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Leicestershire Partnership NHS Trust

Trust Board 28 May 2024
Self-certification of compliance with the NHS Provider Licence in 2023-24

Purpose of the Report

This report provides assurance to the Board that the Trust is compliant with the conditions of its NHS provider licence. Whilst the Trust is not required to submit self-certifications to NHS England (NHSE), it may be required to provide evidence of its compliance with licence conditions, specifically that the Trust has:

- effective systems in place to ensure compliance with the conditions of the NHS provider licence, NHS legislation and the duty to have regard to the NHS Constitution (condition G5 formerly G6);
- complied with governance arrangements (condition NHS2, formerly FT4)

Analysis of the Issue

With the publication of the final modified provider licence, NHSE removed the reporting requirements from General Condition 6 and Foundation Trust Condition 4, which required licensees to self-certify past/future compliance. However, Boards will need to continue assessing their compliance with corporate governance standards as compliance will be considered as part of well-led assessments.

Whilst removing self-certification requirements from the provider licence, NHSE may request self-certifications from Boards on specific areas (including strategy, quality, people, access, productivity, and finance) as part of their annual planning returns. These new arrangements are currently subject to consultation. In lieu of a final position on self-certification requirements through the planning round, and in line with the approach adopted by many other organisations, we have used the self-certification templates as a means through which to capture evidence of our compliance with the provider licence conditions shown in the table below to inform a well-led assessment.

New Condition	Old condition	Description
Condition G5	Condition G6	Systems for compliance with licence conditions and related obligations
Condition NHS2	Condition FT4	Governance arrangements

Proposal

Condition G5

Condition G5 requires NHS providers to have processes and systems that:

- identify risks to compliance with the licence, NHS acts and the NHS Constitution
- guard against those risks occurring.

Providers must assess whether their processes and systems were implemented in the previous financial year and were effective. A self-certification has been completed using the recommended template (excerpt provided in Appendix 1) which confirms that processes and systems were implemented in the previous financial year and were effective. On the basis that LPT is compliant with its provider licence, is not subject to any imposed requirements under the NHS Acts, has regard to the NHS Constitution in delivering NHS services and has received positive assurance on its

processes and systems from internal auditors, it is reasonable for the Trust to confirm it is compliance with Condition G5 in its self-certification this year.

Condition NHS2

This condition requires NHS providers to 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. The relevant template has been compiled in line with the Annual Governance Statement for 2023-24, which will be subject to review by the Trust's External Auditors and have been considered by the Executive Team. An excerpt is provided in appendix 2.

The self-assessment undertaken by the Corporate Governance team for the 2023-24 financial year has determined that the Trust is compliant with licence conditions NHS2.

Evidence of Compliance

The compliance declarations above have been made on a range of evidence listed in Appendix 3.

Decision Required

- To confirm the Trust's compliance with Condition G5 for 2023/24
- To declare compliance with the self-certifications in respect of Condition NHS2 for 2023/24

Appendix 1: Condition G5

Worksheet "G5"

Financial Year to which self-certification relates 2023/2024

Declarations required by General condition 6 and Continuity of Service condition 7 of the NHS provider licence

The board are required to respond "Confirmed" or "Not confirmed" to the following statements (please select 'not confirmed' if confirming another option). Explanatory information should be provided where required.

1 & 2 General condition 6 - Systems for compliance with licence conditions (FTs and NHS trusts)

1	Following a review for the purpose 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 such precautions as were necessary in order to comply with the conditions of the licence, any requirements imposed on it under the NHS Acts and have had regard to the NHS Constitution.	Confirmed	OK

Statement of main factors taken into account in making the above declaration

In making the above declaration, the main factors which have been taken into account by the Board of Directors are as follows:

LPT's financial strategy and annual plan set out details of resource requirements and efficiences approved by the Board of Directors; the accounts have been prepared on a Going Concern basis.
Risk to the trusts priorities and the compliance requirements of the CQC and SOF are considered by the Board of Directors in the ORR and monthly performance report. A robust governance structure is in place as part of the system of internal control that maintains oversight and provides the Board with assurance.

Appendix 2 NHS2 Declaration

Worksheet "NHS2 declaration" | **Financial Year to which self-certification relates** | **2023/2024**

Corporate Governance Statement (FTs and NHS trusts)

The Board are required to respond "Confirmed" or "Not confirmed" to the following statements, setting out any risks and mitigating actions planned for each one

	Corporate Governance Statement	Response	Risks and Mitigating actions
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.	Confirmed	The Trust has well developed systems of corporate and financial governance as evidenced by its Annual Governance Statement, Head of Internal Audit Opinion, internal and external audit reports, robust financial planning and regular review of risks by the Executive, the Board and its Committees. The Trust's Well Led provider rating improved from 'inadequate' to 'requires improvement' at the last well led inspection, as reported by the Quality Commission (CQC) in October 2021.
2	The Board has regard to such guidance on good corporate governance	Confirmed	Guidance on governance is routinely reviewed and their implications identified before implementation; this has included a full review of the impact of the revised code of governance for the Trust.
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.	Confirmed	The Board has a well developed committee structure with approved Terms of Reference which clearly state responsibilities, reporting arrangements and accountability. Level 1 committees contain cross-board membership and attendance is routinely monitored. Following each level 1 committee meeting, the Board receives a standardised AAA escalation report to confirm assurance and highlight matters of concern; these also feed into the Strategic Executive Board.
4	The Board is satisfied that the Licensee has established and 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.	Confirmed	A. LPT has sound systems of governance in place which are underpinned by programmes of internal, external and clinical audit. All statutory audits and reporting requirements are fulfilled. B. A monthly performance report is produced, and is scruinised alternately by the Quality and Safety Commitee and the Finance & Performance Commitee one month, and the Trust Board the next. These also feed into a monthly Executive Management Board and Accountability Framework meetings which focus on performance each month. C. Detailed Board approved financial plans are in place and Internal Audit has provided significant assurance (2023/24) that LPT is delivering a sound system of financial control. The Standing Financial Instructions govern financial decision making and financial performance is scrutinised by the Finance & Performance Committee. The 2023/24 accounts have been prepared on an on-going concern basis. D. The Board and its committees work to pre-agreed work plans and are serviced by the Corporate Affairs Team which assists with agenda setting, paper circulation, minute taking, record keeping and action follow-up. Directors take responsibility for enuring that accurate, comprehensive and up-to-date information is presented for consideration. LPT uses flash reporting to brief the Board of Directors on time-sensitive matters that occur between formal meetings; this was used frequently during 2023/24 to ensure that the Board remained up to date on important matters in a timely way. E. A well established and well embedded Organisational Risk Register (ORR) identifies key strategic risks. It is presented to each Board meeting and is reviewed at the Strategic Executive Board once a month; risks are also subject to detailed review and scrunty by the commitees. Work is being undertaken with the ICB to outline processes for the oversight of system risk. F. The Trust's Step Up To Great strategic plan was refreshed for 2023/24 G. The Trust's regularly seeks advice from its lawyers on legal compliance.
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 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 (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.	Confirmed	A. Robust appraisal and performance review arrangements are in place at Board level (and throughout the organisation) and portfoilos are regularly reviewed and refreshed. As part of the Group Model arrangement with Northamptonshire Healthcare NHS Foundation Trust, senior leadership capacity and support remains in place with a number of joint Directors to support the Executive Team. B. The Quality and Safety Committee, on behalf of the Board of Directors, receives assurance on issues of patient safety and quality of care, patient experience and patient outcomes, and promotes the involvement of service users, carers and the public. In addition, quality summits or thematic reviews of any indicators or areas of concern are commissioned by and shared with the Quality and Safety Committee as they arise. C. The Quality and Safety Committee receives information on the quality of care, and relevant information and metrics relating to quality performance much of which is enshrined in the Quality Account. D/E. A patient story or service overview is regularly presented at the start of each Board Meeting. Board members undertake service visits. The Board receives a range quality related reports, including reports on Serious Incidents, PALS, complaints, compliments, CQC regulatory compliance as well as regular reports from the Director of Nursing, Allied Health Professionals & Quality, and the Medical Director. F. There is clear accountability for quality of care throughout the Trust and systems of governance allow for appropriate escalation to Board of Directors. The Quality Forum meets regularly and reports to the Board's Quality and Safety Committee to provide assurance that the Trust is delivering safe, caring, responsive, effective and well-led services and to scrutinise and discuss clinical quality issues, particularly relating to best practice and national guidance. The Quality Forum's role includes the assessment of risks, patient safety and quality and ensuring that plans are developed and monitored to manage or mitigate the risks, escalating risks to the Quality and Safety Committee as appropriate for further consideration.
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.	Confirmed	The composition of the Board of Directors is regularly reviewed to ensure there is sufficient capacity, capability and the requisite skills and experience to deliver the Trust's objectives and plans and to provide effective leadership at an organisational and system level.

Appendix 3 Evidence of Compliance

In making the above declarations, the following additional assurance can be provided to the Board;

- The Trust has Standing Orders, Standing Financial Instructions, a Scheme of Delegation and an Accountability Framework, which together describe how the Board of Directors discharge their duties through the Trust's governance structure.
- A risk management strategy which sets the standards for staff regarding the management and responsibility for risk throughout the Trust, describes the Trust's risk appetite and defines the framework and structure for risk management in LPT.
- There is an Organisational Risk Register (ORR) and subsidiary risk registers (i.e local and directorate risk registers)**.** The Audit and Risk Committee, Quality Assurance Committee, People and Culture Committee and Finance & Performance Committee provide assurance regarding the management of risk to the Trust Board via AAA highlight reports.
- A risk based Internal Audit programme has been delivered that includes audits of risk management, key financial systems and governance arrangements. The interim Head of Internal Audit Opinion provides significant assurance on all three elements; outturn, follow up rate and strategic risk management.
- Narrative and evidence against the CQC's 'well-led' domain.
- An Annual Governance Statement which reflects the Trust's governance structures and internal control arrangements.

Governance Table

For Board and Board Committees:	Trust Board 28 May 2024	
Paper sponsored by:	Kate Dyer, Director of Governance and Risk	
Paper authored by:	Kate Dyer, Director of Governance and Risk	
Date submitted:		
State which Board Committee or other forum within the Trust's governance structure, if any, have previously considered the report/this issue and the date of the relevant meeting(s):	Strategic Executive Board	
If considered elsewhere, state the level of assurance gained by the Board Committee or other forum i.e. assured/ partially assured / not assured:	n/a	
State whether this is a 'one off' report or, if not, when an update report will be provided for the purposes of corporate Agenda planning	Annual board report	
STEP up to GREAT strategic alignment*:	Great Outcomes	All
	Great Care	
	Great Place to Work	
	Part of the Community	
Board Assurance Framework considerations:	List risk number and title of risk	
Is the decision required consistent with LPT's risk appetite:	Yes	
False and misleading information (FOMI) considerations:	None	
Positive confirmation that the content does not risk the safety of patients or the public	Confirmed	
Equality considerations:	None	