

Date:

Mr D Hoppe
Assessment Director
Monitor
Wellington House
133-135 Waterloo House
London
SE1 8UG

Dear David

Re: Application for NHS Foundation Trust Status – Management Representations

This letter of representation is provided in connection with your assessment of St George's Healthcare NHS Trust ("the Trust") application for foundation trust status, for the purpose of determining whether the Trust meets the authorisation criteria set out in section 5 of the Guide for Applicants (October 2013) ("the Assessment").

The trust's board of directors ("the board") tabled and agreed this letter at its meeting on 30th October 2014. I have been authorised to write to you on its behalf. The board confirms that the representations it makes in this letter are in accordance with the definitions set out in the Appendix to this letter.

Representations

The board confirms, to the best of its knowledge and belief at the date of this letter, having made such inquiries as it considered necessary for the purpose of informing itself, that:

Long-term financial model (LTFM) and integrated business plan (IBP)

1. Measurement methods and significant assumptions used by the board in preparing the LTFM provided to Monitor have been disclosed and are reasonable.
2. The LTFM and IBP incorporate all known changes to service provision at the Trust and the board has disclosed all known material risks to changes to service and provision.
3. The assumptions underlying the LTFM are consistent with the board's knowledge of the business and the Trust's operating environment.
4. All material events subsequent to the submission of the LTFM and IBP have been disclosed to Monitor.
5. The board has disclosed all material risks and uncertainties impacting the Trust's business plan, including key strategic, operational (including IT) and financial risks.

Relevant information

6. The board has:
 - a. Disclosed to you all information of which it is aware that is both relevant and material to the assessment of the Trust such as records, documents and other matters.

For the avoidance of doubt, this includes all reports and peer review information (or latest draft where reports have not been finalised) commissioned either internally or externally covering governance arrangements or the quality of services at the Trust within the last two years; and

- b. Provided you with additional information requested in sections 5.2 (is the applicant legally constituted?), 5.3 (is the applicant well-governed?) and 5.4 (is the applicant financially viable?) of the Guide to Applicants (October 2013).

Internal control

- 7. The board acknowledges its responsibility for such internal control as it determines necessary for the conduct of the Trust's business and preparation of information, including that provided to Monitor, which is free from material misstatement, whether due to fraud or error. In particular, the board acknowledges its responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
- 8. The board has disclosed to you the results of any assessment of the risk that the information it has reported to you may be materially misstated as a result of fraud.
- 9. There have been no instances of material fraud or suspected fraud that the board is aware of, other than those already reported to Monitor as part of the assessment process, that involve:
 - a. Management and, when appropriate, those charged with governance;
 - b. Employees who have significant roles in internal control; or
 - c. Other employees where the fraud could have a material effect on the information provided to Monitor.

Legal compliance

- 10. The board has disclosed to you all known material instances of non-compliance or suspected non-compliance with laws and regulations which affect the matters considered as part of the assessment.
- 11. The board has disclosed to you all known material actual or possible litigation and claims which affect the matters considered as part of the assessment.

Other matters

- 12. The board has actively considered all information provided to Monitor and has not identified any other matters it deems material to the assessment.

Yours faithfully

Signed for and on behalf of the board:

Title: Christopher Smallwood
Chairman

Date:

Trust: St George's Healthcare NHS Trust

Appendix

Definitions

Material Matters

Material omissions or misstatements of items are material if they could, individually or collectively, influence Monitor's view on whether the Trust meets the authorisation criteria set out in section 5 in the Guide for Applicants (October 2013). Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor.

Fraud

Fraudulent reporting involves intentional misstatements including omissions of amounts or disclosures in the information provided to deceive the user of the information.

Error

An error is an unintentional misstatement in the information provided.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts.