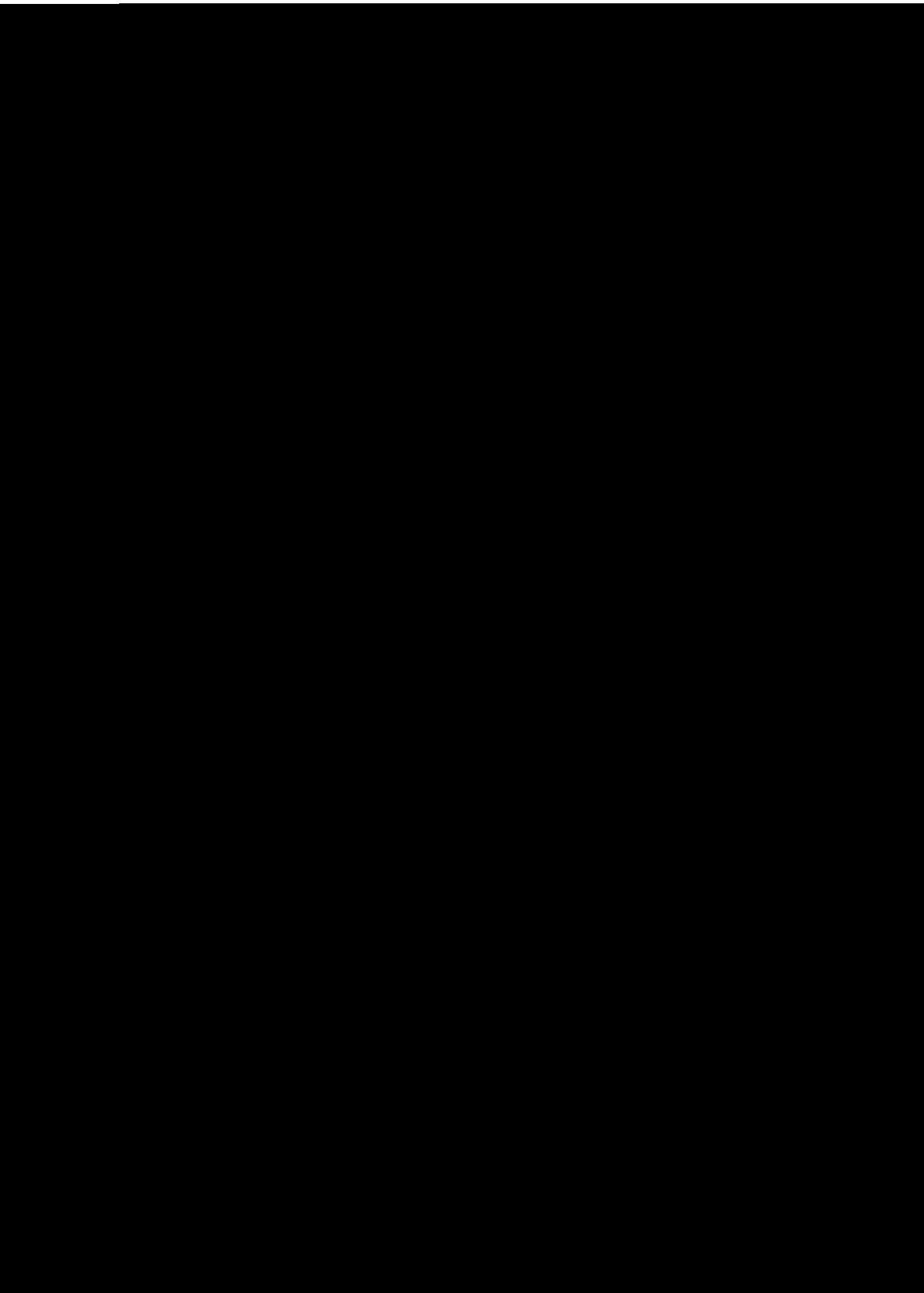


CLASSIFICATION
Unrestricted



Supporting Information

The provider Licence replaced in 2013 the terms of the Authorisation originally issued to new foundation trusts by Monitor.

As previously discussed, NHS Improvement carried out an investigation into the Trust's finances in 2017 and found reasonable grounds to suspect the trust was in breach of some of the conditions for paragraph FT4: these are shown in the declaration template extracted below as paragraph 3 (b, c), and paragraph 4 (a, b, d, and f); these refer to sub-paragraphs 4 & 5 of the Licence (set out in full as an appendix.)

The declaration and proposed response is:

<p>1 The Board is satisfied that the Licensee 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.</p>	<p>Confirmed</p>	<p>The Board is assessing and reported its compliance with the Well Led framework and has assessed compliance with the Monitor Quality Governance Framework</p>
<p>2 The Board has regard to such guidance on good corporate governance as may be issued by NHS Improvement from time to time</p>	<p>Confirmed</p>	<p>New developments and information on governance are reviewed and incorporated into practice.</p>
<p>3 The Board is satisfied that the Licensee has established and 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.</p>	<p>Confirmed</p>	<p>The Board considers that it is supported by an appropriate range of committees, with regularly reviewed compositions and terms of reference. There are regular formal accountability meetings to Executive Directors for all major services. Reporting lines through to individual Executive Directors are clear and are detailed in the Accountability Framework.</p>

<p>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:</p> <p>(a) That there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided;</p> <p>(b) That the Board's planning and decision-making processes take timely and appropriate account of quality of care considerations;</p> <p>(c) The collection of accurate, comprehensive, timely and up to date information on quality of care;</p> <p>(d) That the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care;</p> <p>(e) That the Licensee, 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</p> <p>(f) That there is clear accountability for quality of care throughout the Licensee including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.</p>	<p>Confirmed</p>	<p>All posts on the board are substantively filled; individuals are appraised and where required, training and development activity is undertaken.</p> <p>The board places quality at the centre of its strategies and deliberations and this is a key driver of its strategies to continue to develop the Trust's offer to commissioners and patients.</p> <p>Board members take part in a regular programme of walk-rounds; there are patient stories heard at board and the relevant committee. The main surveys of staff and patients, real time feedback and friends & family test are reported. There is engagement with Health Watch and the Health & Well-being Board.</p>
<p>6 The Board is satisfied that there are systems to ensure that the Licensee 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.</p>	<p>Confirmed</p>	<p>The Trust Board is appropriately constituted and there is succession planning key roles. There is however still some reliance on agency and locum staff because of recruitment difficulties in the labour market.</p>

As shown above, is proposed to state 'confirmed' for the reasons given on the statement and the improvements made as described in the Annual Governance Statement, extracted below.

The Trust has been undertaking a number of improvement actions in 2017/18, including a Well Led developmental review, which was commissioned and carried out during January-March 2018. The findings of the review [by Deloitte], which will inform further development are being presented to the Board in 2018/19.

The Trust board assesses its own effectiveness and that of its committees to ensure it is discharging its responsibilities appropriately. The Board's sub committees conduct an annual review of performance against their terms of reference which is reported to the Trust Board, as set out in the Integrated Governance Framework.

During 2017/18 there were several key changes at Executive and Non Executive level and a Board Development Programme has been established and is currently being delivered to enhance the effectiveness of Board performance. The Board and Council of Governors have worked together to ensure that new appointments help represent the range of skills the board requires from non-executives.

Reporting and informing from Board committees to the Trust Board has been strengthened with the introduction of a standard escalation report produced for each subcommittee meeting. Each board committee is clearly linked to corporate objectives and associated risks via its terms of reference and the assurance framework.

A Strategy Committee has been introduced to advise on the Trust's campus development proposals and to strengthen the monitoring of the delivery of the Trust's strategy adopted in December 2017.

The financial information provided to the Finance & Performance Committee has been improved during 2017/18. The Board now receives an Integrated Performance Report at its monthly meetings, which is enabling both the monitoring of the individual areas covered and the better triangulation of issues arising across finance, operations, workforce and quality.

The Workforce Committee has been re-established as a sub-committee of the Board with non-executive leadership and is developing its work programme to improve recruitment and retention, staff health and well-being, and plan for future workforce needs.

Committee memberships and attendances have been reviewed so that the appropriate level of specialization by directors in issues assigned to committees is maintained.

The Audit Committee is continuing in 2018/19 to look at the roles of all the committees of the board to ensure clarity and consistency of risk identification and escalation.

During 2017/18 two key documents were developed and implemented – the Integrated Governance Framework and Accountability Framework.

Integrated governance is the combination of systems, processes and behaviours which the Trust uses to lead, direct and control its functions in order to achieve its organisational objectives. The Trust recognises the importance of responsible, accountable, open and effective governance. This has been complimented by a review of the decision-making, risk management and accountability function at Board and sub-committee level which has resulted in the changes described in this document.

The Accountability Framework is the underpinning document describing the performance management systems in place at directorate level through to the executive.

The Trust assesses its compliance with the Code of Governance annually through the Annual Report. New developments and information on governance are reviewed and incorporated into practice. The Board is held to account by the Council of Governors; the Council ensures that suitable non-executives are appointed to the Board. There are annual appraisals of all board members, overseen by the Remuneration Committee and the Governors' Performance Committee.

Condition FT4 – NHS foundation trust governance arrangements (in full)

1. This condition shall apply if the Licensee is an NHS foundation trust, without prejudice to the generality of the other conditions in this Licence.

2. The Licensee shall apply 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.

3. Without prejudice to the generality of paragraph 2 and to the generality of General Condition 5, the Licensee shall:

- (a) have regard to such guidance on good corporate governance as may be issued by Monitor from time to time; and
- (b) comply with the following paragraphs of this Condition.

4. The Licensee shall establish and implement:

- (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.

5. The Licensee shall establish and effectively implement 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.

6. The systems and/or processes referred to in paragraph 5 should include but not be restricted to systems and/or processes to ensure: