

Council of Governor's Meeting

Date and Time: 28 February 2018, 15:00 – 18:00

Venue: Hyde Park Room, 1st floor, Lanesborough Wing

Time	Item	Subject	Format
OPENING ADMINISTRATION			
15:00	1	Welcome and Apologies <i>Gillian Norton, Trust Chairman</i>	-
	2	Declarations of Interest <i>Gillian Norton, Trust Chairman</i>	Oral
	3	Minutes of Meeting held on 6 December 2017 & Action Log <i>Gillian Norton, Trust Chairman</i>	Paper
	4	Chairman's Opening Remarks <i>Gillian Norton, Trust Chairman</i>	Oral
MAIN BUSINESS			
15:15	5	Appraisal Process for the NEDs for 2017-18 <i>Gillian Norton, Trust Chairman</i>	Paper
15:30	6	Overview of Non-Executive Directors and Board Committees and Feedback from Committee Chairmen <i>Information Technology – Tim Wright</i> <i>Audit/Quality & Safety Committee – Sarah Wilton, Chairman</i> <i>Finance & Investment Committee – Ann Beasley, Chairman</i> <i>Workforce & Education Committee – Stephen Collier, Chairman</i>	Oral
16:10	7	Annual Plan Priorities <i>Andrew Grimshaw, Chief Financial Officer and</i> <i>Suzanne Marsello, Director of Strategy</i>	Paper
17:05	8	Patient Partnership and Engagement <i>Richard Lloyd-Booth, Deputy Chief Nurse</i>	Oral
17:15	9	RTT and Elective Care Recovery Programme Update <i>Ellis Pullinger, Chief Operating Officer</i>	Paper
17:25	10	Quality Account Indicator Update <i>Elizabeth Palmer, Director of Quality Governance</i>	Oral
17:35	11	Trust and Social Media <i>Chris Rolfe, Associate Director of Communications</i>	Oral
CLOSING ADMINISTRATION			
17:45	12	Any Other Business	
17:55	13	Reflections on Meeting	
18:00	14	Meeting Close	
<i>Refreshments and opportunity to get to know everyone</i>			

Date and Time of Next Meeting of Council of Governors: 15 May 2018, 10:30

Council of Governors: Purpose, Membership, Quoracy and Meetings

Council of Governors Purpose:	The general duty of the Council of Governors and of each Governor individually, is to act with a view to promoting the success of the Trust so as to maximise the benefits for the members of the Trust as a whole and for the public.
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Membership and Those in Attendance		
Members	Designation	Abbreviation
Gillian Norton	Trust Chairman	Chairman
Mia Bayles	Public Governor, Rest of England	MB
Alfredo Benedicto	Appointed Governor, Merton Healthwatch	AB
Patrick Bower	Appointed Governor, Wandsworth CCG	PB
Nigel Brindley	Public Governor, Wandsworth	NB
Val Collington	Appointed Governor, Kingston University	VC
Anneke de Boer	Public Governor, Merton	AB
Jenni Doman	Staff Governor, non-clinical	JD
Emir Feisal	Public Governor, Wandsworth	EF
Frances Gibson	Appointed Governor, St George's University	FG
John Hallmark	Public Governor, Wandsworth	JH
Hilary Harland	Public Governor, Merton	HH
Kathryn Harrison	Public Governor, Rest of England	KH
Philip Jones	Appointed Governor, Merton Council	PJ
Doulla Manolas	Public Governor, Wandsworth	DM
Sarah McDermott	Appointed Governor, Wandsworth Council	SM
Helen McHugh	Staff Governor, Nursing & Midwifery	HM
Derek McKee	Public Governor, Wandsworth	DM
Richard Mycroft	Public Governor, South West Lambeth	RM
Simon Price	Public Governor, Wandsworth	SP
Damien Quinn	Public Governor, Rest of England	DQ
Donald Roy	Appointed Governor, Healthwatch Wandsworth	DR
Stephen Sambrook	Public Governor, Rest of England	SS
Anup Sharma	Staff Governor, Doctors and Dental	AS
Khaled Simmons	Public Governor, Merton	KS
Clive Studd	Public Governor, Merton	CS
Bassey Williams	Staff Governor, Allied Health Professionals	BW
Secretariat		
Richard Coxon	Membership & Engagement Manager	MEM

Council of Governors	The quorum for any meeting of the Committee shall be at least one third of the Governors present.
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**Minutes of the Meeting of the Council of Governors
6 December 2017
Hyde Park Room, 1st Floor, Lanesborough Wing**

Name	Title	Abbreviation
PRESENT		
Gillian Norton	Chairman/Non-Executive Director	Chairman
Mia Bayles	Public Governor, Rest of England	MB
Nigel Brindley	Public Governor, Wandsworth	NB
Val Collington	Appointed Governor, Kingston University	VC
Anneke de Boer	Public Governor, Merton	AdB (Part)
Jenni Doman	Staff Governor, Non-Clinical	JD
Frances Gibson	Appointed Governor, St George's University	FG
Mike Grahn	Appointed Governor, Healthwatch Wandsworth	MG
Hilary Harland	Public Governor, Merton	HH
Kathryn Harrison	Public Governor, Rest of England	KH
Robin Isaacs	Public Governor, Rest of England	RI
Philip Jones	Appointed Governor, Merton Council	PJ
David Kirk	Public Governor, Wandsworth	DK
Yvonne Langley	Public Governor, Wandsworth	YL
Sarah McDermott	Public Governor, Wandsworth	SM (Part)
Derek McKee	Appointed Governor, Wandsworth Council	DMK (Part)
Simon Price	Public Governor, Wandsworth	SP
Stephen Sambrook	Public Governor, Wandsworth	SS (Part)
Khaled Simmons	Public Governor, Merton	KS
IN ATTENDANCE		
Ann Beasley	Non-Executive Director	NED
Harbhajan Brar	Director of Human Resources	DHROD
Stephen Collier	Non-Executive Director	NED
Tom Ellis	Head of Business Planning	HBP
Andrew Grimshaw	Chief Finance Officer	CFO
Elizabeth Palmer	Director of Quality Governance	DQG
Sir Norman Williams	Non-Executive Director	NED
Tim Wright	Non-Executive Director	NED
APOLOGIES		
Gail Adams	Public Governor, South West Lambeth	GA
Patrick Bower	Appointed Governor, Wandsworth CCG	PB
David Flood	Staff Governor, Nursing & Midwifery	DF
Dagan Lonsdale	Staff Governor, Clinical and Dental	DL
Sarah Wilton	Non-Executive Director	NED
SECRETARIAT		
Fiona Barr	Trust Secretary & Head of Corporate Governance	Trust Sec
Richard Coxon	Membership & Engagement Manager	MEM
Janet Gomes	Membership Officer	MO

WELCOME, APOLOGIES AND OPENING COMMENTS

1.1	<p>The Chairman opened the meeting and welcomed everyone. Tim Wright, NED and Alfredo Benedicto, Appointed Governor for Healthwatch Wandsworth were welcomed to their first meeting as were the prospective Governors in the audience.</p> <p>Thanks were given to both Noyola McNicolls-Washington and Will Hall who have stepped down as Staff Governors as they have left the Trust.</p> <p>The apologies were as set out above.</p>
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DECLARATIONS OF INTEREST

1.2	<p>There were no declarations of interests.</p> <p>It was noted that the Council of Governors declarations of interest will be updated in the</p>
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	new year and will be published on the Trust's website.
MINUTES OF MEETING HELD ON 14.09.17 AND MATTERS ARISING	
1.3	The minutes of the meeting of the 14.09.17 were agreed.
1.4	The Action Log was accepted and there were no matters arising.
CHAIRMAN'S OPENING REMARKS	
2.1	The Chairman commented that she felt that the Quality Improvement Plan (QIP) was developing well and progress was being made with the monitoring dashboard. The Quality & Safety Inspections in which some Governors had taken part still showed inconsistencies in some basics such as 'bare below the elbow' in clinical areas. It was noted that it is very important that everyone focuses on these basics.
2.2	It was reported that the Trust is currently struggling on A&E performance, though staff are working hard. There had been an A&E Summit at the end of November to focus on how the whole hospital can better respond to surges in patients in A&E.
2.3	It was noted that there had been good progress made on the Elective Care Recovery Programme and Cancer waiting times had improved.
2.4	The Chairman reported that meeting the financial target remains enormously challenging though the working relationship with NHS Improvement (NHSI) remained productive.
2.5	It was reported that a new Director of Corporate Affairs, Stephen Jones, had been appointed who would start in March 2018. Avey Bhatia and James Friend have been made substantive in their respective roles following interviews. The Chairman also thanked Fiona Barr for all her hard work over the last year as Interim Trust Secretary.
2.6	It was noted that nominations close on the 13.12.17 for the Governor elections and there was a high level of confidence that all the positions would be covered.
REPORT FROM THE NOMINATION & REMUNERATION COMMITTEE (N&RC)	
3.1	The Chairman reported that the N&RC had met prior to the meeting to agree the appraisal process for NEDs for 2017-18. This had been agreed and would be brought before the Governors at the next meeting for ratification. KS asked about whether NHSI best practice advice had been considered. The Chairman replied that she had relied on Deloitte's for that but would check whether there was anything missing which could be usefully incorporated.
COG.06.12.17/17	Check on NHSI Non Exec appraisal best practice guidelines. Report to the next Council of Governors meeting on the NED Appraisal Process
OVERVIEW OF NON-EXECUTIVE DIRECTORS & BOARD COMMITTEES & FEEDBACK FROM COMMITTEE CHAIRMAN	
4.1	The Chairman introduced this item and explained that Ann Beasley (AB) would provide a report on the Audit Committee in Sarah Wilton's absence.
4.2	AB reported that at the Audit Committee meeting on the 15.11.17 there had been discussion around procurement and breaches and waivers and how these were authorised. It was noted that a new Head of Procurement was in place and working with the procurement team to improve procedures. It was also noted that systems and contracts had to be straightforward for people to use if bad practice was to be avoided.
4.3	AB then gave an update report from the Finance and Investment Committee, the focus of which had been adjusted somewhat with elements of performance being looked at by other committees. The Trust has a £53m deficit forecast against the £45m deficit target. It was reported that the budget planning for next year is in a much better place

	than last year. There was discussion around problems in increasing income and the continuing need to reduce costs.
4.4	The Trust is working closely with NHSI and they have indicated that they would like to take us out of financial special measures at an appropriate time which would help reduce the demands made on Executive time although it was mainly the performance and quality issues that led to very regular meetings with the Regulator.
4.5	Sir Norman Williams (SNW) reported from the Quality and Safety Committee and commented that the Getting it Right First Time programme was a good thing for both the patients and saving money for the Trust. It was noted that there would need to be a real improvement for the CQC to recommend removing quality special measures when they re-inspect. He noted that culture change comes from leadership including clinical leadership and he felt that commitment is now showing in the organisation.
4.6	There had been concerns raised about traces of Legionella in the water system. There had been assurance that there is a rigorous testing regime at the Trust and the problematic thermostatic valves had been found and removed. He was confident that the problem was under control. The S29A warning notice had been lifted regarding this issue. The Cardiac Surgery department had also been discussed after NICOR flagged concern. This had been investigated fully and found to be a historic problem and the Committee was assured that at present it is a safe service though there was ongoing work on improving relationships.
4.7	Stephen Collier (SC) reported from the Workforce and Education Committee that the Trust currently had a major focus on the retention of staff with staff engagement being a key part of the retention strategy. It was noted that the recruitment process had been streamlined and reduced from 75 to 42 days. There had been good feedback from staff in the Family & Friends Test (FFT) with 79% of staff saying it was a great place to be treated but only 51% felt it was a good place to work.
4.8	A demand and capacity model for staffing will help to inform the resource position. It was noted that although the Trust does not have difficulty recruiting Consultants there is a national shortage of junior doctors. However there was insufficient job planning within the divisions which is now being supported by HR.
4.9	It was noted that staff are attracted to the Trust as a teaching hospital and the training and career development of staff is being reviewed. Exit processes are a tick box exercise and more in depth information needs to be collected through exit interviews so that more detailed analysis can be carried out.
4.10	The Chairman thanked the NEDs for their reports and hoped that everyone felt that they had enough time to ask questions. Governors were enthusiastic about the new format which would clearly develop further. Tim Wright (TW) will give an update on IT at the next meeting.
COG.06.12.17/18A	Invite the COO to report at next meeting on RTT and ECR.
COG.06.12.17/18B	TW to give an update on IT issues at the next meeting.
DELOITTE INDEPENDENT REVIEW OF COUNCIL OF GOVERNORS ARRANGEMENTS AND ACTION PLAN	
5.1	The Trust Sec introduced the final draft of the Deloitte Independent Review of Council of Governor (COG) arrangements and Action Plan. Deloitte had given a presentation at the last COG meeting and the draft Review had been circulated to Governors for comments which had been incorporated into the final version.
5.2	There was some discussion around the recommendations in the Review and Action Plan. It was agreed that the Membership Committee needed to be restarted as a formal, quarterly sub-committee of the COG.
5.3	The report was agreed.

REPORT FROM AUDIT COMMITTEE WORKING GROUP: EXTERNAL AUDITORS	
6.1	The CFO introduced the report which was taken as read. The report highlighted that the appointment had been a fair process, following an approved framework. The field had been very limited as many firms had worked with the Trust previously in an advisory capacity or felt that the work was not lucrative enough for them to bid.
6.2	Grant Thornton, who currently provide the service, had been the only bidder and presented an acceptable bid. NB, who had represented the Governors on the Working Group, expressed his disappointment that only one bid had been received and that the field was so limited. The CFO agreed that it was good practice to change auditors periodically but this could be achieved through a rotation of audit partners which had been discussed as part of the appointment process with Grant Thornton.
6.3	The CFO provided assurance that all firms on the framework were contacted to understand why they did not bid which was either because they were conflicted or their priorities lay elsewhere.
6.4	The report was agreed.
ANNUAL PLAN PRIORITIES	
7.1	The CFO presented the report on the Annual Plan Priorities consideration of which are a very important part of the COG's duties. The COG are to feed back to the Trust on the views on the Annual Plan Priorities from their constituencies or appointed organisations.
7.2	It was noted that no formal guidance had yet been received from NHSI. However, using last year's guidance and assumptions (meant to be guidance for two years) they want to see what actions the Trust needs to take to achieve a breakeven position. There are a number of 'building blocks' already in place including the Quality Improvement Plan and Staff Engagement Plan. Others will be produced over coming months including the Workforce Plan and Financial Plan.
7.3	The Trust has also recently agreed its Strategic Corporate Objectives for the next two years. There was some discussion around whether the objectives were 'banal' and just words or whether they should be more specific with dates. It was noted that the agreed Strategic Objectives needed to be in a language that works for staff and all stakeholder groups.
7.4	A further report will be brought to the next meeting. The report was received. <i>The CFO and HBP left the meeting.</i>
COG/06.12.17/19	Annual Plan to be discussed in more detail at the February meeting.
PROPOSALS ON MEMBERSHIP & ENGAGEMENT	
8.1	The Trust Sec introduced the paper on how the COG should represent the interests of Trust members and the public. A Membership & Engagement Working Group had met on the 03.11.17 to discuss how Governors could better engage with members and get feedback. There was still limited enthusiasm from the COG though it was noted that the new Governors from 01.02.18 following elections may invigorate interest in setting up a Membership & Engagement Committee.
8.2	The report was agreed.
COG.06.12.17/20	Consult Governors on a date to hold a Membership Meeting.
GOVERNOR INDUCTION & TRAINING	
9.1	The Trust Sec thanked KH and HH for meeting to discuss this subject and the good ideas which were put forward and were included in the paper.
9.2	The report set out the proposed induction for new Governors following elections though existing Governors would also be welcome to attend. There would also be a summary

	report on training and skills presented to the COG annually which would be linked to the annual survey of COG effectiveness.
9.3	The report was approved.
STAFF RECRUITMENT & RETENTION	
10.1	The DHROD introduced an update report on Staff Recruitment and Retention which showed that there were currently 240 fewer vacancies which is a key criteria in quality of care provided. The Staff Engagement Plan had recently been launched which focused on three key areas – Diversity, Bullying & Harassment and Overall Staff Engagement. It was agreed that this would be circulated to Governors.
10.2	The Trust attracts many staff as a teaching hospital and being a major trauma centre and the learning and development opportunities available. There were a number of initiatives to retain staff and ensure that there were opportunities for staff to develop and for career progression. The Trust was also collaborating with other trusts in S W London over staff bank arrangements and with Kingston University apprentice nurse recruitment.
	The report was received. <i>The DHROD left the meeting.</i>
COG.06.12.17/21A	The DHROD to talk about staff training at a future meeting
COG.06.12.17/21B	MEM to circulate Staff Engagement Plan to Governors
QUALITY REPORT – QUALITY PRIORITIES AND INDICATORS UPDATE	
11.1	The DQG presented an update on the Quality Report – Quality Priorities and Indicators. It was noted that: Improving patient safety: measures of success are on target to be achieved for the Early Warning Score (EWS) documentation; Local Safety Standards for Invasive Procedures; Pressure Ulcers. Data for falls is being validated and an audit tool to assess the baseline for avoidable cardiac arrests is being used. Improving patient experience: measures of success are on target for End of Life care plans; staff survey participation; improvement work to achieve reduction in on the day cancellations of surgery being implemented. Improving patient outcomes: measures of success are on target to be achieved in this quality domain.
11.2	The report was received.
ANNUAL CYCLE AND ITEMS FOR NEXT MEETING	
12.1	The Trust Sec provided an updated Annual Cycle of business for the COG and the dates for future meetings would generally be a week after the Board meeting.
12.2	It was agreed that the Governance Report from Deloitte would be added to the COG 28.02.18 meeting agenda. It was suggested that a future meeting be held at Queen Mary's Hospital and incorporate a tour of the hospital. Governors were enthusiastic about the opportunity to visit parts of the hospital's services. The current feeling of Governors was that future meetings should be around three hours long with KH to sign off agenda on behalf of the COG. Suggested dates and times for future meetings to be circulated for agreement.
COG.06.12.17/22	COG meeting dates for 2018/19 to be circulated to Governors.
ANY OTHER BUSINESS	
13.1	There was no other business. The Chairman thanked everyone and closed the

meeting.

Date and Time of Next Meeting: 28 February 2018, 15:00, Hyde Park Room

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Council of Governors Action Log					
Action Ref	Action	Due	Lead	Commentary	Status
COG.06.12.17/17	Report to the next Council of Governors meeting on the NED Appraisal Process	28.02.18	Trust Sec	On Agenda.	Proposed for closure
COG.06.12.17/18A	Invite the COO to report at next meeting on RTT and ECR.	28.02.18	COO	On Agenda.	Proposed for closure
COG.06.12.17/18B	TW to give an update on IT issues at the next meeting.	28.02.18	TW, NED	On Agenda.	Proposed for closure
COG/06.12.17/19	Annual Plan to be discussed in more detail at the February meeting.	28.02.18	CFO	On Agenda.	Proposed for closure
COG.06.12.17/20	Consult Governors on a date to hold a Membership Meeting.		MEM	To be agreed	Open
COG.06.12.17/21A	The DHROD to talk about staff training at a future meeting	15.05.18	DHROD	Not yet due	Open
COG.06.12.17/21B	MEM to circulate Staff Engagement Plan to Governors		MEM	Completed	Proposed for closure
COG.06.12.17/22	COG meeting dates for 2018/19 to be circulated to Governors.		MEM	Completed	Proposed for closure

Meeting Title:	Council of Governors		
Date:	28 February 2018	Agenda No	5
Report Title:	Appraisal Process for the Chairman and Non-Executive Directors		
Lead:	Gillian Norton, Chairman		
Report Author:	Fiona Barr, Trust Secretary & Head of Corporate Governance		
Presented for:	Review		
Executive Summary:	The purpose of this paper is to set out the appraisal process for the Chairman and Non-Executive Directors (NEDs) for 2017-18 using a format that will be used annually. It introduces a policy that has been drawn together using current best practice and with expert input by Deloitte		
Recommendation:	The Committee is invited to review and approve the process for Chairman and NED appraisal and commend this to the Council of Governors.		
Supports			
Trust Strategic Objective:	All objectives		
CQC Theme:	Well-led		
Single Oversight Framework Theme:	Well-led		
Implications			
Risk:	Without an adequate means of assessing the performance of the Chairman and the NEDs, the Council of Governors may fail in its general duty to hold the NEDs individually and collectively to account for the performance of the Board of Directors.		
Legal/Regulatory:	<i>Foundation Trust Code of Governance</i> section B.6.1 Section 5.2 of the current draft of <i>Your statutory duties: a reference guide for NHS foundation trust governors</i> published on August 2013 (page 35) <i>Foundation Trust Governors Association Essential Brief 10.</i>		
Resources:	N/A		
Previously Considered by:	Nomination & Remuneration Committee	Date	06.12.17
Appendices:	Appendix 1: Chairman & NED Objectives 2017-18 Appendix 1: Appraisal Process for Chairman and Non-Executive Directors		

**Appraisal Process for the Chairman and Non-Executive Directors in 2017-18
Council of Governors - 28.02.18**

1.0 PURPOSE

- 1.1 This paper presents a system by which the performance of the Trust's Chairman and Non-Executive Directors (NEDs) can be assessed.

2.0 BACKGROUND

- 2.1 At its August 2017 meeting, the Council of Governors (CoG) - Nomination & Remuneration Committee (N&RC) received the agreed annual objectives for 2017-18 for the Chairman and NEDs for information (Appendix 1). It was agreed that a system by which the Governors could be involved in assessing the performance of the Chairman and NEDs would be produced for consideration by the N&RC with a view to it being commended to the CoG for approval.
- 2.2 The appraisal policy presented makes best use of existing arrangements within the Trust and current good practice in other Foundation Trusts to produce a system by which the Council of Governors can fulfil its general duty to hold the NEDs individually and collectively to account for the performance of the Board of Directors.

3.0 PERFORMANCE APPRAISAL OF THE CHAIRMAN AND NEDs

- 3.1 The Council of Governors is responsible for the appointment and re-appointment of NEDs (including the Chairman) and should agree a process for the evaluation of the Chairman and the NEDs. The outcomes of the evaluation of the Chairman and the NEDs should be agreed by the Governors who should consider using the Senior Independent Director to lead the evaluation of the performance of the Chairman.
- 3.2 In addition, when developing a system for assessing and appraising the performance of the Chairman and the NEDs, the Trust should consider how it:
- i. will form part of the overall assessment of the Board and its performance.
 - ii. link to the achievement of the Trust's annual plan.
 - iii. show whether each director continues to contribute effectively, to demonstrate commitment and has the relevant skills for the role.
 - iv. assess performance against pre-defined priorities.
 - v. identify training or development needs.
- 3.3 Furthermore since the primary aim of the Chairman's work is to lead the Directors in executing the Trust's annual plans, the appraisal should consider carefully the Chairman's performance as the leader of the Board of Directors, as well as their role as the Chairman of the Council of Governors
- 3.4 The appraisal policy attached at appendix 2 establishes the process through which the performance appraisal of the Chairman and NEDs should be undertaken. In developing this appraisal process, key principles have been retained from the Trust's current appraisal system which includes objective, measurable performance criteria which apply to all NEDs (though with additional criteria for the Chairman to reflect their additional duties), 360° peer assessment and clear objective setting.
- 3.5 The appraisal process will be conducted in Quarter 4, during March/April, of each financial year in order to align the agreed objectives for the Chairman and Non-Executive Directors for the following year with the Trust's strategic objectives included within the Annual Plan.
- 3.6 Both Board members and Governors will be invited to participate in the review of the

Chairman's and NEDs' performance though their contributions will remain non-attributable and anonymous. To enable objective review, a set of statements have been pre-prepared for Board Members / Governors to use to assess the performance of the Chairman and NEDs which have been developed through a detailed review of role descriptions, regulatory requirements and good practice guidance. There is an option to provide a free text response in addition to a quantitative evaluation of performance.

- 3.6 The outcome of the appraisal system will also be recorded in the Trust's Annual Report in line with the duty set out in the Foundation Trust Code of Governance, which requires that the Board of Directors undertakes a formal and rigorous annual evaluation of its own performance, and that of its committees and individual directors, and state in the annual report how the evaluation has been conducted.

4.0 RECOMMENDATION

- 4.1 The Committee is invited to review and approve the process for Chairman and NED appraisal and commend this to the Council of Governors.

Non-Executive Director Objectives 2017-18

Name and Designation	Objectives					
Gillian Norton Chairman	To lead and develop the Trust's Unitary Board ensuring the Executive and Non Executive work effectively together, whilst Non Executives are held to account, to develop a long term strategy and deliver improvements in quality, financial sustainability and performance.	To work with the Chief Executive to ensure that the governance review addresses key weaknesses and oversee implementation of governance changes for the Trust to achieve effective assurance mechanisms.	To build an effective partnership with the Chief Executive providing both support and appropriate challenge; and together engage with staff, listen and respond to their views in order to improve engagement and achieve a positive organisational culture.	To lead the Non Executives ensuring they are equipped to work effectively with the Executive whilst holding them to account	To be a proactive ambassador for the Trust externally, building and improving key partnerships in particular with SW London CCG and providers, local Councils and councillors, and national regulators.	To work with the Council of Governors to enable them to carry out their roles in relation to holding Non Executives to account and representing the wider membership.
Measures	<i>Strategy to Board Date dependent upon appointment of Director of Strategy Finance Recovery Plan being delivered Improved CQC feedback.</i>	<i>CQC well led judgement and Audit opinion.</i>	<i>Board feedback Improved staff engagement scores.</i>	<i>Board and Governor Feedback.</i>	<i>External stakeholder feedback and confidence levels.</i>	<i>Governor feedback Board feedback.</i>
Ann Beasley, Vice Chairman and Finance & Performance Committee Chair	To make a positive contribution to the development of the Trust's Unitary Board, working effectively with Non Executives and Executives whilst holding the Executives to account, in order to develop a long term strategy and deliver improvements in quality, financial sustainability and performance.	To work with the Chief Finance Officer and other senior staff to ensure Finance and Performance Committee agenda cover the necessary ground; chair and lead the Committee to ensure proper consideration of items and that appropriate reports are submitted to the Board.	To continue to get to know the Trust, its services and people and study necessary paperwork to enable an informed and constructive contribution and questioning at Committees and Board.	As Vice Chairman to deputise for the Chairman as required and provide a sounding Board for her and other Non Executives.	To contribute to Audit and Workforce Committees to assist their effective operation.	To work with other Non Executives to support Governors in carrying out their role.

Measures	<i>Feedback from Chairman, Council of Governors and other members of the Board.</i>	<i>Committee develops and follows annual work programme Improved outcomes from FPC annual effectiveness review and NHSI Use of Resources judgement.</i>	<i>Feedback from CFO and Chairman.</i>	<i>Feedback from Chairman and other NEDs.</i>	<i>Feedback from Chairmen of Audit and Workforce.</i>	<i>Feedback from Governors.</i>
Sarah Wilton, Audit Committee Chair	To make a positive contribution to the development of the Trust's Unitary Board, working effectively with Non Executives and Executives whilst holding the Executives to account, in order to develop a long term strategy and deliver improvements in quality, financial sustainability and performance.	To work with the Chief Finance Officer and other senior staff to ensure the Audit Committee agenda covers the necessary ground; chair and lead the Committee to ensure proper consideration of items and that appropriate reports are submitted to the Board.	To continue to get to know the Trust, its services and people and study necessary paperwork to enable an informed and constructive contribution and questioning at Committees and Board.	To contribute to Finance and Quality Committees to assist their effective operation.	With other Non Executives to support Governors in carrying out their role.	To be the Non Executive presence on a number of working groups including End of Life Care, Renal and Risk Committee recognising groups might change as a result of the current Governance review.
Measures	<i>Feedback from Chairman, Council of Governors and other members of the Board.</i>	<i>Committee develops and follows annual work programme Improved outcomes from Audit Committee annual effectiveness review and external Auditor judgement.</i>	<i>Feedback from CFO and Chairman.</i>	<i>Feedback from Chairmen of Finance and Quality.</i>	<i>Feedback from Governors.</i>	
Sir Norman Williams, Quality Committee Chair and SID	To make a positive contribution to the development of the Trust's Unitary Board, working effectively with Non Executives and Executives whilst holding the Executives to account, in order to	To work with the Medical Director, Chief Nurse and other senior staff to ensure Quality Committee agenda covers the necessary ground; chair and lead the Committee to ensure proper	As Senior Independent Director to appraise the Chairman, working with Governors as appropriate	To continue to get to know the Trust, its services and people and study necessary paperwork to enable an informed and constructive contribution and questioning at	To contribute to Audit Committee to assist its effective operation.	To work with other NEDs to support Governors in carrying out their role.

	develop a long term strategy and deliver improvements in quality, financial sustainability and performance.	consideration of items and that appropriate reports are submitted to the Board.		Committees and Board.		
Measures	<i>Feedback from Chairman, Council of Governors and other members of the Board.</i>	<i>Committee develops and follows annual work programme Improved outcomes from Quality Committee annual effectiveness review and CQC feedback.</i>	<i>Appraisal carried out by end March 2018 and reported through Nomination and Remuneration Committee.</i>	<i>Feedback from Executive and Chairman.</i>	<i>Feedback from Chairman of Audit.</i>	<i>Feedback from Governors.</i>
Stephen Collier, Workforce & Education Committee Chair	To make a positive contribution to the development of the Trust's Unitary Board, working effectively with Non Executives and Executives whilst holding the Executives to account, in order to develop a long term strategy and deliver improvements in quality, financial sustainability and performance.	To work with the Director of HR and other senior staff to ensure the Workforce and Education Committee agenda covers the necessary ground; chair and lead the Committee to ensure proper consideration of items and that appropriate reports are submitted to the Board.	To continue to get to know the Trust, its services and people and study necessary paperwork to enable an informed and constructive contribution and questioning at Committees and Board.	To contribute to Finance Committee to assist its effective operation.	To work with other Non Executives to support Governors in carrying out their role.	
Measures	<i>Feedback from Chairman, Council of Governors and other members of the Board.</i>	<i>Committee develops and follows annual work programme Improved outcomes from WEC annual effectiveness review.</i>	<i>Feedback from DHR and Chairman.</i>	<i>Feedback from Chairman of Finance Committee.</i>	<i>Feedback from Governors.</i>	
Jenny Higham, Appointed NED, Principal, St George's University	To make a positive contribution to the development of the Trust's Unitary Board, working effectively with Non Executives and	To continue to get to know the Trust, its services and people and study necessary paperwork to enable an informed and constructive contribution	To contribute to Quality Committee to assist its effective operation.	To assist the Board in maximising its relationship with the University to the benefit of both.	with other Non Executives to support Governors in carrying out their role.	

	Executives whilst holding the Executives to account, in order to develop a long term strategy and deliver improvements in quality, financial sustainability and performance.	and questioning at Committees and Board.				
Measures	<i>Feedback from Chairman, Council of Governors and other members of the Board.</i>	<i>Feedback from Chairman and Chief Executive.</i>	<i>Feedback from Chairman of Quality Committee.</i>	<i>Feedback from Board Members.</i>	<i>Feedback from Governors.</i>	
Tim Wright, Appointed NED and Trustee of St George's Hospital Charity	To make a positive contribution to the development of the Trust's Unitary Board, particularly in the area of IT, working effectively with Non Executives and Executives whilst holding the Executives to account, in order to develop a long term strategy and deliver improvements in infrastructure, quality, financial sustainability and performance.	To continue to get to know the Trust, its services and people and to develop a broader understanding of the health system to enable an informed and constructive contribution and questioning at Committees and Board.	As Trustee of the Charity to encourage and support the alignment of the charity's objectives with the strategy and priorities of the Trust. To enable an effective and sustainable conduit for communication between Trust and Charity and to help develop an open and trusting relationship that benefits both the Trust and the Charity.	To be the Non Executive presence at the Clinical Ethics Committee to support and inform a structured approach to identifying, analysing and resolving ethical issues that arise when treating patients. To help ensure that the Trust acts in the best interests of patients and supports its clinical staff when ethical judgements are required.	with other Non Executives to support Governors in carrying out their role.	To contribute to Audit Committee and to Workforce & Education Committee to assist their effective operation.
Measures	<i>Feedback from Chairman, Council of Governors and other</i>	<i>Feedback from Chairman and Chief</i>	<i>Feedback from Trust and Charity Chairmen.</i>	<i>Feedback from CEC Chair.</i>	<i>Feedback from Governors.</i>	<i>Feedback from Chairmen of Audit and of Workforce &</i>

	<i>members of the Board.</i>	<i>Executive.</i>				<i>Education Committees</i>

Appraisal Process for the Chairman and Non-Executive Directors

Profile	
Version:	<i>Version 1</i>
Author:	<i>Fiona Barr, Trust Secretary & Head of Corporate Governance</i>
Executive/Divisional sponsor:	<i>Gillian Norton (Chairman)</i>
Applies to:	<i>Chairman Non-Executive Directors Council of Governors Trust Secretariat</i>
Date issued:	<i>Date document finalised</i>
Review date:	<i>Date by which document must be reviewed</i>
Approval	
Approval Executive or Committee:	<i>Council of Governors</i>
Date:	<i>Council of Governors Remuneration & Nomination Committee</i>

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Policy Gateway

Please complete the checklist and tables below to provide assurance around the policy review process.

- I have involved everyone who should be consulted about this policy/guidance
- I have identified the target audience for this policy/guidance
- I have completed the correct template fully and properly
- I have identified the correct approval route for this policy/guidance
- I have saved a word version of this policy/guidance for future reviews and reference

Please set out what makes you an appropriate person to conduct this review:

This policy was drawn together with expert input from Deloitte over the summer of 2017 based on best practice used by the Trust Secretary & Head of Corporate Governance and a review of prevailing best practice. The views of the Chairman were also sought and her observations and requirements included.

Please set out the legislation, guidance and best practice you consulted for this review:

Monitor Code of Governance
 Your statutory duties - A reference guide for NHS foundation trust governors
 Your duties: a brief guide for NHS foundation trust governors

Please identify the key people you involved in reviewing this policy why, and when:

Deloitte – expert advisors on Governance
 Chairman – significant experience of appraising staff and responsible for setting objectives for the Non-Executive Directors

Summarise the key changes you have made and why:

The Trust has never had a policy setting out how the Appraisal Process for the Chairman and Non-Executive Directors

Executive Summary

- The purpose of this paper is to set out a process through which the performance appraisal of the Chairman and Non-Executive Directors will be conducted. This process takes account of:
 - A review of good practice in other Foundation Trusts; and
 - The new general duties of NHS Governors in the Health and Social Care Act 2012.
- The content of the paper was shared with the Non-Executive Directors Nominations and Remuneration Committee on 06.12.17 who commended its consideration by the Council of Governors.
- The Council of Governors is recommended to consider and approve the process for appraising the performance of the Chairman and the Non-Executive Directors as established in this document.

1. Introduction

- 1.1 The Council of Governors is responsible for the appointment and re-appointment of NEDs and should agree a process for the evaluation of the Chairman and the NEDs, with the Chairman and the NEDs. The outcomes of the evaluation of the Chairman and the NEDs should be agreed by the Governors who should consider using the Senior Independent Director to lead the evaluation of the performance of the Chairman.
- 1.2 This is in line with the *Foundation Trust Code of Governance* section B.6.1, section 5.2 of the current draft of *Your statutory duties: a reference guide for NHS foundation trust governors* published on August 2013 (page 35) and the *Foundation Trust Governors Association Essential Brief 10*.
- 1.3 In addition, when developing a system for assessing and appraising the performance of the Chairman and the NEDs, the Trust should consider how it:
- i. will form part of the overall assessment of the Board and its performance
 - ii. link to the achievement of the Trust's annual plan
 - iii. show whether each director continues to contribute effectively, to demonstrate commitment and has the relevant skills for the role
 - iv. assess performance against pre-defined priorities
 - v. identify training or development needs.
- 1.4 Furthermore since the primary aim of the Chairman's work is to lead the Directors in executing the Trust's annual plans, the appraisal should consider carefully the Chairman's performance as the leader of the Board of Directors, as well as their role as the Chairman of the Council of Governors

2. Status and Purpose

- 2.1 This document establishes the process through which the performance appraisal of the Chairman and Non-Executive Directors (NEDs) is to be undertaken at St George's University Hospitals NHS Foundation Trust.

3. Chair and Non-Executive Director Appraisal Process

- 3.1 In developing this appraisal process, key principles have been retained from the Trust's current appraisal system which includes objective, measurable performance criteria which apply to all NEDs (though with additional criteria for the Chairman to reflect their additional duties), 360° peer assessment and clear objective setting.
- 3.2 In line with the Chairman's duties as both the leader of the Board of Directors and the Chairman of the Council of Governors, the appraisal system has been designed to assess their performance in this dual capacity.
- 3.3 The appraisal process will be conducted in Quarter 4, during March/April of each financial year in order to align the agreed objectives for the Chairman and Non-Executive Directors for the following year with the Trust's strategic objectives included within the Annual Plan.
- 3.4 Board members and Governors will be invited to participate in the review of the

Chairman's and NEDs' performance though their contributions will remain non-attributable and anonymous. To enable objective review, a set of statements have been pre-prepared for Board Members / Governors to use to assess the performance of the Chairman and NEDs. These statements have been developed through a detailed review of role descriptions, regulatory requirements and good practice guidance. Only one response should be selected per statement, and comments boxes are provided to allow the respondent to articulate the rationale for responses (though this is optional).

Process in Brief - Appraisal of Chairman

3.5 The following summarises the steps which will be followed to conduct the Chairman's appraisal:

- a. At the beginning of the performance year, the Senior Independent Director and Chairman should meet to set some mutually agreed objectives for the coming year. This will be aligned to any perceived development needs and the findings from the previous year's appraisal.
- b. Executive Directors, Non-Executive Directors and Governors will be invited to complete the survey form at Appendix A and return to the Corporate Secretary, who will treat the information provided in the strictest confidence. It is expected that brief comments should be included in the space provided where a score of either 'Disagree' or 'Strongly disagree' has been awarded or where there is anything of consequence (positive or negative) that is relevant to the assessment of the Chairman of the Trust.
- c. Completed survey forms will be collated into a "pack" of information and provided to the Senior Independent Director ready for the Chairman's appraisal meeting. This "pack" will also include information about the Chairman's attendance, any training undertaken within the year and the Chairman's annual objectives.
- d. The Senior Independent Director will meet to discuss the feedback received and to conduct the appraisal, taking into account the information in the pack. A record of the appraisal discussion will be completed and agreed. This record will include an overall assessment of the Chairman's performance and highlight any development needs, including agreed training. Proposed objectives for the coming performance year will also be discussed and documented as part of this meeting.
- e. A report of the outcome of the appraisal will be made by the Senior Independent Director to the Governor committee responsible for NED appraisal, where the outcome will be considered.
- f. A summary of the report provided to the Governor committee responsible for NED appraisal will be presented to the Council of Governors by the Senior Independent Director.

Process in Brief - Appraisal of the Non-Executive Directors

3.5 The following summarises the steps which will be followed to conduct the appraisals of the Non-Executive Directors:

- a. At the beginning of the performance year, the Chairman and each NED should meet to set some mutually agreed objectives for the coming year. This will be aligned to any perceived development needs and the findings from the previous year's appraisal.
- b. Executive Directors, Non-Executive Directors and Governors will be invited to complete the survey form at Appendix B and return to the Corporate Secretary, who will treat the information provided in the strictest confidence.

- c. Completed survey forms will be collated into a “pack” of information and provided to the Chairman ready for relevant NED’s appraisal meeting. This “pack” will also include information about attendance, any training undertaken within the year and the NED’s annual objectives.
- d. The Chairman will meet with each NED to discuss the feedback received, and to conduct their appraisal, taking into account the information in the pack. A record of the appraisal discussion will be completed and agreed. This record will include an overall assessment of the NED’s performance and highlight any development needs, including agreed training. Proposed objectives for the coming performance year will also be discussed and documented as part of this meeting.
- e. A report on the outcome of the appraisal process will be provided to the Governor committee responsible for Non-Executive Director appraisal for consideration. A brief report summarising the outcome of the appraisal for each NED, including any recommendations will then be presented to the Council of Governors by the Chairman.

Timetable

3.6 As set out in 3.3, the appraisal process will be conducted in Quarter 4 of each financial year in order to align to the performance year for the Chairman and Non-Executive Directors.

3.7 It is intended that the timeline for the appraisal activities set out at 3.4 and 3.5 take place as follows:

March – Board Member and Governors Surveys issued, completed and collated.

March/April – Pack of appraisal information collated and appraisal meetings undertaken with Chair and NEDs.

April/May – Reporting to summarise the outcome of appraisal activity for Chair and NEDs provided to the Governor committee responsible for NED appraisal and Council of Governors.

3.8 The outcome of the appraisal process for the Chair and NEDs will also be recorded in the Trust’s Annual Report in line with the duty set out in the Foundation Trust Code of Governance, which requires that the Board of Directors undertakes a formal and rigorous annual evaluation of its own performance, and that of its committees and individual directors, and state in the annual report how the evaluation has been conducted.

4. Dissemination

4.1 It is intended that this policy will be disseminated in line with the processes described in the Trust Policy for the Development and Implementation of Trust-wide Procedural

5. Monitoring compliance

Process for Appraisal of Chairman	Process for Appraisal of Non-Executive Directors
Have Executive Directors, Non-Executive Directors and Governors been invited to complete a survey form (Appendix A) which will be confidential. MARCH	Have Executive Directors, Non-Executive Directors and Governors been invited to complete a survey form (Appendix B) which will be confidential. MARCH.

<p>Have complete forms been collated by Director of Corporate Affairs and given to the Senior Independent Director in advance of the appraisal meeting with the Chairman? MARCH/APRIL</p>	<p>Have completed forms been collated by the Director of Corporate Affairs for each NED and provided to the Chairman in advance of the appraisal meeting? MARCH/APRIL</p>
<p>Has the Senior Independent Director met the Chairman to discuss feedback and to conduct the appraisal? Have new annual objectives been agreed? Has a record been completed and agreed and is a final copy stored with the Director of Corporate Affairs? MARCH/APRIL</p>	<p>Has the Chairman met with each of the NEDs individually to discuss feedback and to conduct the appraisal? Have new annual objectives been agreed? Has a record been completed and agreed and is a final copy stored with the Director of Corporate Affairs? MARCH/APRIL</p>
<p>Has a report of the outcome been produced by the Senior Independent Director for the Governor Committee responsible for NED Remuneration & Nomination? Has the Senior Independent Director been invited to attend? APRIL/MAY</p>	<p>Has a report of the outcome been produced by the Chairman for the Governor Committee responsible for NED Remuneration & Nomination? APRIL/MAY</p>
<p>Has a summary report been presented to the Council of Governors by the Committee and the Senior Independent Director? (which should be considered at the same time as the report on the NEDs' appraisal). The report should contain details of the Chairman's agreed annual objectives. APRIL/MAY</p>	<p>Has a summary report been presented to the Council of Governors by the Committee and the Chairman? (which should be considered at the same time as the report on the NEDs' appraisal). The report should contain details of the NEDs' agreed annual objectives. APRIL/MAY</p>

6. Associated documentation

- Agreed annual objectives for the Chairman and NEDs
- Monitor Code of Governance
- Your statutory duties - A reference guide for NHS foundation trust governors
- Your duties: a brief guide for NHS foundation trust governors

Appendix A: **Chairman's performance statements – for completion by Board Members and Governors**

I am a.....		Board Member		Governor			
Statement		Strongly agree	Agree	Disagree	Strongly disagree	Cannot say	Comments
The Chairman...							
Objective 1 - To lead and develop the Trust's Unitary Board ensuring the Executive and Non Executive work effectively together, whilst Non Executives are held to account, to develop a long term strategy and deliver improvements in quality, financial sustainability and performance.							
1	Ensures appropriate strategic focus across quality, finance, workforce and performance at the Board						
2	Encourages strategic debate at the Board						
3	Demonstrates a breadth of contribution across a range of topics						
Objective 2 - To work with the Chief Executive to ensure that the governance review addresses key weaknesses and oversee implementation of governance changes for the Trust to achieve effective assurance mechanisms.							
4	Ensures that Board sub-committees operate efficiently and effectively in order to provide clear assurance to the Board across their remit						
5	Promotes a programme of Board development and ensures the Board is provided with opportunities to undertake development activities						
6	Prioritises good Board governance and effective stewardship of public-money						
Objective 3 - To build an effective partnership with the Chief Executive providing both support and appropriate challenge; and together engage with staff, listen and respond to their views in order to improve engagement and achieve a positive organisational culture.							
7	Together with the Chief Executive is a visible point of leadership for the Trust, available and approachable to staff						
8	Behaves in a manner which is consistent with the Trust's values						
9	Challenges constructively and supports the Executive in a way that adds value						
Objective 4 - To lead the Non Executives ensuring they are equipped to work effectively with the Executive whilst holding them to account							
10	Encourages open debate and contributions from all						

I am a.....		Board Member		Governor		Cannot say	Comments
Statement	Strongly agree	Agree	Disagree	Strongly disagree			
The Chairman...							
11	Establishes consistent expectation and objectives for Non Executives, identifying and addressing any development needs						
Objective 5 - To be a proactive ambassador for the Trust externally, building and improving key partnerships in particular with SW London CCG and providers, local Councils and councillors, and national regulators.							
12	Acts as an ambassador for the Trust, building and strengthening relationships with key external stakeholders						
13	Consistently acts in the best interests of patients and the public						
Objective 6 - To work with the Council of Governors to enable them to carry out their roles in relation to holding Non Executives to account and representing the wider membership.							
14	Ensures that Governors are able to express a views on the Trust's strategic plans						
15	Promotes effective working between the Board of Directors and the Council of Governors						
16	Ensures that the Council of Governors are provided with opportunities to undertake ongoing development						
17	Encourages open debate and contributions from all in attendance at Council of Governors meetings						
18	Handles conflicts and sensitivities between Governors effectively						

Guidance Notes for Completion

- Your response will remain non-attributable and anonymous
- These statements are for Board Members / Governors to review in order to assess the performance of the Chairman and Non-Executive Directors.
- They have been developed through a detailed review of role descriptions, regulatory requirements and good practice guidance.
- Only one response should be selected per statement, and comments boxes are provided to enable you to articulate the rationale for responses (this is optional).

Appendix B: **Non- Executive Directors' performance statements – for completion by Board Members and Governors**

I am a.....		Board Member		Governor			
Statement		Strongly agree	Agree	Disagree	Strongly disagree	Cannot say	Comments
Corporate understanding and strategic awareness							
1	Demonstrates a well-rounded knowledge of the Trust						
2	Demonstrates a breadth of contribution across a range of topics						
Leadership							
3	Behaves consistently with the values of the Trust						
Commitment							
4	Is visible in committing their time to the Trust to understand the environment in which it operates						
Contributions and holding to account							
5	Challenges constructively and in a way that adds value						
6	Challenges predominantly in relation to strategic matters and the management of corporate risks						
7	Contributes to debate across the entirety of the Board agenda						
Personal development, style and impact							
8	Consistently acts in the best interests of patients and the public						
9	Contributes meaningfully to the effectiveness of the Board as a team						

Guidance Notes for Completion

- Your response will remain non-attributable and anonymous
- These statements are for Board Members / Governors to review in order to assess the performance of the Chairman and Non-Executive Directors.
- They have been developed through a detailed review of role descriptions, regulatory requirements and good practice guidance.
- Only one response should be selected per statement, and comments boxes are provided to enable you to articulate the rationale for responses (this is optional).



Finance and Business Plan 2018/19

Progress Update - *Confidential*

Chief Finance Officer

Council of Governors – February 2018

Key issues identified by the Trust Board

	Issue	Outcome from seminar
1	Deficit target. The Trust has a median case plan deficit of £30.6m. At the FSM meeting on 31 st January NHSI indicate this was not stretching enough and wanted to see a position closer to £18-20m	To reduce the deficit from the £30m. It was questioned whether getting to under £20m was possible.
2	Run rate balance. NHSI have asked when the Trust will be able to demonstrate run rate balance.	To achieve run rate balance before end of 2018/19.
3	Income contract form. Most commissioners are seeking some form of “block” arrangement for 2018/19. The Board needs to start consideration of the issues.	Maintain all Elective and NHSE contracts as C&V. Review benefits of non-elective and Outpatients moving to block.
4	Pay expenditure and WTE numbers.	Lock baseline pay at £480m at divisional level. This will add £5m to savings target
5	CIP development. To review progress in developing CIP plans.	Continued focus needed. Focus on pay CIPs. Limit income based CIP. Need more material and transformative CIPs. Confirm the capacity needed to deliver this?
6	Service developments. To receive assurance on the collation and review of service development proposals from divisions.	Limit Service Development investment unless it is to address material risk (ICT would be the priority) or demonstrates equivalent improvement in income or efficiency.
7	Capital expenditure. To review range of capital investments identified and potential sources of funding.	Note the scale of investment and risks associated with funding. Seek confirmation on funding.
8	Cash. To review the likely cash flow issues that will need to be addressed across 2018/19	To note the key issues and risks within the cash flow. Increase focus on cash management.
9	Medium term financial plan. NHSI have asked to see an integrated financial plan covering the next 5 years.	To develop a medium term plan.

Planning Guidance Update - Timetable

- Planning guidance was issued in mid February. (Originally expected end December 2017.)
- The Trust is now required to submit a draft annual plan on 8th March 2018 (formerly 20th February 2018)
- Final, Board approved plans are required to be submitted on 30th April 2018.

Timetable

Item	Date
ICS system control total changes and assurance statement submitted	By 1 March 2018
Local decision to enter into mediation for 2018/19 contract variations	2 March 2018
Draft 2018/19 Organisational Operating Plans submitted	8 March 2018
Draft 2018/19 STP Contract and Plan Alignment template submitted	8 March 2018
National deadline for signing 2018/19 contract variations and contracts	23 March 2018
2018/19 Expert Determination paperwork completed and shared by all parties	27 April 2018
Final Board or Governing Body approved Organisation Operating Plans submitted	30 April 2018
2018/19 Winter Demand & Capacity Plans submitted	30 April 2018
Final 2018/19 STP Contract and Plan Alignment template submitted	30 April 2018
Final date for experts to notify outcome of determinations for 2018/19 update	8 June 2018

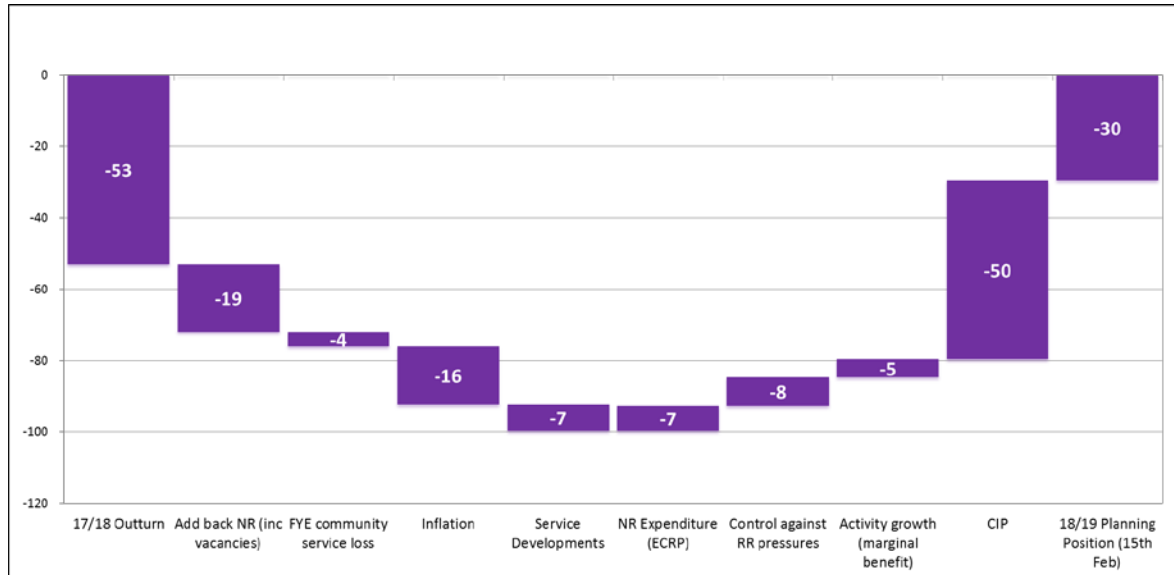
Control Total for 2018/19

- Control total set by NHSI in late 2016/17: £4.7m deficit.
- Sustainability Transformation Funding is available to the Trust if its accepts its control total. STF currently stands at £22m.
- This funding would represent a major injection of cash for the organisation.
- If the Trust does not accept the control total then the STF funding would not be available.

Key Planning Assumptions – NHS wide assumptions

Item	Movement	Explanation
Pay award	1%	As per national guidance (2017/18). To cover inflationary pay award. As yet, no confirmation on what actual pay award is likely to be. Assumption remains pay awards will be fully funded
Other pay inflation	1%	As per national guidance (2017/18). To cover incremental drift, consultant CEAs, and other pay inflation
Drugs inflation	2.1%	For price inflation. As per national guidance (2017/18).
Non-Pay inflation	2.1%	For price inflation. As per national guidance (2017/18).
Capital charges inflation	2.9%	For price inflation. As per national guidance (2017/18).
CNST inflation	0%	To cover cost of litigation for clinical negligence. Total cost in 2018/19 £26m, and increase of £2.6m above the previous year. As per national guidance (2017/18). Assumption funding secured via the tariff. No change
Tariff deflator	2.0%	This will reduce the amount paid for each unit of activity. It is in effect a national efficiency target. As per national guidance

2018/19 Target Deficit: Bridge from 17/18 outturn



- Development of the 2018/19 plan has indicated that delivery of the target deficit of £4.7m (prior to STF) not yet been achieved. The target forecast deficit currently stands at £30m
- The 2018/19 plan has been reconciled to outturn, the run rate and a bottom up review of budget requirements to test its completeness and validity.
- Delivering a reduced deficit of £30.3m will represent a continued improvement in the financial performance of the Trust, within the context of the continued need for investment and transformation.
- The primary driver for the plan remains the bottom-up budget review. This has been undertaken to ensure budgets are complete, accurate, understood and owned across the Trust. This has presented challenges, most notably the need to address vacant posts and recurrent overspends in a transparent and reasonable manner.

	2017/18 Outturn £m	Median case scenario £m	Movement £m
Income	778	782	4
Pay	477	468	- 9
Non-pay	321	311	- 10
EBITDA	- 20	3	23
Capital costs	33	33	0
Deficit	- 53	- 30	23

- Committing capital expenditure is essential to support change and address risks within the Trust. While it is very likely “some” funding will be made available the Trust should expect NHSI to take the view we “take charge of our own future” and deliver sufficient improvement in the overall financial position to provide/generate internal funding.
- Access to cash and the working capital position of the Trust as it enters 2018/19 will be key.
- Key actions for the Trust include;
 1. Ensure “long list” of schemes identified by divisions is visible – so we are clear on all potential need.
 2. Review and prioritise all schemes in the methodology outlined for service developments.
 3. Seek additional funding in 2018/19
 4. Prioritise capital within available funds.
- A key decision for the Board will be how much of the capital schemes to commence prior to confirmation of funding. To wait for funding could delay urgent actions, but to move forward without clear confirmation of funding could apply material pressure to the Trusts cash flow.

Capital: Source and Application of Funds

Propose Funding Sources	2018/19	2019/20	2020/21	2021/22	18/19 -21/22
	£k	£k	£k	£k	Sub-total £k
Internal sources of funding - Total planned depreciation - Non-PFI	25,000	27,500	29,000	31,000	112,500
Internal sources of funding - Total planned depreciation - PFI (if relevant)	0	0	0	0	0
Internal sources of funding - Cash reserves	0	0	0	0	0
Internal sources of funding - Asset disposals	0	0	0	0	0
Internal sources of funding - Other	-6,392	-6,686	-6,516	-6,251	-25,845
Total internal sources of funding	18,608	20,814	22,484	24,749	86,655
External sources of funding - New capital PDC - Normal course of business	0	0	0	0	0
External sources of funding - New capital PDC - Distressed funding	0	0	0	0	0
External sources of funding - DH loans, including ITFF loans - Normal course of b	0	0	0	0	0
External sources of funding - DH loans - Distress funding	0	0	0	0	0
External sources of funding - Non-DH loans	0	0	0	0	0
External sources of funding - Other PDC	71,811	50,244	17,008	0	139,063
Total external sources of funding	71,811	50,244	17,008	0	139,063
Total planned funding methods	90,419	71,058	39,492	24,749	225,718
Applications	2018/19	2019/20	2020/21	2021/22	18/19 -21/22
	£k	£k	£k	£k	Sub-total £k
Total Planned Investment					
Estates and Facilities	49,848	32,380	30,430	16,749	129,407
ICT Projects	27,046	19,906	4,490	4,000	55,442
Medical Equipment	13,525	18,772	4,572	4,000	40,869
Total NE/D Schemes	90,419	71,058	39,492	24,749	225,718

The figures in this table illustrate the capital bid made in 2017/18. The value of the loan and additional spend planned for 2017/18 will need to be re-profiled across 2018/19. This work is underway.

Capital: Material Schemes in 2018/19

- **Estates and Facilities**

- Blackshaw Annexe £7m
- Ruth Myles ventilation system £2m
- Demolition £4m (Claire House, Bronte House, Knightsbridge Wing, Bence Jones))
- New buildings to house SGUH staff at locations outside Tooting £7m
- Ward refurbishment SJW £5m
- Theatre refurbishment £3m
- Cardiac cath labs £3m

- **ICT Projects**

- Clinical systems replacement/upgrade £13m
- RTT system £5m

- **Medical Equipment**

- MRI X 2 (LW and AMW) £9M
- X Ray equipment £2m

Conclusion

- The Trust must submit a plan to NHSI by 8th March.
- At present the target control total has not been reached. The Executive Team are working to close the gap.
- Work to date demonstrates an reduction in the deficit forecast for 2017/18.
- The need for capital investment exceeds confirmed resources. Work is underway to seek further funding.
- Further meetings are due to be held between the issue of papers to Council of Governors and the meeting on 28th February, and a verbal update regarding further progress will be given in the meeting.



St George's University Hospitals **NHS**
NHS Foundation Trust

Elective Care Recovery Programme – Update

Council Of Governors

February 2018

- As reported at the last session the Trust committed itself to reviewing a large number of pathways across the two sites. From the first phase validation work we identified circa 18,500 patients that we needed to write to. This exercise was completed at the beginning of January and we are currently collating the responses. It is looking like we will have at least a 25% response rate which is a good outcome for this type of campaign. With only very small numbers of patients likely to need to be given an appointment in the near future. Most are part of ongoing treatment and surveillance which means they are being treated safely.
- The Trust will continue to liaise with patients and ensure these follow up appointments are made and there are good outcomes for patients. From the many thousand of records that were reviewed there has been no further severe harm case that has been identified. The Trust dually reported this through the normal governance routes and undertook a full root cause analysis investigation.
- Significant work has been undertaken to create a new, more robust tool for tracking, managing and reporting our patients. This is known as a patient targeted List (PTL). In partnership with a third party supplier we are now developing this further using our operational teams who see this tool as a major step forward compared to what the trust used in the past.
- The ECR Programme has now moved into a new phase where the links with the operational teams are much more aligned meaning progress and actions are happening at pace. The Trust has strengthened the governance structures to support this and has appointed three new senior managers in substantive roles that will be key going forward.
- Much more work to be done but the Trust now has much more visibility of its challenges set within a structure that supports progress rather than staff finding it difficult to make change happen.

Approach taken to recovery at the Trust

The below diagram represents the combined steps the Trust is taking against the programme objectives to firstly understand and stabilise the position, subsequently return to 18 week reporting and ultimately achieve the aim to deliver sustained 18 week performance. Whilst the immediate focus is safely managing waiting lists and the stages are naturally sequential, actions to facilitate an improved position are being implemented against each objective.



This approach will continue into 18/19 with even more alignment between other transformational programmes within the Trust, finance, quality and the strategic intent

Programme Overview

- The Executive have reviewed the Elective Care recovery programme and are in the process of moving into phase 2 of the plan, which focuses more on treating more patients who have been identified as part of our data quality checks and training our staff on how to use our IT systems and their understanding of RTT
- The Programme has also been expanded to cover our Cancer and Diagnostic pathways.
- The programme had been structured into the following workstreams:

Workstream	Key Achievements
Treating Patients	<ul style="list-style-type: none"> • More capacity built to treat patients in outpatients and through our theatres • Partnership arrangements with other NHS organisations to give patients more choice • Patients are now waiting less time for treatment at St Georges • Patients are been treated by clinical need and in chronological order
Return to National Reporting	<ul style="list-style-type: none"> • A new waiting list tool has been built to ensure all of our patients are on them and their waiting times are accurate. • Increased capacity of internal team's ability to pick up errors and clean them immediately moving forward. • Better links between error identification and training requirements • A new data quality dashboard has been produced and will be used as an operational tool
Technology & Training	<ul style="list-style-type: none"> • Implementation of a a new PAS system on our Roehampton campus is ever closer • Over 1000 staff have been trained on how to use our new Clinical Decision outcome Form to track patients • The 10 NHSI approved RTT e-learning modules have been rolled out to 3500 staff
Cancer	<ul style="list-style-type: none"> • Cancer pathway work now links into the broader elective programme. • New reports make it easier for our staff to track 2ww and 62 day Cancer patients • An independent review of cancer at Roehampton through the operational, quality and finance lens by the Royal Marsden partnership to report at the end of March
Diagnostics	<ul style="list-style-type: none"> • Diagnostic pathways now link into the broader elective programme. • A full review of the diagnostic scripts has taken place which is good practice. • A new diagnostic PTL tool will be available by the end of March

New Governance Arrangements

The Elective Care Recovery Programme – The Membership currently meet on a weekly basis as the ECRP Delivery Group . Discussing actions by exception, raising key risks & issues whilst identifying mitigations and solutions. Going forward this will be chaired by the COO or the ECRP Programme Director.

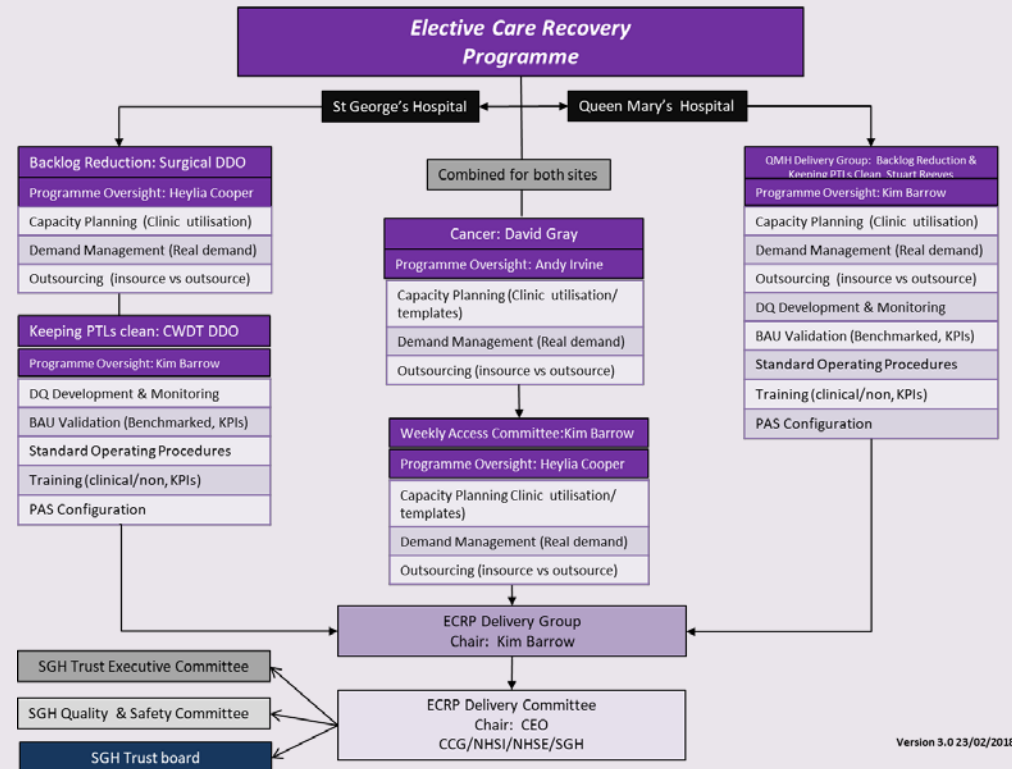
The weekly access committee acts as a place to link with the operational teams and covers all the key areas responsible under the ECRP.

The “Reducing the backlog, Keeping the PTL clean and Cancer” work streams meet as a minimum on a fortnightly basis. They are chaired by Trust employees with oversight given by the ECRP Programme. These are supported by the PMO.

The QMH Delivery Group meets on a weekly basis and is chaired by the Director of Hospital – Stuart reeves. As a minimum the agenda covers the relevant aspects of “Reducing the backlog, Keeping the PTL clean and Cancer” work streams relevant to QMH.

The ECRP Committee has all the relevant stakeholders on it and will be chaired by the CEO on a monthly basis. This committee will be responsible for the overall direction and leadership of the programme and have the ability to unblock issues and minimise risk at a strategic and system wide level.

The Quality and Safety Committee, Trust Executive Committee and Trust Board are updated monthly on progress, risk and issues.



- A key feature of the Programme is tracking progress against key performance indicators (KPIs). Each workstream has a number of KPIs, which are tracked through all of the various governance structures previously outlined. The main KPIs for each workstream are outlined in the table below with some headline figures showing the improvement from the last Council Of Governors. These will be transposed across to sit under the new workstreams as part of the new Governance arrangements and continue to demonstrate improvements.

Workstream	Key issues	Last council of Governors Meeting	Achieved To Date
Treating Patients	<ul style="list-style-type: none"> • Patients waiting more than a year: • Patients requiring treatment (identified through data cleansing): • Cases of low harm: • Cases of moderate harm: • Cases of severe harm: 	<ul style="list-style-type: none"> • 1112 • 8546 • 30 • 2 • 5 	<ul style="list-style-type: none"> • 417 • 2058 • 43 • 4 • 5
Return to National Reporting	<ul style="list-style-type: none"> • Pathways validated: • Unknown RTT clock starts: 	<ul style="list-style-type: none"> • 186,441 • 14,774 	<ul style="list-style-type: none"> • Circa 400,00 • 9,807
Technology & Training	<ul style="list-style-type: none"> • Staff to be trained to use Clinic Outcome Forms: 	<ul style="list-style-type: none"> • 1783 	<ul style="list-style-type: none"> • 1000 +
Cancer	<ul style="list-style-type: none"> • Current Performance against the national standard: 	<ul style="list-style-type: none"> • 2 of the 8 standards failing – 2WW and 2WW Breast Symptomatic in June 2017 	<ul style="list-style-type: none"> • All 8 standards achieved as at December return
Diagnostics	<ul style="list-style-type: none"> • Current Performance against the national standard: 	<ul style="list-style-type: none"> • 97.4% of patients seen within 6 weeks in July 2017 	<ul style="list-style-type: none"> • Achieving the 99% target of all diagnostic test carried out within 6 weeks