

## Council of Governors: Summary Sheet

**Title of Paper:** Annual Corporate Governance Statement (Provider Licence)

**Presented By:** Margaret Saunders, Director of Corporate Governance (Board Secretary)

<b>Action Required:</b>	<b>For Information</b>	<input checked="" type="checkbox"/>	<b>For Ratification</b>	<input type="checkbox"/>	<b>For a decision</b>	<input type="checkbox"/>
	<b>For Feedback</b>	<input type="checkbox"/>	<b>Vote required</b>	<input type="checkbox"/>	<b>For Receipt</b>	<input type="checkbox"/>

To which duty does this refer:

Holding non-executive directors individually and collectively to account for the performance of the Board	<input type="checkbox"/>
Appointment, removal and deciding the terms of office of the Chair and non-executive directors	<input type="checkbox"/>
Determining the remuneration of the Chair and non-executive directors	<input type="checkbox"/>
Appointing or removing the Trust's auditor	<input type="checkbox"/>
Approving or not the appointment of the Trust's chief executive	<input type="checkbox"/>
Receiving the annual report and accounts and Auditor's report	<input type="checkbox"/>
Representing the interests of members and the public	<input type="checkbox"/>
Approving or not increases to non-NHS income of more than 5% of total income	<input type="checkbox"/>
Approving or not significant transactions including acquisitions, mergers, separations and dissolutions	<input type="checkbox"/>
Jointly approving changes to the Trust's constitution with the Board	<input type="checkbox"/>
Expressing a view on the Trust's operational (forward) plans	<input type="checkbox"/>
Consideration on the use of income from the provision of goods and services from sources other than the NHS in England	<input type="checkbox"/>
Monitoring the activities of the Trust to ensure that they are being conducted in a manner consistent with its terms of authorisation and the constitution	<input checked="" type="checkbox"/>
Monitoring the Trust's performance against its targets and strategic aims	<input type="checkbox"/>

### How does this item support the functioning of the Council of Governors?

The Annual Corporate Governance Statement demonstrates to the Council of Governors that the Trust is fully compliant with its provider licence and terms of authorisation.

**Author of Report:** Sam Stoddart

**Designation:** Deputy Board Secretary

**Date:** July 2018

## SUMMARY REPORT

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**Report to:** Council of Governors

**Date:** 26 July 2018

**Subject:** Annual Corporate Governance Statement

**Author:** Sam Stoddart, Deputy Board Secretary

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### 1. Purpose

<i>For approval</i>	<i>For a collective decision</i>	<i>To report progress</i>	<i>To seek input from</i>	<i>For information/assurance</i>	<i>Other (Please state below)</i>
				x	

### 2. Summary

The Provider Licence is the main tool through which NHS providers are regulated. It sets out a number of obligations.

The Trust has an NHS Provider Licence (No. 130097). In April 2017 new guidance was issued by NHS Improvement (NHSi) requiring providers to self-certify on only three licence conditions after the financial year end. The conditions are:

- (a) The provider has taken all precautions necessary to comply with the licence, NHS Acts and NHS Constitution. This is known as condition G6 and Trusts must publish their self-certification by 30 June 2018.
- (b) The provider has complied with required governance arrangements. This is known as condition FT4 and Trusts must publish their self-certification by 31 May 2018.
- (c) If providing commissioner requested services, the provider has a reasonable expectation that required resources will be available to deliver the designated services. This is known as condition CoS7 and Trusts must publish their self-certification by 31 May 2018.

The aim of self-certification is for providers to carry out assurance that they are in compliance with the conditions.

The Trust does not need to submit this the NHSi, but must ensure that the self-certifications are signed off by the Board in line with the deadlines outlined in this report. NHSi will undertake an annual audit on a small sample of Trusts to ensure compliance. If selected for an audit, Trusts will need to provide evidence that the self-certifications were signed off by the Board.

**2. Next Steps**

The Annual Corporate Governance self-certification report was received and approved by the Audit Committee and Board of Directors in May 2018. In line with reporting requirements the self-certification has been published on the Trust's [website](#).

**3. Required Actions**

The Council of Governors is asked to receive the report for assurance purposes.

**4. Monitoring Arrangements**

The self-certification was published within the required timescales and is the responsibility of the Director of Corporate Governance (Board Secretary).

**5. Contact Details**

Margaret Saunders

Director of Corporate Governance (Board Secretary)

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**Sheffield Health and Social Care NHS Foundation Trust**  
**Self-certification against Provider Licence Conditions 2017-18**

Condition Ref.	Details of the Condition	Evidence	Self-certification
<p><b>G6</b></p>	<p><b>General condition 6 – Systems for compliance with licence conditions and related obligations</b></p> <p>Following a review for the purposes of paragraph 2(b) of licence condition G6, the Directors of the Licensee are satisfied that, in the Financial Year most recently ended, the Licensee took all reasonable precautions against the risk of failure to comply with:</p> <p><b>1.</b></p> <ul style="list-style-type: none"> <li>(a) the Conditions of this Licence,</li> <li>(b) any requirements imposed on it under the NHS Acts, and</li> <li>(c) the requirement to have regard to the NHS Constitution in providing health care services for the purposes of the NHS</li> </ul> <p><b>2.</b></p> <p>Without prejudice the generality of the paragraph above, the steps the Licensee must take pursuant to that paragraph shall include:</p> <ul style="list-style-type: none"> <li>(a) the establishment and implementation of processes and systems to identify risks and guard against their occurrence, and</li> <li>(b) regular review of whether those processes and systems have been implemented and of their effectiveness.</li> </ul>	<p>The Trust has established and implemented processes and systems to identify risks and guard against their occurrence. These are detailed in the Annual Governance Statement and include the Board Assurance Framework (BAF), Risk Register and governance structures in operation within the Trust.</p> <p>The Trust regularly reviews these processes and systems and their effectiveness. This has included a range of internal audit reports and management reviews of systems and processes. It has also included Board workshops on the BAF, Corporate Risk Register and risk appetite.</p> <p>Full details of actions taken are in the Annual Governance Statement and the Head of Internal Audit Opinion.</p>	<p><b>Confirmed</b></p>

Condition Ref.	Details of the Condition	Evidence	Self-certification
<b>FT4</b>  2.	<b>NHS Foundation Trust Conditions 7 - NHS foundation trust governance arrangements</b>  The Board is satisfied that the Licensees applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services in the NHS.	The Board has sound systems of corporate governance and internal controls in place and receives assurance of this from the Head of Internal Audit through the Head of Internal Audit Opinion.  Details of compliance can be found within the Trust's Annual Report and Annual Governance Statement	<b>Confirmed</b>
3.	The Board has regard to such guidance on good corporate governance as may be issued by NHSi from time to time.	Guidance from NHSi is reviewed and implemented as appropriate. This is supported with quarterly meetings with representatives from NHSi and the Trust Executive Management Team.	<b>Confirmed</b>
4.	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.	Details of compliance can be found within the Trust's Annual Report and Annual Governance Statement.	<b>Confirmed</b>
5.	The Board is satisfied that the Trust effectively implements systems and/or processes:  (a) To ensure compliance with the Licensees' duty to operate efficiently, economically and effectively; (b) From 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,	Details of compliance can be found within the Trust's Annual Accounts, Annual Report, Annual Governance Statement and Quality Accounts.  The Trust has been rated as "good" following a full CQC inspection.  The Trust has completed its Annual Accounts and confirmed it has systems and processes	<b>Confirmed</b>

Condition Ref.	Details of the Condition	Evidence	Self-certification
	<p>the Care Quality Commission, the NHS Commissioning Board and statutory regulators of health care professions</p> <p>(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 as a going concern)</p> <p>(e) To obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making;</p> <p>(f) To identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence;</p> <p>(g) To generate and monitor delivery of business plans (including any change to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery; and</p> <p>(h) To ensure compliance with all applicable legal requirements.</p>	<p>to ensure its ability to operate as a going concern.</p> <p>The Trust produces strategic and business plans and monitors its ability to deliver against these plans through its Board Assurance Framework, Risk Register and Performance Reports.</p>	
6.	<p>The Board is assured that systems and/or processes referred to above include, but are not restricted to, systems and/or processes that ensure:</p> <p>(a) sufficient capability at Board level to provide effective organisational leadership on the quality of care provided;</p> <p>(b) 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>Details of compliance can be found within the Trust's Annual Accounts, Annual Report, Annual Governance Statement and Quality Accounts.</p>	<b>Compliant</b>

Condition Ref.	Details of the Condition	Evidence	Self-certification
	<p>(d) 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 the 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) there is a clear accountability for quality of care throughout the Licensee's organisation including, but not restricted to, systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.</p>		
7.	<p>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 Provider Licence.</p>	<p>Details of compliance can be found within the Trust's Annual Accounts, Annual Report and Annual Governance Statement.</p>	<b>Confirmed</b>
CoS7	<p><b>Continuity of Services 7 - Availability of Resources</b></p> <p><i>Note There are three possible statements in relation to this condition. As the Trust's commissioners confirmed that the Trust provides Commissioner Requested Services (CRS) the Deputy Director of Finance has confirmed that following statement can be made:</i></p> <p>(a) After making enquiries, the Directors of the Licensee have a reasonable expectation that the Licensee will have the required resources available to it after taking account of distributions which</p>	<p>The Trust's commissioners have confirmed that the Trust provides Commissioner Requested Services (CRS) which are detailed in the contract under Schedule 2 Part D "Essential Services".</p> <p>The Trust has produced its Annual Accounts and has confirmed its ability to operate as a going concern and is therefore able to confirm that in relation to CRS the required resources will be available over the next financial year.</p>	<b>Confirmed</b>

Condition Ref.	Details of the Condition	Evidence	Self-certification
	might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate.		
<b>Training of Governors</b>	<p>Training of Governors is not a licence condition but a requirement under the Health and Social Care Act</p> <p>S151(2) of the Health and Social Care Act states that [Providers] must take steps to secure that the governors are equipped with the skills and knowledge they require.</p>	<p>The Annual Report (Section 3.1.27) includes details of governor training. This details a rolling training programme including induction, NHS Provider and GovernWell bespoke training, joint training with Sheffield Teaching Hospital NHS FT and conferences.</p> <p>The Governors and Directors also held two joint workshops focusing on the strategic development of the organisation.</p>	Confirmed

This self-certification is signed by Jayne Brown, Chair of Sheffield Health and Social Care NHS Foundation Trust on behalf of the Board of Directors.

Signed M. J. Brown.

Dated 24/5/2018