Ashford and St. Peter's Hospitals NHS Foundation Trust

COUNCIL OF GOVERNORS			
Date of meeting	2 July 2025	**Agenda Item**	6
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Exec Sponsor	-	**Date submitted**	25 June 2025
Title of paper	Group Chief Executive's Update		
Presented by	Louise Stead, Group Chief Executive		

Committee(s) where paper has been discussed previously and outcome of discussion:

Strategic Objective(s)									
Quality of Care	**x**	**People**	x	**Modern Healthcare**	x	**Digital**	x	**Collaborate**	x

Executive Summary

This report highlights the key areas that Governors may be asked about by their constituent members. This includes progress with the Joint Transformation Committee and the group model with Royal Surrey. Clinical leaders from both trusts have identified promising opportunities to collaborate, particularly in diagnostics, pharmacy, and specialist services. The trust is awaiting final CQC reports for Medicines and Maternity services, with an IR(ME)R inspection in Radiology showing general compliance. Governance reviews have outlined structural and cultural improvements, while financial recovery efforts are underway following a £11.3m deficit in 2024/25, with robust cost improvement plans and staff engagement. Notably, Hannah Hamilton has been appointed as the new Chief Financial Officer, and interviews have been held for the Group Executive Director of Transformation and Digital role.

The report also covers recent achievements and events, including the opening of the Woking Community Diagnostic Centre, Pride in Nursing and Midwifery celebrations, a successful VE Day commemoration, and a visit from the BBC's The Food Programme. A Community Day is planned for 19 July to engage local residents and showcase the Trust's work. System-wide, the trust is responding to significant NHS reforms, including ICB efficiency mandates and the evolving commissioning landscape. The trust remains committed to inclusive care, transparency, and collaboration, and welcomes further engagement and feedback from the Council of Governors.

Recommendation	For: Decision ☐ Discussion ☐ Information ☒
Key issues: State impact/implications and mitigation (detailed info should be in the report)	
Quality, safety & patient impact	
Employee	
Other stakeholder(s)	

Equality, diversity & inclusion	
Finance	
Legal	
Risk(s) Identified (include link to Corporate Risk Register / Strategic (Board Assurance Framework) Risks:	

CEO Report to the Governors

1 PURPOSE OF THE REPORT

1.1 To update Governors on key activities and key issues of relevance within the Trust.

2 INTERNAL UPDATES

2:1 Joint Transformation Committee update

Since January, the Joint Transformation Committee has met monthly to identify and progress opportunities for collaboration across Ashford and St Peter's and Royal Surrey. This includes work already underway, as well as new ideas to improve services through our developing group model.

At our most recent meeting, we brought together Chiefs of Service and Divisional Directors from both trusts – our most senior clinical leaders – to hear their insights on how we can enhance clinical services by working together. Their contributions generated a long list of promising opportunities, with particular focus on improving diagnostics demand management, patient flow, radiology reporting, pharmacy, haematology, cardiology, and neurology.

Our next step is to evaluate and prioritise these proposals. While enthusiasm and innovation are in strong supply, we must consider how best to deploy our limited resources for maximum impact, particularly in today's challenging operational and financial climate.

We also held our first joint all staff briefing in April, where colleagues from our urology and colorectal teams presented on their experiences of working closely together and how some of their services are run jointly across both trusts. As well as a briefing about the group model for all trust members in May and over 100 people joined to hear about our journey so far and plans for the future.

Our vision for the group remains that we will pursue clinically led projects which directly benefit patients and / or improve the working environment for our teams. I remain committed to transparency and engagement as these ideas progress and will continue to provide regular updates.

2:2 CQC Inspections

At the time of writing, we still await the final reports following the CQC Medicine and Maternity services inspections. The Trust has provided factual accuracy comments and once received the final reports will become available via the CQC's website.

On 2 April 2025, the CQC carried out an announced IR(ME)R, (Ionising Radiation (Medical Exposure) Regulations) inspection of radiology services at St Peter's Hospital. The service was found to be largely compliant, with several examples of good practice highlighted. Areas for improvement included routine equipment testing and procedural clarity. An action plan has been submitted to address all recommendations.

2.3 UK Supreme Court Ruling Regarding Gender

On 16th April the UK Supreme Court ruled that under the Equality Act 2010 a person is defined by biological sex (gender assigned at birth). Across the NHS this decision will have implications for gender-related policies and practices, including those within hospitals. At present we are awaiting further national guidance and clarity from NHS England on this but have begun looking at our own policies to identify any interim changes we need to make.

We are very mindful of the impact of this decision upon our transgender and non-binary colleagues and patients and have reiterated our commitment to upholding the rights, dignity and wellbeing of everyone, regardless of gender identity.

2.4 Governance Reviews

In April, the Trust received the final reports from the Audit One external governance review (commissioned in January) and the NHSE Financial Governance Review. Together, they contain a significant number of recommendations. While many focus on achieving structural compliance, there are also important cultural and leadership actions we must now take. A coordinated response will be essential to ensure we learn from the findings and foster a supportive culture of leadership, accountability, and continuous improvement across the Trust.

2.5 Trust Executive Board

The Trust Executive Board (TEB), comprising Executive and Divisional Directors from our six clinical divisions, meets weekly to review performance, operations, and strategic priorities. We discussed the preparation of a bid for funding to support the development of additional Emergency Department capacity and a Paediatric Assessment Unit (PAU). O ensure this initiative is comprehensively worked through, a weekly task and finish group, led by the CMO, has been established with regular updates to be provided at TEB.

The TEB also discussed the opportunity for ASPH to join Healthcare Partners Limited (HPL), a Royal Surrey subsidiary. This would involve transferring procurement, supplies, materials management, and EBME services and staff to HPL, enabling better demand planning, clinical engagement, and strategic supply management.

The aim of doing this would be to significantly reduce overall costs. The TEB has also continued to review and approve several policies as part of the work to return the Trust to compliance in this area.

2.6 Executive Updates

On 23 May, we held our first Executive Away Day, beginning with an eight-kilometre walk followed by afternoon sessions focused on team building and reflecting on our leadership style and culture. It was an incredibly valuable day as we begin to form a cohesive executive team, ready to embrace group working and tackle the financial challenges ahead.

We recently held successful interviews for the Chief Financial Officer role and following a competitive recruitment process, I am pleased to announce that Hannah Hamilton has been appointed. Hannah is currently the Chief Financial Officer at NHS Sussex Integrated Care Board. Since joining the NHS from the private sector in 2014, she has held senior roles in acute trusts as well as at NHS England as Regional Director of Finance. With her extensive experience and deep financial expertise, Hannah will be a fantastic addition to our trust board, bringing invaluable insight and leadership as we move forward.

Tom Smerdon, Director of Strategy and Sustainability will shortly be leaving us on a secondment to take on the Interim CEO role at CSH Surrey. This is a fantastic opportunity and recognition of his leadership and expertise and I'm sure you'll join me in congratulating Tom and wishing him every success in this next chapter following Steve Flanagan, current CEO at CSH Surrey's retirement. Chris Attoe, Royal Surrey's Director of Strategy, will be stepping in to take on executive leadership of ASPH strategy portfolio in the interim. Tom and Chris are currently undertaking a thorough handover, and Chris is meeting with all the teams he will temporarily manage including quality improvement, strategy and planning. Chris brings a wealth of experience and insight, and I'm confident this arrangement will enable us to maintain strong momentum in all areas of our strategic work across the group.

On 2 June we held interviews for the Group Executive Director of Transformation and Digital. As the first joint executive appointment beyond the Group Chief Executive, this new and pivotal role will shape and drive transformation across the Group. The Director will be a key member of both executive teams, leading the development and delivery of strategic transformation plans - including the group's digital roadmap and evolving operating models to embed a culture of continuous improvement. We were fortunate to have an exceptionally strong range of candidates, and I look forward to announcing the outcome of the recruitment process in due course.

2:7 Financial planning and engagement sessions

At ASPH, following a £11.3 million deficit in 2024/25, we have set a balanced financial plan for 2025/26 to ensure spending remains within our income. As part of this, we've submitted a Cost Improvement Plan (CIP) focused on national priorities, including productivity, temporary staffing, corporate services, medicines management, and commercial opportunities. All schemes within the CIP undergo a Quality and Safety Impact Assessment to ensure potential effects on services and staff are fully understood before implementation.

A key focus is reducing pay spend, with national targets requiring a 40% reduction in agency costs and a 15% reduction in bank spend. To support this, we have tightened workforce controls, with greater scrutiny of vacancies and financially impactful changes now overseen by Divisional Financial Control Boards and an Executive-led Workforce Control Panel.

In May, over 100 senior colleagues, including many clinicians, joined Executive-led sessions to identify ways to improve services, reduce waste, and drive efficiencies. This was followed by our first all-staff financial engagement session, which generated valuable ideas, both during the event and via email. To support ongoing input, we have also launched an online form for staff to submit ideas and initiatives.

3 VISITS, EVENTS, AWARDS AND ACHIEVEMENTS

3.1 Woking Community Diagnostic Centre opens

Further to my last report I am delighted to share that the new Woking Community Diagnostic Centre at Woking Community Hospital opened on the 9 June - a significant achievement made possible by the dedication, expertise, and collaboration of many colleagues at ASPH and across our system.

The state-of-the-art facility has been created through a major refurbishment and extension of the existing hospital space and will transform how diagnostic services are delivered for our local community. From blood tests and hearing checks to advanced imaging technologies like MRI and CT scans, the centre will offer a comprehensive range of diagnostic services in a modern, welcoming setting.

We are also incredibly grateful for the generous support from the Rotary Clubs of Woking, The Friends of Woking Community Hospital, Woking Heart Beat, and Ashford and St Peter's Hospitals' Charity.

A huge thank you to everyone who has contributed to this development over the past few years. Special thanks go to our colleagues at CSH Surrey, who work alongside us every day at Woking Community Hospital.

3.2 Pride in Nursing and Midwifery 2025

On Friday 9 May we celebrated our annual Pride in Nursing and Midwifery (PINM) event, which recognises the amazing work our nurses and midwives at the trust. It was a fantastic day, celebrating both International Day of the Midwife which takes place on 5 May each year, and International Nurses Day on 12 May. This year's celebration took place in a slightly different format

to previous years with the day split into two parts – presentations in the morning and award presentations and visits to wards and departments in the afternoon.

3.3 Victory in Europe Day

On 8 May, ASPH commemorated the 80th anniversary of VE Day with celebrations across both sites. Activities included ward tea parties, themed catering, and a wartime music performance. The event raised over £1,200 for Armed Forces activities and coincided with our successful reaccreditation as a Veteran Aware Trust.

3.4 BBC's The Food Programme

Sheila Dillon from BBC's The Food Programme visited St Peter's Hospital to meet with members of the catering team. During the visit, Sheila met with Raouf Mansour, Head of Catering and Housekeeping, and Eimear Jordan, Facilities Support Services Manager – Catering and Housekeeping. She heard about the great work that has taken place to transform the trust's catering service in recent years. The feature was recently broadcast on BBC Radio 4 and is available to listen back to on BBC Sounds. 5

3.5 ASPH Community Day

We will shortly be holding our fourth Community Day event on Saturday 19 July at St Peter's Hospital. The event will provide our local community with the opportunity to experience the hospital in an inter-active way and meet with some of our amazing teams and local partners. It will also be an opportunity to share more details about how the trust will be working closer with the Royal Surrey as part of the group model.

4 SYSTEM AND PARTNERSHIP UPDATES

4:1 Integrated Care Board Reform and Operating Cost Reductions

The government has announced significant changes to the NHS landscape. This includes plans to bring NHS England into the Department of Health and Social Care, providers to reduce their non-clinical spend and Integrated Care Boards (ICBs) to deliver a further 50% (approx.) efficiency by the end of December.

NHS England has outlined that ICBs, including Surrey Heartlands, will have a critical role to play as strategic commissioners and this was further described in the Model ICB Blueprint released at the beginning of May which sets out a new and refreshed focus. This includes a signalling of key functions ICBs should focus on and potentially grow over time, those to retain and adapt (including areas that can be delivered at scale) and those that should be reviewed for transfer to others over time. ICBs have been asked to use the blueprint to create bottom-up plans that are affordable within the recently confirmed national running cost envelope of £18.76 per head of population. This will require levels of collaboration across and within regions, and the expected bringing together of some ICBs, particularly those serving smaller populations.

For Surrey Heartlands this means a savings requirement of 63% against the current operating cost and a first draft of the plan to achieve this will be submitted to NHS England by the end of May. This will take the form of a high-level overview of proposed costs to meet the required cost envelope rather than detailed organisational structures at this stage. This is clearly a very challenging time for our Surrey Heartlands colleagues, and we are working closely with them through these changes.

5 CONCLUSION

I welcome any feedback or questions from the Council of Governors and look forward to discussing these key areas further.