external audit, as noted in Appendix A;
- (d) annual assessment of the efficiency and effectiveness of its operations (see below) and
- (e) ongoing use of an appropriately experienced chartered accountant as AC Secretary.

4.20 **Annual 360° assessment.** The AC annually assesses the efficiency and effectiveness of its operations as part of a 360° exercise to assess the contributions to efficient and effective audit/governance (with reference in particular to cost control, quality reporting and change management) of the following parties: the AC; the Board; internal audit; external audit; and LCFS. For 2012/13, as for 2011/12, the AC decided to adopt a more flexible, discursive approach

than that used in previous years, but to ensure year to year consistency referred as necessary to a checklist based on that used in the exercises for previous years.

4.21 As noted in the minutes of the March 2013 AC meeting: *'in summary, after due discussion, it was agreed that all parties had performed well and had contributed appropriately to efficient and effective audit/governance arrangements. However, in common with other Trusts, SLaM faced significant challenges. All parties should therefore remain alert and should continue to seek to improve their performance'*. As appropriate, the AC has actioned development points noted from previous 360° assessments.

5. AC Developments

5.1 The AC and the Board have taken and continue to take steps further to improve the efficiency and effectiveness of the AC's operations. This includes taking account of 360° assessments (section 4 refers).

Robert Coomber
Audit Committee Chair
May 2013

APPENDIX A: AC MEETINGS AND ATTENDANCES FOR 2012/13

2012/13	28 May	26 Jun	20 Sep	11 Dec	26 Mar
Note (see foot of table)	1				
AC members (all Non Executive Directors)					
Robert Coomber (AC Chair)	Y	Y	Y	Y	Y
Professor Shitij Kapur	Y		Y	Y	Y
Dr Patricia Connell-Julien	Y	Y	Y	Y	Y
In attendance					
Committee support function					
Steven Thomas (AC Secretary)	Y	Y	Y	Y	Y
SLaM management					
Chief Executive				Y	
Director of Finance and Corporate Governance	Y	Y	Y	Y	Y
Director of Patient Safety		Y			
Director of Human Resources					Y
Service Director – Psychological Medicine Clinical Academic Group ('CAG') and Mood Anxiety and Personality CAG					Y
Head of Communications	Y				
Governance Manager					Y
External providers of assurance					
EA ('External Audit'): Engagement Lead (outgoing)	Y	Y			
EA: Engagement Manager (outgoing)	Y	Y			
EA: Team Leader (outgoing)	Y				
EA: Engagement Lead (incoming)			Y	Y	Y
EA: Engagement Manager (incoming)				Y	Y
IA: Account Director	Y				
IA: Chief Internal Auditor		Y		Y	Y
IA: Team Leader			Y	Y	
IA: Computer Audit					Y
LCFS: Director/Head of LCFS		Y	Y	Y	Y
LCFS		Y	Y	Y	Y
LCFS			Y		

Quorum: Two AC members

Y denotes attendance

The Committee received apologies for absence where appropriate from non-attendees

Note 1. Special purpose AC meeting to review 2012/13 draft Accounts, Annual Report and related documents

APPENDIX B: KEY INTERNAL AUDIT WORK FOR 2012/13

The information below, taken from internal audit's Head of Internal Audit Opinion report for 2012/13, seeks to summarise the work of SLaM's internal auditors for 2012/13 and the main results of that work.

Ref	Audit area	Final/draft	Assurance opinion
01	Payroll	Final	Substantial Assurance
02	Financial Ledger	Final	Substantial Assurance
03	Cash and Treasury Management	Final	Substantial Assurance
04	Financial Reporting & Budgetary Control	Final	Substantial Assurance
05	Accounts Receivable	Final	Substantial Assurance
06	Accounts Payable	Final	Substantial Assurance
07	Asset and Capital Management	Final	Substantial Assurance
08	Board Assurance Framework	Draft	Substantial Assurance
09	Data Return and Data Quality	Final	Substantial Assurance
10	CIPs & QIPPs Programme	Final	Substantial/Adequate Assurance
11	Productive Ward Management	Final	Adequate Assurance
12	e-Rostering	Draft	Adequate Assurance
13	Estates Strategy	Final	N/A (Follow Up)
14	Audit of risks identified from development of AHSC	Final	N/A
15	Follow-up Audit of AHSC Development Risks	Final	N/A
16	HR Processes: Ad hoc & self-employed contractors	Draft	N/A
17	Cobit Risk Assessment	Final	N/A
18	IG Toolkit v10 Part I	Final	Substantial Assurance
19	IG Toolkit v10 Part II	Final	Substantial Assurance
20	ICT Risk Management	Final	Substantial Assurance
21	Pseudonymisation	Final	Substantial Assurance
22	Registration Authority	Final	Substantial Assurance
23	Corporate Records	Final	Adequate Assurance
24	IT Follow-up	Final	N/A
25	Electronic Documents – Local Scanning	Final	Adequate Assurance
26	Access Controls ePJS	Final	Substantial Assurance
27	ICT Project & Programme Management	Final	Adequate Assurance
28	ISO 27001 Preparedness	Draft	Substantial Assurance