

# Council of Governors Meeting

29<sup>th</sup> April 2015

(CG/15/11)

## Council of Governors Report: Service Strategy Working Group Report Meeting held on 18<sup>th</sup> March 2015

**Status:** A paper for Information

**History:** Regular report

Robert Park  
Governor

## Council of Governors' Meeting

29<sup>th</sup> April 2015

A paper prepared by Emma Saunders, Trust Planning Manager  
Presented by Robert Park, Governor and chair

### Service Strategy Working Group Report

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1. **Attendees:** Robert Park (Chair), Yvonne Craig-Inskip, Barry Silverman John Burns, John Porter, Devon Allison, Paula Young, Kate Griffiths-Lambeth, Tom Hoffman, Ken Hayes, Sue Gallagher and Jeff Whitear.

Martin Shaw (Director of Finance), Jackie Parrott (Director of Strategy) and Emma Saunders attended from Guys and St Thomas'.

Hugh Taylor (chairman) attended for the item on support to Medway NHS Foundation Trust. Alastair Gourlay (Director of Asset Management) and Kalpesh Thanki (Head of Investment and Resources) attended for the capital programme update.

Apologies were received from Sue Hardy, Jenny Stiles and Ian Abbs.

#### 2. **Notes of the previous meeting and matters arising**

- 2.1 The notes of the previous meeting held on 13<sup>th</sup> January 2015 had been reported to the last Council of Governors. There were no matters arising.

#### 3. **Support to Medway NHS Foundation Trust**

- 3.1 Hugh Taylor and Jackie Parrott briefed governors on support the Trust is providing to Medway NHS Foundation Trust. This is part of a buddying system that allows successful Trusts, such as Guy's and St Thomas' to support other organisations.
- 3.2 University Hospitals Birmingham undertook some diagnostic work with Medway during 2014. We are now entering a longer term collaboration to help the executive team at Medway to deliver aspects of its 18 month recovery plan. Jackie highlighted that we have a positive reputation for developing and sharing best practice and we are conscious of our responsibility to use that expertise for the benefit of both our own patients and the wider NHS. We have worked with colleagues from Monitor and Medway over the last few months to design a number of worksteams aimed at assisting local managers and clinicians implement and embed improvements.
- 3.3 Hugh and Jackie stressed that although we are pleased that we are able to assist other organisations, we remain focussed on achieving our own ambitious

and demanding business agenda. Initially a small team of doctors, nurses and managers is working with colleagues at Medway. Jackie Parrott is the Senior Responsible Officer for the programme.

3.4 During questions and discussion the following was highlighted:

- A range of input and output measures have been developed for each workstream and Guy's and St Thomas' will be responsible for delivering against these. The performance of Medway NHS Foundation Trust remains the responsibility of the Medway Board. Our role is to support the executive team at Medway to deliver aspects of their recovery plan.
- Our work at Medway will help test the concept of 'buddying' between NHS organisations.

3.5 Governors thanked Hugh and Jackie for the update.

#### **4. Capital programme update**

4.1 Alastair Gourlay talked through the presentation, circulated in advance.

4.2 Alastair highlighted the following:

- The Trust runs a capital programme totalling over £100 million per year. Recently this has included some very large programmes such as re-cladding Guy's Tower, costing approximately £40 million. The overarching aim is to complete capital programmes without impacting patient care.
- Other recently completed projects include updating wards to provide an improved environment for people with Dementia (£1M), a new children's oral health and post graduate centre (£6M) and the e-noting system (£15M).
- The strategy is built around four principles for investment: modernising inpatient accommodation, modernising outpatient services, modernising workplaces and embracing Information Technology. The key objective of our investment strategy is to modernise our assets to achieve generic flexible capacity to accommodate our clinical priorities and commercial opportunities. We plan to achieve this by consolidating our estate, better utilising underused facilities, introducing new ways of working and integrating services.
- The Trust has invested in resource and processes to support delivery. The Investment Portfolio Board (IPB) is the key decision making body for investment over £250k, chaired by the Chief Executive. A number of programme boards and forums support IPB including the IT and Asset Management Programme Boards, the Medical Equipment Group, the Trust Management Executive and the Integrated Planning Group.
- All capital development proposals are developed through a business case process from a Strategic Outline Case (SOC), through to an Outline Business Case (OBC) and a final Full Business Case (FBC) which includes delivery of the agreed procurement process and the signing of contracts.

- Some major developments are planned on both the St Thomas' and Guy's Hospital sites over the next ten years. This includes improving wards in the North Wing at St Thomas', expanding the Evelina London Children's Hospital and redeveloping parts of the Guy's Hospital site. The £160 million Cancer Centre at Guy's will be completed in 2016.
- The main challenges for the capital programme are: The future availability of capital funding given the current financial context; the need for immediate capacity for clinical services in order to achieve waiting times; and the age of our estate and infrastructure.
- There are also significant opportunities including: transforming how we work through capital investment, especially in IT; and working with public and commercial partners to unlock the value of our estate, especially to provide innovative funding sources.

#### 4.3 During questions and discussion the following was highlighted:

- Governors asked what provision was being made for affordable staff accommodation. Alastair highlighted that an accommodation strategy is in development, in partnership with Housing Associations.
- The high charitable donations in 2015/16 and 2016/17, outlined in the capital investment funding plan, are linked to donations to the Cancer Centre build.
- Kalpesh clarified that the Trust borrows capital via the Independent Trust Financing Facility (ITFF). This means the Trust can borrow money at favourable Government gilt rates. We do not have any Private Finance Initiatives (PFI). The amount of money the Trust can borrow via the ITFF will be limited by our RAG rating against our Monitor licence.
- The group discussed the fact that several Foundation Trusts are planning growth and investing capital in facilities to support this. Martin highlighted that the Foundation Trust model is a market based model with no failure regime. Although we are working with Clinical Commissioning Groups and other providers within the sector, we are not involved in collective activity/capacity/growth planning across the health system.
- During a discussion about the issues with IT in community services, the group asked for an update on the IT strategy at a future meeting.

#### 4.4 The Governors thanked Alastair for a very informative slide-pack and presentation.

### 5. **Any other business**

None

### 6. **Date and time of the next meeting**

7th July 2015, 5:30 – 7pm

**Robert Park**

**March 2015**