

Finance and Planning Committee		Date:	25 September 2015
Agenda item	Title	Executive Director lead and presenter	Report author
FP/15/109	NTDA Oversight Return – Month 6, September 2015	Sue Hall, Director of Resources	Hannah Dennis, Head of Corporate Governance
This report is for:			
Decision			X
Discussion			
To Note			
History			
None.			
The following impacts have been identified and assessed within this report			
Equality	None identified.		
Quality	None identified.		
Privacy	None identified.		
Executive summary of key issues			
<p>The Trust makes two returns to the NTDA on a monthly basis to support the NTDA’s oversight of the Trust’s operations. The first relates to the Board’s Self-Certification of Compliance with the Monitor Provider License requirements, and the second relates to a series of Board Statements.</p> <p>Both returns require the Trust to state whether it is compliant with a number of requirements in relation to governance arrangements, financial control, clinical quality and compliance with elements of the Monitor Provider Licence. The assurances on which the Trust relies to confirm this compliance are listed below. Changes in month are highlighted in red.</p> <p>The submissions for September’s return are attached as Appendix 1 and 2 to this report.</p> <p>The Finance and Planning Committee is asked to <b>endorse</b> the submission.</p>			
This report addresses these strategic priorities:			
We will deliver the best care			X
We will support and develop our staff			X
We will continually improve what we do			X
We will use our resources wisely			X
We will be future focussed			X

# 1 Monitor Provider License

## 1.1 Conditions and assurances to support submission

	Condition	Requirement	Assurance
Section 1: General Conditions	G1 Provision of Information	Respond to Monitor's requirements with complete information.	None - respond to requests when required.
	G2 Publication of Information	Maintain up to date listing of all health care services provided	Listing of all services provided, included within Statement of Purpose v2.4 09.01.2014 (confirmed current 17.07.2015)
	G3 Payment of fees to Monitor	Allows Monitor to charge fees. Not currently in place.	None required.
	G4 Fit and Proper persons	Fitness of Governors and Directors.	Recruitment process questions and evidence(section 3.3 of SOs) Directors Register of Interests Fit and Proper Persons Declaration register
	G5 Monitor guidance	Follow guidance issued by Monitor or inform Monitor of the reasons why not.	Records of Monitor issued guidance Identify areas of non-compliance System to explain reasons to Monitor
	G6 Systems for compliance with licence conditions and related obligations	System to identify risks and guard against occurrence.  Submit annual certificate of assurance to Monitor by 31 May and publish by 30 June.	Internal Audit Annual Report 2014/15 Annual Governance Statement submission made 22 April 2015
	G7 Registration with the CQC	Notify Monitor of plans for cancellation of registration.	Monitor Compliance Dashboard – updated monthly via IQ
	G8 Patient eligibility and selection criteria	Develop and publicise transparent patient eligibility and selection criteria.	Information published on website and Trust CPA Policy
	G9 Application of Section 5 (Continuity of Services)	Comply with Section 5 if providing any Commissioner Requested Service.	None required
Section 2: Pricing	P1 Recording of information	Capture, coding, allocation and reporting of Reference Cost, Patient Level Costing and Service Line Reporting data in line with Monitor's Approved Reporting Currencies. Rolling programme of assurance.	Coding information Data Quality Internal Audit report providing substantial assurance Internal Audit plan 2015/16 (first 6 months)
	P2 Provision of information	Provide Monitor with accurate and complete	Accuracy and completeness of financial information

		information as requested for pricing functions.	
	P3 Assurance report on submissions to Monitor	Provide assurance report from approved auditor relating to costing submission if requested.	If requested, will be obtained and provided.
	P4 Compliance with the National Tariff	Comply with rules concerning charging for the provision of health care services.	Annual comply or explain internal assurance
	P5 Constructive engagement concerning local tariff modifications	Engage constructively with Commissioners around pricing.	Maintain record of non-national tariff contractual arrangements including rationale, record of engagement and (non) agreement with Commissioners
Section 3: Choice and Competition	C1 The right of patients to make choices	Informing and directing patients to information regarding available provider choices.	Information published on website, as per G8
	C2 Competition Oversight	Will not enter into activities with the object or effect of preventing, restricting or distorting competition.	Build into processes for joint ventures and partnerships Competition and collaboration awareness training
Section 4 Integrated Care	IC1 Provision of Integrated Care	Undertake no activity that is detrimental to provision of integrated health care services.  Seek positive assurances from Commissioners that the Trust is positively enabling integrated care to be developed and provided.	Commissioner feedback, received through Contract Quality and Performance Management Meeting (CQPM)
Section 5: Continuity of Services	CoS1 Continuing provision of Commissioner Requested Services	Do not continue to provide or materially alter Commissioner Requested Services without written agreement from all Commissioners.	QIA forms and Business Planning processes, where required  Signed standard contracts with all CCGs by locality
	CoS2 Restriction on the disposal of assets	Review asset disposals in year and confirm all relevant disposals are authorised by Monitor.	Asset register Asset disposal authorisation processes Estates Strategy
	CoS3 Standards of corporate governance and financial management	Provide reasonable safeguards against the risk of being unable to carry on as a going concern.	Going Concern review External and internal audit assurance on short to medium term cash flow projections (Audit plans/issued audit reports)
	CoS4 Undertaking from the ultimate controller	When entering into partnerships, joint ventures or subsidiary trading companies, procure a legally enforceable	Standing Orders Register of undertakings (if required)

		undertaking that its ultimate controller will refrain from action likely to cause the Trust to be in contravention of its obligations.	
	CoS5 Risk pool levy	Allows Monitor to require payment of a risk pool levy. Not currently in place.	No action required
	CoS6 Cooperation in the event of financial stress	Provide information to Monitor and co-operate in the assisted management of Trust affairs, business and property.	Rolling business plan and cash flow projections – 2 Year Operating Plan and Integrated Business Plan 2014/15 – 2018/19 Listing of major contracts/ tender register
	CoS7 Availability of resources	Submit by 31 May a certificate of availability of Required Resources for the following 12 months.	Board sign off requirement in Annual Planning process – Board approval of IBP May 2014 and sign off of Annual Operating Plan May 2015 Regular in-year review
Section 6: FT Governance	FT1 Information to update the register of NHS FTs	Provide written and electronic copies of the Constitution, any document establishing or amending the Constitution, published annual accounts and auditors report and annual report.	Submission of relevant documents Constitution Annual Report and Accounts 2014-15
	FT2 Payment to Monitor in respect of registration and related costs	Allows Monitor to charge this fee. Not currently in place.	No action required.
	FT3 Provision of information to advisory panel	Comply with any request for information or advice.	Ad hoc assurance of response to any request
	FT4 NHS FT Governance arrangements	2. Apply principles, systems and standards of good corporate governance – sufficient Board level capability, planning and decision-making.	Review of Effectiveness of Board and Committees - self-assessment - independent assessment
		5a. Operate efficiently, economically and effectively	Review of Value for Money by External Audit – Audit Findings Report May 2015 Evidence of VfM in Quality Improvement Plans and individual large transactions. Assurance of same.
		5c. Compliance with binding health care standards	IQ Data by CQC standard CQC Reports Internal Audit reviews

			Independent reviews Monthly scorecards and reports
		5d. Effective financial decision-making, management and control	Continued internal and external audit of financial controls and systems (Audit plans)
		5e. Obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making	Board and Committee Governance review Data Quality reviews Internal Audit assurance Review of appropriateness of KPIs Review of Performance Information (Complaints, Claims, Incidents, workforce metrics)
		5f. Identify and manage material risks to compliance with Licence conditions	Risk Register Board Assurance Framework and associated dashboards
		5g. Generate and monitor delivery of business plans	Regular in-year review at Board of metrics to demonstrate delivery of business plans
		5h. Compliance with all applicable legal requirements	Management assurance that compliant with legal requirements, including H&S, Financial, Patient Safety, IG External assurance if available
		6. Board actively engages on quality of care with patients, staff and other stakeholders.	Engagement monitored through Q&S Committee & minutes/Chair Reporting then escalates Committee operation to Board - agendas, minutes and papers Bi-annual Quality Governance review
		8a. Submit evidence based Corporate Governance statement to Monitor by 30 June each year.	CQC, Internal audit and external assurance reports Annual Governance Statement 2014-15
		8b. Submit if required statement from auditors by 30 June each year.	Internal and External Audit assurance on Annual Governance statement

## 2 NTDA Board Statements

### 2.1 Statements and assurances to support submission

Statement	Assurance
<b>For Clinical Quality</b>	
1. The Board is satisfied that, to the best of its knowledge and using its own processes and having had regard to the TDA's oversight model (supported by Care Quality Commission information, its own information on serious incidents, patterns of complaints, and including any further metrics it chooses to adopt), the Trust has, and will keep in place, effective arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to its patients.	CQC, Internal audit and external assurance reports IQ reporting Integrated Quality and Safety Plan
2. The board is satisfied that plans in place are sufficient to ensure ongoing compliance with the Care Quality Commission's registration requirements.	IQ reporting Integrated Quality and Safety Plan
3. The board is satisfied that processes and procedures are in place to ensure all medical practitioners providing care on behalf of the trust have met the relevant registration and revalidation requirements.	CQC reporting HR process, assured by Employee Strategy and Engagement Committee annually
<b>For Finance</b>	
4. The board is satisfied that the trust shall at all times remain a going concern, as defined by the most up to date accounting standards in force from time to time.	Going Concern reports from External Audit
<b>For Governance</b>	
5. The board will ensure that the trust remains at all times compliant with the NTDA accountability framework and shows regard to the NHS Constitution at all times.	Board Governance Assurance Framework (BGAF) report, provided by KPMG Well Led self-assessment (in development, updated July 2015) Governance framework Board and Committee work plans, updated March 2015 Agendas/minutes of meetings Monthly confirmation of compliance by Finance and Planning Committee and Trust Board
6. All current key risks to compliance with the NTDA's Accountability Framework have been identified (raised either internally or by external audit and assessment bodies) and addressed – or there are appropriate action plans in place to address the issues in a timely manner.	Risk Registers Board Assurance Framework Internal and External audit reports BGAF report Well Led self-assessment (in development, updated July 2015)
7. The board has considered all likely future risks to compliance with the NTDA Accountability Framework and has reviewed appropriate evidence regarding the level of severity, likelihood of a	Risk Registers Board Assurance Framework

breach occurring and the plans for mitigation of these risks to ensure continued compliance.	Internal and External audit reports BGAF report
8. The necessary planning, performance management and corporate and clinical risk management processes and mitigation plans are in place to deliver the annual operating plan, including that all audit committee recommendations accepted by the board are implemented satisfactorily.	Risk Strategy Risk Registers Board Assurance Framework Minutes and action tracking for Audit and Risk Committee
9. An Annual Governance Statement is in place, and the trust is compliant with the risk management and assurance framework requirements that support the Statement pursuant to the most up to date guidance from HM Treasury ( <a href="http://www.hm-treasury.gov.uk">www.hm-treasury.gov.uk</a> ).	Annual Report, including governance statement supported by Internal and External Audit opinions
10. The Board is satisfied that plans in place are sufficient to ensure ongoing compliance with all existing targets as set out in the NTDA oversight model; and a commitment to comply with all known targets going forward.	Well Led self-assessment (in development, updated July 2015)
11. The trust has achieved a minimum of Level 2 performance against the requirements of the Information Governance Toolkit.	Report to Business and Clinical Systems Group and annually to Audit and Risk Committee
12. The board will ensure that the trust will at all times operate effectively. This includes maintaining its register of interests, ensuring that there are no material conflicts of interest in the board of directors; and that all board positions are filled, or plans are in place to fill any vacancies.	Register of Director and Senior Manager interests Transparent appointment process for all Board positions through Appointments Committee, supported by TDA
13. The board is satisfied that all executive and non-executive directors have the appropriate qualifications, experience and skills to discharge their functions effectively, including setting strategy, monitoring and managing performance and risks, and ensuring management capacity and capability.	Appointment process, supported by skill mix review
14. The board is satisfied that: the management team has the capacity, capability and experience necessary to deliver the annual operating plan; and the management structure in place is adequate to deliver the annual operating plan.	Appointment process, supported by skill mix review

### 3 Recommendation

Subject to the above assurances, the Committee should **endorse** the return.