1. Executive Summary of the Report

The Trust has an NHS Provider Licence and in the past, was required to submit six self-certifications, on an annual basis, to meet NHSI’s Provider License conditions for NHS services, along with a declaration of risks against healthcare targets and indicators.

However, new guidance was issued by NHSI on 21st April 2017. This guidance now requires NHS Providers to self-certify against only three Licence Conditions after the financial year-end (conditions G6, CoS7 and FT4), and to certify adequate training of Governors.

In June 2017 the Board of Directors approved self-certification against condition G6 (Systems for compliance with licence conditions and related obligations) and condition CoS7 (Availability of resources).

This paper updates the Board on the progress of self-certification against the final licence condition (FT4 – NHS foundation trust Governance Arrangements) and the training of Governors requirement.

2. Recommendations (Note, Approve, Discuss)

The Board of Directors is asked to APPROVE NHSI FT self-certifications for Condition FT4 and the training of Governors requirement.

3. Legal / Regulatory Implications

Not achieving financial duties will impact on the ability for the Trust to secure the economy, efficiency and effectiveness in its use of resources.

4. Risk (Threats or opportunities, link to a risk on the Risk Register, Board Assurance Framework etc)

Failure to meet the range of conditions of the NHS Provider Licence for a licensed provider can lead to NHSI imposing compliance and restoration requirements or monetary penalties. Ultimately it could lead to revocation of a providers licence. The greatest impact is most likely to be on reputation and the impact that has on patient choice and stakeholders confidence in the RUH as a provider of NHS services.
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1. **Background**

On 1st April 2013, Monitor’s healthcare licensing regime was implemented for all NHS Foundation Trusts (The Health and Social Care Act 2012). It replaced the Terms of Authorisation for Foundation Trusts and is the main tool NHSI (previously Monitor) uses for regulating providers of NHS services.

All NHS foundation trusts are required to self-certify whether or not they have complied with the conditions of the NHS provider licence, have the required resources available if providing commissioner requested services, and, have complied with governance requirements.

This now requires NHS Providers to self-certify whether:

- The provider has complied with required governance arrangements - **Condition FT4**
  (see sub-section 8)

This self-certification must be undertaken within two months of the end of the financial year (30th June 2017).

Additionally (whilst not a condition of license) NHSI requires the Trust to review whether Governors have received enough training and guidance to carry out their roles. The Board are required to self-certify to this effect within the same timescales.

**Self-Certification - Condition FT4**

Providers should review whether their governance systems meet the standards and objectives in the condition. There is no set standard or model to follow; instead in reaching the conclusion the Trust is compliant, the Trust should assess effective board and committee structures, reporting lines and performance and risk management systems.

The Board of Directors is required to self-certificate “Confirmed” or “Not confirmed” to a number of governance-related statements (see Appendix 1 for summary of statement requirements) and set-out any risks and mitigating actions planned for each one within the NHSI self-declaration template.

**Recommendation:**

Based on the evidence highlighted in Appendix 1, it is recommended to the Board that each of the six governance-related statements from ‘Condition FT4’ Self Certification are formally signed-off as “Confirmed”.

**Self-Certification – training of Governors**

A paper on governor training has been taken to the June Council of Governors meeting, setting out the training opportunities provided by the Trust in 2016/17 (Appendix 2). Governors have reviewed and approved this paper, confirming that the Trust has fulfilled its duty to provide training for governors, to equip them with the skills and knowledge they need in order to undertake their role.

**Recommendation:**

Based on the evidence highlighted in Appendix 2, it is recommended that the Board confirm that it is satisfied that during the financial year of 2016/17 the Trust has provided the necessary training to its Governors, as required in s 151(5) of the Health and Social Care Act.
Appendix 1- NHSI Templates for Board certification

Self-Certification Condition FT4- NHS Foundation Trust governance arrangements

- 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.

The Board is satisfied because:
- The Trust has Standing Orders, Standing Financial Instructions and a Scheme of Delegation in place.
- The Board of Directors receives monthly performance reports aligned to the Regulator's Risk Assessment Framework (Single Oversight Framework) requirements.
- The Trust has a Board Assurance Framework in place which is regularly updated and reviewed by the Board's Assurance Committees and is reported to the Board of Directors quarterly.
- The Trust has a Strategic Framework for Risk Management.
- The Trust's Internal Auditors review risk management processes annually.
- Where performance is not meeting constitutional standards exception reports are provided to the Board of Directors, supported by seminar sessions if further discussion is required.
- The Board has regard to such guidance on good corporate governance as may be issued by NHSI from time to time.

Evidence of Compliance:
- Briefing on new NHSE “Managing Conflicts of Interest in the NHS” presented to the Board of Directors March 2017.
- The Board have reviewed the 3rd edition of “The foundations of good governance: a compendium of best practice” produced by NHS Providers and DAC Beachcroft at their quarterly away day in June 2017.

- The Board is satisfied the Royal United Hospitals Bath NHS Foundation Trust implements:
  - Effective board and committee structures;
  - Clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and
  - Clear reporting lines and accountabilities throughout its organisation.

The Board is satisfied because:
• Clinical Governance Committee, Non-Clinical Governance Committee and Audit Committee provide assurance on systems and processes to the Board of Directors.

• The Board undertook a comprehensive and rigorous examination of its Committees as part of the Trust’s foundation trust application process in 2014. The Trust will be carrying out a further review of its Committee structures in 2017 as part of its 3 year strategy review and refresh.

• Annual review of the Board and its sub committees performance and effectiveness is carried out.

• There are clear Terms of Reference for Board and Sub-committees

Specific Risks & Mitigations:
• The Trust has had to reappoint to the key governance role of Trust Board Secretary. This gap in internal governance oversight and expertise is being mitigated through commissioning an external review of Trust governance processes in 2017.

• While the STP presents an opportunity for the Trust, the difficulty in effectively balancing organisational and system governance and responsibilities does present a risk. Moving towards an Accountable Care System, with a clear contractual framework providing robust processes and structures for organisational interaction will mitigate this risk.

• The Board is satisfied that Royal United Hospitals Bath NHS Foundation Trust effectively implements systems and/or processes:
  - to ensure compliance with the Licence holder’s duty to operate efficiently, economically and effectively;
  - for timely and effective scrutiny and oversight by the Board of the Licence holder’s operations;
  - to ensure compliance with health care standards binding on the Licence holder 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.
  - for effective financial decision-making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licence holder’s ability to continue as a going concern);
  - to obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making;
  - to identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence;
  - 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
  - To ensure compliance with all applicable legal requirements.

The Board is satisfied because:
• The Annual Governance Statement, Annual Report and Quality Accounts are completed and submitted in a timely manner

• Quarterly Board review of the Board Assurance Framework.
• Monthly Operational Performance report received by the Board of Directors
• Monthly Finance report received by the Board of Directors.
• Standing Orders and Standing Financial Instructions approved by the Board.
• Strategies and policies kept under regular review
• Quarterly Health and Safety and Estates compliance reports received by the Board of Directors.
• Annual Operational plan received by the Board of Directors
• Business Plan Quarterly review received by the Board of Directors
• Ward and outpatient Accreditation programme received by the Board of Directors
• The Board of Directors is kept up to date on systems, processes and governance in place within the Trust to meet the requirements of the Workforce Race Equality Standard, Equality Act 2010 and the Public Sector Equality Duty.
• The Trust has a comprehensive annual operational/business planning process aligned to national planning and contracting timeframes which is assured via Board Committee and NHSI submission. Any risks around delivery of plans managed via quarterly board reporting and divisional reporting on agreed milestones.
• CQC Registration and Statement of Purpose maintained regularly by Trust Board Secretary. Risk of new services/service transfers impacting CQC registration is being mitigated by ensuring that business case process includes prompts to consider impact on CQC registration.
• Comprehensive CQC Improvement Plan agreed and implemented following CQC inspection in March 2016. Updates regularly to Board of Directors (most recently in March 2017).
• The Trust has a monthly Data Quality Steering Group that has oversight of data quality within the Trust. It maintains a Data Quality Assurance Framework and ensures regular independent assessment of data and related processes. This manages and mitigates any risks data quality.

Specific Risks & Mitigations:
• Complying with recent directives from the CMA requiring the Trust to submit private patient information to the Private Healthcare Information Network (PHIN) presents an IG risk, which is being mitigated via ongoing discussions with PHIN.
• Like many providers the Trust is managing a variety of risks around compliance with national and local performance standards. These risks are being managed by working with the whole local healthcare system via the STP and established groups to ensure a connected and consistent approach.

• The Board is satisfied that the systems and/or processes referred to in paragraph 5 should include but not be restricted to systems and/or processes to ensure:
o that there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided;
o that the Board’s planning and decision-making processes take timely and appropriate account of quality of care considerations
o the collection of accurate, comprehensive, timely and up to date information on quality of care;
o that the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care;
o that Royal United Hospitals Bath NHS Foundation 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
o that there is clear accountability for quality of care throughout Royal United Hospitals Bath NHS Foundation Trust including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to Board where appropriate.

The Board is satisfied because:
- A monthly quality report is received by the Board of Directors
- Annual Quality accounts are received by the Board of Directors
- Director of Infection Prevention and control Annual report are received by the Board of Directors
- Children’s safeguarding annual report is received by board of Directors
- Adult Safeguarding annual report is received by Board of Directors
- Mental Health annual report is received by Board of Directors
- Quarterly report on patient and carer experience is received by Board of Directors
- End of Life care Annual Report is received by the Board of Directors
- Freedom to speak up Guardian report is received by Board of Directors
- Patient and Carer strategy is received by Board of Directors
- The Board of Directors includes a ‘patient story’ on the agenda every month, and all Directors take part in patient safety visits throughout the year
- Clinical Governance Committee meets bimonthly and provides assurance to the Board that the key critical clinical systems and processes are effective and robust (including quality improvement, compliance with CQC essential standards, incident management and reporting, patient experience, R&D and maintaining clinical competence).
- The Trust has a Quality Board (reporting to Management Board) which works across the Trust in the delivery of the quality strategy.
- Operationally, the Trust has an Operational Governance Committee that oversees practice change to enhance quality delivery.
The Board of Royal United Hospitals Bath NHS Foundation Trust is satisfied that there are systems to ensure that it 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 this Licence.

The Board is satisfied because:

- The Trust has developed a process for ensuring Directors (executive and non-executive) meet and continue to meet the requirements of the Fit and Proper persons test.
- Members of the Board of Directors are required to make an annual declaration that they continue to meet the Fit and Proper persons test.
- Executive and Non-Executive Directors and Governors are required to declare any interests.
- The Council of Governors and Board of Directors Codes of Conduct contain clauses about the Fit and Proper Persons Test.
- Monthly safer staffing report (as part of the Quality Report) are presented to Board of Directors
- Learning and Development Annual report is received by Board of Directors
- Medical Revalidation Annual Board report is received by board of Directors
- Nursing and Midwifery Strategy Report is received by Board of Directors
- 6 monthly safer Nurse and Midwifery staffing report is received by Board of Directors.
- Board requirements (in terms of expertise and skill-mix) are reviewed and taken into account during recruitment exercises. Non-executive Directors are appointed for fixed terms to ensure a regular review of expertise and skill-mix.
- The Trust follows best practice in undertaking regular review of board performance (led by the Chair) and review of Non-executive Director performance by Governors.

Specific Risks & Mitigations:

- The Trust currently has an interim Director of Estates managing a large portfolio including extensive redevelopment programme and STP involvement. Risks associated with this situation are being mitigated through the use of additional consultancy input.
Appendix 2- Annual NHS Improvement Declaration – Governor Training

See separate report entitled “Annual NHS Improvement Declaration – Governor Training” presented to the Council of Governors on 8th June 2017.
1. Executive Summary of the Report

NHS Improvement requires NHS Foundation Trusts to make a number of returns and declarations over the course of the financial year. NHS Improvement requires the Board of Directors to confirm (or otherwise) the following statement by 30 June 2017.

“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.

Signed on behalf of the Board of directors, and having regard to the views of the governors.”

A summary of the governor training opportunities provided by the Trust in 2016/17 is attached at appendix 1.

The Board of Directors will consider the above statement at its meeting on 28th June 2017. Before confirming the statement, members of the Board of Directors need to have regard to the views of Governors.

The Membership & Governance Manager will include any Governor comments in the June Board of Directors’ NHS Improvement Board Statement paper.

2. Recommendations (Note, Approve, Discuss)

The Council of Governors is requested to:

a) Note the attached summary of Governor Training Opportunities provided by the Trust during 2016/17 (appendix 1)

b) Confirm whether the Trust has fulfilled its duty to provide training for governors to equip them with the skills and knowledge they need in order to undertake their role.

c) Identify any additional training requirements for inclusion in the 2017/18 Governor training programme.
3. **Legal / Regulatory Implications**  
The Trust is required to meet the requirements of NHS Improvement’s Provider Licence which requires the Trust to make a number of returns and declarations to NHS Improvement over the course of the financial year.

4. **Risk (Threats or opportunities, link to a risk on the Risk Register, Board Assurance Framework etc.)**  
The Trust has a duty to provide training to governors to equip them with the skills needed to perform their duties. If the Trust fails to deliver this duty, there is a risk that governors will not be able to fulfil their role and the Trust would be in breach of its Provider Licence.

5. **Resources Implications (Financial / staffing)**  
N/A

6. **Equality and Diversity**  
N/A

7. **References to previous reports**  
N/A

8. **Freedom of Information**  
Public
Governor Training Opportunities 2016/17

The summary below covers the period 1 April 2016 to 31 March 2017.

Governor Training

Training can cover a wide range of activities, including induction sessions, attendance at formal training courses, presentations on key aspects of the Trust’s work and “on the job” training.

Set out below is a summary of the Governor training opportunities, both formal and informal over the last year.

Attendance at Network Meetings
The Trust reimburses travel costs of Governors attending local, regional and national training and network events.

Governor Seminars

8th March 2016
• Council of Governor’s Seminar – Non Clinical Governance Committee Assurance

31st May 2016
• Council of Governor’s Seminar – The Role of the CCG

6th December 2016
• Council of Governor’s Seminar – Clinical Governance Committee Assurance

6th March 2017
• Council of Governor’s Seminar – Audit Committee Assurance

Governor Away Days

12th December 2016 – Board of Directors and Governors Away Afternoon which included detailed discussions focusing on Income, Cost and Quality, each with an Executive Lead.

28th February 2017 – Governor Away Day
• NHS Providers Governwell Training on Governance and the role of the Council of Governors (as part of Governor Away Day)
• NHS Providers Governwell Training on NHS Finance and how the system is funded (as part of Governor Away Day)
• NHS Providers Governwell Training on The National Context (as part of Governor Away Day)
• Governors were also trained on Dementia Awareness
• Governors were asked their skills, experience and strengths to see how they could strengthen the role of the Governor
Governors were also asked what training requirements they had and offered additional Governwell courses as per list below.

**NHS Providers Governwell Training Programme – Opportunities offered to all Governors:**

Topics on offer include:
- Core Skills
- Member and Public Engagement
- Accountability
- Effective Questioning and Challenge
- NHS Finance and Business Skills
- Recruitment: The governor role in non-executive appointments

**NED recruitment training**

13th February 2017
- Gatenby Sanderson provided new members of the Council of Governors Nominations and Remuneration Committee with training regarding the NED recruitment process and interviewing skills.

**Governor reviews**

All Governors attended individual reviews with the Chairman and asked about any additional training requirements

**Council of Governor Meeting – Briefings on Key Topics**

31st May 2016
- Report to Governors on the Quality Report for 2015/16
- Staffing update
- Provision of Physios and Occupational Therapists
- Wiltshire Tender Update
- Research & Development

7th September 2016
- STP update
- Annual Audit Opinion
- 2016/17 Finance Performance Assurance
- Hospital Standardised Mortality Ratio (HSMR)
- Feedback on the Quality Summit and CQC reports

6th December 2016
- STP update
- 2016 Election Results
- Operational Delivery
- Delayed Transfers of Care
6th March 2017
- STP update
- Report from Joint Board of Directors and Council of Governors Strategic Planning Away Day Session
- Nursing priorities - Pressure ulcers and falls
- Patient Safety Priorities - Sepsis, AKI and NEWS

Working Group – Briefings on Key Topics

| Strategy | On-going | • Corporate Projects  
| | • Strategic Planning & Business Plan Update |  
| | | 16th May 2016 | • The impact of other providers using the RUH site  
| | | | • Wiltshire Tenders  
| | 4th Aug 2016 | • Review list of governor engagement groups |  
| | | 31st Oct 2016 | • Lessons learnt from past bids (key themes from recent bids)  
| | | | • 2016/17 Trust priorities quarterly update  
| | | | • Re-review list of governor engagement groups  
| | | 30th Jan 2017 | • 2016/17 Trust priorities quarterly update Q3  

| Quality | On-going | • Quality Accounts Priorities Themes Update  
| | | • CQC Update  
| | 11th May 2016 | • Draft Quality Accounts 2016/17  
| | | | • Introduction to the Maternity scorecard  
| | 9th Nov 2016 | • Governor suggestions for QA priorities for 2016/17 based on Member feedback  
| | 6th Feb 2017 | • Cleaning services (impact of staff vacancies on Trust) / quality of cleanliness  
| | | | • Medicines to Go work stream update  
| | | | • Review draft QA priorities & indicators 2017/18  

| Membership | On-going | • 2016/17 Membership & Engagement Strategy – Update on progress  
| | | • Membership & Engagement Strategy Objectives Update  
| | | • Quarterly Membership Analysis  
| | 16th Aug 2016 | • 2016 Elections Update  
| | 16th Nov 2016 | • Review of 2016 Elections  
| | 16th Feb 2017 | • How we will communicate our operating plan and development of strategy  

Board of Directors
Governors are invited to attend each monthly Board of Directors meeting which provides Governors with an opportunity to keep abreast of the key issues facing the Trust and the wider health sector.

The Chairman sends all Governors a letter following each Board meeting