

MEETING OF THE COUNCIL OF GOVERNORS
Wednesday 18 September 2024 from 10.30am – 12:30pm
Royal Papworth Hospital
Venue: HLRI & MS TEAMS

AGENDA

				<i>Lead</i>	<i>Timing</i>
WELCOME, APOLOGIES AND OPENING ITEMS					
1.	Staff Story by: Brincy Bovas, Clinical Educator	For Information	Verbal	DWOD	15 mins
2.	Welcome, apologies and opening remarks		Verbal	Chairman	5 mins
3.	Declarations of Interest	For Information	Verbal		
4.	Minutes of previous meetings and matters arising: 12 June 2024 – Part I	For Approval	Attached		
ASSURANCE					
5.	2023/24 Annual Report and Accounts	For Assurance	Reference Pack	Chairman	15 mins
5.1.	<ul style="list-style-type: none"> • Annual External Audit Report • ISA 260 	For Assurance	Attached	KPMG	
6.	Board Committees Chairs Report	For Discussion		Chairs (with optional feedback from Governor Observers)	30 mins
6.1.	Audit Committee		Attached		
6.2.	Quality and Risk Committee		Verbal		
6.3.	Special Projects Committee		Attached		
GOVERNORS' UPDATE					
7.	Lead Governor's Report	For Discussion	Attached	Lead Governor	35 mins
7.1.	2024 Governor Election Results		Attached		
8.	Reports/Observations from Chairs of Governor Committees	For Discussion	Attached/ Verbal	Governor Chairs	
9.	Reports on other Governor Activities (Including from Appointed Governors)	For Discussion	Verbal	Governors	

Item 00

GOVERNANCE

10.	Update on Actions (You Asked; The Plan/Progress Update) • Agenda Planner	For Discussion	Attached	Chairman /Lead Governor	5 mins
11.	Terms of References Council of Governors	Update	Verbal	Chairman /Lead Governor	5 mins
11.1.	Council of Governor Committees i. Governors Assurance Committee ii. Access and Facilities Committee iii. Appointments Committee iv. Patient and Public Involvement Committee v. Forward Planning Committee	For Approval	Attached	Chairman	
12.	Governor Matters: • Appendix 1: Governor Committees Membership • Appendix 2: Minutes of Governor Committees	For Information	Reference Pack	Lead Governor	10 mins
13.	Papworth Integrated Performance Report	For Information	Reference Pack	Chairman	
14.	Questions from Governors and the Public		Verbal	Chairman	
15.	Future Meeting Dates: • 13 November 2024 • 19 March 2025 • 04 June 2025 • 10 September 2025 • 12 November 2025				

Please Note: The Council of Governors meeting will be followed by a sandwich lunch.

Please Note: If you would like to attend this meeting/ask a question/seek further information, please contact the Associate Director of Corporate Governance. Email: kwame.mensa-bonsu1@nhs.net

**Meeting of the Council of Governors
PART I
Held on Wednesday 12 June 2024 at 10:30am
At the HLRI and Via MS Teams
Royal Papworth Hospital**

MINUTES

Present	Jag Ahluwalia	JA	Chair (Trust Chair)
	Angela Atkinson	AA	Public Governor
	Paul Berry	PB	Public Governor
	Sarah Brooks	SBr	Staff Governor
	Stephen Brown	SB	Public Governor
	Susan Bullivant	SBu	Public Governor
	Doug Burns	DB	Public Governor
	Trevor Collins	TC	Public Governor
	Bill Davidson	BD	Public Governor
	Justin Davies	JD	Partner Governor CUH
	Caroline Edmonds	CE	Appointed Governor
	John Fitchew	JF	Public Governor
	Clive Glazebrook	CG	Public Governor
	Abigail Halstead	AH	Public and Lead Governor
	Ian Harvey	IH	Public Governor
	Marlene Hotchkiss	MH	Public Governor
	Lesley Howe	LH	Public Governor
	Rhys Hurst	RH	Staff Governor
	Josevine McClean	JMc	Staff Governor
	Christopher McCorquodale	CMc	Staff Governor
	Trevor McLeese	TMc	Public Governor
	Joe Pajak	JP	Public Governor
	Harvey Perkins	HP	Public Governor
	Philippa Slatter	PS	Appointed Governor
In Attendance			
	Michael Blastland	MB	NED
	Liz Bush	LB	EA to CEO and MD (Minute Taker)
	Cynthia Conquest	CC	NED
	Amanda Fadero	AF	NED
	Sophie Harrison	SH	Interim CFO
	Diane Leacock	DL	NED
	Harvey McEnroe	HMc	COO
	Kwame Mensa-Bonsu	KMB	Assoc. Director of Corporate Governance
	Eilish Midlane	EM	CEO
	Oonagh Monkhouse	OM	Director of Workforce
	Francisco Olano	FO	Lead Nurse for ACHD
	Andy Raynes	AR	CIO

	Maura Screaton	MS	CN
	Ian Smith	IS	Medical Director
	Neil Stutchbury	NS	CUH Governor
	Raj Vaithamanithi	RV	Deputy CIO
	Prof Ian Wilkinson	IW	NED
Apologies			
	Roger Burnay	RB	Public Governor
	Yvonne Dunham	YD	Public Governor
	Andrew Hadley Brown	AHB	Staff Governor
	Charlotte Paddison	CP	Assoc NED
	Gavin Robert	GR	NED
	Lorraine Szeremeta	LS	Head of Nursing CUH
	Lynne Williams	LW	Staff Governor

Agenda Item (minute reference)		Action by Whom	Date
1	Welcome, Apologies and Opening Remarks		
	<p>JA welcomed everyone to the meeting. Apologies were noted as above. Dr Neil Stutchbury and Mr Justin Davies – CUH attendees.</p> <p><i>Discussions may not follow the order of the agenda however for ease of recording these have been noted in the order they appeared on the agenda.</i></p>		
2	Declarations of Interest		
	<p>There is a requirement for those attending Committees to raise any specific declarations if these arise during discussions.</p> <p>There were no new declarations of interest.</p>		
3	Minutes of the Previous Meeting – 20 March 2024 and Matters Arising		
	<p>Previous Minutes: The minutes of the meeting held on Wednesday 20 March 2024 were agreed as an accurate record.</p> <p>Matters Arising:</p> <ul style="list-style-type: none"> • JA highlighted that the minutes from the Governor meetings are being worked on to produce them sooner than previously. • Ongoing issues brought by Trevor McCleese from the Access and Facilities Group meeting will be discussed later in the agenda. 		

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	<ul style="list-style-type: none"> • JA suggested a light-touch action tracker should be developed by himself and KMB for this group. • JA suggested there is an IT and housekeeping surgery at the end of each meeting to regularly support governors. 		
4	<p>Patient Story – Francisco Olano (Kiko) – Lead Nurse ACHD</p>		
	<ul style="list-style-type: none"> • JW welcomed FO, the Lead Nurse for Adult Congenital Heart Disease (ACHD) service at the Trust. • FO hoped his story would provide a deeper understanding of the lived experience of patients with congenital heart disease, and the profound impact our work has on their lives. He aimed to shed light on the continued support and innovation for ACHD care. • When congenital heart disease, a condition present at birth, carries through into adulthood, it is classed as ACHD. • There has been a dramatic improvement in survival rates due to advancements in medical care. Today, 85% of people survive, in 1950, it was only 50%. • The patient cohort grows by 10% each year and therefore the Trust needs a dedicated ACHD service to support the accelerating patient cohort. • RPH is an accredited Level 2 ACHD centre, supporting a commitment to long term follow up and specialised investigations, such as MRIs, echocardiograms, and exercise tests. • The Trust belongs to a partnership group in the East Anglia region, with Guy's and St Thomas's our Level 1 Surgical Centre. There are 3 consultants and 2 specialist nurses caring for over 1000 patients. • Most of the surgical intervention and procedures performed on children are reparative or palliative, rather than curative. As a result, many patients have haemodynamic lesions, heart failure, and endocarditis and as they grow into adulthood, may require further surgery or transplantation. • Our patient's journey began in the late 1950's when he was diagnosed with a hole in the heart and at 18 months old was referred to Guy's & St Thomas' where a Tetralogy of Fallot was identified. The patient had open heart surgery when he was 6, allowing him to live a relatively normal life. In the 1980's, his care was transferred to Royal Papworth, where he received yearly review to monitor any potential emerging heart issues. • In 2010, he developed an atrial flutter treated with an ablation and later in that decade, a further episode of atrial flutter which was again treated by a successful ablation. In the 2020's he had mitral and pulmonary valve regurgitation requiring valve replacement surgery. The patient suffered another episode of atrial flutter with severe heart failure and required further triple 		

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	<p>valve replacement surgery in London. He was reviewed in clinics following this and recovered well.</p> <ul style="list-style-type: none"> Reflecting on the experience with the ACHD service, he spoke of receiving consistent, high quality care, professional and compassionate communication, the presence of specialists who understood the patient's condition and offered support via a helpline and felt that he was a priority with personalised care. PB asked for confirmation on where the triple valve surgery was carried out. FO confirmed that the surgery was at Guy's and St Thomas' as they are the Level 1 surgical centre. Royal Papworth carries out the follow up reviews and could do simple surgeries. CG asked if the valves were replaced one at a time. FO confirmed all three were done at once. CMc commented on the positivity and continuity of care given to one patient over forty years. JA asked if patients expressed any frustrations about the service. FO replied, there is a backlog in appointments as they are lacking an ECHO service. This issue is a hangover from the Covid pandemic. There is a lack of adequate clinical rooms. They have one full-time Consultant and clinics once a week. FO said that they are also lacking nursing support. JA gave his thanks to FO for bringing this story to the Governors. <p>FO left meeting at 10.54.</p>		
5	<p>National/Regional/Local ICB System Update - Reported by Eilish Midlane – CEO</p>		
	<p>Received: A report was received by the Council of Governors</p> <p>Key Information from a National Perspective:</p> <ul style="list-style-type: none"> EM explained the case for Cambridge was published in the spring budget. Despite the General Election, it is likely there won't be a change in this agenda and the strategy will remain unchanged. The same is true for the NHS on a national context; as there will be no more money, and austerity measures will continue, regardless of the government in post. The ICB are in a stronger and more mature position. The Integrated Care Board moves around the county in order to give greater access to public board meetings. EM encouraged everyone to consider attending the meetings – details of where they are being held on their website. The historic Cambridge and Peterborough debt has been eradicated. This is a positive achievement and has set the 		

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	<p>organisation up as one that contributes collaboratively and will get the support of the ICS going forward.</p> <ul style="list-style-type: none"> • There have been some highlighted achievements from last year, including the metrics on A&E have turned the dial. Nonetheless, we are starting in a poor position, particularly in terms of A&E performance, cancer backlog, and size of our waiting lists, which continue to grow, and NHS dentistry remains a key focus area. • The NHS is facing significant challenges. This organisation is in a fortunate position, with a break-even financial position and improving performance metrics. However, the Trust needs to push harder to move faster for patients. • The Trust is also in a position to think about the next iteration of our five year strategy. EM gave thanks for the work that has landed the Trust in this position. • PS explained that the occupants of the Biomedical Campus were brought up in the latest discussions of the Cambridge SE Transport plan. Patients and staff need better transport, but there is a natural resistance to paying for more or locating it. We need active support on behalf of patients and staff, for the need for reliable public transport. EM replied it was helpful to meet with Michael Gove recently when the Cambridge Ahead community were representing those messages in a joined up way. They discussed public transport and connected affordable housing. Acknowledgement that the lowest paid workers are travelling from long distances, because they cannot afford to live in Cambridge. • PS said that in Trumpington, they tried to address the issue of more jobs than housing, and the problem of commuting, particularly for lower paid workers. Need to also consider the strain on water supplies. • Action: JA asked if dates and times of future ICB public board meetings could be shared with governor colleagues. 	KMB	
6	<u>Trust Five Year Strategy Refresh – CEO</u>		
	<ul style="list-style-type: none"> • Trust is in the latter part of their five year strategy. In order to prepare a five year strategy, you need a twelve month lead period to get engagement from all partners. Typically, this aligns with the business cycle, April to April, however the pandemic delayed the launch until September. It makes sense for the new strategy to align from April 2026 and we will commence the strategy development in September 2024 and welcome governor input. 		

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	<ul style="list-style-type: none"> DL – the solution will give us the best opportunity to get strategy prepared and bedded in and the opportunity for governor input. SB – queried which was the preferred option and this was confirmed as a hybrid, and it will be on the Forward Planning Agenda for the July meeting. EM keen to utilise the Committee to inform the strategy and forward look, involving as many governors as possible and therefore the initial task would be to understand what governor involvement would look like and how to best harness the talents of our governors in shaping the strategy. JP – asked if there would be a formal presentation to governors to highlight some of the key ideas and allow for interactive involvement? EM – keen to see when governors would like to be involved and would typically have open forums and the opportunity to add in their ideas. We do have the existing five year strategy and some of the elements will continue as pillars of the document, e.g. research, development, education and collaborative interests are unlikely to change but may be framed in a different way, along with our people focus which will remain. However, there will be a time when short presentations around the thinking processes will be appropriate and potentially Forward Planning with a wider invitation to attend, may be the best forum to facilitate this. CMc – competing priorities are highlighted within the paper as a potential problem and therefore how would we respond to that challenge? Acknowledgement of the impact on staff relating to our new EPR programme. EM – the hybrid model allows us to align with business planning and feed into the operational planning for 2026/27 for the delivery of the new strategy's first year and allows for collaboration with other organisations and stakeholders. 		
7	<p>Electronic Patient Records System Implementation Project – COO</p>		
	<ul style="list-style-type: none"> HMc- information paper in the pack but wanted to provide a brief overview to CoG on the EPR timeline. The Trust is in Phase 2, between the business case and contract award status. The phase started in January and will be worked through into the Spring of 2025. Phase 2 is the commencement of the work to justify the business case and establish the requirements across a number of key specifications. An outline business case will be produced over the coming weeks, moving the Trust into a position to procure under the LLP framework. 		

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	<ul style="list-style-type: none"> • This is a very detailed piece of work, engaging a large number of colleagues across the organisation, addressing the benefits, scope, risk and costs of a new system. • Chris Johnson (CJ), Chief Medical Information Officer, has laid out ten visions for the new system, including more joined up and connected care and data innovation. • EPR user feedback will be collected over the coming weeks as we now enter EPR Month. There is an opportunity to name the programme, and listening to colleagues for what they really want. • Initially, the feedback received has focused on flexibility, decision support, single application use, intuition in usage, performance, and convergence. • The EPR Programme Objective Tree outlines the requests from a new system. • Over the next 6 months, vital work will take place to decide on an EPR, requiring full involvement from partners across the organisation. • The state of the EPR market is characterised by a diverse range of vendors and solutions catering to the evolving needs of healthcare organisations. The choice between these approaches depends on factors such as organisational benefits, budgetary considerations, scope, and the ability to absorb change. Buying an EPR is for the next 10-15 years, it is one of the biggest decisions the Trust will make financially and operationally. • The benefits will be quantified in terms of cash, non-cash, quality, and societal. • The potential options include doing the minimum, procure a new standalone EPR, upgrade to Orbis U, or adapt a campus wide EPR. • The team are progressing with and achieving time scales, and will hit the September gateway to move into the procurement phase. • JA – confirmed that as the Strategic Project Committee (SPC) oversees the governance of the EPR programme, did the committee feel it was receiving suitable assurance? • DL- the SPC meet every 2 months and receive regular progress updates. DL is assured that good progress is being made and was in a good position to review as also sitting on the EPR Board. • AH – enquired at what point will patients be updated? • HM – highlighted that patients will be involved in the process as the Trust goes through all the decision making assessments. HM and MS are considering the best approach to this, whether it be through specific patient focus groups, or existing patient governance structures. 		

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	<ul style="list-style-type: none"> • PS would have liked to see an emphasis on the campus, and inter-Trust collaboration. Looking at the regional context, and how information will be shared, is going to be key and needs to be looked at throughout the process. PS assured the technical elements are under control but does not want to be witnessing more barriers to patients. • CC - provided some assurance whereby EPR has been presented to the Audit Committee, in order to discuss the governance and the following of due diligence in terms of procurement, to ensure it is carried out correctly. • BD would like more information on the three potential options. • BD asked when the decision will be made. HM replied that the decision will be made between autumn 2024 and spring 2025. This is reliant on access to the national pipeline, which takes 40 days variation dependent on their engagement. Current plans suggest the decision will be made in January or February 2025. • JA - the licence on the current EPR will run out in 2027. Working backwards, this gives an indication on when decisions need to be made. • SB asked what the difference was between the procurement of software and hardware. The pack does not contain information on the budget, what the costs of the software are, and the hardware and the liaison with the teams to ensure it delivers correctly. • HM - this information is not in the pack as it is dependent on the provider and option are chosen, as some do not require new equipment. These costs are assumed in both the upside and downside assumptions and consider wide financial assumptions. Some provision of hardware elements will be included, other aspects are not. These potential costs will be built into the financial assumptions as the project progresses. • CE raised concern that research does not feature in the same criteria as societal and quality elements. It would be appropriate to include the fitness of a new system to support research. • JA - this is covered in EPR objectives around campus wide research strategy. It has been an active part of conversations around what future a EPR needs to enable beyond clinical practice, as well as education, training and research. • HM - research is included in the R&D agenda and how they look to procure the data security and clinical trial requirements for any specification. Research considerations are central to decision making on how a new system will be procured for the next 15-20 years. • JA - research strategy also goes to SPC. 		

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	<ul style="list-style-type: none"> DL- whatever happens with EPR, it has to be a system for the future and our focus is on the key objectives when discussed at SPC. JA - research colleagues have expressed their views and have actively input into the decision making process. Action: HMc to clarify when patient engagement will commence. JA suggested there should be a more detailed update on the timeline of EPR procurement in the November CoG pre-meet. Action: CMc advised November was a long time to wait and agreed he would pick up with AH on a suitable time for this. 	<p>HMc</p> <p>CMc</p>	
8	<p>Governance 2024/2025 Operational Planning</p>		
	<ul style="list-style-type: none"> SH - this is a brief operational planning update for M03 of 24/25. This paper is a cumulation of six months of work, across clinical, operational, finance and workforce teams, to pull together and land on plans for this financial year. The paper talks to the fact that the plan is for a breakeven financial position. ICS, as a collective, has also submitted a predicted break-even financial plan. This is due to relationships with our out of area commissioners, and the legacy of funding, grip, and control throughout the COVID period. The national picture, financially, is somewhat bleaker. There is a national deficit of between £2-3 billion. This shows that our ICS is in a unique position. There are a number of risks that will need to be managed, such as the ongoing periods of Industrial Action. Last year, the government was able to help support the sector to manage the impact of IA and there is the intention that something similar could be made available this year, although details are unknown. The plan includes an assumption on the elective activity growth linked with improving flow in the Trust, which supports our income position and our wider financial position. There are a number of factors which may impact the delivery of elective activity, such as the pressure on us, and in the wider region for non-elective and emergency demand. This unplanned work can constrain our capacity to deliver on planned work. An efficiency programme is material, about 2.2% of the Trust's operation cost base, around £6 million. There are pipeline schemes to that full amount which is now identified and we are working through with divisional and clinical teams as to how they translate these plans into delivery to support the financial position during the year. We are working with colleagues 		

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	<p>across the campus, and broadly across the ICS, on how to deliver these plans, and work collaboratively to achieve our aims.</p> <ul style="list-style-type: none"> • SH gave thanks to all teams across the Trust for this collaborative work. The paper went to the Board and Performance Committee in April, before being submitted in May. • JA thanked SH for leading on this work. • BD asked about the cap on agency spend, how will this impact us? • SH - we already have targets and caps at system level in the overall percentage on the pay bill. This is not something to be overly concerned about. There is an internal process to ensure the Trust operates internally within the price caps and there is a detailed executive sign off process if these caps need to be broken. • OM – Trust is in the process of reviewing temporary staffing and the controls around it. 		
9	Lead Governor's Report June 2024		
	<ul style="list-style-type: none"> • AH in the last week, Roger Burney (RB) has resigned as a governor as he does not have enough time to commit to the role. His seat will therefore be up for election. • JA - RB has agreed to stay on until his place is filled. • AH welcomed JD to the Council and thanked Lorraine Szeremata for her work and support to the Council over her tenure. 		
10	Reports/Observations from Governor Observers on Board Committees		
	<p>1. Marlene Hotchkiss, Chair for the Patient and Public Involvement Committee</p> <ul style="list-style-type: none"> • AH noted the Council are missing a report from PPI, but there were no available minutes from the last meeting. • MH confirmed she was now in receipt of the draft minutes, however had been unable to complete her report for today's meeting. • There has been success with having some of the clocks moved. The issue being the initial location was such that the patients could not see them. • The main issue of cessation of patients being able to self-medicate has been on-going since May/June 2023. This has been escalated to Q&R due to lack of progress. 		

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	<ul style="list-style-type: none"> • MB does not have anxieties over the way it has been handled, albeit it has taken a long time. The level of anxiety around the concern warranted it coming to the Quality and Risk Committee and it was raised this month. The answer is that this refers to one ward, taken in response to concerns for safety. It does not apply to diabetic patients. All diabetic patients self-administer and have medication fridges in their rooms. The intention is to fully restore patient self-medication administration. Q&R expect progress reports on this and have encouraged the teams to liaise with patients to reassure them on the progress. • JW confirmed this was just on Ward 4 South, in response to a patient safety concern last year due to an increased number of medication errors. In response, a project has been ongoing and a presentation explaining the ongoing work can be sent out along with the minutes. It alludes to a multi-professional approach. Next steps include a pilot trial held this month to re-establish self-administration of medication. Surveys will be completed and presented at the end of July. • Aim to re-start patient self-administration of medication on Ward 4 South in September. There is a timeline to achieve this safely. • Action: JA asked for an update to CoG in September. <p>2. Susan Bullivant, Chair for the Forward Planning Committee.</p> <ul style="list-style-type: none"> • SBu, SB, and KMB met in April to discuss the agenda. SBU and SB were then informed that the meeting was to be cancelled. They proposed that the meeting continued as there had been a request from committee members to look at the content, format, and membership of the Committee. They suggested a meeting was held but were unable to find a date, due to communication issues and therefore agreed to meet, as planned on the 10th July. • SBu would like some help with the agenda for the July meeting as it is still undecided. • JA - there was an agreement with JA and AH to review the Terms of Reference for all planning committees. Once this has been agreed, they will discuss NED representation. • JA and SB agreed that the 5 Year Trust Strategy Review should be discussed at the July meeting. • EM offered to help shape the agenda with SBu and will arrange a meeting once both have returned from their scheduled annual leave in early July. <p>3. Trevor McLeese, Chair for Access and Facilities Committee</p>	<p>JW</p> <p>JW</p>	

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	<ul style="list-style-type: none"> The Clinical Engineering and Estates have been tagging wheelchairs, with the help of volunteers with plans in place to tag more. Estates are talking to Skanska to tag other hospital items onto the same system. Plan in place to put in 40 lower hand gel dispensers with help from Project Co. Variation for automatic door openers in Outpatients and Day Ward is to be completed and shared with the Investment Group. Further CCTV to be considered. A review of the signage in Outpatients will be done by Project Co to see where improvements can be made. New contract with AccessAble for the next 3 years. This allows visitors to see access routes, and facilities in the building. 4,500 people used it last year. JA there is a full update on issues and responses on page 84 of the pack. AH, on the recent governor tour, they only had to go through one card access door, which was not shut properly at night. JA, this is helpful. SH noted. CMc enquired about the Governor Assurance Committee and whether he was still a member, as there has not been a meeting for 3 years? JA replied that CC had raised similar concerns and this was a driver to review all the Terms of Reference for the Governor Committees. 		
11	Feedback from Governor Activities		
	<ul style="list-style-type: none"> JA gave thanks for the visibility rounds, which are a good opportunity to look around the hospital and the dates are advertised well in advance. 		
12	Governor Self-Assessment Report		
	<ul style="list-style-type: none"> AH there was a meeting of NEDs and Governors in April, resulting in a list of actions. One action was for everyone to fill out a self-assessment, which most did, but some did not. Almost all the answers were consistent with issues they are already aware of. JA was reassured by the close mapping in assessment of challenges. The only area that has not yet been specifically discussed is governor membership. CG said that downloading the questionnaire, filling it out, and returning it was not straight forward. CMc agreed that it was not a simple process. JA replied they would take this back and consider simpler ways in the future. 		

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	<ul style="list-style-type: none"> • SB agreed, she could only answer questions on committees she had attended or observed. The questionnaire asked for a general reply for all committees. • JA agreed with these points. There is a proposal for individual committees to have a self-assessment, rather than a general one for all committees. • EM raised attention to the responses to Question 5 - representing the interests of the public at large. Made an offer to governors as there are two responses coming through, some who feel they can, and some feel like they have limited opportunities. EM suggested there should be a generic inbox that governors could be contacted through that would be publicised to patients, and included in the slides at Trust inductions to show there is a specific point of contact for governors. Also there are electronic boards and patient entertainment systems, and EM asked the question as to whether governors would like to have their photographs taken and displayed on these screens - in an 'introduction with the governors' this would bring them to life for visitors and this would increase awareness of the governors' role. • AH felt these were really positive suggestions but was concerned as to who would be in charge of checking the inbox; would it be the Trust Secretary? • EM suggested that in the processes of creating a role called the Membership Engagement Office, one of their key functions could be to manage this inbox. • AH - there are two elements, managing the membership and the governors and was worried that queries would get lost. • EM - this would be a specific email to contact governors. There would be someone reviewing the emails and forwarding them to the relevant governor, which would mean that you would not need to have all your emails available to the public. It is a different function but could be a good use of the Membership Officer's time. • PS - this sounds helpful and would be happy to be involved. Having a dedicated email as a way to communicate and receive answers is a good idea. • CMc raised a concern that the email account is good in principle but will need careful management. • CMc commented on the overall rating, it is a self-assessment. Are there plans to revisit this and improvements need to be tracked. • JA commented that, whilst it is in a neutral territory, this is not good enough. The qualitative comments are of concern and corrective measures need to be put in place while time is found to re-assess. Having individual committee assessments and actions highlighted would be beneficial, as well as the actions mentioned by EM. It should not be too long until these 		

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	<p>measures are in place. Need to be careful not to take too much comfort from the results.</p> <ul style="list-style-type: none"> CG asked if there was confidence in the governors to represent members of the electorate, when he has never met any of them and unlikely to. JA this is part of the concern in how to address the membership issue. The Trust has a duty to make sure there is an environment where governors can thrive and enable them to engage with membership. 		
13	Update on Actions		
	<ul style="list-style-type: none"> AH - some of these things have already started to improve. In the pre-meet, there have been a lot of communication problems, simple requests going unanswered, etc. JA agreed and apologised for any delays in responses. We are currently one team member down which is causing additional challenges but hopefully part of the new role will help with these communication responses. JA need to work through processes and structures. KMB has been working to schedule governor catch ups with JA and EM. Dates will be circulated to governors. 	KMB	
14 and 15	NED Board Committee Draft reporting schedule and Schedule for Governor/CEO & Chair Q&A		
	<ul style="list-style-type: none"> JA - It was agreed last year to have a regular schedule of when NEDs who chair Board Sub-Committees, would report back to the Council of Governors. This schedule is being developed with 6 committees to report back - Performance, Q+R, Workforce, Audit, SPC, and Charitable Funds – with 3 reports, verbal or otherwise, on a regular scheduled basis for general oversight. This will commence from September 2024. JA confirmed that governor colleagues do have access to the Part 1 of the Chair's report for these meetings. The value lies in asking the Chairs and gaining assurance on the activities of the committee. CMc asked about SPC feedback. JA replied that it can be presented to the Council of Governors, in a moderated form. 		
16	Update on Trust Membership		
	<ul style="list-style-type: none"> IH – the Membership Strategy 2020-2023 had a review date of September 2023; however, this did not happen and so there is no current strategy at the moment. It states in the Forward, that the Membership Strategy has been developed by governors to underpin the Trust Strategy and to build governor membership. There is a duty to be part and parcel of this, but Governors are not fulfilling it, which is 		

Agenda Item (minute reference)		Action by Whom	Date
	<p>not their fault, as they are not certain how it can be fulfilled, as they do not know how they are engaging.</p> <ul style="list-style-type: none"> • Governors need someone to communicate with at Royal Papworth. • A meeting held last year in October to share ideas, hit the same issues, but there is no one to approach to bring it about and we therefore need someone to liaise with. • The suggestion, if someone is in place in September, then it will take them a while to get up and running and membership is going down; volunteer numbers have declined by 50%. Getting a strong membership is key to volunteer numbers. The AMM attendance last year was disappointing. • IH felt he would struggle to answer questions on why people should become members. • This is a shared responsibility among all the governors. • JA agreed, this is a concern for him and the whole Trust Board. • CMc asked if the NEDs are assured that the governors are discharging their duties to the membership, including the governance. • CC agreed with IH that she could not give reassurance as she does not know how the membership works, and how they recruit to it. It feels like an issue that needs addressing. We need to work together to get the numbers up. • AF agreed, she cannot be assured and this needs to be an area of focus. Membership decline is not a good place for the organisation. • JA agreed he was not assured. One of the duties the Council of Governors need to discharge is membership, and acknowledged that they need help with this. • PS concern was how they can represent members. RPH is a specialist organisation, with a wide catchment area. It should have more patient input but it is not clear what membership is for when looking at the construction of the NHS Trust in the beginning. Looking at other websites is beneficial to understand it. Governors cannot be expected to be representative of the membership. • EM offered an explanation for timeline. In terms of resources for membership engagement, this organisation has never had the specific resources and therefore capacity for this. It has been an add on to the Trust Secretary role for many years. Following the October meeting, there was a prioritisation, as part of the annual business setting, to establish a brand new post, sitting in the Communications department. The role is out for advertisement now. EM confirmed further discussions with KMB to take place on how to bridge the gap in the meantime. • IH asked if the job description for this new role could be shared. EM agreed to implement this. 	EM	

Agenda Item (minute reference)		Action by Whom	Date
	<ul style="list-style-type: none"> NS highlighted that membership engagement is an area CUH have put a lot of effort into with their strategy, in order to increase numbers, involvement, diversity, and actions through communications. NS happy to share with RPH. JA would like to explore how the RPH membership strategy can make us more representative, even if we cannot represent the patient demographic, we need to consider how to be more diverse. JA confirmed there needs to be a way to engage people. JA would engage with EM and AH at their next joint 1:1 on this focus. There needs to be a strategy and workplan, with a clear review date SBU- on a visibility round it was raised that a lot of patients do not have visitors. Volunteers could come in and talk to patients, this may be a good way to increase membership. CMc asked if any governors had been involved in the development of the role profile for the new membership officer. EM replied that she was not certain, however, was happy for SE to share it with the governors for assurance. IH left meeting at 12.30 pm. 	NS	
17	Appendix 1: Governor Committee Membership		
	<ul style="list-style-type: none"> JA - there are a number of governors coming to the end of their terms. We will be launching the process for governor elections and will commence this over the coming weeks to enable the new governors to be in place by September 2024. 		
17	Appendix 2: Minutes of Governor Committees		
	The Governor Committee minutes were noted by the Council of Governors.		
18	Papworth Integrated Performance Report		
	For information.		
19	Questions from Governors and the Public		
	<ul style="list-style-type: none"> JM enquired on the progress with the SSI risk and around any connections this had with poor staff hygiene. Also requested assurance from the NEDs on the next steps and their effectiveness. JA - Q+R has been leading on the challenges with SSIs. MB responded that the committee has devoted significant time to SSIs and it remains one of the Trust's main concerns. When the issue was initially highlighted, it was believed to be a straightforward fix to tighten up on handwashing, cleaning 		

Agenda Item (minute reference)		Action by Whom	Date
	<p>equipment, etc. The numbers did decline but since the initial focus, have increased again. A number of implementations have been put in place over the time to improve cleanliness in the hospital, including detailed reviews and changes in procedures to improve systems.</p> <ul style="list-style-type: none"> • Recently received a report on the ventilation in Theatres, which took several months to complete and this will be presented to the next Q&R Committee meeting. • The main issue is, not in hand washing, it is with people moving in and out of Theatres. This building does not have pre-op rooms, as they did at the old site. It is hard to reduce this as it involves changing behaviour and attitudes of staff. • Changing attitudes is always challenging. A potential solution is to have a half day summit of clinical staff working in these areas as it is believed the behavioural issues are contributory to the high SSI rates. • MB was assured of the governance around SSIs. On the outcomes, he could not provide assurance. • JA confirmed it would be helpful to have the report on the discussions for the Council of Governors. • EM - the date has not been finalised yet as we need the maximum number of people to attend alongside the wish to minimise the number of elective surgeries that will have to be stood down. • Action - presentation to come back to Governors in September. • SB asked for an update on the high levels of bullying, as raised at the last meeting. AF replied that the last Staff Survey results, and the FTSU reports, do indicate an issue with bullying, which is a main focus for 2024/25. These are deep rooted behaviours and are being challenged with a multi-pronged approach. The Board recently had a session on cultures and leadership strategies leading to a complex set of actions being put in place. The Workforce Committee will continue to monitor the situation closely and the action plan could be brought to a future CoG meeting. • MH confirmed the issue is looked at rigorously at the Workforce Committee but also asked about review of bullying in non-medical departments. • AF agreed their work covers all areas, not just the medical workforce. There is a particular focus on medical staff, but the approach covers the whole organisation. • TC asked if there was a change to increase the catchment area of membership and opening up volunteer hours to evenings and weekends. • AF did not have the numbers of volunteers available to us but would find out for the governors and report back. 	MB/MS	

Agenda Item (minute reference)		Action by Whom	Date
	<ul style="list-style-type: none"> • Action - JA asked if SSI update could come back in the Q+R update in September. • Action - JA asked if the bullying/harassment, and volunteer update could be included in the Workforce Committee update in November. • AF suggested the outcomes of the first 6 months of the workforce plan were addressed to show the progress made. • Meeting closed at 12.45 pm. 	<p>MB</p> <p>AF</p>	
20	Future Meeting Dates		
	<ul style="list-style-type: none"> • 18 September 2024 (Followed by the AMM) • 13 November 2024 		

Key actions agreed:

- Make the ICB public meeting dates available to governors
- The 5 year strategy refresh will be presented to the Board Planning
- EPR update to go to the pre-meet of Council of Governors
- HMc to confirm that specific patient engagement dates are in place
- Governors to have photographs taken
- Review issues from the self-assessment feedback
- Agree to review terms of reference for governor committees - JA and AH
- Come back on an update on how to support and progress the membership strategy
- Forward Planning Committee agenda - EM with SBu
- Bullying/Harassment, and Volunteer update in November
- SSI update in September

Signed:

Date:

Royal Papworth Hospital NHS Foundation Trust
Council of Governors Meeting
Meeting held on 12 June 2024

Agenda item 1.iii

**Council of Governors - Part I
Action Checklist
Following: 12 June 2024 Meeting
Reporting to 18 September 2024 Meeting**

Ref	CoG mtg	Agenda No.	Issue	Responsible Director	Action Taken	To Agenda/ Action Date
01/24	12 June 24	5.i	ICB Public Board meeting dates to be circulated to Governors	KMB	Circulate meeting dates to Governors and include on Governor page on website.	Completed
02/24	12 June 24	6	Trust 5 year strategy	JA/EM/KMB	Involve governors with strategy update, agenda item for Forward Planning Committee in July	Completed
03/24	12 June 24	7	EPR Update	HMc	Timeline of when and how patient engagement to be collected and fed into EPR stakeholder feedback. EPR update to CoG in November 2024.	11/24
04/24	12 June 24	10.i	Governor Committees - FPC	EM/SB	EM to support SB with draft agenda for FPC – <i>post meeting – date arranged</i>	Completed
05/24	12 June 24	10.ii	Governor Committees – A&F	SH	External door not closing properly allowing access to hospital and basement. SH to review with Estates.	Completed
06/24	12 June 24	10.iii	Governor Committees - PPI	MS	Update on patient self-medication resolution on Ward 4S and update on SSI status.	Completed
07/24	12 June 24	10.iv	Governor Committees - GAC	JA/AH	Review TOR and purpose of Governors Assurance Committee – all Committee purposes will be reviewed.	In Progress
08/24	12 June 24	12	Self assessment	SE/KMB	Provide governor specific inbox. Confirmation required of who to monitor and manage responses - new Membership Engagement Officer sitting with Comms team. Improve accessibility on survey feedback.	In Progress
09/24	12 June 24	13	Update on Actions	SE	Photographs of governors to increase awareness of governors and their role in the Trust.	In Progress
10/24	12 June 24	13	Update on Actions	JA/KMB	Schedule for governor catch up with Chair and CEO to be finalised and circulated.	Completed
11/24	12 June 24	13	Update on Actions	EM	To share job description of Membership Engagement Officer with Governors.	Completed
12/24	12 June 24	13	Update on Actions	JA/AH/EM	Membership focus sub-group to be set up to underpin strategy input from Governors.	Completed

Ref	CoG mtg	Agenda No.	Issue	Responsible Director	Action Taken	To Agenda/ Action Date
13/24	12 June 24	19	Questions from Governors – Surgical Site Infections (SSI)	AF	To include an update on the progress of the SSI improvement actions in the September 2024 report from the Quality and Risk Committee.	18/09/24
14/24	12 June 24	19	Questions from Governors – 2023 Staff Survey Report: Bullying and Harassment	AF	To include in the November 2024 Workforce Committee report, an update on the improvement actions re bullying/ harassment, and the number of volunteers in the Trust.	13/11/24

Agenda item 5

Report to:	Council of Governors	Date: 18 September 2024
Report from:	Interim Chief Finance Officer, Chief Nurse, Associate Director of Corporate Governance and KPMG LLP	
Principal Objective/ Strategy:	GOVERNANCE	
Title:	2023/24 Annual Report and Accounts	
Board Assurance Framework Entries	None	
Regulatory Requirement	Health and Social Care Act 2012	
Equality Considerations	None believed to apply	
Key Risks	Non-compliance with statutory requirements	
For:	Note	

This paper is to present the Council of Governors the Annual Report and Accounts 2023/24 (Reference Pack) and for the Council of Governors to receive the report of the auditor.

A summary of KPMG's audit findings is attached in the Auditor's Annual Report (Appendix 1) along with the ISA 260 Report (Appendix 2).

The Council is asked to further note that the Quality Accounts for Royal Papworth Hospital NHS Foundation Trust are published as a separate report for 2023/24.

The Annual Report and Accounts, and the Quality Accounts are available on the Royal Papworth Hospital website at:

<https://royalpapworth.nhs.uk/our-hospital/information-we-publish/annual-reports>

The Annual Members' Meeting being held on the 18 September 2024 will receive presentations on the Annual Report and Accounts 2023/24 and Quality Accounts 2023/24.



Auditor's Annual Report 2023/24

Royal Papworth Hospital NHS Foundation Trust

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27 June 2024

Contents

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This report is addressed to Royal Papworth Hospital NHS Foundation Trust (the Trust). We take no responsibility to any member of staff acting in their individual capacities, or to third parties.

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.



01 Executive Summary

Executive Summary

Purpose of the Auditor’s Annual Report

This Auditor’s Annual Report provides a summary of the findings and key issues arising from our 2023-24 audit of Royal Papworth Hospital NHS Foundation Trust (the ‘Trust’). This report has been prepared in line with the requirements set out in the Code of Audit Practice published by the National Audit Office and is required to be published by the Trust alongside the annual report and accounts.

Our responsibilities

The statutory responsibilities and powers of appointed auditors are set out in the Local Audit and Accountability Act 2014. In line with this we provide conclusions on the following matters:



Accounts - We provide an opinion as to whether the accounts give a true and fair view of the financial position of the Trust and of its income and expenditure during the year. We confirm whether the accounts have been prepared in line with the Group Accounting Manual prepared by the Department of Health and Social Care (DHSC).



Annual report - We assess whether the annual report is consistent with our knowledge of the Trust. We perform testing of certain figures labelled in the remuneration report.



Value for money - We assess the arrangements in place for securing economy, efficiency and effectiveness (value for money) in the Trust’s use of resources and provide a summary of our findings in the commentary in this report. We are required to report if we have identified any significant weaknesses as a result of this work.



Other reporting - We may issue other reports where we determine that this is necessary in the public interest under the Local Audit and Accountability Act.



Findings

We have set out below a summary of the conclusions that we provided in respect of our responsibilities:

Accounts	<p>We issued an unqualified opinion on the Trust’s accounts on 27 June 2024. This means that we believe the accounts give a true and fair view of the financial performance and position of the Trust.</p> <p>We have provided further details of the key risks we identified and our response on page 7.</p>
Annual report	<p>We did not identify any significant inconsistencies between the content of the annual report and our knowledge of the Trust.</p> <p>We confirmed that the Governance Statement had been prepared in line with the Department of Health and Social Care requirements.</p>
Value for money	<p>We are required to report if we identify any matters that indicate the Trust does not have sufficient arrangements to achieve value for money.</p> <p>We have nothing to report in this regard.</p>
Other reporting	<p>We did not consider it necessary to issue any other reports in the public interest.</p>



02 Audit of the Financial Statements

Audit of the financial statements

KPMG provides an independent opinion on whether the Trust's financial statements:

- Give a true and fair view of the state of the Trust's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- Have been properly prepared in accordance with the accounting policies directed by NHS England with the consent of the Secretary of State in 27 June 2024 as being relevant to NHS Foundation Trusts and included in the Department of Health and Social Care Group Accounting Manual 2023/24; and
- Have been prepared in accordance with the requirements of the National Health Service Act 2006 (as amended).

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Audit opinion on the financial statements

We have issued an unqualified opinion on the Trust's financial statements before 28 June 2024.

The full opinion is included in the Trust's Annual Report and Accounts for 2023/24 which can be obtained from the Trust's website.

Further information on our audit of the financial statements is set out overleaf.

Audit of the financial statements

The table below summarises the key risks that we identified to our audit opinion as part of our risk assessment and how we responded to these through our audit.

Risk	Procedures undertaken	Findings
<p><i>Fraudulent expenditure recognition</i> Auditing standards suggest for public sector entities a rebuttable assumption that there is a risk expenditure is recognised inappropriately. We recognised this risk over non payroll, non depreciation expenditure.</p>	<ul style="list-style-type: none"> • We inspected a sample of invoices of expenditure, in the period around 31 March 2023, to determine whether expenditure had been recognised in the correct accounting period and whether accruals were complete; • We selected a sample of year end non-pay accruals and inspected evidence of the actual amount paid after year end, or other supporting evidence, in order to assess whether the accrual exists and had been accurately recorded. • We selected a sample of year end provisions and inspected evidence to determine whether the provisions had been appropriately recognised in line with IAS 37 criteria; • We inspected material journals posted as part of the year end close procedures that decreased the level of expenditure recorded in order to critically assess whether there was an appropriate basis for posting the journal and the value could be agreed to supporting evidence; • We performed a retrospective review of prior year accruals in order to assess the completeness with which accruals had been recorded at 31 March 2023 and considered the impact on our assessment of the accruals at 31 March 2024. We also compared the items that were accrued at 31 March 2023 to those accrued at 31 March 2024 in order to assess whether any items of expenditure not accrued for as at 31 March 2024 had been done so appropriately. 	<p>We did not identify any material misstatements relating to this risk</p> <p>We raised a recommendation relating to the authorisation and approval of journals including accruals.</p>
<p><i>Management override of controls</i> We are required by auditing standards to recognise the risk that management may use their authority to override the usual control environment.</p>	<ul style="list-style-type: none"> • Our audit methodology incorporates the risk of management override as a default significant risk. In line with our methodology, we have evaluated the design and implementation of controls over journal entries and post closing adjustments. • We have assessed the appropriateness of changes compared to the prior year to the methods and underlying assumptions used to prepare accounting estimates. • We have not identified any significant or unusual transactions. • We have assessed the controls in place for the identification of related party relationships and tested the completeness of the related parties identified. We have verified that these have been appropriately disclosed within the financial statements. 	<p>We did not identify any material misstatements relating to this risk</p> <p>We raised a recommendation relating to the authorisation of journals.</p>

03 Value for Money

Value for Money

Introduction

We are required to consider whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources or 'value for money'. We consider whether there are sufficient arrangements in place for the Trust for the following criteria, as defined by the National Audit Office (NAO) in their Code of Audit Practice:



Financial sustainability: How the Trust plans and manages its resources to ensure it can continue to deliver its services.



Governance: How the Trust ensures that it makes informed decisions and properly manages its risks.



Improving economy, efficiency and effectiveness: How the Trust uses information about its costs and performance to improve the way it manages and delivers its services

Approach

We undertake risk assessment procedures in order to assess whether there are any risks that value for money is not being achieved. This is prepared by considering the findings from other regulators and auditors, records from the organisation and performing procedures to assess the design of key systems at the organisation that give assurance over value for money.

Where a significant risk is identified we perform further procedures in order to consider whether there are significant weaknesses in the processes in place to achieve value for money.

We are required to report a summary of the work undertaken and the conclusions reached against each of the aforementioned reporting criteria in this Auditor's Annual Report. We do this as part of our commentary on VFM arrangements over the following pages.

We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Trust.

Summary of findings

	Financial sustainability	Governance	Improving economy, efficiency and effectiveness
Commentary page reference	11 - 14	15 - 16	17 - 18
Identified risks of significant weakness?	No	No	No
Actual significant weakness identified?	No	No	No
2022-23 Findings	No significant weakness identified	No significant weakness identified	No significant weakness identified
Direction of travel			

Value for Money

NATIONAL CONTEXT

Financial performance

The 2023-24 financial year saw a significant increase in the level of financial pressures facing the NHS sector. This followed the end of Covid-19 related financing arrangements. The sector has faced cost pressures from a range of factors, most significantly the impacts of inflation felt during the year and the costs of industrial action.

At the end of January 2024 NHS England forecast that the NHS would record an overspend of £1.1bn against its agreed budgets. This came after additional funding had been made available earlier in the year to support with the costs of industrial action.

Operational performance

In January 2023 the Government announced five pledges for 2023, including reducing NHS waiting lists and the time people wait for procedures. Waiting lists had grown significantly during the Covid-19 pandemic as elective activity was postponed in order to prioritise the treatment of Covid patients and ensure safe working.

According to the Health Foundation the NHS waiting list had grown from 6.2 million patients at the beginning of 2022 to 7.2 million in January 2023. There had also been a significant increase in the number of patients with long waits. At the end of 2023 there remained 355,000 patients that had been waiting over a year for treatment. Income arrangements for the acute sector were revised in year to reimburse providers for elective activity based on the actual number of patients treated.

System working

The Health and Care Act 2022 formally established integrated care systems (ICSs), 42 partnerships within local geographies to promote closer working between the organisations responsible for healthcare delivery. Integrated Care Boards were formed on 1 July 2022, taking over commissioning responsibility from Clinical Commissioning Groups.

In their first full year of operation ICSs have continued to work to develop and embed governance arrangements both within the ICBs themselves and as systems.

LOCAL CONTEXT

The Royal Papworth Hospital NHS Foundation Trust is a specialist cardiothoracic health provider within the Cambridgeshire and Peterborough ICS (Integrated Care System). It operates on one site, at the Biomedical campus adjacent to Addenbrookes Hospital, in a new build PFI hospital on the outskirts of Cambridge.

During the year the Trust and System were able to achieve their break even obligations – with a total ICS surplus of £491k against a break-even target.

The ICS, and the Trust, have been set a clear expectation from NHSE to achieve a compliant breakeven plan for FY24-25. Aligned with this, Papworth are forecasting a break even plan for FY24-25. The ICS Executive Group, including Finance Directors submitted a deficit position in May 2024 in the initial planning rounds and prepared revised plans for final submission with a break even position, as part of this Papworth submitted a break even plan. Subsequently, the ICS have resubmitted as at June 2024 with a break even position.

The key risks across the System are in regard to partners who are in a more difficult financial position, Papworth support the ICS in working with these partners to deliver the required break even or small deficit positions required. There is also a risk in regard to supply side and specialised commissioning – Papworth are working with their System partners to effectively reduce these risks down.

In arriving at the final submitted position, the ICS have set an overall CIP target of £113.2 million (£102 million recurrent and £11.0 million non-recurrent). Within this Papworth have set a CIP target of 2.2% CIP achievement (£6.7 million all recurrent).

Financial Sustainability

How the Trust plans and manages its resources to ensure it can continue to deliver its services.

We have considered the following in our work:

- How the Trust ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- How the Trust plans to bridge its funding gaps and identifies achievable savings;
- How the Trust plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- How the Trust ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system; and
- How the Trust identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans

• Annual budget setting process for 2023-24

We have reviewed the Trust's processes around budget setting and monitoring and have found that the control processes in place were able to identify and incorporate sufficient pressures into the financial plan to ensure that it is both realistic and achievable. The initial draft budgets were constructed based on appropriate local and national planning assumptions and we saw evidence of appropriate review and sign off by the relevant budget holders and Board on 6 April 2023.

All budget holders are involved in the process, as are service directors and exec directors. The Trust undertakes an annual planning process in line with NHSI (NHS Improvement) guidance. The process is co-ordinated by the Finance Directorate with input from Workforce, Operations, Strategy and clinical teams. Expectations set in the operational planning framework ensure that consistent assumptions are utilised around capacity, demand, workforce and financial flows. The Trust's capacity model takes the activity demand projections and outputs the required capacity to deliver the activity plan. This is then reviewed by the service teams who determine whether additional staffing is required to open that amount of capacity. This is then priced and ultimately reviewed in the context of the Trust's Control Total or other targets to determine affordability.

Financial Sustainability

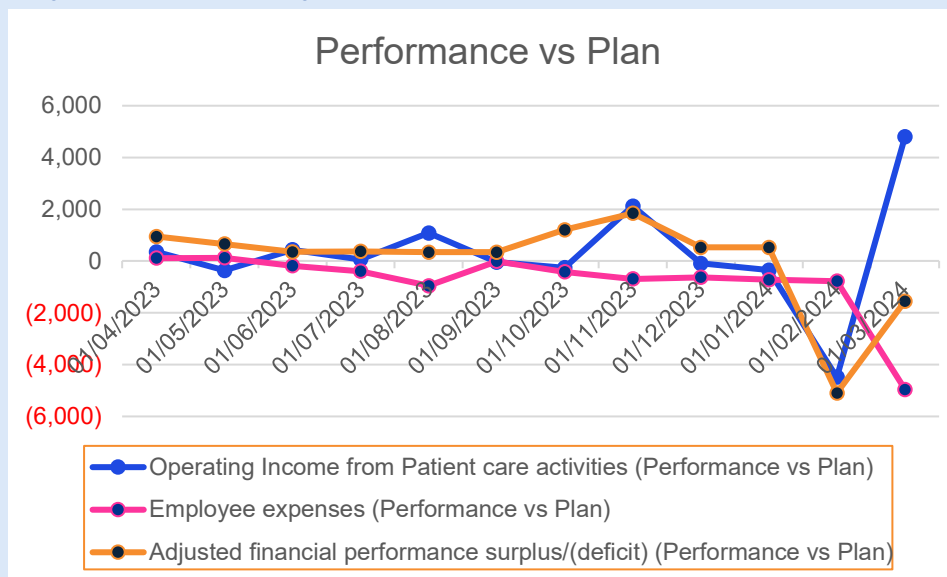
How the Trust plans and manages its resources to ensure it can continue to deliver its services.

We have considered the following in our work:

- How the Trust ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- How the Trust plans to bridge its funding gaps and identifies achievable savings;
- How the Trust plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- How the Trust ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system; and
- How the Trust identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans

Budgeted performance vs. actual

As part of the 2023-24 financial planning process the Trust developed a breakeven financial plan at both the Trust and as part of the wider Cambridgeshire and Peterborough ICS plan. On an adjusted performance basis, the Trust delivered a small surplus of £482k which was slightly in excess of the break even plan, while the System has likewise achieved a small surplus of £491k against its own break even plan. Due to the strength of CIP delivery throughout the year, the Trust has had a relatively strong performance on performance vs plan in regard to the adjusted financial performance surplus, with the exception of the lead up to year end. February was adverse to forecast on income due to funding redistribution within system to Cambridgeshire and Peterborough NHS FT of £4.5m.



Financial Sustainability

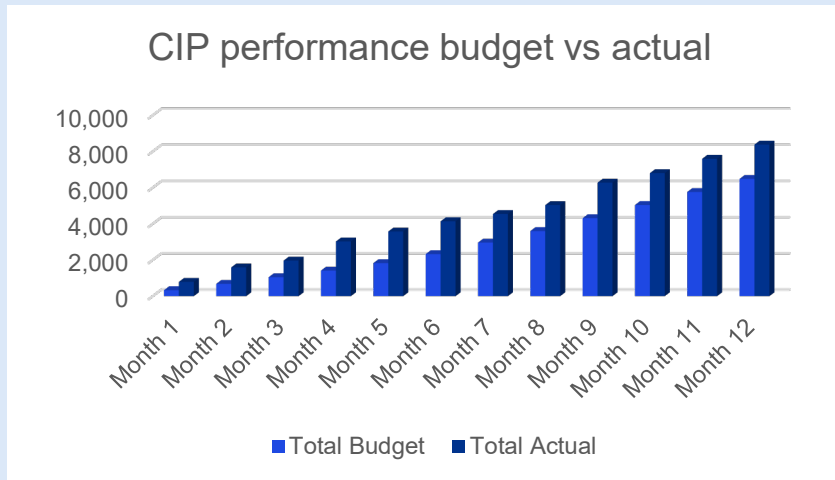
How the Trust plans and manages its resources to ensure it can continue to deliver its services.

We have considered the following in our work:

- How the Trust ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- How the Trust plans to bridge its funding gaps and identifies achievable savings;
- How the Trust plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- How the Trust ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system; and
- How the Trust identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans

• Cost Improvement Plan (CIP) performance

For the year ended 31 March 2024, the Trust delivered CIP of £8.4 million, compared to a target of £6.8 million for the year. The Trust has, in recent years, had a relatively strong CIP delivery when compared to the wider sector. However in the current year there has been a clear over-achievement in recurrent CIP in particular. A target of £0 was set for non-recurrent CIP, against which there has been an achievement in year of £0.9 million. The recurrent target was £6.8 million, against which a total of £7.5 million has been achieved. As can be seen in the table below, this achievement pattern has been consistent throughout the year.



Financial Sustainability

• **Planning to date for future periods**

The Trust submitted a breakeven plan for the 2024/25 financial year, as part of the overall ICS plan. As at month 1, the Trust is reporting a breakeven position, representing a £0.1m favourable variance to plan. This results in an operational financial position that is broadly breaking even, supported by the use of central reserves offsetting premium temporary staff use.

As per review of the May 2024 CIP report to Board, which covers performance in April 2024, the Trust has delivered £0.3 million of CIPs against a budgeted plan of £0.4 million, an adverse variance of £0.1 million. This is not a significant impact, and it is noted that to date £5.6 million of CIP has been identified against a target of £6.7 million.

Conclusion

Based on the procedures performed we have not identified a significant weakness associated with financial sustainability.

Key financial and performance metrics:	2023-24	2022-23
Planned surplus (adjusted performance basis)	-	-
Actual surplus (adjusted performance basis)	£482k	£1,205k
Planned CIP as a % of spend		
- Recurrent	2.2%	3.6%
- Non-recurrent	0.0%	0.0%
Actual CIP as a % of spend		
- Recurrent	2.5%	2.4%
- Non-recurrent	0.3%	1.4%
Year-end cash position	£78.9m	£67.3m

Governance

How the Trust ensures that it makes informed decisions and properly manages its risks.

We have considered the following in our work:

- how the Trust monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
- how the Trust approaches and carries out its annual budget setting process;
- how the Trust ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed, including in relation to significant partnerships;
- how the Trust ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency; and
- how the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of management or Board members' behaviour

• ***Risk management***

The Trust has an appropriate risk management framework, with risks identified and managed in accordance with the Trust's Risk Management Strategy. From review of the risk register and committee meeting minutes we found that reporting was sufficiently detailed and balanced to enable management to make informed decisions. The Trust utilises a 5x5 risk scoring matrix for its risks and the BAF and CRR (Corporate Risk Register) are reviewed regularly with actions against actions to reduce the risk to the desired level.

We observed that the Trust's budget process followed the appropriate governance process with oversight from the various sub-committees and sign off from the Board. Review of the Board minutes demonstrate robust challenge of Management, and we have observed that the progress against CIP and the delivery of the financial outturn are reported frequently and openly to the Performance Committee and through to Board. We further note that there is a process for holding regular discussions with Budget holders to ensure that variances to budget are adequately discussed and actions taken as required.

• ***Governance Structures***

We have reviewed the governance structure across the Trust and note that each sub-committees has a clear Terms of Reference, summary reports from each sub-committee are reported up to the Board to allow for Board oversight of decisions across the Trust. We note there has been a low level of senior and nonexecutive turnover in the year.

• ***Contract Management***

The Trust manages a number of ongoing contracts, most significantly the PFI contract with Skanska. We note that in regard to managing the contract costs, the Estates team hold monthly meetings with Skanska and OCS (the maintenance provider per contract). Chairing of these meetings works on a rotational basis.

These meetings cover a comprehensive range of subjects, including lifecycle maintenance, allowing for tracking of works against the contracted rates. Noted that the delivery against these costs to date has been favourable to the Trust. The meetings also includes challenge of performance against contract, which fits into the long-term picture of the Trust challenging on contract delivery where they have identified under-performance.

Governance

Conclusion

Based on the procedures performed we have not identified a significant weakness associated with governance.

	2024	2023
Control deficiencies reported in the Annual Governance Statement	0	0
Head of Internal Audit Opinion	“Overall moderate assurance (our second highest level of assurance) that there is a sound system of internal control, designed to meet the Trust’s objectives and that controls are being applied consistently”.	“Overall moderate assurance (our second highest level of assurance) that there is a sound system of internal control, designed to meet the Trust’s objectives and that controls are being applied consistently”.
Oversight Framework segmentation	1	1
Care Quality Commission rating	Outstanding	Outstanding

Improving economy, efficiency and effectiveness

How the Trust uses information about its costs and performance to improve the way it manages and delivers its services

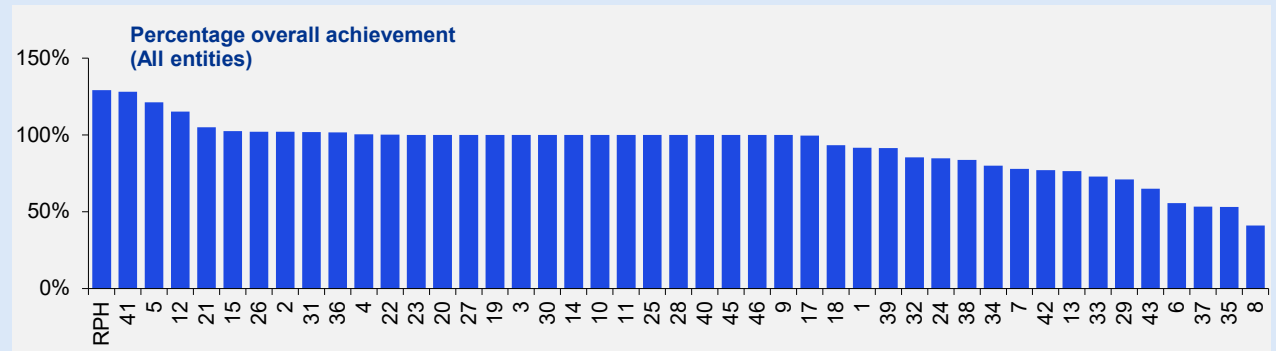
We have considered the following in our work:

- how financial and performance information has been used to assess performance to identify areas for improvement;
- how the Trust evaluates the services it provides to assess performance and identify areas for improvement;
- how the Trust ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives; and
- where the Trust commissions or procures services, how it assesses whether it is realising the expected benefits.

Performance in delivering efficiency programme

As noted on page 12, for the year ended 31 March 2024, the Trust delivered CIP of £8.4 million compared to a target of £6.8 million for the year. This has predominantly been achieved through recurrent CIP, and the strength of the Trust’s performance is demonstrated in the table below.

KPMG have benchmarked the Trust’s performance against a number of other providers and note that the level of recurrent CIP performance is average across the sector, and note that the Trust is at the top end of our benchmarking, indicating the high level of performance achieved in year.



Operational performance

The Trust closely monitors its operational performance against its key priorities, through the balanced scorecard approach, and as at year end was carrying an amber rating on measurement by the Performance Committee. The scorecard monitors across the categories Finance, Safe, Caring, Effective, Responsive and People, Management & Culture. 2023/24 has presented difficulties for the Trust, in particular with regard to strike action impacting on delivery. As at year end Finance and Caring were rated green, Safe and Effective were amber and Responsive and People, Management & Culture were rated as red.

The Trust effectively monitors and manages the adverse elements of performance through monthly monitoring at Performance Committee. It has been noted the impact that strike action and elective capacity have had on the operational performance of the Trust, and that the Trust maintain appropriate actions to mitigate, manage and respond to these risks.

Improving economy, efficiency and effectiveness

How the Trust uses information about its costs and performance to improve the way it manages and delivers its services

We have considered the following in our work:

- how financial and performance information has been used to assess performance to identify areas for improvement;
- how the Trust evaluates the services it provides to assess performance and identify areas for improvement;
- how the Trust ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives; and
- where the Trust commissions or procures services, how it assesses whether it is realising the expected benefits.

CQC inspections

During the year, the Trust was not subject to CQC inspection. It has been noted that the most recent CQC inspection rated the Trust as “outstanding”. As such there are no issues to note in regard to the CQC.

Working with partnerships and stakeholders

We note the Trust is actively engaged with the other members of the ICS, providing support into the System in particular where other Trusts have identified target issues – with the Trust working alongside CUH (Cambridge University Hospital) in particular, for example in securing appropriate income settlements from our of area income providers – an issue faced by both Trusts. They have also worked closely with the ICS in the current year to develop a forward plan that meets the requirement of a break even position.

The Trust also engages across the area with other stakeholders – for example Cambridge University in the application of research grants to improve public health (in both the 2022/23 and 2023/24 financial years) and also the University and wider partners (UK Research Partnership Investment Fund, the Wolfson Foundation, The British Heart Foundation and the Cystic Fibrosis Trust) in the collaborative Heart and Lung Research Institute (HLRI) adjacent to the Hospital site on the Cambridge Biomedical Campus.

Procurement

The Trust has an appropriate approach to procurement. Public Contract Regulations are built into the Standing Financial Instructions with the mandatory approval by NHS England for consultancy over £50,000 built into the Trust’s financial procurement process at a lower level of £30,000. We reviewed the waiver process in place at the Trust, and note there is an effective process in place, which per the register is only utilised in appropriate circumstances, and are appropriately authorised by the Chief Executive.

Conclusion

Based on the procedures performed we have not identified a significant weakness associated with improving economy, efficiency and effectiveness.



kpmg.com/uk

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Document Classification: KPMG Public



Royal Papworth Hospital NHS Foundation Trust

Year end report to the Audit Committee

Year end report for the year ended 31 March 2024

June 2024

I confirm that this is the final version of our ISA 260 Audit Memorandum relating to our audit of the 2023/24 financial statements for Royal Papworth NHS Foundation Trust. This document was discussed and approved by the Trust's Audit Committee on 20 June 2024.

Emma Larcombe

Emma Larcombe

Director for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Cambridge

27 June 2024

Our audit opinions and conclusions:

Financial Statements: unqualified

Use of resources: no significant weaknesses identified

Introduction

To the Audit Committee of Royal Papworth Hospital NHS Foundation Trust

We are pleased to have the opportunity to meet with you on 20th June to discuss the results of our audit of the financial statements of Royal Papworth Hospital NHS foundation trust (the 'trust'), as at and for the year ended 31 March 2024.

We are providing this report in advance of our meeting to enable you to consider our findings and hence enhance the quality of our discussions. This report should be read in conjunction with our audit plan and strategy report, presented in April. We will be pleased to elaborate on the matters covered in this report when we meet.

Summary

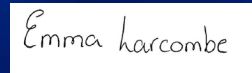
Our audit is complete. There have been no significant changes to our audit plan and strategy.

We expect to issue an unmodified Auditor's Report.

We draw your attention to the important notice on page 3 of this report, which explains:

- The purpose of this report
- Limitations on work performed
- Restrictions on distribution of this report

Yours sincerely,



Emma Larcombe

27 June 2024

How we deliver audit quality

Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion.

We consider risks to the quality of our audit in our engagement risk assessment and planning discussions.

We define 'audit quality' as being the outcome when audits are:

- Executed consistently, in line with the requirements and intent of applicable professional standards within a strong system of quality management and
- All of our related activities are undertaken in an environment of the utmost level of objectivity, independence, ethics and integrity.

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Important notice

This report is presented under the terms of our audit engagement contract.

Circulation of this report is restricted.

The content of this report is based solely on the procedures necessary for our audit.

Purpose of this report

This report has been prepared in connection with our audit of the financial statements of Royal Papworth Hospital NHS Foundation Trust (the 'Trust'), prepared in accordance with International Financial Reporting Standards ('IFRSs') as adapted by the Group Accounting Manual issued by the Department of Health and Social Care, as at and for the year ended 31 March 2024.

This Report has been prepared for the Trust's Audit Committee, a sub-group of those charged with governance, in order to communicate matters that are significant to the responsibility of those charged with oversight of the financial reporting process as required by ISAs (UK), and other matters coming to our attention during our audit work that we consider might be of interest, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone (beyond that which we may have as auditors) for this Report, or for the opinions we have formed in respect of this Report.

This report summarises the key issues identified during our audit.

Limitations on work performed

This Report is separate from our audit report and does not provide an additional opinion on the Trust's financial statements, nor does it add to or extend or alter our duties and responsibilities as auditors.

We have not designed or performed procedures outside those required of us as auditors for the purpose of identifying or communicating any of the matters covered by this Report.

The matters reported are based on the knowledge gained as a result of being your auditors. We have not verified the accuracy or completeness of any such information other than in connection with and to the extent required for the purposes of our audit.

Status of our audit

Our audit is not yet complete and matters communicated in this Report may change pending signature of our audit report. We will provide an oral update on the status. Page 5 outlines the outstanding matters in relation to the audit. Our conclusions will be discussed with you before our audit report is signed.

Restrictions on distribution

The report is provided on the basis that it is only for the information of the Audit Committee of the Trust; that it will not be quoted or referred to, in whole or in part, without our prior written consent; and that we accept no responsibility to any third party in relation to it. We note that the Trust will provide a copy of our final report to NHS England.



Our audit findings



Significant audit risks Page 5-10

Significant audit risks	Risk change	Our findings
Fraud risk – expenditure recognition	Unchanged	Our work on this area is complete. We have raised a control finding in respect to journal authorisations detailed on page 22.
Management override of controls	Unchanged	Our work on this area is complete. We have raised a control deficiency in regard to journals review on page 22.

Key accounting estimates Page 11

Valuation of buildings	We have not identified any audit misstatements.
------------------------	---

Misstatements in respect of Disclosures Page 22

Misstatement in respect of Disclosures	Our findings
Remuneration report	Inaccurate banding, pension disclosure and consistent pay award not included in Fair Pay disclosure

Number of Control deficiencies Page 21-24

Significant control deficiencies	0
Other control deficiencies	5
Prior year control deficiencies remediated	2

Other Matters - In auditing the accounts of an NHS body auditors must consider whether, in the public interest, they should make a report on any matters coming to their notice in the course of the audit, in order for it to be considered by Trust members or brought to the attention of the public. There are no such matters we wish to bring to your attention/summarise any matters to be reported.

Significant risks and Other audit risks

Our risk assessment draws upon our understanding of the applicable financial reporting framework, historic knowledge of the business, the industry and the wider economic environment in which The Royal Papworth Hospital NHS Foundation Trust operates.

We also use our regular meetings with senior management to update our understanding and take input from component audit teams and internal audit reports.

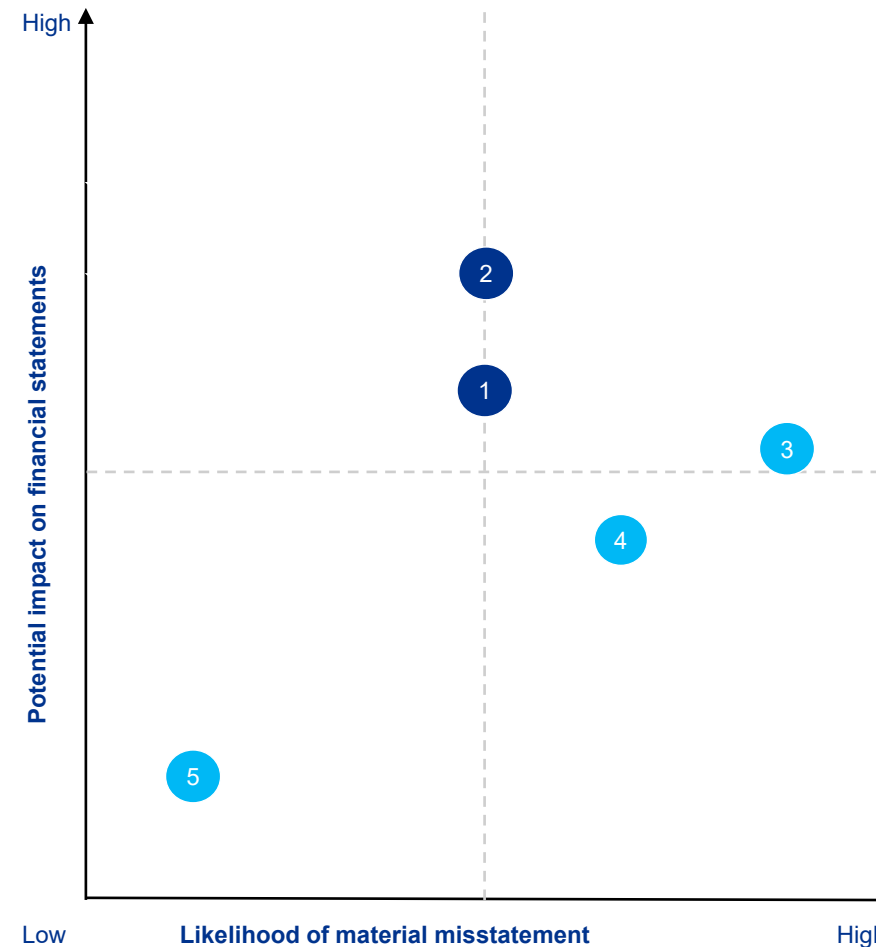
Significant risks

1. Fraud risk – expenditure recognition
2. Management override of controls

Other audit risks

3. Valuation of Building
4. Remuneration Report
5. IFRS 16 Transition for PFI

Key: # Significant financial statement audit risks # Other audit risk



Audit risks and our audit approach



1 Fraud risk from expenditure recognition – existence and completeness



Significant audit risk

Risk: Liabilities for purchases of goods or services are recorded inappropriately when they are not accurately recorded, the entity does not have a present obligation, or they do not exist.

As the Trust and system is set a financial performance target by NHSE there is a risk that non-pay expenditure, excluding depreciation, may be manipulated in order to report that the control total has been met.

The setting of a control total can create an incentive for management to overstate the level of non-pay expenditure compared to that which has been incurred. The entity is currently anticipating to end in a breakeven position or a small surplus, as a result the entity may have an incentive to recognise post year expenditure in the current year to make next years control total easier to meet. Alternatively if cost control slips during the remainder of the year management may be incentivised to carry expenditure forward into next year. We consider this would be most likely to occur through overstating accruals and/or understating prepayments, if performance against the control total allows, for example to bring forward expenditure from 2024-25 to mitigate financial pressures.

We consider this would be most likely to occur through overstating accruals, if performance against the control total allows, for example to bring forward expenditure from 2023-24 to mitigate financial pressures.



Our response

Planned response

We will perform the following procedures in order to respond to the significant risk identified:

- We inspected a sample of invoices of expenditure, in the period around 31 March 2023, to determine whether expenditure had been recognised in the correct accounting period and whether accruals were complete;
- We selected a sample of year end non-pay accruals and inspected evidence of the actual amount paid after year end, or other supporting evidence, in order to assess whether the accrual exists and had been accurately recorded.
- We selected a sample of year end provisions and inspected evidence to determine whether the provisions had been appropriately recognised in line with IAS 37 criteria;
- We inspected material journals posted as part of the year end close procedures that decreased the level of expenditure recorded in order to critically assess whether there was an appropriate basis for posting the journal and the value could be agreed to supporting evidence;
- We performed a retrospective review of prior year accruals in order to assess the completeness with which accruals had been recorded at 31 March 2023 and considered the impact on our assessment of the accruals at 31 March 2024. We also compared the items that were accrued at 31 March 2023 to those accrued at 31 March 2024 in order to assess whether any items of expenditure not accrued for as at 31 March 2024 had been done so appropriately.

Our findings:

- Our work over this area is complete. We have not identified any audit misstatements, however we have raised a control finding in respect to journal authorisations detailed on page 21.

Audit risks and our audit approach (cont.)



2 Management override of controls

Fraud risk related to unpredictable way management override of controls may occur



Significant audit risk

- Professional standards require us to communicate the fraud risk from management override of controls as significant.
- Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Note: (a) Significant risk that professional standards require us to assess in all cases.



Planned response

Our audit methodology incorporates the risk of management override as a default significant risk. We performed the following procedures:

- Our audit methodology incorporates the risk of management override as a default significant risk. In line with our methodology, we have evaluated the design and implementation of controls over journal entries and post closing adjustments.
- We have assessed the appropriateness of changes compared to the prior year to the methods and underlying assumptions used to prepare accounting estimates.
- We have not identified any significant or unusual transactions.
- We have assessed the controls in place for the identification of related party relationships and tested the completeness of the related parties identified. We have verified that these have been appropriately disclosed within the financial statements.

Our findings:

- Our work over this area is complete. We have not identified any audit misstatements, however we have raised a control finding in respect to journal authorisations detailed on page 21.

Audit risks and our audit approach (cont.)



3 Valuation of Buildings



Other audit risk

Risk: The carrying amount of revalued Buildings differs materially from the fair value

Buildings are required to be held at fair value. As hospital buildings are specialised assets and there is not an active market for them they are usually valued on the basis of the cost to replace them with a 'modern equivalent asset'.

The value of the Trust's land and building at 31 March 2023 was £185.7m, of which £166.0m are valued as specialised assets at depreciated replacement cost. Of this amount £150.0m relates to buildings.

MEA values the buildings on the basis of the cost of construction of an equivalent asset at the current time.

The Trust is due to undertake a desktop valuation of its buildings in year. The last full revaluation took place on 31 March 2023



Planned response

We performed the following procedures designed to specifically address the significant risk associated with the valuation:

- We have critically assessed the independence, objectivity and expertise of Gerald Eve, the valuers used in developing the valuation of the Trust's properties at 31 March 2024;
- We have inspected the instructions issued to the valuers for the valuation of buildings to verify they are appropriate to produce a valuation consistent with the requirements of the Group Accounting Manual;
- We have compared the accuracy of the data provided to the valuers for the development of the valuation to underlying information, such as floor plans, and to previous valuations, challenging management where variances are identified.
- We have evaluated the design and implementation of controls in place for management to review the valuation and the appropriateness of assumptions used;
- We have challenged the appropriateness of the valuation of buildings; including any material movements from the previous revaluations. We have challenged key assumptions within the valuation, including the use of relevant indices and assumptions of how a modern equivalent asset would be developed, as part of our judgement.
- We have performed inquiries of the valuers in order to verify the methodology that was used in preparing the valuation and whether it was consistent with the requirements of the RICS Red Book and the GAM;
- We have agreed the calculations performed of the movements in value of buildings and verified that these have been accurately accounted for in line with the requirements of the GAM;
- Disclosures: We have considered the adequacy of the disclosures concerning the key judgements and degree of estimation involved in arriving at the valuation.

Our findings:

- Our work over this area is complete. We have not identified any audit misstatements. An associated control deficiency have been raised on page 21.

Audit risks and our audit approach



4 Remuneration Report-Director's salaries and benefits table and Fair Pay Multiple Ratio



Other audit risk

The Group Accounting Manual requires that the Trust's Annual Report and Accounts will include a remuneration report.

This remuneration report is required to adhere to detailed guidance on mandatory disclosure requirements.

Preparing this report correctly requires coordination between the Trust's finance team, and HR..



Planned response

We performed the following procedures designed to specifically address the other audit risk associated with remuneration reporting:

- We have engaged with management to understand who is within the scope of the remuneration report for the Trust, including shared staff and individuals who have joined or left their post during the year;
- We have reviewed the narrative disclosures to be included in the remuneration report to contextualise the information provided;
- We have vouched salary, expenses, and pension disclosures to the relevant supporting documentation (e.g. payslips and expenses claim forms);
- We have reviewed the Trust's transaction listings for names of key staff members to ensure that all expenses have been captured in the preparation of the report.

Our findings:

- Our work over this area is complete. Some errors have been identified which are detailed on page 22.

Audit risks and our audit approach



5 IFRS 16 transition on PFI



Other audit risk

- IFRS 16 Leases was fully adopted for the first time within the 2023 accounts. Impact disclosures were required and reviewed as part of the 2022 audit.

- The main source of this risk is that lease terms and lease payments are inappropriately determined. This is a particular risk for arrangements which are not subject to a formal contract such as property agreements with NHS Property Services without an agreed contract or term.

- Other risks include that the discount rate used to measure the lease liability is inappropriately determined or that a lease liability is not appropriately remeasured when reassessment is required.

- Linked to the above there is a potential risk that lease payments are not completely and accurately recorded, are not recorded in the correct accounting period or have not occurred.

- Where contingent rent changes are agreed to reflect the impact of inflation these need to be recognised as an increase to the lease liability assessing the on the opening balance sheet adjustment.



Planned response

We performed the following procedures designed to specifically address the other audit risk associated with the IFRS 16 transition:

- We have evaluated the Trust's process for reviewing current arrangements and contracts to ascertain whether there is a lease falling within the remit of the standard;
- We have critically assessed the key decisions made about material contracts such as property leases;
- We have reviewed the discount rate used in the calculation of the lease liability and confirmed that the rate used is either the HM Treasury rate as per the GAM or the rate implicit within the lease payments for that specific arrangement;
- We have reperformed the calculation of the lease liability and right of use asset;
- We have reviewed the treatment of any contingent rent changes; and
- We have critically assessed the disclosure proposed for compliance with the requirements of the GAM

Our findings:

- Our work over this area is complete. We have not identified any audit misstatements.

Key accounting estimates and management judgements– Overview



Our view of management judgement

Our views on management judgments with respect to accounting estimates are based solely on the work performed in the context of our audit of the financial statements as a whole. We express no assurance on individual financial statement captions.

Asset/liability class	Our view of management judgement	Balance (£m)	YoY change (£m)	Our view of disclosure of judgements & estimates	Further comments
PPE buildings	<p>Cautious Neutral Optimistic</p>	£152.3	£2.3	Acceptable	The desktop valuation by Gerald Eve was carried out on 31 March 2023. Gerald Eve is an accredited valuer by RICS and follow the industry benchmark and DHCS guideline for the valuations. The management expert judgement was found to be neutral. Further details on page 9. We found the assumptions to be appropriate. We have completed the work over the valuation of Buildings, see associated control deficiency on page 22.

Other estimates

We have also reviewed the following non-significant estimates as part of our audit work and determined that there was not a risk of material misstatement as a result of an estimate associated with these balances:

- Depreciation
- PFI Liabilities

Impacts of climate risk and climate change disclosures

We have evaluate management’s assessment of the potential financial implications of climate risk on the financial statements, including estimates and disclosures.

As part of our procedures on other information, we have obtained and read your climate change disclosures. We have consider whether there is a material inconsistency between this information included in the annual report and the financial statements, or with our knowledge obtained in the audit; or whether this information appears to be materially misstated.

Other matters



Annual report

We have read the contents of the Annual Report (including the Accountability Report, Directors Report, Performance Report and Annual Governance Statement (AGS)) and audited the relevant parts of the Remuneration Report. We have checked compliance with the Foundation Trust Annual Reporting Manual (the ARM). Based on the work performed:

We have not identified any inconsistencies between the contents of the Accountability, Performance and Director's Reports and the financial statements.

- We have not identified any material inconsistencies between the knowledge acquired during our audit and the director's statements. As Directors you confirm that you consider that the annual report and accounts taken as a whole are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.
- The parts of the Remuneration Report that are required to be audited were all found to be materially accurate;
- The AGS is consistent with the financial statements and complies with relevant guidance subject to updates as outlined on page 3; and
- The report of the Audit and Risk Committee included in the Annual Report includes the content expected to be disclosed as set out in the ARM and was consistent with our knowledge of the work of the Committee during the year

Whole of Government Accounts

As required by the National Audit Office (NAO) we are required to provide a statement to the NAO on your consolidation schedule. We comply with this by checking that your summarisation schedule is consistent with your annual accounts. We have completed that work based on current and found no matters to report to date.

Independence and Objectivity

ISA 260 also requires us to make an annual declaration that we are in a position of sufficient independence and objectivity to act as your auditors, which we completed at planning and no further work or matters have arisen since then.

Audit Fees

Our fee for the audit was £124,950 plus VAT. We will be charging an additional fee for PFI IFRS 16 transition, which has been agreed at £10,000 plus VAT. We have not completed any non-audit work at the Trust during the year.

Value for money

Value for money

We are required under the Audit Code of Practice to confirm whether we have identified any significant weaknesses in the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources.

In discharging these responsibilities we include a statement within the opinion on your accounts to confirm whether we have identified any significant weaknesses. We also prepare a commentary on your arrangements that is included within our Auditor's Annual Report, which is required to be published on your website alongside your annual report and accounts.

Commentary on arrangements

We have prepared our Auditor's Annual Report and a copy of the report is included within the papers for the Committee alongside this report

The report is required to be published on the Trust's website alongside the publication of the Trust's annual report and financial statements.

Response to risks of significant weaknesses in arrangements to secure value for money

As reported in our risk assessment no significant risks have been identified, these circumstances have not changed on final assessment.

Summary of findings

We have set out in the table below the outcomes from our procedures against each of the domains of value for money:

Domain	Risk assessment	Summary of arrangements
Financial sustainability	No significant risks identified	No significant weaknesses identified
Governance	No significant risks identified	No significant risks identified
Improving economy, efficiency and effectiveness	No significant risks identified	No significant weaknesses identified



Appendices

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Required communications

Type	Response
Management representation letter	<input checked="" type="checkbox"/> OK We have not requested any specific representations in addition to those areas normally covered by our standard representation letter for the year ended 31 March 2024
Adjusted audit differences	<input checked="" type="checkbox"/> OK There are nil adjusted audit differences.
Unadjusted audit differences	<input checked="" type="checkbox"/> OK The aggregated surplus impact of unadjusted audit differences is nil.
Related parties	<input checked="" type="checkbox"/> OK There have been no significant matters that arose during the audit in connection with the entity's related parties.
Other matters warranting attention by the Audit Committee	<input checked="" type="checkbox"/> OK There are no matters to report arising from the audit that, in our professional judgment, are significant to the oversight of the financial reporting process.
Control deficiencies	<input checked="" type="checkbox"/> OK We have communicated to management in writing all deficiencies in internal control over financial reporting of a lesser magnitude than significant deficiencies identified during the audit that had not previously been communicated.
Actual or suspected fraud, noncompliance with laws or regulations or illegal acts	<input checked="" type="checkbox"/> OK No actual or suspected fraud involving Trust management, employees with significant roles in internal control, or where fraud results in a material misstatement in the financial statements identified during the audit.
Make a referral to the regulator	<input checked="" type="checkbox"/> OK If we identify that potential unlawful expenditure might be incurred then we are required to make a referral to your regulator. We have not identified any such matters.
Issue a report in the public interest	<input checked="" type="checkbox"/> OK We are required to consider if we should issue a public interest report on any matters which come to our attention during the audit. We have not identified any such matters.

Type	Response
Significant difficulties	<input checked="" type="checkbox"/> OK No significant difficulties were encountered during the audit.
Modifications to auditor's report	<input checked="" type="checkbox"/> OK None identified.
Disagreements with management or scope limitations	<input checked="" type="checkbox"/> OK The engagement team had no disagreements with management and no scope limitations were imposed by management during the audit.
Other information	<input checked="" type="checkbox"/> OK No material inconsistencies were identified relating to other information in the annual report, Strategic and Directors' reports. The Annual report is fair, balanced and comprehensive, and complies with the Annual Reporting Manual.
Breaches of independence	<input checked="" type="checkbox"/> OK No matters to report. The engagement have complied with relevant ethical requirements regarding independence.
Accounting practices	<input checked="" type="checkbox"/> OK Over the course of our audit, we have evaluated the appropriateness of the Trust 's accounting policies, accounting estimates and financial statement disclosures. In general, we believe these are appropriate.
Significant matters discussed or subject to correspondence with management	<input checked="" type="checkbox"/> OK No such significant matters discussed.
Certify the audit as complete	<input checked="" type="checkbox"/> OK Our audit is complete.
Provide a statement to the NAO on your consolidation schedule	<input checked="" type="checkbox"/> OK We will issue our report to the National Audit Office following the signing of the annual report and accounts.



Confirmation of independence



We confirm that, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and that the objectivity of the Partner and audit staff is not impaired.

To the Audit Committee members

Assessment of our objectivity and independence as auditor of Royal Papworth Hospital NHS Foundation Trust

Professional ethical standards require us to provide to you at the planning stage of the audit a written disclosure of relationships (including the provision of non-audit services) that bear on KPMG LLP's objectivity and independence, the threats to KPMG LLP's independence that these create, any safeguards that have been put in place and why they address such threats, together with any other information necessary to enable KPMG LLP's objectivity and independence to be assessed.

This letter is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses:

- General procedures to safeguard independence and objectivity;
- Independence and objectivity considerations relating to the provision of non-audit services; and
- Independence and objectivity considerations relating to other matters.

General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP directors and staff annually confirm their compliance with our ethics and independence policies and procedures including in particular that they have no prohibited shareholdings. Our ethics and independence policies and procedures are fully consistent with the requirements of the FRC Ethical Standard.

As a result we have underlying safeguards in place to maintain independence through:

- Instilling professional values
- Communications

- Internal accountability
- Risk management
- Independent reviews.

The conclusion of the audit engagement partner as to our compliance with the FRC Ethical Standard in relation to this audit engagement and that the safeguards we have applied are appropriate and adequate.

We are satisfied that our general procedures support our independence and objectivity.

Independence and objectivity considerations relating to the provision of non-audit services. No non-audit services have been provided to the Trust.

Confirmation of Independence (continued)



We have considered the fees charged by us to the Trust for professional services provided by us during the reporting period. Total fees charged by us can be analysed as follows:

	2023/24	2022/23
	£	£
Audit of Trust	119,400	110,000
PFI to IFRS 16 transition	10,000	-
ISA 315 revised	5,550	5,100
Charity audit	14,000	13,600
Total audit services	148,950	128,700
Total Fees	148,950	128,700

Application of the Auditor Guidance Note 1 (AGN01)

The anticipated ratio of non-audit fees to audit fees for the year at the time of planning is 0:1., or 0% which is compliant with Auditor Guidance Note 1 (AGN01).

AGN 01 states that when the auditor provides non-audit services, the total fees for such services to the audited entity and its controlled entities in any one year should not exceed 70% of the total fee for all audit work carried out in respect of the audited entity and its controlled entities for that year

Application of the FRC Ethical Standard 2019

We communicated to you previously the effect of the application of the FRC Ethical Standard 2019. That standard became effective for the first period commencing on or after 15 March 2020, except for the restrictions on non-audit and additional services that became effective immediately at that date, subject to grandfathering provisions.

We confirm that as at 15 March 2020 we were not providing any non-audit or additional services that required to be grandfathered.

Confirmation of audit independence

We confirm that as of the date of this letter, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the partner and audit staff is not impaired.

This report is intended solely for the information of the Audit and Compliance Committee and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

Yours faithfully

KPMG LLP

Uncorrected and Corrected audit misstatements



Under UK auditing standards (ISA (UK) 260) we are required to provide the Audit Committee with a summary of uncorrected audit differences (including disclosure misstatements) identified during the course of our audit, other than those which are 'clearly trivial', which are not reflected in the financial statements. In line with ISA (UK) 450 we request that you correct uncorrected misstatements. However, they will have no effect on the opinion in our auditor's report, individually or in aggregate.

We have identified no such uncorrected or corrected audit misstatements.

Audit Differences



Intra-group error reporting

Further to the misstatements identified on page 31 we are required to report any identified errors in the reporting of intra-group balances with other Department of Health and Social Care entities exceeding £300,000 as part of our reporting on the Whole of Government Accounts to the National Audit Office. We have set out below intra-group errors identified as part of our procedures. We note that there are no unreconciled variances in excess of £300,000.

Control Deficiencies



The recommendations raised as a result of our work in the current year are as follows:

Priority rating for recommendations			
1	Priority one: issues that are fundamental and material to your system of internal control. We believe that these issues might mean that you do not meet a system objective or reduce (mitigate) a risk.	2	Priority two: issues that have an important effect on internal controls but do not need immediate action. You may still meet a system objective in full or in part or reduce (mitigate) a risk adequately but the weakness remains in the system.
		3	Priority three: issues that would, if corrected, improve the internal control in general but are not vital to the overall system. These are generally issues of best practice that we feel would benefit you if you introduced them.

#	Risk	Issue, Impact and Recommendation	Management Response / Officer / Due Date
1	NA	<p>Journals Authorisation</p> <p>We note the Trust has high level review controls in place over journals authorisation. However as these controls exist within the system and are not formally documented, they do not meet the requirements as defined by Auditing Standards to enable us to conclude they are designed and implemented effectively. As such we have not been able to confirm the operating effectiveness of these controls. We note that the Trust may consider its existing controls to be proportionate to address the associated risk, as Management override of controls and expenditure are significant risk areas, we are required to bring this matter to your attention. As we are not able to conclude the design and implementation of journals controls are effective, we have taken a fully substantive approach to auditing journals and expenditure</p>	No response required
2	3	<p>Related Party listing not maintained</p> <p>Related Parties are considered as part of annual accounts preparation process, utilising the Trust's register of interests updated based on the declarations of interest. However there is no documented review of the completeness of the listing outside of the declaration of interest process and maintenance of Related Party listing for update, outside of this process. This could result in risk of related party transaction which could take place without being identified by the entity and therefore non-disclosure of same in financial statement.</p>	<p>The Trust will complete an annual documented review and share this through Audit Committee in advance of the accounts preparation.</p> <p>Head of Finance and Associate Director of Corporate Governance. Mar 2025</p>

Control Deficiencies



#	Risk	Issue, Impact and Recommendation	Management Response / Officer / Due Date
3	③	<p>Review of Accruals</p> <p>During accruals substantive testing, KPMG identified that accruals related to Vodafone billing have been done for 1 month instead it was required to be done for 2 months. The error has been confirmed by the management. The value accrued is for £1.75k – we approximated that the total should have been c. £3k.</p> <p>We would recommend to ensure staff are appropriately trained on the accruals processes, ensuring the appropriate timeframes are accrued for accordingly. We note that from a material level, there is a month-on-month movement analysis carried out by management.</p>	<p>Finance Business Partners will be reminded to complete completeness and accuracy checks of accruals for key material ongoing items. High level reminders will be provided.</p> <p>Head of Finance. June 2024 & ongoing</p>
4	③	<p>Remuneration report inconsistent with GAM guidance</p> <p>While remuneration reporting disclosure testing, we have identified a number of discrepancies and inconsistencies with the GAM, including but not limited to:</p> <ul style="list-style-type: none"> > Incorrect bandings applied based on calculations > Incorrect inclusion of costs in salary bandings > Pensions disclosure inconsistent with Greenbury report > Consultant pay award not included in Fair Pay Disclosure figures <p>We noted that the discrepancies largely related to one-off inclusions (Consultant Pay Award) or were driven by less common events, such as less common expenses. Where there are significant changes in the pay or other elements from previous periods we recommend a check against the GAM guidance.</p>	<p>The remuneration report workings will be brought forward in the timetable for next year's accounts. A meeting will be held between reviewers and preparers to review guidance together in advance of preparation and additional detailed review will be introduced to the preparation process.</p> <p>Deputy CFO. April 2025</p>

Control Deficiencies (cont.)



We have also follow up the recommendations from the previous years audit, in summary:

Total number of recommendations	Number of recommendations implemented	Number outstanding (repeated below):
3	2	1

#	Risk	Issue, Impact and Recommendation	Management Response / Officer / Due Date	Current Status (June 2024)
1	③	<p>Annual Leave accrual calculation:</p> <p>As part of our annual leave accrual testing, we noted that several employee's in the calculation had discrepancies between their pay band per the accrual calculation, and per the payroll reports.</p> <p>We discussed with the management over this, and they confirmed there was an error, and so reperformed the calculation, and as such we are raising this as a control deficiency over inaccurate preparation of annual leave accrual calculations.</p>	The Trust will implement an additional documented review layer for the annual leave accrual. Head of Finance, September 2023.	No issues noted from current year testing.
2	③	<p>Valuation specialists review:</p> <p>The buildings revaluation is a significant estimate and after inquiring with the management, we noted that there has been a thorough process in place for discussing the assumptions and findings with the management specialist (Gerald Eve). We have also noted from discussion with management that this review included discussion of the interim BCIS indexes used by the specialist.</p> <p>We note however that for the purposes of us being able to place reliance upon this process as a control, we are unable to assess the design and implementation as effective on the basis that the control process has not been formally documented. Moreover, management should set a threshold for further investigation..</p>	The Trust will document its process for the review of the valuation reports from specialists. As part of this we will consider whether it is appropriate to include a threshold for assumptions movement to support our review and identify any areas for further investigation. Head of Finance, September 2023.	We note that we have been shown the audit trail for challenge raised to the valuations specialist, and therefore can see the appropriate raising of challenge. As the discussion is carried out in an unrecorded meeting with the specialist, we are unable to evidence the conclusion on challenge.

Control Deficiencies (cont.)



We have also follow up the recommendations from the previous years audit, in summary:

Total number of recommendations	Number of recommendations implemented	Number outstanding (repeated below):
3	2	1

#	Risk	Issue, Impact and Recommendation	Management Response / Officer / Due Date	Current Status (June 2024)
3	③	<p>No Approval process for pharmacy invoice:</p> <p>Process for Pharmacy invoice (Part of Non-PO purchase invoice) - These invoices are processed through the pharmacy system and then uploaded to the Oracle system by running an interface report from the Pharmacy system and uploading this to Oracle (RTP file). On enquiry with management, we received the following response - "The approval is the signature in the 'Invoice box' stamped on the invoice".</p> <p>We noted from our control sample that one invoice was stamped and approved however the name of the approver was not evident from the signature. Hence we have raised control deficiency in this regard.</p>	<p>The Pharmacy Team will ensure that the name of the approver is clearly documented on each invoice. Head of Finance, September 2023.</p>	<p>No issues noted on current year review.</p>

FRC's areas of focus

The FRC released their [Annual Review of Corporate Reporting 2022/23](#) in October 2023. In addition, they have released three thematic reviews during the year should be considered when preparing reporting for the current financial period.

The reports identify where the FRC believes companies should be improving their reporting. Below is a high level summary of the key topics. We encourage management and those charged with governance to read further on those areas which are significant to the entity.



Reporting on the effects of inflation and other uncertainties

This year's Annual Review of Corporate Reporting identifies that companies continue to face significant economic and geopolitical uncertainty and annual report and accounts should therefore tell a coherent story about the impacts on the business and the assumptions the trust has made in preparing the financial statements.

The FRC notes that interest rate rises in response to persistent inflation, the related impact on consumer behaviour, and limited growth present a particularly challenging environment for companies. Financial reporting needs to set out the impact of these issues on their business, and the assumptions which underpin the values of assets and liabilities in financial statements. Significant changes in discount rates and future cash flows are expected as a result and they should be highlighted.

The impacts of uncertainty on companies' narrative reporting and financial statements are numerous, but the FRC sets out its clear disclosure expectations for 2023/2024:

- Disclosures about uncertainty should be sufficient to meet relevant requirements *and* for users to understand the positions taken in the financial statements.
- The strategic report should give a clear description of the risks facing the business, the impact of these risks on strategy, business model, going concern and viability, and disclosures should be cross-referenced to relevant detail in the report and accounts.
- Transparent disclosure should be provided of the nature and extent of material risks arising from financial instruments.

Preparers should take a step back to consider whether the annual report, as a whole, is clear, concise and understandable and whether additional information, beyond the requirements of the standards, is necessary to understand particular transactions, events or circumstances.



Climate-related reporting

Climate-related reporting continues to progress with the new Companies Act requirements, effective for periods commencing 6 April 2022, requiring more entities to include climate-related financial disclosures within the annual report. These are largely aligned with the Taskforce on Climate-Related Disclosures (TCFD) recommendations, but do not include the 'comply or explain' provision for items that would have a material impact on the entity.

Climate-related risks remains an area of ongoing focus for the FRC as they embed the review of these disclosures into their routine annual reviews. The FRC has highlighted that it expects companies to provide improved disclosure explaining the linkage between narrative reporting on uncertainties such as climate change, and the assumptions made in the financial statements.

In respect of TCFD disclosures, the FRC notes that sustainability reporting requirements continue to evolve and companies are still at very different stages in their reporting in this area. The FRC expect in scope entities to provide a clear statement of consistency with TCFD which explains, unambiguously, whether management considers they have given sufficient information to comply with the framework in the current year. Companies must, in any case, comply with the new mandatory requirements for disclosure of certain TCFD-aligned information.

In relation to the specific thematic on metrics and targets they highlighted five areas of improvement:

- the definition and reporting of trust-specific metrics and targets, beyond headline 'net zero' statements;
- better linkage between companies' climate-related metrics and targets and the risks and opportunities to which they relate;
- the explanation of year-on-year movements in metrics and performance against targets;
- transparency about internal carbon prices, where used by companies to incentivise emission reduction; and
- better linkage between climate-related targets reported in TCFD disclosures and ESG targets disclosed in the Directors' Remuneration Report.



FRC's areas of focus (cont.)



Impairment of assets

Heightened economic uncertainty, high inflation and higher interest rates have resulted in more instances of impairment or reductions in headroom, prompting the need for more detailed disclosures under IAS 36. The FRC notes that many of the queries it has raised with companies in the past year would have been avoided by clearer, more complete disclosures.

Disclosures should provide key inputs and assumptions applied, along with relevant values and sensitivity information where impairments could arise from reasonably possible changes in assumptions.

Assumptions should be consistent with information provided elsewhere in the annual report and with the wider economic environment; where there are inconsistencies, these should be explained.

Discount rates should be consistent with the assumptions in the cash flow projections, particularly in respect of risk and the effects of inflation.

Judgements and estimates

Most of the FRC's queries related to estimation uncertainty, and often involved disclosures which either did not contain sufficient information to be useful, or which appeared inconsistent with disclosures given elsewhere.

Disclosures should explain the significant judgement and provide quantified sensitivities where there is a significant source of estimation uncertainty. This includes judgements relating to the going concern assessment and accounting for inflationary features, including the use of discount rates. Sensitivity disclosures should be meaningful for readers, remain appropriate in current circumstances, explaining significant changes in assumptions and the range of possible outcomes since the previous year.

The FRC highlights the need for disclosures to clearly distinguish between estimates with a significant risk of a material adjustment to carrying amounts within the next year, and other sources of estimation uncertainty.

Cash flow statements

Cash flow statements have again been an area where the FRC have raised many queries and it remains one of the most common causes of prior year adjustments. Most queries raised by the FRC relate to unusual or complex transactions which have not been appropriately reflected in the cash flow statement.

Companies should ensure that descriptions of cash flows are consistent with those reported elsewhere in the report and accounts, with non-cash investing and financing transactions being excluded, but disclosed elsewhere if material.

In addition, companies should ensure that cash flows are appropriately classified between operating, financing and investing, and cash flows should not be inappropriately netted. Cash and cash equivalents should comply with the relevant definitions and criteria in the standard.

Strategic report and other Companies Act 2006 matters

Strategic reports should focus not only on financial performance but should also explain significant movements in the balance sheet and cash flow statement. They should articulate the effect of principal risks and uncertainties facing the business, including economic and other risks such as inflation, rising interest rates, supply chain issues, climate-related risks and labour relations.

In addition, the FRC reminds companies that they should comply with the legal requirements for making distributions and repurchasing shares including, where relevant, the requirement to file interim accounts to support the transaction.

Financial instruments

Companies should ensure that the nature and extent of material risks arising from financial instruments (including inflation and rising interest rates), and related risk management, are adequately disclosed.

This includes disclosures being sufficient to explain the approach and significant assumptions applied in the measurement of expected credit losses, including concentrations of risk, and assessments should be reviewed and adjusted for forecast future economic conditions.

The effect of refinancing and changes to covenant arrangements should be explained, with information about covenants being provided unless the likelihood of a breach is remote.

Lastly, the FRC reminds companies that cash and overdraft balances should be offset only when the qualifying criteria have been met.

FRC's areas of focus (cont.)



Income taxes

Following their thematic review last year, the FRC reminds companies that the nature of evidence supporting the recognition of deferred tax assets should be disclosed, and should factor in any difficult economic environment.

Additionally, companies should ensure tax-related disclosures are consistent throughout the annual report, uncertain tax positions are adequately disclosed, and material reconciling items in the tax rate reconciliation are presented separately and appropriately described.

Provisions and contingencies

Clear descriptions of the nature and uncertainties for material provisions or contingent liabilities, the expected timeframe and the basis for estimating the probable or possible outflow should be provided.

Inputs used in measuring provisions should be consistent in the approach to incorporating inflation, and details of related assumptions should be provided.

Revenue

Where variable consideration exists, companies should provide sufficient disclosure to explain how it is estimate and constrained.

Accounting policies and relevant judgement disclosures should be provided for all significant performance obligations. Those disclosures should address in sufficient detail the timing of revenue recognition, the basis for recognising revenue over time and the methodology applied.

Lastly, the FRC reminds companies that inflationary features in contracts with customers, and the accounting for such clauses, should be adequately disclosed and clearly explained.

Presentation of financial statements and related disclosures

The FRC expects companies to disclose trust-specific information to meet the overall disclosure objectives of relevant accounting standards, and not just the narrow specific disclosure requirements of individual standards. They set out a clear expectation that additional information (beyond the minimum requirements of the standards) should be included where needed.

Fair value measurement

Fair value measurement has returned this year as one of the FRC's top ten issues raised in their correspondence with companies, and this has been the topic of a [thematic review](#). Common queries raised include the omission of sensitivity disclosures and the quantification of unobservable inputs into fair value measurements.

The FRC reminds companies that they should use market participants' assumptions, rather than their own, in measuring fair value.

Thematic reviews

During the year FRC has issued Thematic reviews on the following topics:

- Climate-related metrics and targets
- IFRS 13 Fair value measurement
- IFRS 17 Insurance contracts – Interim disclosures in the first year of application

2023/24 review priorities

The FRC has indicated that its 2023/24 reviews will focus on the following sectors which are considered by the FRC to be higher risk by virtue of economic or other pressures:

 Travel, hospitality and leisure

 Construction materials

 Retail and personal goods

 Gas, water and multi-utilities

ISA (UK) 315 Revised: changes embedded in our practices



Summary

In the prior period, ISA (UK) 315 Revised “Identifying and assessing the risks of material misstatement” was introduced and incorporated significant changes from the previous version of the ISA.

These were introduced to achieve a more rigorous risk identification and assessment process and thereby promote more specificity in the response to the identified risks. The revised ISA was effective for periods commencing on or after **15 December 2021**.

The revised standard expanded on concepts in the existing standards but also introduced new risk assessment process requirements – the changes had a significant impact on our audit methodology and therefore audit approach.

What impact did the revision have on audited entities?

With the changes in the environment, including financial reporting frameworks becoming more complex, technology being used to a greater extent and entities (and their governance structures) becoming more complicated, standard setters recognised that audits need to have a more robust and comprehensive risk identification and assessment mechanism.

The changes result in additional audit awareness and therefore clear and impactful communication to those charged with governance in relation to (i) promoting consistency in effective risk identification and assessment, (ii) modernising the standard by increasing the focus on IT, (iii) enhancing the standard’s scalability through a principle based approach, and (iv) focusing auditor attention on exercising professional scepticism throughout risk assessment procedures.

Implementing year 1 findings into the subsequent audit plan

Entering the second year of the standard, the auditors will have demonstrated, and communicated their enhanced insight into their understanding of your wider control environment, notably within the area of IT.

In year 2 the audit team will apply their enhanced learning and insight into providing a targeted audit approach reflective of the specific scenarios of each entity’s audit.

A key area of focus for the auditor will be understanding how the entity responded to the observations communicated to those charged with governance in the prior period.

Where an entity has responded to those observations a re-evaluation of the control environment will establish if the responses by entity management have been proportionate and successful in their implementation.

Where no response to the observations has been applied by entity, or the auditor deems the remediation has not been effective, the audit team will understand the context and respond with proportionate application of professional scepticism in planning and performance of the subsequent audit procedures.

What will this mean for our on-going audits?

To meet the on-going requirements of the standard, auditors will each year continue to focus on risk assessment process, including the detailed consideration of the IT environment.

Subsequent year auditor observations on whether entity actions to address any control observations are proportionate and have been successfully implemented will represent an on-going audit deliverable.

Each year the impact of the on-going standard on your audit will be dependent on a combination of prior period observations, changes in the entity control environment and developments during the period. This on-going focus is likely to result in the continuation of enhanced risk assessment procedures and appropriate involvement of technical specialists (particularly IT Audit professionals) in our audits which will, in turn, influence auditor remuneration.

ISA (UK) 240 Revised: changes embedded in our practices



Ongoing impact of the revisions to ISA (UK) 240

- ISA (UK) 240 (revised May 2021, effective for periods commencing on or after 15 December 2021) *The auditor's responsibilities relating to fraud in an audit of financial statements* included revisions introduced to clarify the auditor's obligations with respect to fraud and enhance the quality of audit work performed in this area. These changes are embedded into our practices and we will continue to maintain an increased focus on applying professional scepticism in our audit approach and to plan and perform the audit in a manner that is not biased towards obtaining evidence that may be corroborative, or towards excluding evidence that may be contradictory.
- We will communicate, unless prohibited by law or regulation, with those charged with governance any matters related to fraud that are, in our judgment, relevant to their responsibilities. In doing so, we will consider the matters, if any, to communicate regarding management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud.

Matters related to fraud that are, in our judgement, relevant to the responsibilities of Those Charged with Governance

Our assessment of the risks of material misstatement due to fraud may be found on page 6. We also considered the following matters required by ISA (UK) 240 (revised May 2021, effective for periods commencing on or after 15 December 2021) *The auditor's responsibilities relating to fraud in an audit of financial statements*, to communicate regarding management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud:

- Concerns about the nature, extent and frequency of management's assessments of the controls in place to prevent and detect fraud and of the risk that the financial statements may be misstated.
- A failure by management to address appropriately the identified significant deficiencies in internal control, or to respond appropriately to an identified fraud.
- Our evaluation of the entity's control environment, including questions regarding the competence and integrity of management.
- Actions by management that may be indicative of fraudulent financial reporting, such as management's selection and application of accounting policies that may be indicative of management's effort to manage earnings in order to deceive financial statement users by influencing their perceptions as to the entity's performance and profitability.
- Concerns about the adequacy and completeness of the authorization of transactions that appear to be outside the normal course of business.

Based on our assessment, we have no matters to report to Those Charged with Governance.

Newly effective accounting standards



Standards	Expected impact				Effective for years beginning on or after			Early adoption permitted
	High	Moderate	Low	None	01 Jan 2023	01 Jan 2024	1 Jan 2025	
IFRS 17 Insurance Contracts, including amendments Initial Application of IFRS 17 and IFRS 9 – Comparative Information (not adopted into the FREM, this will apply from 2025 onwards for NHS entities)			●					
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)			●		✓			
Definition of Accounting Estimate (Amendments to IAS 8)			●		✓			
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendments to IAS 12 Income Taxes)				○	✓			
Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendments to IFRS 17) (issued on 9 December 2021)			●		✓			
International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12)				○	✓			
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)			●			✓		✓
Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements)			●			✓		✓
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)				○		✓		✓
Lack of exchangeability (Amendments to IAS 21)				○			✓	✓
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures) *				○				✓
UK legislation on international tax system reform (BEPS)				○		✓		

* The effective date for these amendments was deferred indefinitely. Early adoption continues to be permitted.

Audit quality, evidence & the timeline of completion activities

Audit quality is at the core of everything we do – the quality and timeliness of information received from management and those charged with governance also affects audit quality.

The timeline on this page is for illustration only and shows the timing of our completion activities around the signing of the audit opinion. We depend on well planned timing of our audit work to avoid compromising the quality of the audit. We aim to complete all audit work no later than 2 days before audit signing.

- Key:
- ◆ One day activity
 - Activity over a period of time
 - Year end
 - Signing date of the Audit Report

Weeks before signing Audit Opinion	-3 weeks			-2 weeks		-1 week		Completion week			Teams involved in the process
Individual day's activities	Day 1	Day 3	Day 5	Day 1	Day 5	Day 1	Day 3	Day 5			
Audit report Reviews, Consultation	■								■	Audit Team	
Final audit fieldwork	■								■	Audit Team	
Review significant risk audit areas and challenge work performed		■							■	RI	
Ensure points raised by Audit Report review are dealt with		■							■	RI	
Review Audit Committee report and draft accounts		■							■	RI	
KPMG Audit Committee report issued			◆						■	Audit Team	
Final Audit Committee					◆				■	Audit Team	
Ensure Audit Report review points have been satisfactorily dealt with								◆	■	Audit Team	
Final audit field work completed and signed off								■	◆	Audit Team	
Stand-Back review									◆	Audit Team	
Ensure all points raised are cleared									◆	RI	





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Agenda item 6.1

Report to:	Council of Governors	Date: 18 September 2024
Report from:	Chair of the Audit Committee	
Principal Objective/ Strategy and Title	GOVERNANCE: To update the Council of Governors on the work of the Audit Committee	
Board Assurance Framework Entries	FSRA BAF (Unable to maintain financial, operational, and clinical sustainability)	
Regulatory Requirement	Regulator licensing and Regulator requirements	
Equality Considerations	Equality has been considered but none believed to apply	
Key Risks	Non-compliance resulting in financial penalties	
For:	Information	

1. Introduction

Role of Audit Committee

Is to support the governing body by critically reviewing and reporting on the robustness of the governance structures and assurance processes on which the Trust places reliance.

This will include:

- Receiving reports from External Auditors and Internal Auditors including Local Counter Fraud,
- Review of Annual Reports and Accounts for the Trust and the Charity,
- Review of the Trust’s financial position and its sustainability,
- Getting assurance that the process for the Board Assurance Framework is robust and constantly reviewed.

2. Summary of Work since the last report

Annual Accounts and Reports for 2023/24

I am pleased to report the audit for the Trust for 2023/24 went without any problems and the External Auditors (KPMG) were able to sign off the accounts as giving a true and fair view of its financial performance and position of the Trust.

The annual accounts and report 2023/24 for the Charity is in the process of being completed and the report received at the Charitable Funds Committee on the 12 September was that so far there were no issues. The final accounts will be submitted to the Audit Committee in October 2024. This is because the submission dates for the Charity is December rather than June as it is for the Trust.



















Internal Audit

Nine Audits as shown in the table below, were conducted in 2023/24 by Internal Auditor BDO, of which seven were given the second highest level of assurance at “Moderate Assurance. This means that the controls meet expectations and the audit work provides assurance that the arrangements should deliver the objectives and risk management aims of the organisation in the areas under review. There is some risk of failure or non-compliance.

The audit for Key Financial Systems received the highest level of assurance at Substantial.

One other audit, Equality, Diversity and Inclusion was only done on an Advisory basis and was deemed to have a high level of compliance.

The two audits that were given limited assurance on effectiveness, Performance and Appraisal and, Safer Staffing & Data Quality did not raise any issues that was unknown to management but assisted with focusing on the solutions.

	DESIGN	EFFECTIVENESS
Divisional Governance - Cardiology	 Substantial	 Moderate
Performance and Appraisal	 Moderate	 Limited
Safer Staffing and Data Quality	 Moderate	 Limited
Salary Overpayments	 Moderate	 Moderate
Key Financial Systems	 Substantial	 Substantial
Charitable Funds	 Moderate	 Moderate
Recruitment, On-Boarding and Retention	 Substantial	 Moderate
Data Security & Protection Toolkit	 Moderate	 Moderate
Equality, Diversity & Inclusion	 Advisory	 Advisory

Local Counter Fraud

No frauds have been reported by the Trust to date.

Annual Counter Fraud Report – Submission to the NHSFCA

The Counter Fraud Functional Standard Return (CFFSR) is due for submission by 31 May 2024 and the final assessment was presented to the Committee for consideration.

The CFFSR is an assessment carried out by LCFS to determine whether the Trust can give assurance against the thirteen NHS Counter Fraud Authority (NHSCFA) Functional Standards. Using the standard RAG ratings, the final assessment by LCFS is that the Trust is overall Green with 11 of the 12 standards being green and one red as shown below.

- 1a. Accountable individual GREEN
- 1b. Senior Engagement GREEN
2. Strategy GREEN
3. Risk Assessment GREEN
4. Policy and Response Plan GREEN
5. Annual Action Plan GREEN
6. Outcome-based Metrics GREEN
7. Reporting Routes GREEN
8. Report identified loss RED
9. Trained Investigators GREEN
10. Detection Activity GREEN
11. Access to Training GREEN
12. Gifts and Hospitality GREEN

Whilst the red assessment has not affected the overall Green rating a discussion was held about the red rating and concluded that it is outside of the control of the Trust.

The red assessment has been given because LCFS did not put onto the NHSCFA reporting system (rightly so) the claim with no foundation that was investigated and reported to the Board on February 2024. The Audit Committee concurred with the LCFS that this should be assessed as red as NHCFA would not allow us to report as green or amber but we have made comments in the return as to why we disagree with this forced assessment. RPH is not alone in this as several other Trusts have complained about having to put a red rating due to similar circumstances.

Board Assurance Framework (BAF)

The BAF has been a focus for the Audit Committee and regular reviews and assessments of risks 20 or higher or have limited assurance on the BAF are made and reported to the Audit Committee.

The Audit Committee is also looking at ways to ensure that Committees can give a level of assurance of any risks or issues facing the Trust. This in turn will give Governors confidence that the NEDs are obtaining and assessing their assurance on significant matters.

3. Conclusion

At present, there are no major concerns in terms of controls and governance of the Trust.

Agenda item 6.3

Report to:	Council of Governors	Date: 18 September 2024
Report from:	Diane Leacock, NED & Chair of the Strategic Projects Committee	
Principal Objective/Strategy/Title	GOVERNANCE: To update the Council of Governors on the work of the Strategic Projects Committee	
Board Assurance Framework Entries	858, 3449	
Regulatory Requirements	Well Led/Code of Governance	
Equality Considerations	To have clear and effective processes for assurance of Committee risks	
Key Risks	None believed to apply	
For	Assurance to the Council of Governors	

Overview

Since the last Council of Governors meeting in June, the Strategic Projects Committee (SPC) met twice – in June and in August.

In the main, SPC has examined work done in the area of Digital technology, including the electronic patient record, working with our partners, and research & development.

There are two BAF risks assigned to the committee:

1. Electronic patient record, optimising its use and its future
2. Working with our campus partners, in particular industry and the university.

These risks are scrutinised each meeting and the mitigations examined and challenged where appropriate.

Specific areas of discussion focused on the following:

Digital – The committee was updated on the progress on implementation of the new **Shared Care Record** across Cambridgeshire and Peterborough Integrated Care System. The Shared Care Record will allow for sharing of electronic patient information with relevant health care practitioners in one click, enabling joined up, more efficient patient care. This system is due to go live later this month. The committee sought assurance from the CIO on data security in relation to this implementation.

Electronic Patient Record – the committee has been examining the work being done to prepare an Outline Business Case to detail the need for investment in a new fully integrated electronic patient record (EPR) for the Trust, as the existing vendor will be retiring the current EPR from 2027 and support will cease in 2029. A new EPR will improve patient experience, working with healthcare partners, data quality, system performance and resilience. The aim is to improve patient experience by collecting data once, demonstrating understanding of a patient’s history, and to provide access for patients to support care planning and decision making.

Working with our campus partners is progressing well and will achieve improved outcomes for our patients through research, innovation and joint working. We have met with our CUH colleagues via a joint board to board meeting, and the executive teams have held jointly to further explore and progress joint working. We plan to follow up progress on joint working with CUH via a board to board meeting.

Research and Development - A report on the progress made on the Research and Development Strategy was received. The committee noted improvements in the time it takes for research requests to be approved and challenged that colleagues should investigate whether this timeline be reduced further. Some non-medical research grants have been awarded recently. There is a recognition that more needs to be done to ensure that there is wide and diverse representation in research participants.

Looking ahead, SPC will be the key board committee overseeing the development of the Trust’s new 5 year strategy.

The Council of Governors is asked to note the contents of this report.

Lead Governor's Report for CoG 18/9/2024

July and August saw Governor elections for Norfolk, Suffolk and Cambridgeshire. I welcome newly elected Governors and thank those who are stepping down for your hard work.

Since our last CoG in June governors have attended both governor led committees (PPI, FPC, A+F) and board assurance committees.

The ToR of all governor committees have been discussed in a series of meetings over the last couple of months. The ToRs are in the pack for Governor approval.

I attended CoG at CUH as an observer for their June meeting.

I have also met with Kevin Burdett, who is Lead Governor at NWAFT. We discussed the possibility of working together on engaging members as they are also part of the Cambridge and Peterborough ICS. Kevin has sent me details of the NWAFT governor who leads on membership.

The regional meeting of Lead Governors has taken place, but unfortunately I was unable to attend at very short notice due to a family problem. I have not seen any minutes.

The ICB are holding a meeting for all Governors in the Cambridgeshire and Peterborough ICS on **8/10/2024 at 4-6pm on Teams**. There will be two talks run by the ICS on social services provision and a yet undecided topic, and the Lead Governors have been asked to run the final talk. We have met and chosen "Supporting Public Involvement in Improving Patient Experience" as our theme. We hope to have a few short points from myself and Neil Stutchbury (LG at CUH) and then move to break out rooms to allow governors to share positive experiences from their trust's PPI with the aim to inspire better practice across the patch.

On Friday 13/9/2024 I attended a board workshop on the EPR programme. I am assured that patient safety and experience is high on the priorities of the EPR team and the board. Governors who wish to give their thoughts as members of the public have been invited to attend a Patient Portal feedback session on 23/9/2024.

Election Results 2024 – Associate Director of Corporate Governance on behalf of the Returning Officer, CES

Public Constituency – Suffolk 2 Governors to elect 3 Candidates Trevor MCLEESE Vivienne BUSH	Public Constituency – Cambridgeshire 2 Governors to elect 11 Candidates Ian HARVEY Rachel MAHONY
Public Constituency – Norfolk 2 Governors to elect 2 Governors elected unopposed Deborah COOPER Martin Kenneth HARDY-SHEPHERD	Staff Constituency: Ancillary, Estates and Others 1 Governor to elect No valid nominations were received

Please note the following:

1. All governors have been elected to serve a three-year term.
2. Stephen Brown, Doug Burns, Yvonne Dunham and Roger Burnay have left the Council of Governors.

Reports/Observations from Chairs of Governor Committees

Committee Name	Forward Planning Committee
Committee Chair Name	Dr Susan Bullivant
Meeting Date	10 July 2024

Further to the last CoG meeting, Eilish Midlane and Dr Susan Bullivant met to discuss the agenda of the next FPC meeting in July 2024 and the ToR for the committee.

This meeting was very productive and draft ToR were produced which the committee reviewed at its meeting, changes incorporated, and it was proposed they be presented to the next CoG. Subsequent to this some changes have been made following discussions between Chairs of Governor Committees, EM and the Chair of Trust, JA, to get some consistency across committees.

It was agreed that the FPC would play a part in the development of the Trust's 5 Yr Strategic Plan and discussed ways in which all Governors could have the opportunity to input perhaps in a workshop say.

The Chair of Strategic Projects Committee would also become a member of FPC. A Governor member of FPC would also be elected as Deputy Chair.

Updates were given on ICB, CUHP and the Biomedical Campus.

Operational plans were presented and discussed. This included the benefits of the HLRI to the Trust. It was decided to invite the Director of HLRI, Dr Charlotte Summers to the next meeting to give a presentation. This would enable the FPC to get a better understanding of the current and future benefits thus better able to fulfil its role.

PIPR was also presented and discussed. The minutes provide more detail on all the above.

It was agreed that an abridged version of the BAF report would be a standing agenda item of this committee.

Agreeing the agenda items with EM provides a good model for the way forward.

Committee Name	Patient and Public Involvement Committee
Committee Chair Name	Marlene Hotchkiss/Ian Harvey
Meeting Date/Reporting Period	12 August 2024

Verbal Update

Committee Name	Access and Facilities Group
Committee Chair Name	Trevor McLeese
Meeting Date	22 July 2024
<p>Main Updates at last A & F 22/7/24 July and at 13/9/24 kindly supplied by Kirsty Mains in Estates.</p> <ol style="list-style-type: none">1. Extra coffee machine in canteen. OCS are liaising with Skanska to look at helping with queues and this will then go to Water Safety Group for approval. Estates advised this is making progress.2. Wheelchairs in Atrium have improved with support from volunteers and the tagging to retrieve wheelchairs for atrium. Latest - Estates has asked for someone to attend the next round of tagging from the Volunteer Team to show them how to use the "finder" system. I understand the additional tags have been slow to arrive, however Estates is making progress with colleagues to complete this now.3. Estates are working with Skanska colleagues to install the wheelchair lower hand gel dispensers, starting with an initial batch on the Ground Floor imminently. Hopefully we should start to see some of these in the next week or so going into place as Estates have been pushing to get this done.	

Item 10

Report to:	Council of Governors	Date: 18 September 2024
Report from:	Chairman/Lead Governor	
Principal Objective/ Strategy and Title:	Update on Actions (You Asked; The Plan)	
Board Assurance Framework Entries:	N/A	
Regulatory Requirement:	Well Led	
Equality Considerations:	Equality has been considered but none believed to apply	
Key Risks:	Governors are not able to effectively discharge their responsibilities. Inadequate governance processes and oversight.	
For:	Review and comment.	

1. Purpose

- 1.1 This paper provides the progress achieved against the overview of the outputs of discussions between the Chairman and the Lead Governor, following a meeting between some of the governors and Non-Executive Directors, on how the Council of Governor (CoG) meetings, the nature and range of interaction between governors and Non-Executive Directors (NEDs) and the general support to governors can be developed further.
- 1.2 The areas of improvement set out below are intended to enable governors to discharge more readily their obligations whilst also continuing to respect the complementary but discretely different obligations expected of NEDs. It is hoped that by addressing the key issues described in this paper we are able to make greater use still of the wealth and breadth of experience governors bring to the Trust.

2. Areas for Improvement

2.1 *NED Appraisal Process:*

The Chairperson is accountable for undertaking NED appraisals and the Senior Independent Director (SID) for the Chairperson’s appraisal. It is acknowledged that for the appraisal process to be comprehensive and of sufficient rigour the process needs to ensure that governors feedback and observations are systematically gathered. This is in addition to the role of the Appointments Committee in reviewing the performance of Non-executive Directors.

In Autumn 2024 NHSE will publish new appraisal documentation for Non-Executive Directors and Executive Directors to align with the new national Board Leadership Competency Framework. We will integrate this into our process when it is published and use it for the 24/25 cycle.

Update: NHSE is yet to publish the new appraisal documentation

2.2 *Additional mechanisms for governors holding NEDS to account:*

The following opportunities were identified:

- governor contributions invited at NED-chaired committees rather than just observer status
- questions from governors at Part I Board meetings,
- NEDs (rather than executive colleagues) leading the responses to governor questions at the CoG meetings,
- a regular schedule of written/verbal reports to the CoG from NED Committee chairs.

Update: Implemented

2.3 *Council of Governor meetings.*

Following on from positive feedback about the March CoG meeting, it was agreed that Governor Committee Chairs would provide short written summaries of their committee meetings to the CoG. Governors would also share feedback at the CoG from other governor activities with which they have been engaged, e.g. 15 Steps / Visibility Rounds.

The timings for the CoG meeting have already been changed so that governor hold their closed meeting first and the open meeting second allowing NEDs and executive colleagues to remain after the formal meeting to engage informally with governor colleagues.

The planning for the CoG meetings will be improved by having a meeting one month before the formal CoG meetings to agree the agenda thus allowing time for items to be properly prepared. The CoG agenda should continue to focus on key strategic issues/risks for the Trust that are in the remit of governors.

Developing a forward planner for CoG was also agreed to be appropriate.

Update: Implemented – Agenda Planner attached as Appendix 1 (Item 10.1)

2.4 *Governor led committees.*

It was agreed there was a need to review all of the governor led committees to ensure that terms of references are appropriate and current, to review membership and attendance, to limit any duplication and to ensure that there are no gaps in respect of what governor committees should be covering. A questionnaire was circulated to Governors to help inform this work. The outputs of this survey are provided in Item 12 on the agenda.

It was also identified that annual self-assessment of governor-led committees would be beneficial to ensure that was also considered. These steps would assist in ensuring we have the most appropriate governor committee structures in place.

Update: Implemented – Committee Annual Self-Assessments scheduled.

2.5 *General support for governors.*

Consideration will be given to how we ensure that all governors are enabled to fully participate in meetings and that information is provided in suitably accessible ways including the use of a reference pack for the CoG meetings and the Appointments Committee. There was also a specific request for organograms for the key committees/ for the governor, NED and key Trust committees.

The support for governors will also be reviewed to consider how, within the resources available, this can be improved.

Update: Implemented – Reference Pack CoG and Appointments Committee meetings

Update: To be progressed – Organograms of key Committees

2.6 *Training and development for governors.*

There is an induction programme for new Governors, and this will be reviewed to ensure it is meeting the needs of new appointees. A programme of refresher/ongoing development will be developed. It was also agreed that the governor handbook would be refreshed.

Update: Progressed – Review of Induction Programme being undertaken

Update: Progressed – NHS Providers have agreed to the provision of ongoing support which the Trust will fund. Precise format to be determined.

Update: Progressed – Governor handbook being refreshed

2.7 *Membership.*

It was acknowledged that in order for Governors to be actively engaging with members to represent their views at the CoG we need to both increase the membership, which has been falling for some time, and to put in place channels of communication between Governors and members. There has not been the capacity over the last couple of years to support this but in the 24/25 planning round an additional post was approved which will provide capacity for this.

Update: Progressed – Draft strategy meetings held and a Membership Officer is being recruited in September 2024 to progress the development of the strategy.

3. Update on Facilities and Access Issues

A number of facilities and access issues had been raised by Governors. There were discussed at the last CoG meeting. Attached as an Appendix is an update on the actions being taken to address these issues.

Update: To be progressed as business-as-usual activities through Governors' Access and Facilities Group.

The Council is requested to:

- Review and comment on the contents of the paper

CoG Agenda Planner

	Items/Reports
Standing Agenda Items	<ul style="list-style-type: none"> • Staff/Patient Story • Reports/Observations from Chairs of Governor Committees • Reports on other Governor Activities (Including from Appointed Governors) • Governor Committees Membership • Minutes of Governor Committees • Papworth Integrated Performance Report (For information)
Month of Meeting	Items/Reports
March	<ul style="list-style-type: none"> • Audit Committee • Quality and Risk Committee • Strategic Projects Committee
June	<ul style="list-style-type: none"> • Performance Committee • Workforce Committee
	<ul style="list-style-type: none"> • Council of Governor Committees Annual Self-Assessment Reports • Council of Governors Annual Self-Assessment Report
September	<ul style="list-style-type: none"> • Audit Committee • Quality and Risk Committee • Strategic Projects Committee
	<ul style="list-style-type: none"> • Annual Report and Accounts (Inc Annual External Audit Report and ISA 260) • Governor Election Results • Council of Governor Committees Terms of References • Council of Governors Terms of Reference •
November	<ul style="list-style-type: none"> • Performance Committee • Workforce Committee • Charitable Funds Committee

Agenda Item 11

Report to:	Council of Governors	Date: 18 September 2024
Report from:	Associate Director of Corporate Governance	
Principal Objective/Strategy:	GOVERNANCE	
Title:	Reviews of Terms of References for Council of Governors and the Council of Governor Committees	
Board Assurance Framework Entries:	-	
Regulatory Requirement:	CQC Regulation 17: Good governance	
Equality Considerations:	Equality has been considered but none believed to apply	
Key Risks:	None compliance with regulatory requirements	
For:	<p>The Council is asked to:-</p> <ol style="list-style-type: none"> 1. Note that steps are being taken to develop a Terms of Reference for the Council of Governors 2. Approve the updated Terms of References as recommended by the Chairs of Council of Governor Committees 	

1 Purpose

- 1.1 For the Council of Governors to note that steps were being taken to progress the development of a Terms of Reference for the Council. A meeting is being arranged for this to be undertaken.
- 1.2 For the Council to review and approve the five updated Terms of References as recommended by the Chairs of the Council of Governor Committees (Committees from here on).
- 1.3 The five updated Terms of References are for the following Committees:
 - i. Governors Assurance Committee
 - ii. Access and Facilities Committee
 - iii. Appointments Committee
 - iv. Patient and Public Involvement Committee
 - v. Forward Planning Committee

2 Terms of References

- 2.1 As an action from the June 2024 Council of Governors meeting, the Chairman, Chief Executive, Lead Governor (also the Chair of two Committees) and three Chairs of Committees met three times in July and August 2024 to review and update the five Terms of References.
- 2.2 The updated Terms of References can be found attached with amendments shown as tracked changes.

3 Recommendation

The Council is asked to:-

- 3.1 **Note** that steps are being taken to develop a Terms of Reference for the Council of Governors.
- 3.2 **Approve** the updated Terms of References as recommended by the Chairs of Council of Governor Committees.

Document title: **GOVERNORS' ASSURANCE
Committee of the Council of
Governors: Terms of Reference**

Document number: **TOR009**

Staff involved in Development (job titles):	<u>Associate Director of Corporate Governance</u> Trust Secretary <u>Director of Workforce and Organisational Development</u> Director of Human Resources Committee Members
Document author/owner:	<u>Chief Executive Officer</u> Trust Secretary
Directorate:	Chief Executive's <u>Office</u>
Department:	Chief Executive's <u>Office</u>
For use by:	Governors' Assurance Committee
Review due:	As required <u>---xx xxxx 2027</u>
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Key points of this document

- Terms of Reference for a Committee of the Council of Governors.

1 Constitutional Authority:

- 1.1 The Governors' Assurance Committee is a Committee of the Council of Governors. The Committee has no powers, other than those delegated in these terms of reference or assigned to it by the Council, ~~from time to time~~. The Committee is an advisory Committee to the Council of Governors.

2 Purpose/Objectives:

- 2.1 Provide assurance, overview and monitoring for the Council on:

- ~~—Governor/membership engagement;~~
- ~~—Governor training/induction;~~
- ~~—Governor statutory duties/foundation trust good practice;~~
- ~~Constitution changes relating to the above;~~
- The support for Staff Governors to fulfill the remit of their role;
- The attendance of Council of Governor meetings by Governors in compliance with Section 11.18 of the Trust Constitution (Section 11:18 stipulates that where there is a failure to attend two consecutive meetings in any financial year and to ensure that the absences were due to reasonable causes and that the Governor will be able to start attending meetings again within a reasonable period);

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3 Delegated Authority:

- 3.1 The Governors' Assurance Committee is authorised by the Council of Governors to consider items relevant to the discharge of its duties and to seek information it requires from the Board and the Executive Team.
- 3.2 The Committee has no further delegated authority.

4 Duties:

4.1 Governor/membership engagement

To oversee the discharge of Governor duties in relation to representing the interests of Trust members and the public.

To receive the reports and recommendations of the Membership Committee

4.2 Governor training/induction

To review and advise on whether appropriate systems are in place for Governors to discharge their duties in relation to Monitor guidance and local

4.3 Governor statutory duties/FT good practice

To keep under review, and make recommendations to the Council of Governors regarding the various policy and procedure documents relating to the Council of Governors, in particular those relating to statutory duties.

To review the terms of reference of the Committee ~~from time to time~~ every three years.

To carry out any other task as required ~~from time to time by~~ the Council of Governors.

4.4 Constitution

Where appropriate and timing permits to consider changes to the Constitution and make recommendations to the Council of Governors.

5 **Membership/Attendance:**

Voting Membership

5.1 The Lead Governor (Chair),

~~5.1 The Chairs of and members of the Governors' Assurance Committee~~

~~5.2 shall be agreed with the Council of Governors' Committees, one of whom will be the designated Deputy Chair of the Committee.~~

~~5.2 The Committee shall be made up of at least six Council of Governor members, the Chair of the Audit Committee and members of the Trust Board and others co-opted by the Committee.~~

~~Chair: The Lead Governor (or other Governor agreed with the Council of Governors).~~

~~The Chair of the Audit Committee and~~

~~The Senior Independent Director (If they are also not the Chair of the Audit Committee)~~

Quorum

5.3 The Committee shall be deemed quorate if there is representation of a minimum of ~~three~~four Governors.

5.4 The following will be invited to attend:

- Trust Board Chairman
- Director of ~~Human Resources~~Workforce and Organisational ~~(Development~~ (Executive Lead)
- ~~Trust Secretary~~Associate Director of Corporate Governance
- ~~Head of Corporate Services~~Other colleagues, including members of the Trust Board, can be invited as required

~~Other Board representatives may be invited depending on business.~~

~~5.5 Other Executive Directors shall be invited to attend, particularly when the Committee is discussing areas that are the responsibility of that Director.~~

Lengths of Term of Committee Chair and Members (excluding posts filled by Papworth Hospital staff)

5.5 The length of term, which should be aligned to the election cycle for Governors, should be agreed between the relevant Committee Chair/Member and other Members of the Committee, at the date of the first meeting. Where possible, lengths of terms should be staggered to allow a

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modest turnover of members.

5.6 Terms will be eligible for renewal, for one further term only.

5.6 The Committee will review its membership annually as part of a general review of its terms of reference. This review will be reported to the Council of Governors through the Committee's minutes.

5.7 Where possible, lengths of term shall be staggered to minimise the disruption to the running of the Committee.

6 Meetings:

TOR009 Governors' Assurance Committee
Terms of Reference

6.1 In the event of the Chair of the Committee being unable to attend, ~~the remaining members should elect a remaining Governor as Chair for the meeting, the Committee will be chaired by the Deputy Chair.~~

~~6.2 The Associate Director of Corporate Governance will act as Secretary to the Committee and will have the responsibility for ensuring that the Committee's meeting minutes are prepared in an accurate and timely manner. The Committee shall be supported administratively by a member of the Trust's staff.~~

~~6.3 The Committee shall meet as required. Business can also be conducted via formal Committee member email exchange. The Committee is set up as a task and finish group.~~

~~6.46.2~~ Agendas and briefing papers should be prepared and circulated in sufficient time for Committee Members to give them due consideration.

7 Conduct of Business:

7.1 The conduct of business will conform to guidance agreed by the Council of Governors, unless alternative arrangements are defined in these terms of reference.

8 ~~Equality, Diversity and Inclusion Statement~~ Equality Statement:

~~The Committee will ensure that these terms of reference are applied in a fair and reasonable manner that does not discriminate on such grounds as age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.~~

~~The Chair will also ensure that all members and attendees are equally able to express their views on the Committee's agenda items and discussion points. The Committee will ensure that these terms of reference are applied in a fair and reasonable manner that does not discriminate on such grounds as age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race including nationality and ethnicity, religion or belief, sex, or sexual orientation.~~

9 Monitoring/Reporting:

~~9.1 Minutes of Committee meetings should be formally recorded and distributed to Committee Members and Attendees within 10 working days of the meetings. Subject to the approval of the Chair of the Committee, the minutes will be submitted to the Council of Governors at its next meeting and may be presented by the Committee Chair. Minutes of Committee meetings should be formally recorded and distributed to Committee Members and Attendees. Subject to the approval of the Chair, the Minutes will be submitted to the Council of Governors at its next meeting and may be presented by the Committee Chair.~~

~~9.19.2~~ The Chair of the Committee shall, through the Lead Governor and Chair of the Trust Board, draw to the attention of the Board of Directors any issues that require disclosure to the full Board of Directors.

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TOR009 Governors' Assurance Committee
Terms of Reference

9.3 When new guidance or regulations relevant to the Committee are formulated and published by NHSE, the Associate Director of Corporate Governance will, as appropriate, recommend revisions to these terms of reference.

Further document information

Approved by Executive Director/local committee (required for all documents):	Governors' Assurance Committee
Approval date (<i>this version</i>):	6 February 2015 xx xxxx 2024
Approved by Board of Directors or Committee of the Board (required for Strategies and Policies only):	Council of Governors
Date:	9 March 2015 xx xxxx 2024
This document supports: <i>standards and legislation – include exact details of any CQC & NHSLA standards supported</i>	Monitor <u>NHSE</u> Code of Governance <u>for NHS Providers</u> Monitor 'Your statutory duties: A reference guide for NHS foundation trust governors' Health and Social Care Act 2012
Key related documents:	Appointments Committee of the Council of Governors terms of reference Forward Planning Committee of the Council of Governors terms of reference Patient and Public Involvement Committee of the Council of Governors terms of reference
Counter Fraud In creating/revising this document, the contributors have considered and minimised any risks which might arise from it of fraud, theft, bribery or other illegal acts, and ensured that the document is robust enough to withstand evidential scrutiny in the event of a criminal investigation. Where appropriate, they have sought advice from the Trust's Local Counter Fraud Specialist (LCFS).	

Document title: Access and Facilities Group of the Council of Governors: Terms of Reference

Document number: TOR034

Staff involved in Development (job titles):	Trust Secretary Associate Director of Corporate Governance Director of Workforce and Organisational Development Committee Members
Document author/owner:	Director of Workforce and Organisational Development Chief Executive Officer
Division:	Workforce and Organisational Development Chief Executive's Office
Department:	Workforce and Organisational Development Chief Executive's Officer
For use by:	Access and Facilities Group
Review due:	30/10/26 (A&F Group) 30/11/26 (Council of Governors) xx xxx 2027
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Key points of this document

- Terms of Reference for a Committee of the Council of Governors.

1 Constitutional Authority:

- 1.1 The Access and Facilities Group is a Committee of the Council of Governors. The Committee has no powers, other than those delegated in these terms of reference or assigned to it by the Council from time to time. The Committee is an advisory Committee to the Council of Governors.

2 Purpose/Objectives:

- 2.1 Support the Trust's activities and advise the Trust Board accordingly in relation to issues that impact on patients, their relatives and staff.
- 2.2 The principal areas for consideration will be, but not limited to, the following:

~~• Staff Facilities~~

- Patient relatives' accommodation
- ~~Access To~~ and across the site
- PLACE inspections
- Equality and Diversity, including the Equality Delivery System and Workforce Race Equality Standard (WRES)

3 Delegated Authority:

- 3.1 The Access and Facilities Group is authorised by the Council of Governors to consider items relevant to the discharge of its duties and to seek information it requires from the Board and the Executive Team.
- 3.2 The Committee has no further delegated authority.

4 Scope:

- 4.1 To monitor and review public transport arrangements serving Royal Papworth Hospital ~~with particular reference to where staff live.~~
- 4.2 To monitor and review the provision of patient relatives' accommodation
- 4.3 To monitor and review access arrangements on, and within, the Royal Papworth.
- 4.4 To monitor, review and participate in PLACE inspections, as required.
- 4.5 To monitor and review the Trust's compliance with the Equality Delivery System (EDS2) ensuring it meets the general duties of the Equality Act 2010 and the specific public sector Equality Duty.

~~4.6 To monitor the progress against the assessment of EDS3 standards in 2019/20 in line with Goal 2 of Quality Priority 4.~~

5 Membership/Attendance:

Voting Membership

5.1 The Chair and members of the Access and Facilities Group shall be agreed with the Council of Governors.

5.2 The Committee shall be made up of:

- ~~• At least six Council of Governor members, one of whom shall be the formally designated deputy chair of the -and~~
- ~~• the Director of Workforce and Organisational Development~~
- ~~• Director of Estates and Facilities (or nominated Deputy) as Executive Lead for Corporate Governance and others as deemed appropriate (e.g. Patient Advocates and Patient Interest Groups).~~

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Chair: The Lead Governor (or other Governor agreed with the Council of Governors).

Quorum

5.3 The Committee shall be deemed quorate if there is representation of a minimum of ~~three~~four Governors and the Director of Estates and Facilities or their nominated representative.

5.4 The following will be invited to attend

- ~~• Associate Director of Estate and Facilities~~
- ~~• Trust Secretary~~Associate Director of Corporate Governance
- ~~• Head of Business Services~~
- ~~• Project Manager - Cambridge University Health Partners (CUHP)~~
- ~~• Head of Equality Diversity and Inclusion~~

Other Board representatives may be invited depending on business.

5.5 Other Executive Directors shall be invited to attend, particularly when the Committee is discussing areas that are the responsibility of that Director.

Lengths of Term of Committee Chair and Members (excluding posts filled by Papworth Hospital staff)

5.6 The length of term, which should be aligned to the election cycle for Governors, shall be agreed between the relevant Committee Chair/Member and other Members of Committee, at the date of the first meeting. Where possible, lengths of terms should be staggered to allow a modest turnover of members. The Committee will review its



~~membership annually as part of a general review of its terms of reference. This review will be reported to the Council of Governors through the Committee's minutes.~~

5.7 ~~Terms will be eligible for renewal, for one further term only. Where possible, lengths of t shall be staggered to minimise the disruption to the running of the Committee.~~

6 Meetings:

6.1 In the event of the Chair of the Committee being unable to attend, the ~~remaining members should elect a remaining Governor~~Deputy Chair will as Chair for the meeting.

6.2 The Committee shall be supported administratively by a member of the Trust's staff.

6.3 The Committee shall meet quarterly or more frequently as the need arises. Business can also be conducted via formal Committee member email exchange.

6.4 Agendas and briefing papers should be prepared and circulated in sufficient time for Committee Members to give them due consideration.

7 Conduct of Business:

7.1 The conduct of business will conform to guidance agreed by the Council of Governors, unless alternative arrangements are defined in these terms of reference.

8 ~~Equality, Diversity and Inclusion Statement~~Equality Statement:

8.1 The Committee will ensure that these terms of reference are applied in a fair and reasonable manner that does not discriminate on such grounds as age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race including nationality and ethnicity, religion or belief, sex, or sexual orientation.

8.2 The Chair will also ensure that all members and attendees are equally able to express their views on the Committee's agenda items and discussion points

9 Monitoring/Reporting:

9.1 Minutes of Committee meetings should be formally recorded and distributed to Committee Members and Attendees within 10 working days of the meetings. Subject to the approval of the Chair of the Committee, the minutes will be submitted to the Council of Governors at its next meeting and may be presented by the Committee Chair.~~Minutes of Committee meetings should be formally recorded and distributed to Committee Members and Attendees. Subject to the~~

~~approval of the Chair, the Minutes will be submitted to the Council of Governors at its next meeting and may be presented by the Committee Chair. The Chair of the Committee shall draw to the attention of the Board of Directors any issues that require disclosure to the full Board of Directors.~~

9.2 The Chair of the Committee shall, through the Lead Governor and Chair of the Trust Board, draw to the attention of the Board of Directors any issues that require disclosure to the full Board of Directors.

Further document information

Approved by Executive Director/local committee (required for all documents):	Access and Facilities Group
Approval date (<i>this version</i>):	09/05/2019 18/10/23 xx xxxx 2024
Approved by Board of Directors or Committee of the Board (required for Strategies and Policies only):	Council of Governors
Date:	15 November 2023 xx xxxx 2024
This document supports: <i>standards and legislation – include exact details of any CQC</i>	Monitor: The NHS Foundation Trust Code of Governance Updated July 2014 NHSE: Code of Governors for NHS Provider Trusts



Key related documents:		RPH NHSFT Constitution Council of Governors terms of reference					
Equality Impact Assessment: Does this document impact on any of the following groups? If YES, state positive or negative, complete Equality Impact Assessment form from DN507 Single Equality Scheme, and attach.							
Groups:	Disability	Race	Gender	Age	Sexual orientation	Religious & belief	Other
Yes/No:	No	No	No	No	No	No	No
Positive/ Negative:							
Counter Fraud In creating/revising this document, the contributors have considered and minimised any risks which might arise from it of fraud, theft, corruption or other illegal acts, and ensured that the document is robust enough to withstand evidential scrutiny in the event of a criminal investigation. Where appropriate, they have sought advice from the Trust's Local Counter Fraud Specialist (LCFS).							



TOR005 Appointments Committee
Terms of Reference

Document title: Appointments [NED Nomination and Remuneration] Committee of the Council of Governors -Terms of Reference

Document number: TOR005

Staff involved in Development (job titles):	Associate Director of Corporate Governance
Document author/owner:	Chief Executive Officer
Directorate:	Chief Executive's Office
Department:	Chief Executive's Office
For use by:	Appointments Committee of the Council of Governors Council of Governors
Review due:	August 2027
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Key points of this document

- Terms of reference for a Committee of the Council of Governors

Royal Papworth Hospital NHS Foundation Trust
Appointments [NED Nomination and Remuneration] Committee

Terms of Reference

1 Authority for Committee:

1.1 The Appointments Committee is a Committee of the Council of Governors.

2 Purpose:

- 2.1 To oversee the structure and process by which Chairman and other Non-executive Directors are appointed.
- 2.2 To make recommendations to the Council of Governors on the composition of the Non-executive Directors.
- 2.3 To make recommendations to the Council of Governors in relation to the appointment of the Chairman and other Non-executive Directors.
- 2.4 To make recommendations to the Council of Governors in relation to the appointment of a Chief Executive.
- 2.5 To make recommendations to the Council of Governors concerning the terms and conditions, including the remuneration, of the Chairman and Non-executive Directors.
- 2.6 To oversee the structure and process by which the independent External Auditors are appointed.
- 2.7 To make recommendations to the Council of Governors in relation to the appointment of the External Auditors.
- ~~2.8 Provide assurance, overview and monitoring for the Council on Governor statutory duties and Foundation Trust good practice.~~

3 Delegated Authority:

- 3.1 The Appointments Committee of the Council of Governors is authorised by the Council of Governors to undertake any activity within its terms of reference, and to seek any information it requires from Trust staff, who are requested to co-operate with the Committee in the conduct of its inquiries.
- 3.2 No sub committees report into this Committee.

4 Duties:

- 4.1 To oversee the structure and process by which Chairman and other Non-executive Directors are appointed.
- 4.2 To consider the policy for the composition of the Non-executive Directors, as recommended by the Board of Directors

TOR005 Appointments Committee
Terms of Reference

- 4.3 To recommend changes to the policy for the composition of the Non-executive Directors to the Council of Governors
- 4.4 To review the report of the Nominations Committee of the Board of Directors, in relation to the appointment of a Non-executive Director.
- 4.5 To make a recommendation to the Council of Governors on the appointment of the Chairman and Non-executive Directors.
- 4.6 To make a recommendation on the appointment of a Chief Executive to the Council of Governors for approval.
- 4.8 To review the terms and conditions, including the remuneration, of the Chairman and Non-executive Directors, and to make recommendations for approval by the Council of Governors. These are to be disclosed in the Annual Report.
- 4.9 To provide feedback, for appraisal purposes, on the performance of Non-executive Directors.
- 4.9 To review succession planning by the Board of Directors, with the support of the Trust's non-executive directors' terms of offices schedule.
- 4.10 To agree, receive and endorse, as appropriate, the proposals from with the Chief Finance Officer the Chair of the Audit Committee, on the a-structure and process by which the independent External Auditors are appointed. To oversee the implementation of the agreed structure and process for appointing the External Auditor
- 4.11 To make recommendations to the Council of Governors in relation to the appointment of the External Auditors.
- 4.12 The Committee shall contribute to the Trust's assessment of risk for those areas that fall within the Committee's terms of reference and report on these to the Council of Governors.

5 Membership/Quorum:

Voting Membership

- 5.1 The Committee shall comprise at least four public Governors and two staff Governors. ~~The Committee will be chaired by the Lead Governor and one of the other Public Governors will be designated as the Deputy Chair.~~

Quorum

- 5.2 The Committee shall be deemed quorate if there is representation of a minimum of three Governors.

In Attendance

- 5.3 The Chairman of the Trust shall attend Committee meetings as required.

Lengths of Term of Committee Chair and Members

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TOR005 Appointments Committee
Terms of Reference

- 5.5 The length of term, which should be aligned to the election cycle for Governors, should be agreed between the relevant Committee Chair/Member and other Members of the Committee, at the date of the first meeting. Where possible, lengths of terms should be staggered to allow a modest turnover of members.
- 5.6 Terms will be eligible for renewal, for one further term only.

6 Meetings

- 6.1 The Associate Director of Corporate Governance will act as Secretary to the Committee and will have the responsibility for ensuring that the Committee's meeting minutes are prepared in an accurate and timely manner.
- 6.2 The Committee shall meet as required, but at least once in each financial year.
- 6.3 Agendas and briefing papers should be prepared and circulated in sufficient time for Committee Members to give them due consideration.
- 6.4 Extracts from the minutes of the meetings of the Committee which consider non-executive directors' appraisals shall be retained by the Human Resources department.

7 Conduct of Business

- 7.1 The conduct of business will conform to guidance set out in the Standing Orders of the Board of Directors, unless alternative arrangements are defined in these Terms of Reference.

8 Relationship with the Nominations Committee of the Board of Directors

- 8.1 One or more members of the Appointments Committee shall sit on the Nominations Committee of the Board of Directors, as and when appropriate.

9 Equality, Diversity and Inclusion Statement

The Committee will ensure that these terms of reference are applied in a fair and reasonable manner that does not discriminate on such grounds as age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Chair will also ensure that all members and attendees are equally able to express their views on the Committee's agenda items and discussion points

10 Monitoring

- 10.1 Minutes of Committee meetings should be formally recorded and distributed to Committee Members and Attendees within 10 working days of the meetings. Subject to the approval of the Chair of the Committee, the minutes will be submitted to the Council of Governors at its next meeting and may be presented by the Committee Chair.



TOR005 Appointments Committee
Terms of Reference

- 10.2 The Chair of the Committee shall, through the Lead Governor and Chair of the Trust Board, draw to the attention of the Board of Directors any issues that require disclosure to the full Board of Directors.
- 10.3 The Committee will include a report in the Foundation Trust's annual report on its activities in year as required by NHSEs NHS Foundation Trust Annual Reporting Manual (ARM).
- 10.4 A report from the Committee to the Council of Governors should be produced to demonstrate the Committee's discharge of its duties.
- 10.5 When new guidance or regulations relevant to the Committee are formulated and published by NHSE, the Associate Director of Corporate Governance will, as appropriate, recommend revisions to these terms of reference.

TOR005 Appointments Committee
Terms of Reference

Further document information

Approval – this is required for all documents. Approval should be by the relevant committee(s)*. State the name(s) of the committee(s) and the full date(s) of the relevant meeting(s): *In exceptional circumstances only, approval can be by Chair's Action or by appropriate ED or NED – state full date of approval	Appointments Committee of the Council of Governors
Approval date (<i>this version</i>) (Day, month, year):	- xx xxxx –2024
Approval by Board of Directors or Committee of the Board (required for Strategies and Policies only):	Council of Governors
Date (Day, month, year):	- xx xxxx November 2024
This document supports: <i>standards and legislation – include exact details of any CQC & NHSLA standards supported</i>	NHSE Code of Governance for NHS Providers Royal Papworth's constitution Monitor guidance "Your statutory duties: a reference guide for NHS foundation trust governors" NHS Foundation Trust Annual Reporting Manual (ARM)
Key associated documents:	Procedure for determining the remuneration of the Chairman and NEDs Procedure for the re-appointment of NEDs Policy for the Composition of the Non-executive Directors on the Board of Directors
Counter Fraud In creating/revising this document, the contributors have considered and minimised any risks which might arise from it of fraud, theft, corruption or other illegal acts, and ensured that the document is robust enough to withstand evidential scrutiny in the event of a criminal investigation. Where appropriate, they have sought advice from the Trust's Local Counter Fraud Specialist (LCFS).	

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Document title: **Patient and Public Involvement (PPI)
Committee of the Council of
Governors -Terms of Reference**

Document number: **TOR008**

Staff involved in Development (job titles):	Trust Secretary <u>Associate Director of Corporate Governance</u> PPI <u>Committee</u> Members
Document author/owner:	Trust Secretary <u>Chief Executive Officer</u>
Directorate:	<u>Chief Executive's Office</u>
Department:	<u>Chief Executive's Office</u>
For use by:	Patient and Public Involvement Committee (PPI) of the Council of Governors Council of Governors
Review due:	xx xxxx 2027 <u>31 June 2026</u> March 2023
This is a controlled document. Whilst this document may be printed, the electronic version maintained on the Trust's Intranet is the controlled copy. Any printed copies of	

Key points of this document

- Terms of reference for a Committee of the Council of Governors

Royal Papworth Hospital NHS Foundation Trust

Patient and Public Involvement (PPI) Committee

Terms of Reference

1 Authority for Committee:

- 1.1 The Patient and Public Involvement Committee is a Committee of the Council of Governors.

2 Purpose:

- 2.1 To provide oversight and assurance to the Council of Governors on patient and public involvement.

3 Delegated Authority:

- 3.1 The Patient and Public Involvement Committee of the Council of Governors is authorised by the Council of Governors to undertake any activity within its terms of reference, and to seek any information it requires from Trust staff, who are requested to co-operate with the Committee in the conduct of its inquiries.
- 3.2 The Patient Carer Experience Group (PCEG) ~~and the Staff Awards Sub-Committee~~ reports into this Committee.

4 Duties:

- 4.1 To oversee the process by which the Trust discharges its duties under Section 242(1B) of the National Health Service Act 2006 as amended by the Local Government & Public Involvement in Health Act 2007 namely to make arrangements to involve and consult patients and the public in decisions regarding planning services and developing proposals for changes in the way services are provided.
- 4.2 To be cognisant of the work of other groups operating in this area, e.g. Patient Carer Experience Group and other Patient Fora.
- 4.3 To oversee the process by which the Patient and Carer Experience Strategy is reviewed and updated annually, with agreed action plans for the forthcoming year.
- 4.4 To oversee the process by which the Trust achieves the effective implementation of a Patient Advice and Liaison Service (PALS).
- 4.5 To educate all relevant parties about the Trust's approach to the Patient and Public Involvement agenda and communications issues.
- 4.6 To oversee the results of Patient Surveys and ensure the implementation of any action plans as a result.
- 4.7 To review annually the organisational arrangements and membership of the

Committee, subject to the rules on Lengths of Term defined below.

- 4.8 To oversee the process by which all policies within the purview of PPI committee are reviewed in accordance with the timescales defined in the Trust's Document Control Policy, and ensure new policies are approved and distributed to relevant staff.
- 4.9 To oversee the process by which the Trust ensures all leaflets designed by Royal Papworth Hospital NHS Foundation Trust for patients and carers adhere to Trust protocols.
- 4.10 ~~To be provided with assurance on the quality of patient experience, reports will be received from the following groups: Receive reports on patient experience~~
- ~~• the Patient Carer Experience Group (PCEG)~~
 - ~~• Healthwatch, and others on request-~~
- 4.11 ~~Act as the Committee responsible for overseeing the Annual Staff Awards. Be the Governor Committee be responsible for ensuring appropriate actions are taken against reports from 'Visibility Rounds', '15 Steps Challenge', 'PLACE Assessments' or other similar quality audit exercises.~~
- 4.12 Act as the Governor Committee providing ~~engagement insupport for~~ internal self-assessments against the Care Quality Commission (CQC) standards and ensuring that ~~inspections-identified actions~~ are implemented as required.
- 4.13 ~~The Committee will, on request, provide input into communications to the public and patients~~Receive communications/marketing update.
- 4.14 ~~Receive update from the Patient Carer Experience Group (PEG).~~
- 4.15 ~~Receive update from Healthwatch.~~
- 4.16 Provide Governor review/input into the Quality Report/Accounts.
- 4.17 ~~Receive assurance reports on the actions to improve patient access and address health inequalities~~

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5 Membership/Quorum:

Voting Membership

- 5.1 Chair: Public Governor

Chief Nurse – Executive Lead

~~Deputy Chief Nurse – strategic lead for patient and public experience~~

One nominated Non-Executive Director

~~Medical Director or their nominated representative~~

At least seven Governors of the Trust, at least one of whom should be a staff Governor

~~Director of Workforce and Organisational Development~~

~~Deputy Assistant~~ Director of Quality

and Risk

~~Matron representative~~

PALS Manager

~~Trust~~

~~Secretary~~Asso

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Chief Director
of Corporate
Governance

Patient Representative

Royal Papworth Charity representative

Healthwatch representative

Other members of the clinical staff
whose invitation will be determined by
the items on a meeting agenda

Quorum

- 5.2 The Committee shall be deemed quorate if there is representation of a minimum of two representatives from the Council of Governors and two other Members, at least one of whom must be an executive member.

In Attendance

- 5.3 The Chairman of the Trust Board shall attend Committee meetings as required.

Lengths of Term of Committee Chair and Members (excluding posts filled by Trust staff)

5.5 ~~Lengths of terms of the Committee Chair and Members (excluding those posts that are filled by Trust staff) should be agreed, at the date of the first meeting. Where possible, lengths of term should be staggered to allow a modest turnover of members. Terms will be eligible for renewal, for one further term only. The length of term, which should be aligned to the election cycle for Governors, should be agreed between the relevant Committee Chair/Member and other Members of the Committee, at the date of the first meeting. Where possible, lengths of terms should be staggered to allow a modest turnover of members.~~

5.6 Terms will be eligible for renewal, for one further term only.

6 Meetings

6.1 A member of the Trust's staff will act as Secretary to the Committee.

6.2 The Committee shall meet as required, but at least three times per annum.

6.3 Agendas and briefing papers should be prepared and circulated in sufficient time for Committee Members to give them due consideration.

7 Conduct of Business

7.1 The conduct of business will conform to guidance set out in the DN 142 Standing Orders of the Board of Directors, unless alternative arrangements are defined in these Terms of Reference.

8 ~~Equality Statement~~

~~The Committee will ensure that these terms of reference are applied in a fair and reasonable manner that does not discriminate on such grounds as race, gender, disability, sexual orientation, age, religion or belief~~

Equality, Diversity and Inclusion Statement

The Committee will ensure that these terms of reference are applied in a fair and reasonable manner that does not discriminate on such grounds as age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The Chair will also ensure that all members and attendees are equally able to express their views on the Committee's agenda items and discussion points

9 Monitoring

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9.1 ~~Minutes of Committee meetings should be formally recorded and distributed to Committee Members and Attendees within 10 working days of the meetings. Subject to the approval of the Chair of the Committee, the minutes will be submitted to the Council of Governors at its next meeting and may be presented by the Committee Chair.~~
~~Minutes of Committee meetings should be formally recorded and distributed to Committee Members and Attendees within 10 working days of the meetings. Subject to the approval of the Chair, the Minutes will be submitted to the Council of Governors at its next meeting and may be presented by the Committee Chair.~~

9.2 ~~The Chair of the Committee shall, through the Lead Governor and Chair of the Trust Board, draw to the attention of the Board of Directors any issues that require disclosure to the full Board of Directors.~~

~~Agendas and briefing papers should be prepared and circulated in sufficient time for Committee Members to give them due consideration.~~

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Further document information

Approval – this is required for all documents. Approval should be by the relevant committee(s)*. State the name(s) of the committee(s) and the full date(s) of the relevant meeting(s): *In exceptional circumstances only, approval can be by Chair's Action or by appropriate ED or NED – state full date of approval	Patients and Public Involvement (PPI) Committee of the Council of Governors
Approval date (<i>this version</i>) (Day, month, year):	17 May 2021 15 May 2023 xx xxxx 2024
Approval by Board of Directors or Committee of the Board (required for Strategies and Policies only):	Council of Governors
Date (Day, month, year):	16 June 2024 14 June 2023 xx xxxx 2024
This document supports: <i>standards and legislation – include exact details of any CQC & NHSLA standards supported</i>	
Key associated documents:	Governors' Assurance Committee Terms of Reference Access and Facilities Committee Terms of Reference
Counter Fraud In creating/revising this document, the contributors have considered and minimised any risks which might arise from it of fraud, theft, corruption or other illegal acts, and ensured that the document is robust enough to withstand evidential scrutiny in the event of a criminal investigation. Where appropriate, they have sought advice from the Trust's Local Counter Fraud Specialist (LCFS).	
Legislation A reference to any legislation or legislative provision in this document is a reference to it as amended, extended or re-enacted from time to time and includes all subordinate legislation made from time to time under that legislation or legislative provision.	

TOR004 Forward Planning Committee of the Council of Governors Terms of Reference



Royal Papworth Hospital
NHS Foundation Trust

Document title: Forward Planning Committee of the Council of Governors: Terms of Reference

Document number: TOR004

Staff involved in Development (job titles)	Chief Finance Officer Associate Director of Corporate Governance
Document author/owner:	Chief Executive Officer
Directorate:	Chief Executive's Office
Department:	Chief Executive's Office
Review due:	As required (or by 30 April 2025) xx xxxx 2027

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Key points of this document

- Terms of Reference for the Forward Planning Committee of the Council of Governors
- These terms of reference will be available on the Trust's intranet.

Royal Papworth Hospital NHS Foundation Trust

Forward Planning Committee

Terms of Reference

1 Authority for Committee:

- 1.1 The Forward Planning Committee is a committee of the Council of Governors.

2 Purpose:

To undertake those duties listed below.

3 Delegated Authority:

- 3.1 The Forward Planning Committee of the Council of Governors is an advisory body with no executive powers. However, it is authorised by the Council of Governors to investigate any activity within its terms of reference, and to seek any information it requires from Trust staff, who are requested to co-operate with the Committee in the conduct of its inquiries.
- 3.2 No sub-committee reports to this committee.

4 Duties:

- 4.1 To contribute to and review the development of the draft Strategic Plan (five-year plan), in conjunction with the Chairman of the Trust, the Chief Executive, and other Executive Directors and Non-Executive Directors.
- 4.2 To review the draft enabling strategies, which underpin the Trust 5 Year Strategy, in conjunction with the Chairman of the Trust, the Chief Executive and other Directors.
- 4.3 In so far as it is consistent with the Trust's Strategic five-year plan, to receive the final Annual Plan for the following financial year, in conjunction with the Chairman of the Trust, the Chief Executive and other Executive Directors. In the event that the Annual plan is inconsistent with the Trust's Strategic five-year plan, the proposed plan will come the Committee prior to approval for review.

4.4 To review delivery of the current year Annual (Forward) Plan in so far as variances from current year plan impact upon the following year's plan.

4.5 The Committee shall contribute to the Trust's assessment of risk for those areas that fall within the Committee's terms of reference.

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5 Membership / Quorum:

Voting Membership

- 5.1 The Committee shall comprise not less than five and not more than eight Governors, of whom two shall be staff Governors.
- 5.2 The Chairman of the Committee will be selected and agreed by the Council of Governors. The members of the Committee shall agree a Deputy Chair.
- 5.3 The names of members will be proposed by the Chairman to the Council of Governors for approval.
- 5.4 In the event of the Chair of the Committee being unable to attend, the ~~remaining members should elect one of their members as Deputy Chair~~ will chair for the meeting.
- 5.5 The Committee shall be deemed quorate if there is representation of a minimum of three Governors.
- 5.6 In attendance will be:
- ~~The Chairman of the Trust /~~ Chair of Strategic Projects Committee
The Chief Executive
- Executive Directors will be invited to attend as business requires
- Where necessary, the Chair of the Trust Board of Directors will be invited to attend a meeting.
- 5.7 The Committee reserves the right to invite other members of the Trust's staff to attend Committee meetings as required.
- 5.8 The Associate Director of Corporate Governance will act as Secretary to the Committee and will have the responsibility for ensuring that the Committee's meeting minutes are prepared in an accurate and timely manner.~~The Associate Director of Corporate Governance will act as Secretary to the Committee.~~
- 5.9 ~~Lengths of terms of the Committee Chair and Members should be fixed, from date of selection, for a maximum of 5 years, except where a Governor's remaining length of term on the Council of Governors is less than 5 years.~~

~~5.40~~ The length of term, which should be aligned to the election cycle for
9 Governors, should be agreed between the relevant Committee
Chair/Member and other Members of the Committee, at the date of the first
meeting. Where possible, lengths of terms should be staggered to allow a
modest turnover of members.~~The length of term should be agreed between~~
~~the relevant Committee Chairman/Member and other Members of the~~
~~Committee, at the date of the first meeting. Where possible, lengths of term~~
~~should be staggered to allow a modest turnover of members.~~

~~5.44~~ Terms will be eligible for renewal, for one further term only.
10

6 Meetings

6.1 The Committee shall meet as required, but at least three times in each financial year with meeting dates published 12 months in advance.

6.2 Agendas and briefing papers should be prepared and circulated in sufficient time for Committee Members to give them due consideration.

7 Conduct of Business

7.1 The conduct of business will conform to guidance set out in the Council of Governors' Standing Orders unless alternative arrangements are defined in these Terms of Reference.

7.2 The Committee will use a hybrid meeting format to support attendance and engagement from Committee members.

8 Equality, Diversity and Inclusion Statement ~~Equality Statement~~

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8.1 The Committee will ensure that these terms of reference are applied in a
fair and reasonable manner that does not discriminate on such grounds as
age, disability, gender reassignment, marriage or civil partnership,
pregnancy and maternity, race, religion or belief, sex and sexual
orientation.

~~The Chair will also ensure that all members and attendees are equally able~~
~~to express their views on the Committee's agenda items and discussion~~
~~points.~~~~The Committee will ensure that these terms of reference are applied~~
~~in a fair and reasonable manner that does not discriminate on such~~
~~grounds as race, gender, disability, sexual orientation, age, religion or~~
~~belief.~~

9 Monitoring

9.1 Minutes of Committee meetings should be formally recorded and distributed to Committee Members and Attendees within 10 working days of the

TOR004 Forward Planning Committee of the Council of Governors Terms of Reference	
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meetings. Subject to the approval of the Chair of the Committee, the ~~m~~Minutes will be submitted to the Council of Governors at its next meeting and may be presented by the Committee Chair.

- 9.2 ~~A report from the Committee to the Council of Governors should be produced to demonstrate the Committee's discharge of its duties. An annual report from the Committee to the Council of Governors should be produced to demonstrate the Committee's discharge of its duties. This report should be produced at the first Council of Governors' meeting of each financial year.~~
- 9.3 ~~The Chair of the Committee shall, through the Lead Governor and Chair of the Trust Board, draw to the attention of the Board of Directors any issues that require disclosure to the full Board of Directors.~~
- 9.4 ~~When new guidance or regulations relevant to the Committee are formulated and published by NHSE, the Associate Director of Corporate Governance will, as appropriate, recommend revisions to these terms of reference.~~

Further document information

Approved by Executive Director/local committee (required for all documents):	Forward Planning Committee
Approval date <i>(this version):</i>	21 Februaryxx xxxx 2024
Approved by Board of Directors or Committee of the Board (required for Strategies and Policies only):	Council of Governors
Date:	16 Marchxx xxxxx 20242
This document supports: <i>standards and legislation – include exact details of any CQC & NHSLA standards supported</i>	The Code of Governance for NHS Providers (2022) Monitor 'Your statutory duties: A reference guide for NHS foundation trust governors' Health and Social Care Act 2012
Key related documents:	Appointments Committee of the Council of Governors Terms of Reference Patient and Public Involvement Committee of the Council of Governors Terms of Reference Governors' Assurance Committee of the Council of Governors: Terms of Reference
Counter Fraud In creating/revising this document, the contributors have considered and minimised any risks which might arise from it of fraud, theft, bribery or other illegal acts, and ensured that the document is robust enough to withstand evidential scrutiny in the event of a criminal investigation. Where appropriate, they have sought advice from the Trust's Local Counter Fraud Specialist (LCFS).	

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