

Council of Governors Item 14.1

Subject: Regulatory Update
Date of meeting: 4th June 2024
Presented by: Karan Wheatcroft, Director of Risk and Improvement
Purpose: To Note

1. Executive Summary

The purpose of this paper is to provide a year-end update to the Council of Governors (COG) on the completion of the remaining actions regarding regulatory compliance for 2023/24.

The Board of Directors, supported by the Audit Committee has reviewed compliance against the Code of Governance and the Provider Licence, which demonstrated strong compliance across the extensive range of requirements. Earlier in the year the COG reviewed compliance with the Addendum on system working and collaboration: The role of foundation trust councils of governors, and this also demonstrated strong compliance.

A small number of actions remain in progress:

- Continuing to work with the Cheshire and Merseyside Integrated Care Board (and wider professional networks) regarding the role of Governors in Integrated Care Systems.
- Further work to progress the health inequalities agenda.
- Commissioning a well led external review (planned for Q3 2024/25 following the completion of the self-assessment)

The Council of Governors is asked to note the report.

2. Background

Revised regulatory guidance was published for implementation in 2023, including the Addendum on system working and collaboration: The role of foundation trust councils of governors; the Code of Governance; and the Provider Licence. The Trust completed a baseline assessment of each of these, and these were reviewed through the relevant governance meetings. The baseline assessments demonstrated continued strong compliance across a range of areas, with a small number of actions identified against some of the new areas within the guidance.

A further update on progress against actions was reported to the Council of Governors (COG) in September 2023.

3. Progress Updates

The progress updates are reported by exception and focus on the actions that were reported as incomplete/ in progress as at September 2023.

3.1 Addendum on system working and collaboration: The role of foundation trust councils of governors

A revised Addendum on system working and collaboration: The role of foundation trust councils of governors was published by NHS England (NHSE) in October 2022. A baseline assessment against the addendum demonstrated good compliance with a number of key areas including governor engagement, and strong working relationship with the Board of Directors. As at September 2023, one action was identified as in progress and a further update is set out below.

Action	Responsibility/ timeframe	Progress
1. The role of COGs within systems is not yet clear and the Trust continues to work with the ICB (Integrated Care Board) and CMAST (Cheshire and Merseyside Acute and Specialist Trust provider collaborative) to understand the emerging roles and decision making within the new system architecture.	VD, Ongoing	In progress – We continue to work with the ICB and CMAST to ensure an understanding of roles in the system, and supported an MIAA event for Governors in 2023.

3.2 Code of Governance

The baseline assessment against the Code of Governance was reported to the Audit Committee in March 2023 and showed strong compliance. A number of actions were identified, specifically relating to changes in the code. A small number of actions remained in progress at September 2023, and a further update is provided below following a full review of compliance by the Audit Committee in March 2024 (reported to the Board of Directors in April 2024).

Code ref.	Action	Responsibility/ Timeframe	Progress Update
APPENDIX A – Board Leadership and Purpose			
A2.3	We are currently developing a “Culture and Wellbeing” strategy for 23/24 and this will align with the NHS wellbeing framework that LHCH has signed up to.	Chief People Officer, Sept 23	Complete - NHS Wellbeing Framework self-assessment is complete. Wellbeing strategy in place.
A2.5	Further work progressing on health inequalities analysis, disaggregation of data, interventions and actions to be developed alongside performance report (updates to Board of Directors).	Director of Strategy/ Chief Operating Officer, Dec 24 <i>(timeframe revised)</i>	Ongoing – Initial baseline data analysis complete, update on CIPHA provided to Board and further work planned. Maturity assessment reviewed by the Board of Directors.
C2.8	To ensure Nomination and Remuneration Committee (NEDs) is available publicly on the Trust Website.	Director of Risk and Improvement, July 23	Complete
C4.7	Well led preparation ongoing and external review to be commissioned	Chief Executive/ Director of Corporate	In progress – Well led self-assessment complete and will

Code ref.	Action	Responsibility/ Timeframe	Progress Update
	in Q4 23/24.	Governance & Risk, Dec 24 <i>(timeframe revised)</i>	be mapped to new CQC single assessment framework. Board decision agreed to commission external review in Q3 2024/25.
C4.8	To progress the COG action plan for the Addendum for governors.	Chair/ Director of Risk and Improvement, Ongoing	Complete – Update on completion of actions reported to COG in year.
E2.4	Nomination and Remuneration Committee (Exec) to consider compensation commitments.	Chief People Officer, Sept 23	Complete – Arrangements confirmed through current policies and processes
APPENDIX B – COG			
2.9	To deliver the actions from the assessment of the new Addendum for Governors.	Chair/ Director of Risk and Improvement	Complete – Update on completion of actions reported to COG in year.

3.3 Provider Licence

The baseline assessment against the new Provider Licence showed continued strong compliance with the regulatory requirements. This was reviewed by the Audit Committee in July 2023, with quarterly updates against an agreed checklist in year and a final position reported to the Audit Committee in March 2024. A small number of actions were in progress in the update to the COG in September 2023, and a further update against these is provided below.

Action	Responsibility/ Timeframe	Progress update
1. Contribution to delivery of C&M financial strategic objectives.	Chief Finance Officer, End Mar 24	Complete
2. Well led self-assessment in 2023/24 and external review to be considered.	Chief Executive/ Director of Corporate Governance & Risk, Dec 24 <i>(timeframe revised)</i>	In progress – Well led self-assessment complete and will be mapped to new CQC single assessment framework. Board decision agreed to commission external review in Q3 2024/25.
3. Requirement to submit resource requirement certificate to be confirmed as part of annual reporting processes for 2023/24.	Chief Finance Officer, End Mar 24	Complete

4. Conclusion

LHCH demonstrate strong compliance with regulatory requirements in year, progressing the actions identified in the initial baseline assessments.

5. Recommendation

The Council of Governors is asked to **Note** the update on regulatory compliance for 2023/24, specifically the progress against the actions plans.