

<b>Report to:</b>	<b>Council of Governors</b>	<b>Agenda item:</b>	<b>14</b>
<b>Date of Meeting:</b>	<b>7 June 2018</b>		

<b>Title of Report:</b>	<b>Governor Strategy &amp; Business Planning Working Group Update Report</b>
<b>Status:</b>	<b>For Information</b>
<b>Sponsor:</b>	<b>Helen Rogers, Public Governor, North East Somerset (Chair)</b>
<b>Author:</b>	<b>Emily McConnell, Membership &amp; Governance Administrator</b>
<b>Appendices</b>	<b>Appendix 1: Terms of Reference Appendix 2: Future Work Plan</b>

### **Purpose**

To provide the Council of Governors with an update following the Governor Strategy & Business Planning Working Group held on 3<sup>rd</sup> May 2018.

### **Background**

The report is prepared to inform the Council of Governors on the salient issues discussed and agreed at the Governor Strategy & Business Planning Working Group.

### **Business Undertaken**

The Working Group received the following updates:

- Corporate Projects Update
- Strategic Planning and Business Plan 2018 Update
- Update on the Private Patients Policy
- Maternity Engagement Assurance
- Review Terms of Reference
- Discuss content for Annual Report

The Working Group received the following updates which had been delegated from CoG:

- Receive briefing on content and progress of Transformation QIPP projects

### **Key Decisions**

#### **Maternity Engagement Assurance**

The working group received an update on the progress of the Maternity Services redesign and was informed that the short list had been agreed and was being developed into the final document prior to submission. The working group requested an update on the short list prior to the formal consultation.

#### **Strategic Planning and Business Plan 218 Update**

The working group was informed that the Strategy had been approved by the Board of Directors.

Author : Emily McConnell, Membership & Governance Administrator	Date: 01 June 2018
Document Approved by: Helen Rogers, Public Governor, North East Somerset (Chair)	Version:1.0
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## Exceptions and Challenges

The working group sought assurance from the Non-Executive Directors with regards to the Trust's financial plan related to the WOS and QIPP targets. Amanda Buss, Public Governor drafted the following questions:

### Question 1

"During recent discussions about the WOS, Governors were informed that the full potential benefits of the WOS would yield a potential saving of £3.5 - £5m - of which £2.5m would be VAT. We are assuming such savings were included in the financial plan for the current year. As the operation of the WOS now appears to be delayed, we would like reassurance that alternative sources of savings have been identified to enable the trust to achieve target. Please could you confirm this assumption and identify the alternative project(s) that will compensate?"

### Response from Peter Hollinshead, Interim Director of Finance

"The Trust QIPP target is £13.9m or 4.1% of which circa £2.5m is currently unidentified. The WOS savings were not factored into the 2018/19 QIPP plan because of the uncertainty regarding its timing and delivery. The Trust will however, still proceed with the Estates and Facilities transformation schemes (portering and procurement) which formed part of the WOS proposal. In addition, schemes being worked upon include: - Length of stay improvement, increasing Research income, benefits realisation from the Big 3."

### Question 2

"Governors are aware that the QIPP target for 2017/18 had been reduced to allow investment in transformative initiatives. The target for the current year has increased from £7.8m to £13.9m. Are NED's significantly reassured that this figure is achievable and that the Trust has the necessary processes/projects in place to achieve it?"

### Response from Nigel Sullivan, Non-Executive Director

"I am satisfied that we have had a clear explanation and assurance of the opportunities and risks for the financial challenges presented by both questions. These were covered at the last Board meeting. The assurance does not mean that either question is not without its risks or that the financial targets may not be met. These are challenging times for the Trust and the NHS as a whole."

### Response from Joanna Hole, Senior Independent Director

"NEDs are well aware that these are challenging times for the Trust and the NHS as a whole.

At the point the 17/18 QIPP Target was set, NEDS were made aware that in order to address the financial challenges facing the Trust going forward, the 18/19 target would need to be in the order of 4%. So the £13.9M figure was broadly anticipated. While NEDs know that not all the QIPP savings have been identified yet, at both the Board Away day in March and at the Private Board in April, proposals to address QIPP achievement and indeed the wider financial position in the Trust were clearly explained. This has provided NEDS with assurance that robust financial

management systems are in place.

NEDs are further assured that the risks associated with achieving QIPP targets will be properly managed. Processes for addressing wider financial challenges have also been fully explained.”

### Governance and Other Business

#### Terms of Reference

The working group requested for all working group Terms of Reference to be reviewed and amended as currently the membership list is not reflective of attendees. The attendance for the working groups required an Appointed Governor to be present and currently no Appointed Governors attended any working groups.

#### Strategic Planning and Business Plan 2018 Update

The group referenced priority 4; “We will listen to patients and carers and use their feedback to improve services” and suggested that this be reviewed by the Quality Working Group to approve the wording.

### Future Business

The working group requested that they received an update on the following topics:

- Community Clinics – how they are utilised by specialties (August 2018)
- Update on the Urgent Treatment Centre (August 2018)
- Update on Maternity Services Redesign
- STP Update (November 2018)

### Recommendations

The Council of Governors is asked to:

1. Note the update report
2. Approve the Terms of Reference
3. Approve the future work plan

## Royal United Hospitals Bath NHS Foundation Trust

### Governor Strategy & Business Planning Working Group

#### Terms of Reference

##### 1. Objectives

The objectives of the Group are:

- To contribute and add value to the medium and long-term vision and strategic direction of the Trust
- To ensure Membership interests are represented in the strategic planning process

##### 2. Roles and Responsibilities

- To develop an understanding of the strategy and business planning processes of the Trust
- To ensure the Council of Governors views are taken into consideration when setting the strategic direction of the Trust and the annual business planning process, five year Integrated Business Plan and supporting strategies.
- To work with the Council of Governors to ensure that membership views are obtained on future business planning priorities.
- To act in an advisory capacity when the Board of Directors has to make challenging or difficult decisions which affect the strategic direction of the Trust.
- To give progress reports to the Council of Governors at full meetings of the Council.
- To report to the Council of Governors the views of the Working Group on the implementation of business plans.

##### 3. Membership

- Not less than two elected public governors
- Not less than one staff governor
- One Executive Director

**4. Attendance**

- Support to the Group will be provided by the Membership & Governance Manager.
- One Non-Executive Director to attend if requested

**5. Quorum**

- Three Governors
- One member of the Trust's Board of Directors or suitable Deputy.

**6. Frequency**

- The Group will meet quarterly and in line with the Trust's Business Planning process.

**7. Accountability**

- Accountable to the Council of Governors.

**8. Review of Performance**

- The Group will formally report annually to the Council of Governors on its work and effectiveness.

**Date of Approval:** 07.06.2018

**Date of Review:** 07.06.2019

Author: Janet Adeyemi, Membership & Governance Manager Document Approved by: Council of Governors	Date: 01 June 2018 Version: 1.0 Page 2 of 2
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**Governor Strategy & Business Planning Working Group - Proposed Workplan**

	1st February 2018	3rd May 2018	2nd August 2018	5th November 2018	4th February 2019
<b>Opening Business</b>					
Welcome, Introduction & Apologies	✓	✓	✓	✓	✓
Minutes of the Strategy & Business Planning Working Group	✓	✓	✓	✓	✓
Action list and matters arising	✓	✓	✓	✓	✓
<b>Standing Items</b>					
Working group delegated work from CoG		* S & BWG to receive briefing on content and progress of Transformation QIPP projects	* S & BWG to establish outcome of CCG challenges	✓	✓
Terms of Reference review		✓			
Annual Report		Plan for draft	Review draft report		
<b>Information Items</b>					
Corporate Projects Update	✓	✓	✓	✓	✓
RUH Strategic & Business Plan update	Only focus is the Business Plan	✓	✓	✓	Only focus is the Business Plan
Other		Update on the Private Patients Policy	TBA by working group	TBA by working group	TBA by working group
<b>Assurance Items</b>					
Topics to be updated following each meeting	Wholly Owned Subsidiary	Maternity engagement assurance	TBA by working group	TBA by working group	Only focus is the Business Plan
	Significant Transactions	TBA by working group	TBA by working group	TBA by working group	
	2018/19 Trust Priorities Q3 update	2017/18 Trust Priorities Q4 update	2018/19 Trust Priorities Q1 update	2018/19 Trust Priorities Q2 update	2018/19 Trust Priorities Q3 update
<b>Closing Business</b>					
Meeting Review	✓	✓	✓	✓	✓
Future Work plan	✓	✓	✓	✓	✓