

Paper for submission to the Board on 5 April 2016

<b>TITLE:</b>	<b>Annual Certifications</b>		
<b>AUTHOR:</b>	Glen Palethorpe Director of Governance / Board Secretary	<b>PRESENTER</b>	Glen Palethorpe Director of Governance / Board Secretary
<b>CORPORATE OBJECTIVE SO 6 – Plan for a viable future</b>			
<p><b>Introduction</b></p> <p>The Board is required to make a number of declarations at the year end, in respect of its annual plan the following self-certification is required.</p> <p>For this year the NHS Improvement have adjusted the template declarations slightly to those required last year. General Condition 6 has been added to declaration 1 and the declaration that was not applicable for us about the Academic Health Science Centers has been removed from declaration 2.</p> <p><b>Certifications</b></p> <p>Declaration 1 relating to General Condition 6 - Systems for compliance with license conditions (FTs and NHS trusts) and Continuity of services condition 7 - Availability of Resources (FTs designated CRS only)</p> <p>Declaration 2 relating to Condition FT4 – Corporate Governance and Training for Governors</p> <p><b>Conclusion</b></p> <p>The Trust has maintained its systems for compliance with its License conditions and many of these processes and their effectiveness are described within the Trust's Annual Report and Annual Governance Statement. The work undertaken by the Board and the respective Committees of the Board have not identified any failure to comply with these conditions and therefore the Trust based on the summary provided within this paper are recommended to certify, as it did last year, that it is compliant with these conditions.</p>			
<b>IMPLICATIONS OF PAPER:</b>			
<b>RISK</b>	<b>Y</b>	<b>Risk Description: N/A</b>	
	<b>Risk Register: N</b>	<b>Risk Score: N/A</b>	

<b>COMPLIANCE and/or LEGAL REQUIREMENTS</b>	<b>CQC</b>	<b>Y</b>	<b>Details: well led</b>	
	<b>NHS improvement</b>	<b>Y</b>	<b>Details: License requirement</b>	
	<b>Other</b>	<b>N</b>	<b>Details:</b>	
<b>ACTION REQUIRED OF BOARD</b>				
<b>Decision</b>	<b>Approval</b>		<b>Discussion</b>	<b>Other</b>
	<b>Y</b>			
<b>RECOMMENDATION FOR THE BOARD</b>				
That the Board approves the Trust self certification as complaint for each element within the required annual declarations.				

## Introduction

The Board is required to make a number of declarations at the year end, in respect of its annual plan the following self-certification is required.

For this year the NHS Improvement have adjusted the template declarations slightly to those required last year. General Condition 6 has been added to declaration 1 and the declaration that was not applicable for us about the Academic Health Science Centers has been removed from declaration 2.

## Certifications

Declaration 1 relating to General Condition 6 - Systems for compliance with license conditions (FTs and NHS trusts) and Continuity of services condition 7 - Availability of Resources (FTs designated CRS only)

Declaration 2 relating to Condition FT4 – Corporate Governance and Training for Governors

## Trust Position

### Declaration 1

#### **General Condition 6 - Systems for compliance with license conditions (FTs and NHS trusts)**

The Board is required to confirm it is compliant with the following certification, or explain why it can't certify itself as compliant.

**Following a review for the purpose of paragraph 2(b) of license condition G6, the Directors of the Licensee are satisfied, as the case may be that, in the Financial Year most recently ended, the Licensee took all such precautions as were necessary in order to comply with the conditions of the license, any requirements imposed on it under the NHS Acts and have had regard to the NHS Constitution.**

**It is recommended the Board a positive “confirmed” declaration is made.** This is supported by the view of NHS Improvement within their regular meetings and that the Trust is segmented in segment 2 where only segments 3 & 4 indicate a risk or actual breach of the License.

#### **Continuity of service condition 7 – Availability of Resources**

The Board is required to make one of the following three declarations

**1a After making enquires the Directors of the Licensee have reasonable expectations that the Licensee will have the Required Resources available to it**

**after taking account distributions which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate.**

1b After making enquires the Directors of the Licensee have a reasonable expectation, subject to what is explained below, that the Licensee will have the Required Resources available to it after taking account in particular (but without limitation) and distribution which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate. However, they would like to draw attention to the following factors (as described in the text box in section 3 below) which may cast doubt on the ability of the Licensee to provide Commissioner Requested services

1c In the opinion of the Directors of the Licensee, the Licensee will not have the Required Resources available to it for the period of 12 months referred to in this certificate.

**It is recommended that declaration 1a is made.** This is supported by the fact the Trust has achieved its control total for 2016/17 and set a positive control total for 2017/18. This is coupled with the Executive assessment of the Trust's going concern which reported positively that the Executives could make this declaration as part of recommending the accounts for audit (this was reported via the Audit Committee)

## **Declaration 2**

### **Condition FT4 - Corporate Governance Statement**

The Board is required to indicate it is compliant with the following statements or if not state why it is non compliant.

1) The Board is satisfied that the Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the NHS.

**It is recommended the Board signify its compliance** as the Board is assured from the work of the Audit Committee, its Internal and External Auditors and their opinions received during the year. The Trust has also been rated as "good" by the CQC within the domain of well led. This is reflected in the Trust's Annual Governance Statement.

2) The Board has regard to such guidance on good corporate governance as may be issued by NHS Improvement from time to time.

**It is recommended the Board signify its compliance** as the Trust Board Secretary has made the Board, Audit Committee and Executives aware of monitor guidance and any impact / improvements to be made within Trust systems as a result.

- 3) The Board is satisfied that the Trust implements:
- (a) Effective board and committee structures;
  - (b) Clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and
  - (c) Clear reporting lines and accountabilities throughout its organisation.

**It is recommended the Board signify its compliance** as these processes were referred to and their effectiveness was considered by the Accountable Officer when drafting the Trust's Annual Governance Statement with this description then considered by the Audit Committee as it endorsed the AGS for submission to the Auditors. Respective Committee reporting to the Board is operating effectively as evidenced by the regular reports to the Board from each Committee Chair.

- 4) The Board is satisfied that the Trust effectively implements systems and/or processes:

- (a) To ensure compliance with the Licensee's duty to operate efficiently, economically and effectively;
- (b) For timely and effective scrutiny and oversight by the Board of the Licensee's operations;
- (c) To ensure compliance with health care standards binding on the Licensee including but not restricted to standards specified by the Secretary of State, the Care Quality Commission, the NHS Commissioning Board and statutory regulators of health care professions;
- (d) For effective financial decision-making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licensee's ability to continue as a going concern);
- (e) To obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making;
- (f) To identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence;
- (g) To generate and monitor delivery of business plans (including any changes to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery; and
- (h) To ensure compliance with all applicable legal requirements.

**It is recommended the Board signify its compliance** as the Board both directly and through its Committee structure has been assured that the Trust's designed systems of internal control have been operating effectively and as intended over the year. Where issues have arisen during the year, for example in respect of operational performance, timely actions have been implemented to improve these areas. Assurance is routinely and regularly obtained as to the quality of the data supporting the Trust's performance reporting and decisions being taken. The Board has approved the Trust's longer term strategy and annual plan. Key risks and associated assurance has been reported to the Audit Committee and Board during the year and the process has been subject to Internal Audit review which concluded positively over the Trust corporate risk and assurance processes.

5) The Board is satisfied that the systems and/or processes referred to in paragraph 4 (above) should include but not be restricted to systems and/or processes to ensure:

- (a) That there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided;
- (b) That the Board's planning and decision-making processes take timely and appropriate account of quality of care considerations;
- (c) The collection of accurate, comprehensive, timely and up to date information on quality of care;
- (d) That the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care;
- (e) That the Trust, including its Board, actively engages on quality of care with patients, staff and other relevant stakeholders and takes into account as appropriate views and information from these sources; and
- (f) That there is clear accountability for quality of care throughout the Trust including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.

**It is recommended the Board signify its compliance** as there is clear leadership and accountability for the delivery of high quality and safe services within the Trust. This is detailed with the Trust's Quality Account and the statements contained therein. The Board both directly and through its Committee structures ensures that a focus is maintained on the delivery of quality services. The Trust's quality priorities continue to be set in consultation with the Governors and other stakeholders with regular reporting of the delivery against these priorities provided to the Board and the Council of Governors and our Commissioners. The effectiveness of these processes was again considered by the Accountable Officer in drafting the Annual Governance Statement which in turn was subject to consideration by the Audit Committee prior to its submission to the Auditors and inclusion within the Annual Report.

6) The Board is satisfied that there are systems to ensure that the Trust has in place personnel on the Board, reporting to the Board and within the rest of the organisation who are sufficient in number and appropriately qualified to ensure compliance with the conditions of its NHS provider licence.

**It is recommended the Board signify its compliance** as the Trust has established a process that ensures that all Board Members are "fit and proper" persons. This process has been applied to Board appointments made in the year with the outcome of this reported to the Board's Remuneration and Nominations Committee as part of the relevant appointment process. An annual review of all Board Members continuation as fit and proper persons was also reported to the Board at the end of the year. The Board through its Workforce and Staff Engagement Committee has been assured over the actions being taken to mitigate the workforce risks in relation to recruitment and retention. Regular reporting is provided to the Board on the Trust's compliance with the nursing safer staffing levels and the revalidation of its nursing and medical workforce. All transformation schemes are subject to a detailed

quality impact assessment and this rigor includes those schemes which include any workforce reduction and through this process the Board is assured that the Trust retains an appropriately qualified workforce to deliver its services.

### **Training of Governors**

The Board is required to indicate it is compliant with the following statement or if not state why it is non compliant.

The Board is satisfied that during the financial year most recently ended the Trust has provided the necessary training to its Governors, as required in s151(5) of the Health and Social Care Act, to ensure they are equipped with the skills and knowledge they need to undertake their role.

**It is recommended the Board signify its compliance** as the Trust has established a programme of training for the Governors, which includes training as part of their induction supplemented by workshops where new information on developments are discussed. The Trust's training package was reviewed in 2016/17 against NHS Providers govern well modular training package to ensure the breadth of the Trust's programme remained comprehensive. This review found no issues with the breadth of training provided. Also at each Council of Governors meeting, including the Annual Members Meeting, a presentation is made by an area of the Trust on its work thus allowing Governors to knowledge to be enhanced. These sessions have included information on Mortality, End of Life and Outpatients Transformation.