Northumberland, Tyne and Wear NHS Foundation Trust

Board of Directors Meeting

Meeting Date: 22nd June 2016

Title and Author of Paper: Annual Plan Review Board Certification-Corporate Governance Statement (Forward Looking), Joint Venture/Academic Health Science Centre and Training of Governors 2015/16
Lisa Quinn, Executive Director of Commissioning and Quality Assurance

Executive Lead: Lisa Quinn, Executive Director of Commissioning and Quality Assurance

Paper for Debate, Decision or Information: Decision

Key Points to Note:

- As a part of the Annual Plan Review NHS foundation trusts are required to submit Certificates by the 30th June 2016 relating to:
  - Corporate Governance (Forward Looking)
  - Governance arrangements relating to any Joint Venture/Academic Health Science Centre
  - The training of Governors during 2015/16
- This paper therefore provides evidence to support the Board of Directors completion of the above Certificates.
- The Board is asked to review the evidence provided and approve the submission of the Certificates, as recommended in the paper.

Risks Highlighted to Board :
Submission of Certificates to Monitor by deadline-30th June 2016

Does this affect any Board Assurance Framework/Corporate Risks?
Please state Yes or No-No
If Yes please outline

Equal Opportunities, Legal and Other Implications:
Corporate Governance Statement 4h, relates to the Board being satisfied that Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to ensure compliance with all applicable legal requirements.

Outcome Required: Submission of Certificates to Monitor by 30th June 2016

Link to Policies and Strategies:
Operational Plan 2016/17

Northumberland, Tyne and Wear NHS
NHS Foundation Trust

Annual Plan Review
Board Certification
Corporate Governance Statement (Forward Looking), Joint Venture/Academic Health Science Centre and Training of Governors

1. Background

Under their governance condition, NHS foundation trusts are required to submit:
i) A Corporate Governance Statement within three months of the end of each financial year. The Corporate Governance Statement requires Board of Directors to confirm:

- Compliance with the governance condition at the date of the statement; and
- Forward compliance with the governance condition for the current financial year, specifying (i) any risks to compliance and (ii) any actions proposed to manage some risks.

Where the corporate governance statement indicates risks to compliance with the governance condition, Monitor will consider whether any actions or other assurance is required at the time of the statement or whether it is more appropriate to maintain a watching brief.
ii) A Statement relating to any Joint Venture/Academic Health Science Centre
iii) A statement relating to the training of Governors during 2015/16.

NHS foundation trusts are required to submit these Statements to Monitor by the **30th June 2016.**

This paper outlines the elements of each of the Statements and evidence to support the Board of Directors completion of the Statements.

2. The Corporate Governance Statement (Forward Looking)

2.1 The Components of the Corporate Governance Statement
Table 1 below gives an overview of the components of the Corporate Governance Statement (Forward Looking).

Table 1: Components of the Corporate Governance Statement (Forward Looking)

Element
1. The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of healthcare services to the NHS
2. The Board has regard to such guidance on good corporate governance as may be issued by Monitor from time to time

3a.The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust implements effective Board and Committee structures:
3b.The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust implements clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and
3c.The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust implements clear reporting lines and accountabilities throughout its organisation
4a.The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to ensure compliance with the Licence holder's duty to operate efficiently, economically and effectively
4b. The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes for timely and effective scrutiny and oversight by the Board of the Licence holder's operations;
4c.The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to ensure compliance with healthcare 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 professionals;
4d. The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes for effective financial decision making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licence holders ability to continue as a going concern);
4e. The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision making
4f,The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to identify and manage (including but not restricted to manage through forward plans)material risks to compliance with the Conditions of its Licence
4g,The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes 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
4h,The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to ensure compliance with all applicable legal requirements
5a.The Board is satisfied that there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided
5b.The Board is satisfied that the Board's planning and decision making processes take timely and appropriate account of quality care considerations
5c.The Board is satisfied the collection of accurate, comprehensive, timely and up to date information on quality care
5d.The Board is satisfied that the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care
5e.The Board is satisfied that Northumberland, Tyne and Wear 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
5f.The Board is satisfied that there is clear accountability for quality of care throughout Northumberland, Tyne and Wear NHS Foundation Trust including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate
6.The Board of Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems to ensure that it has in place personnel on the Board, reporting

to the Board and within the rest of the Licence holder's organisation who are sufficient in number and appropriately qualified to ensure compliance with the Conditions of this Licence

2.1 The Corporate Governance Statement-Supporting Evidence

A table top exercise has been completed with the aim of providing evidence relating to each of the component parts of the Corporate Governance Statement to support the Board's assessment of its compliance with each of the key questions, the identification of any risks and mitigation and completion of the overall Statement. The evidence relating to each of the component parts of the Corporate Governance Statement is shown in Appendix 1.

3. Joint Venture/Academic Health Science Centre

The Trust and MHCO LLP are the subject of a Limited Liability Partnership Agreement in respect of the delivery of Newcastle Talking Therapies.
The evidence in Table 2 below is provided to support the Board of Directors completion of the Certificate relating to the Joint Venture.

Table 2: Evidence regarding Joint Venture (LLP)

Statement **The Board is satisfied that it has or continues to:**	**Evidence**
Ensure that the partnership will not inhibit the Trust from remaining at all time compliant with the conditions of its licence	**The LLP Agreement provides for each partner to consider each new business opportunity as it arises**
Have appropriate governance structures in place to maintain the decision making autonomy of the Trust	**The LLP Agreement specifies the governance arrangements including the role and membership of the Partnership Board etc**
Conduct an appropriate level of due diligence relating to the partners when required	**Due diligence was conducted before the Trust entered into the LLP Agreement**
Consider implications of the partnership on the Trust's financial risk rating having taken full account of any contingent liabilities arising and any reasonable downside sensitivities	**The LLP Agreement provides for each partner to consider each new business opportunity as it arises**
Consider implications of the partnership on the Trust's governance processes	**The LLP Agreement provides for each partner to consider each new business opportunity as it arises**
Conduct appropriate inquiry about the nature of the services provided by the partnership, especially clinical, research and education services, and consider reputational risk	**Due diligence was conducted before the Trust entered into the LLP Agreement**
Comply with any consultation requirements	**The existing service is commissioned by CCG and subject to their consultation requirements in respect of service change**
Have in place the organisational and management capacity to deliver the benefits of the partnership	**Organisational and management capacity to deliver the benefits of the partnership are provided through the Executive Directors and the Community Services Group**
Involve senior clinicians at appropriate levels in the decision making process and receive assurance from them that there are no material concerns in relation to the partnership, including consideration of any re-configuration of clinical research or education services	**Senior Clinicians from the Community Services Group are involved in the decision making processes regarding the partnership**
Address any relevant legal and regulatory issues (including any relevant to staff, intellectual	**The LLP Agreement requires both partners to comply with all**

property and compliance of the partners with their own regulatory and legal framework)	**legislation, regulations, professional standards etc**
Ensure appropriate commercial risks are reviewed	**The Partnership Board is responsible for the review of risks relating to the existing service and the LLP Agreement provides for each partner to consider each new business opportunity as it arises**
Maintain the register of interests and no residual material conflicts identified: and	**The LLP Agreement includes members' duties and restrictions**
Engage the Governors of the Trust in the development of plans and give them an opportunity to express a view on these plans	**The Governors are engaged in the development of the Trust's plans through the Annual Planning process**

4. Training of Governors 2015/16

The Certificate requires the Board to confirm that it is satisfied that during the financial year most recently ended (2015/16) the Trust has provided the necessary training to its Governors, as required in section 151(5) of the Health and Social Care Act, to ensure they are equipped with the skills and knowledge they need to undertake their role.

In completing the Certificate the Board is required to have regard to the views of the Governors.

4.1 The Supporting Evidence

The following evidence is provided to support the Board of Directors completion of the Certificate relating to the Training of Governors 2015/16**:**

The Trust's Council of Governors includes both elected and appointed governors. The Trust values their role and is committed to ensuring they are equipped with the skills and knowledge they need to undertake their role through the provision of appropriate training and development.

This includes:

- An induction programme for newly appointed Governors;

- Individual meetings with the Chair, on appointment to identify their areas of particular interest and existing skills, and on-going one to one meetings with the Chair;

- The provision of a Governor Resource Pack, including (i) general and Trust information, e.g. the Trust Constitution, Monitor's Code of Governance, etc, (ii) Council of Governors information, e.g. Monitor's reference guide on governors' statutory duties, Council of Governors' committees' and groups' terms of reference, HFMA's guide for governors to understand NHS FT Accounts, etc, and (iii) Board of Directors' information, e.g. Board terms of reference, Trust governance arrangements, etc. The Pack is issued to governors on induction and involves an overview of the contents;

- Council of Governors' engagement sessions on specific / pertinent issues, e.g. Staff Survey, Communications Survey, Governance Review, Transitions

to Adult Services, Reducing and Managing Violence, Mental Health and Deafness, Values Based Recruitment, Quality Account, Trust 5 Year Strategy, Human Resources and Devolution.

- Joint meetings of the Council of Governors and Board of Directors including specific / pertinent mutual issues, e.g. Stigma and Time to Change

- Presentations and facilitated discussions at the Council of Governor Meetings on specific subjects, for example the Trust's Annual Plan and 5 Year Strategic Plan, Quality Account, Community Mental Health Survey, Staff Survey follow up, Monitor's Governance Review, etc.

- Involvement in Council of Governors' Committees and Working Groups enabling them to gain specific skills and knowledge, these include the Nominations Committee, Quality Scrutiny Group and the Membership and Communications Group.

- All Trust Committees have representative Governors attending as observers linking back to the Governors meeting to improve the flow of information and providing assurance.

- Attendance at key Trust Events, e.g. "Valuing Excellence" staff awards, Annual Members Meeting to learn more about the Trust.

- Visits to wards and departments, enabling them to get acquainted with the Trust's services and staff, building up their knowledge base.(includes PLACE visits and CQC mock inspections);

- Providing management briefings outwith Council of Governors meetings, e.g. media interest;

- Providing external information and guidance, e.g. from the CQC, Foundation Trust Network etc.

The Council of Governors meetings for 2015/16 were as follows:

- 12th May 2015;
- 16th June 2015;
- 8th September 2015;
- 8th March 2016.

A joint meeting of the Council of Governors and Board of Directors was held on the 10th December 2015..

The Council of Governor' Engagement Sessions for 2015/16 were as follows:

- 14th April 2015;
- 16th June 2015;
- 15th October 2015;
- 12th January 2016;
- 9th February 2016;
- 17th March 2016.

The Steering Group has the opportunity to discuss and agree the Agendas for both formal meetings and Engagement Sessions, and all Governors are invited to suggest topics for future development opportunities.

4.2 The Views of the Governors

The above evidence was presented to the Council of Governors at its meeting on the 10th May 2016 and the Council of Governors accepted the evidence provided.

5. Recommendation

The Board of Directors is asked to review the above Statements and evidence provided in Appendix 1(Corporate Governance Statement) and in this paper It is recommended that the Board consider, in the light of the evidence presented declaring the following:

Table 3: Corporate Governance Declarations

Statement	Confirm compliance Yes/No	Risks to compliance and mitigating actions
1. The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of healthcare services to the NHS	**Yes**	**No significant risks to compliance identified**
2. The Board has regard to such guidance on good corporate governance as may be issued by Monitor from time to time	**Yes**	**No significant risks to compliance identified**
3a.The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust implements effective Board and Committee structures:	**Yes**	**No significant risks to compliance identified**
3b.The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust implements clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees	**Yes**	**No significant risks to compliance identified**
3c.The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust implements clear reporting lines and accountabilities throughout its organisation	**Yes**	**No significant risks to compliance identified**
4a.The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to ensure compliance with the Licence holder's duty to operate efficiently, economically and effectively	**Yes**	**No significant risks to compliance identified**
4b. The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes for timely and effective scrutiny	**Yes**	**No significant risks to compliance identified**

and oversight by the Board of the Licence holder's operations;		
4c.The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to ensure compliance with healthcare 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 professionals;	**Yes**	**No significant risks to compliance identified**
4d. The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes for effective financial decision making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licence holders ability to continue as a going concern);	**Yes**	**No significant risks to compliance identified**
4e. The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision making	**Yes**	**No significant risks to compliance identified**
4f,The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes to identify and manage (including but not restricted to manage through forward plans)material risks to compliance with the Conditions of its Licence	**Yes**	**No significant risks to compliance identified**
4g,The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes 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	**Yes**	**No significant risks to compliance identified**
4h,The Board is satisfied Northumberland, Tyne to ensure compliance with all applicable legal requirements	**Yes**	**No significant risks to compliance identified**
5a.The Board is satisfied that there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided	**Yes**	**No significant risks to compliance identified**
5b.The Board is satisfied that the Board's planning and decision making processes take timely and appropriate account of quality care considerations	**Yes**	**No significant risks to compliance identified**
5c.The Board is satisfied the collection of accurate, comprehensive, timely and up to date information on quality care	**Yes**	**No significant risks to compliance identified**
5d.The Board is satisfied that the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care	**Yes**	**No significant risks to compliance identified**

5e.The Board is satisfied that Northumberland, Tyne and Wear 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	**Yes**	**No significant risks to compliance identified**
5f.The Board is satisfied that there is clear accountability for quality of care throughout Northumberland, Tyne and Wear NHS Foundation Trust including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate	**Yes**	**No significant risks to compliance identified**
6.The Board of Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems to ensure that it has in place personnel on the Board, reporting to the Board and within the rest of the Licence holder's organisation who are sufficient in number and appropriately qualified to ensure compliance with the Conditions of this Licence	**Yes**	**No significant risks to compliance identified**

Table 4: Joint Venture Declarations

Statement **The Board is satisfied that it has or continues to:**	**Confirmed/Not Confirmed**
Ensure that the partnership will not inhibit the Trust from remaining at all time compliant with the conditions of its licence	**Confirmed**
Have appropriate governance structures in place to maintain the decision making autonomy of the Trust	**Confirmed**
Conduct an appropriate level of due diligence relating to the partners when required	**Confirmed**
Consider implications of the partnership on the Trust's financial risk rating having taken full account of any contingent liabilities arising and any reasonable downside sensitivities	**Confirmed**
Consider implications of the partnership on the Trust's governance processes	**Confirmed**
Conduct appropriate inquiry about the nature of the services provided by the partnership, especially clinical, research and education services, and consider reputational risk	**Confirmed**
Comply with any consultation requirements	**Confirmed**
Have in place the organisational and management capacity to deliver the benefits of the partnership	**Confirmed**
Involve senior clinicians at appropriate levels in the decision making process and receive assurance from them that there are no material concerns in relation to the partnership, including consideration of any re-configuration of clinical research or education services	**Confirmed**
Address any relevant legal and regulatory issues (including any relevant to staff, intellectual property and compliance of the partners with their own regulatory and legal framework)	**Confirmed**
Ensure appropriate commercial risks are reviewed	**Confirmed**
Maintain the register of interests and no residual material conflicts identified: and	**Confirmed**
Engage the Governors of the Trust in the development of plans and give them an opportunity to express a view on these plans	**Confirmed**

Table 5: Training of Governors 2015/16

Statement	Confirmed/Not Confirmed
The Board is satisfied that during the financial year most recently ended the Trust has provided the necessary training to the 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.	**Confirmed**

Lisa Quinn, Executive Director Commissioning and Quality Assurance
June 2016

APPENDIX 1

NORTHUMBERLAND, TYNE AND WEAR NHS FOUNDATION TRUST-
ANNUAL PLAN REVIEW
CORPORATE GOVERNANCE STATEMENT 2016
(FORWARD LOOKING)

SUPPORTING EVIDENCE
(June 2016)

1. The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of healthcare services to the NHS.
Trust Evidence
The Trust's governance arrangements take into account the Integrated Governance Handbook (DOH 2006).A high level review of governance arrangements was undertaken by the Board of Directors in November 2011.Interim iterative improvements were made and they were subject to final amendments and ratification in May 2012.The Trust's Clinical Governance arrangements were also reviewed and strengthened in January 2013 to ensure their robustness in the context of the Trust's overarching integrated governance arrangements. The Board of Directors approved changes to the Terms of Reference for the Board, its Committees and the former Senior Management Team at its meeting in April 2014. In December 2014 the Senior Management Team approved changes to the Terms of Reference and membership for the Senior Management Team and renamed the Team the Corporate Decisions Team. The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting. The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit. The Board of Directors also undertake an annual self assessment of compliance with Monitor's Code of Governance. The Board of Directors approve the Trust's Quarterly submissions to Monitor which include certificates relating to Governance and Finance. A number of Standing Committees of the Board support governance within the Trust: • Audit Committee; • Remuneration Committee; • Mental Health Legislation Committee; • Quality and Performance Committee; • Finance Infrastructure and Business Development Committee (now called the Resource and Business Assurance Committee.)

Each Standing Committee reports directly to the Board of Directors with robust Non Executive Director input. A Non Executive Director Chairs each of the Standing Committees. The Remuneration Committee is chaired by the Chairman and all of the Non Executive Directors are members of the Committee. There is Executive leadership on Quality and Performance Sub Groups.

Monitor issued the publication: The NHS Foundation Trust Code of Governance in December 2013 (updated July 2014) and a summary of the Trust's position relating to the main principles of the Code is as follows:

i.Leadership:

The Trust is headed by an effective and experienced Board of Directors which is collectively responsible for the performance of the Trust. As evidenced in Board minutes, Board Development Sessions, Board Sub Committee minutes and the Quarterly Quality Governance Framework Assessment. The Trust's governance arrangements, as evidenced by Committee Structures, Terms of Reference and Membership ensure a clear division of responsibilities between the chairing of the Board of Directors and the Council of Governors, and the executive responsibility for the running of the NHS foundation trust's affairs.

The Council of Governors hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors.

The Trust's Constitution specifies the constituencies/membership of the Council of Governors ensuring that it is representative of the public and area served.

The Independent Review of Governance against the Well Led Framework did not identify any areas of significant concern.

ii.Effectiveness:

The Board of Directors and its Committees have the appropriate balance of skills, experience, independence and knowledge of the Trust, as evidenced by Terms of Reference and Membership. A formal, rigorous and transparent procedure is followed for the appointment of new Directors to the Board. The Council of Governors has established a Nominations Committee and its membership and terms of reference are prescribed by the Trust's Constitution. Its role is to make recommendations to the full Council of Governors on the appointment of the Chair and Non Executive Directors together with the associated remuneration, allowances and other terms and conditions. When considering the appointment of Non Executive Directors the Council of Governors take into account the views of the Board of Directors on the qualifications, skills and experienced required for each position. This was demonstrated in the appointment of the Chair and new Non Executive Directors. All Directors and Governors receive appropriate induction on joining the Board of Directors/Council of Governors and training/development sessions are held. The Governors identify annually (via the Annual Plan Review Board Statement process) the training they would wish to receive in the forthcoming year.

As evidenced by agendas and minutes all Directors and Governors are supplied in a timely manner with relevant information in a form and of a quality to enable them to discharge their respective duties. The Board of Directors reflect upon and review their performance at least annually agreeing and acting on identified areas for improvement, this included for example the agreement in July 2013 to increase the number of open Board meetings in line with good practice and the Trust duty of candour.

Robust processes are in place for the annual appraisal of the Board of Directors. The Chair leads the Non Executive Directors in their appraisals and the Chief Executive for the Executive Directors. The Chief Executive is appraised by the Chair. The Senior Independent Director leads on the Chair's appraisal.

Processes are in place for the reappointment of Non Executive Directors and re-election of Governors.

The Trust's governance arrangements ensure that the Trust monitors and ensures ongoing compliance by the Trust with its licence, constitution, mandatory guidance issued by Monitor, relevant statutory requirements etc.

As a part of the 2016/17 Annual Plan Review Board Statement process evidence was provided to enable the Board of Directors to declare to Monitor that processes and systems are in place to identify risks against non compliance with the Trust's licence conditions and related obligations. The Independent Review of Governance against the Well Led Framework did not identify any areas of significant concern.

iii. Accountability:
The Board of Directors is responsible for determining the nature and extent of the significant risks associated with achieving the Trust's strategic objectives. The Board maintains sound risk management systems and has an Assurance Framework and Corporate Risk Register. The current and future risks to quality are reviewed regularly, with input from the Board of Directors, Corporate Decisions Team and Operational Leaders Meeting and reported to the Board of Directors as a part of the Integrated Performance and Assurance Report. The Audit Committee considers the systems and processes in place to maintain and update the Board Assurance Framework and considers the effectiveness of completeness of assurances and that documented controls are in place and functioning effectively. The Board of Directors approve the quarterly report to Monitor which includes a review of risks in terms of governance, quality and finance. The Trust's Corporate Decisions Team and the Quality and Performance Committee reviews the Board Assurance Framework and Corporate Risk Register regularly as well as top Group/Directorate risks. The Corporate Risk Register is supported and fed by quality issues captured in the Group/Directorate registers.
The Board Assurance Framework and Corporate Risk Register was the subject of a significant review during 2015/16 with a redesigned format, incorporating recommendations from the Independent Review of Governance against the Well Led Framework. An Internal Audit Report (NTW1516/02) relating to process for populating and reporting on the Trust's Assurance Framework provided significant assurance.

Each Group/Directorate has their own Risk Register, which are reviewed by the Group Quality and Performance Groups. The Corporate Decisions Team, Operational Leaders Meeting and Trust Quality and Performance Committee receive the Group/Directorate top risks. The Trust has a risk escalation process in place. The Board of Directors receive minutes from the standing/sub committees of the Board including the Audit Committee and Quality and Performance Committee and the Chair of the Committees highlight to the Board of Directors any issues of note.

The Board maintains a sound system of internal control to safeguard patient safety, public and private investment, the Trust's assets and service quality and the Board reports on internal control through the Annual Governance Statement in the Annual Report. The Annual Governance Statement includes the Trust's principal risks and key controls, as reported in the Board Assurance Framework and Corporate Risk Register. All risks identified are considered as in year and future risks.

The Board of Directors has established formal and transparent arrangements for maintaining appropriate relationships with the Trust's External Auditors with the responsibilities of the Council of Governors including appointing (based on the recommendations of the Audit Committee) and, if appropriate, removing the External Auditors. The Council of Governors have established an Audit Committee Working Group, which reports to the Council of Governors, to discharge these responsibilities.

iv. Director remuneration:
The Trust has formal and transparent arrangements and procedures for developing policy on Executive remuneration and for fixing remuneration packages of individual Directors through the Remuneration Committee. The Remuneration Committee is chaired by the Trust Chairman and all Non Executive Directors are members of the Committee.

The Council of Governors has established a Nominations Committee and its role includes making recommendations to the full Council of Governors on the appointment of the Chairman and Non Executive Directors and the associated remuneration, allowances and other terms and conditions.

v. Relations with stakeholders

The Board of Directors is responsible for appropriately consulting and involving members, patients and the community.
The Trust has a series of planned regular meeting and engagement sessions with strategic partners. These include:
1:1 meetings with key strategic partners including the Chairs and Chief Executives of Clinical Commissioning Groups, national commissioners, Leaders and Chief Executives of local Councils, Local Authority Cabinets, Chairs and Chief Executives of neighbouring Trusts, Chairs and Chief Executives of Partner organisations.
The Trust is also an active participant in a range of strategic groups which include representatives from strategic partners these include Overview and Scrutiny Committees, Health and Wellbeing Boards, Mental Health Programme Boards and Healthwatch.

The Trust has also engaged with strategic partners in the development of its strategy and specific initiatives including the Service Model Review, the Access Project, Principal Community Pathways, the Transformation of Services Programme, the "Deciding Together" public consultation and development of the NTW Sustainability and Transformation Plan.

The Trust has sought to ensure that major interests are represented through the Council of Governors, the rationale in developing the constituencies being to involve and seek the contribution of all key parties. The Council of Governors include both elected and appointed governors and regular engagement with them individually and collectively includes: individual meetings with the Chair, Council of Governors' engagement sessions on specific/pertinent issues, joint meetings with the Board, presentations and facilitated discussions at the Council of Governor meetings on specific subjects including the Annual Plan and involvement in Council of Governor Committees and Working Groups.
The Trust actively engages patients, carers and other stakeholders in seeking their views on what they require of the Trust's services and how the Trust's services should transform and develop. This engagement includes regular survey, patient/carer feedback work and specific engagement/involvement in specific initiatives together with formal consultation on the Trust's plans, including formal public consultation on specific proposals.

Patient feedback is actively sought and reviewed through a number of initiatives, e.g.:

- AIMS (Service User and Carer Questionnaires)
- Essence of Care
- Complaints, Incidents & PALS Reports
- Service Visits by Directors and members of the Corporate Decisions Team
- Patient Opinion, including Points of You,"Hows it Going"and Experience of Service Questionnaire
- Service User-Friends and Family Test
- Council of Governors
- Review of feedback to the CQC regarding the Trust's services
- Royal College of Psychiatry Quality Network peer reviews

- Consultation and involvement regarding proposed service changes/developments
- Care Connect
- SWEMWEBS (The Short Warwick and Edinburgh Mental Wellbeing Scale)
- National patient surveys

A Carers Charter has been developed and monitoring of progress is reported to the Board on a six month basis. The Trust hosted a Carers Conference and established a Support for New Carers Group involving Carers and representatives from the Council of Governors.

Service user and carer representatives are actively involved on a number of Trust Forums, e.g. PRIDE, SUI Review Group, Learning Lessons Group.

"Points of You" gathers "real time" feedback from service users and carers using a variety of methods, including patient and carer postcards, interviews and video clips.

During 2013 the Trust joined a local pilot of a proposed new national patient/carer feedback system called Care Connect which is accessed through the existing NHS Choices portal. This allows patients and carers to rate the quality of services they may have received, raise any concerns or ask any questions about their care or treatment.

With regard to SWEMWEBS, through the Trust's involvement in the Care Pathways and Packages Project a short wellbeing scale has been nationally recommended as the Patient Reported Outcome Measure (PROM) for the treatment packages we deliver. The Trust are also including the standard Family and Friends Question within this to also provide us with a Patient Reported Experience Measure (PREM). The ratings for scales allow clinical outcomes to be measured at the end of a patient's episode of care and compared to the start of the episode. The Short Warwick and Edinburgh Mental Wellbeing Scale (SWEMWEBS) is now being sent / given to patients at these same time points.
A Quarterly Report on Service User and Carer Experience is now presented to the Board of Directors, this includes an analysis of the feedback received through Points of View, recurrent themes and actions to be taken to address these themes.

The Trust also has a number of good examples where users and carers have been actively involved in the development of services e.g.:
- Rose Lodge – LD development
- Ferndene – CAMHS Development
- Walkergate Park – Neuro –rehabilitation services
- Alnwood
- Tyne
- Hopewood Park (PRiDE Project), where a carer representative was a member of the Project Board

Patients, carers and stakeholders have also been actively involved in the Trust's Transformation of Services Programme including the Access Project, Principal Care Pathways Care and consultation on the Transformation of Inpatient Services Programme, including the "Deciding Together "public consultation.

The Independent Review of Governance against the Well Led Framework identified the Trust's employment of a range of mechanisms to engage with internal and external stakeholders as an area of good practice.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

2. The Board has regard to such guidance on good corporate governance as may be issued by Monitor from time to time

Trust Evidence

The Trust's governance arrangements take into account the Integrated Governance Handbook (DOH 2006).Governance arrangements are reviewed periodically in line with guidance on good corporate and clinical governance. A high level review of governance arrangements was undertaken by the Board of Directors in November 2011.Interim iterative improvements were made and they were subject to final amendments and ratification in May 2012.The Trust's Clinical Governance arrangements were also reviewed and strengthened in January 2013 to ensure their robustness in the context of the Trust's overarching integrated governance arrangements. The Board of Directors approved changes to the Terms of Reference for the Board, its Committees and the former Senior Management Team at its meeting in April 2014.
In December 2014 the Senior Management Team approved changes to the Terms of Reference and membership for the Senior Management Team and renamed the Team the Corporate Decisions Team.
The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting.
The Independent Review of Governance against the Well Led Framework did not identify any areas of significant concern and an Action Plan is in place with regard to the areas for improvement identified through the Review which is being monitored by the Board.

Monitor issued the publication: The NHS Foundation Trust Code of Governance in December 2013 (updated in July 2014) and a summary of the Trust's position relating to the main principles of the Code is outlined in 1 above.

Specific examples of where the Board of Directors has regard to good corporate governance ,as recommended or required by Monitor, include the following:

- Maintenance and review of Assurance Framework and Corporate Risk Register;
- Working with Monitor and piloting the Quality Governance Framework;
- Completion of the Quality Governance Framework, with evidence to support each statement, on a quarterly basis for review by the Quality and Performance Committee;

- The Board reviewing the quarterly report to Monitor which includes a review of risks in terms of governance, quality and finance prior to submission ;
- Agreement in July 2013 to increase the number of open Board meetings in line with good practice and the Trust duty of candour;
- Collation and review of evidence relating to the Annual Plan Review Board Statements to inform the Board's decision relating to their declarations;
- Development of the annual Quality Account and Quality Priorities 2016/17, in consultation with stakeholders, and the publication of the Quality Account;
- The compilation of a Strategic Planning Self Assessment, with an evidence file, and review by the Board;
- The Independent Review of Governance against the Well Led Framework (no areas of significant concern identified) and associated Action Plan;
- The compilation of this self assessment to inform the Board's decision relating to their confirmation in respect of:
    - Compliance with the governance condition at the date of the statement; and
    - Forward compliance with the governance condition for the current financial year, specifying (i) any risks to compliance and (ii) any actions proposed to manage some risks.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

3.The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust implements:

3(a) effective Board and Committee structures:

Trust Evidence

The Trust is headed by an effective and experienced Board of Directors which is collectively responsible for the performance of the Trust. As evidenced in Board minutes, , Board Development Sessions, Committee minutes, the Quarterly Quality Governance Framework Assessment, Strategic Planning Self Assessment and the Independent Review of Governance against the Well Led Framework (no areas of significant concern identified), the Board provides effective leadership, constructive challenge and helps develop proposals on strategy. The Trust's governance arrangements, as evidenced by Committee Structures, Terms of Reference and Membership ensure a clear division of responsibilities between the chairing of the board of directors and the council of governors, and the executive responsibility for the running of the NHS foundation trust's affairs. The Council of Governors hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors.
A number of Standing Committees of the Board support governance within the Trust:

- Audit Committee;
- Remuneration Committee;
- Mental Health Legislation Committee;
- Quality and Performance Committee;
- Finance Infrastructure and Business Development Committee (now called the Resource and Business Assurance Committee.)

The Standing Committees of the Board of Directors ensure effective governance for the major operational and strategic processes and systems of the Trust, and also provide assurance that risk is effectively managed.
The Board and each Standing Committee self assess performance against their Terms of Reference annually.
The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting.

Each Standing Committee reports directly to the Board of Directors with robust Non Executive Director input. A Non Executive Director Chairs each of the Standing Committees. The Remuneration Committee is chaired by the Chairman and all of the Non Executive Directors are members of the Committee. There is Executive leadership on Quality and Performance Sub Groups.

The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit.

The Board of Directors also undertake an annual self assessment of compliance with Monitor's Code of Governance.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

3(b) clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and

Trust Evidence

The Trust's governance arrangements include Terms of Reference for the Board, Corporate Decisions Team and Standing Committees reporting to the Board. The Terms of Reference include Membership, Key Outputs, Standing Agendas and reporting arrangements. The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting.

There are therefore clear lines of responsibilities for reporting and for staff reporting to the Board and those Committees.

The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

3 (c) clear reporting lines and accountabilities throughout its organisation

Trust Evidence

The Trust's governance arrangements include Terms of Reference for the Board, Corporate Decisions Team and Standing Committees reporting to the Board and Committees. The Terms of Reference include Membership, Key Outputs, Standing Agendas and reporting arrangements. There are therefore clear lines of responsibilities throughout the organisation. The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting.

The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

4.The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes
4 (a) to ensure compliance with the Licence holder's duty to operate efficiently, economically and effectively:
Trust Evidence
The Trust has systems and processes in place through the Trust's Governance and Performance Management/Reporting arrangements to ensure ongoing compliance with the Trust's licence conditions and related obligations. The Integrated Performance and Assurance Report which is reviewed regularly by the Board of Directors, as a part of the Integrated Performance Report, highlights Trust and Group/Directorate Performance across a range of quality metrics and also acts as a reference document to the Board of Directors, describing the quality indicators in full. The Board of Directors approve the Trust's Quarterly submissions to Monitor which include certificates relating to Governance and Finance together with details of the Trust's Membership and Elections. The Trust has consistently maintained a high level of financial performance as evidenced by the Quarterly submissions to Monitor. With regard to Governance the Trust's Governance and Clinical Governance arrangements were reviewed during 2012/13. The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting. The annual review of Terms of Reference process ensures that the Trust has effective processes in place to identify risks and potential issues including those relating to compliance with the Trust's duty to comply with its Licence and puts in place action plans to address these. Delivery of action plans are monitored and progress reported to sub Committees of the Board of Directors and Board of Director The Board of Directors also review a comprehensive range of reports relating to quality, clinical, patient and staff issues including emerging themes, action plans, progress against action plans being monitored and reported upon. As a part of the Trust Accountability Framework the concept of the Quarterly Accountability Framework Meetings have been introduced. The concept of this approach is a two way process whereby Operational Groups/Directorates present to the Executive Directors their contribution and delivery of the Trust's strategy and their operational performance (historic and forward plan).The Executive Directors are then able to confirm and challenge the work of the Groups/Directorates. The Board has an Assurance Framework and Corporate Risk Register. The current and future risks to quality are reviewed regularly, with input from the Board of Directors, Corporate Decisions Team and Operational Leaders Meeting and reported to the Board of Directors as a part of the Integrated Performance and Assurance Report. The Board of Directors approve the quarterly report to Monitor which includes a review of risks in terms of governance, quality and finance. The Trust's Quality and Performance Sub Committee and Corporate Decisions Team reviews the Corporate Risk Register and Assurance Framework as well as top Group/Directorate risks regularly. The Board Assurance Framework and Corporate Risk Register was the subject of a significant review during 2015/16 with a redesigned format, incorporating recommendations from the Independent Review of Governance against the Well Led Framework. An Internal Audit Report (NTW1516/02) relating to process for populating and reporting on the Trust's Assurance Framework provided significant assurance.

The risk register is supported and fed by quality issues captured in the Group/Directorate registers.
Each Group/Directorate has their own Risk Register, which are reviewed by the Group Quality and Performance Groups. The Corporate Decisions Team, Operational Leaders Meeting and Trust Quality and Performance Committee receive the Group/Directorate top risks. The Trust has a risk escalation process in place. The Board of Directors receive minutes from the standing/sub committees of the Board including the Audit Committee and Quality and Performance Committee and the Chairs of the Committee highlight to the Board of Directors any specific issues arising.

The Annual Governance Statement includes the Trust's principal risks and key controls, as reported in the Board Assurance Framework and Corporate Risk Register. All risks identified are considered as in year and future risks.
The Trust's Risk Management Strategy was reviewed in 2012. The Trust met the required standard of level 2 across all key standards in the Information Governance Tool Kit(submission March 2016).
The Trust agreed all of its main contracts by April 2016.
The Trust's Annual Plan/Operational Plan, including Long Term Financial Model, is reviewed by Monitor. The Annual Plan/Operational Plan includes details of the Trust's strategy, proposed service developments and financial plans to maintain a sustainable foundation trust together with the principal risks and mitigation strategies.
Monitor conduct an Annual Review process with the Board of Directors as a part of their assurance process. No significant issues were raised by Monitor in their Annual Review 2015/16.Monitor have advised that they will be providing feedback on their review of the Trust's Operational Plan 2016-2017 in July 2016.
In March 2016 the Audit Committee recommended that the Trust should be considered as a going concern and that the year end accounts should be prepared on that basis.
The Trust holds Level 1 accreditation with the National Health Service Litigation Authority.

The Annual Governance Statement includes the Trust's principal risks and key controls, as reported in the Board Assurance Framework and Corporate Risk Register. All risks identified are considered as in year and future risks.

The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit.

As a part of the Annual Planning process 2016/17 the Board reviewed at its meeting in May 2016 evidence relating to the systems in place to ensure compliance with its licence conditions and related conditions and agreed to confirm to Monitor that:
-In the financial year most recently ended all such precautions were taken in order to comply with the Trust's provider licence, any requirements imposed on it under the NHS Acts and have also had regard to the NHS Constitution;

AND

-The Board declares that the Trust continues to meet the criteria for holding the licence.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

4 (b) for timely and effective scrutiny and oversight by the Board of the Licence holder's operations;
Trust Evidence
The Agenda for Board of Director meetings, Corporate Decisions Team meetings and Standing Committees of the Board are structured so as to ensure that there is a systematic and timely review of information which supports the timely and effective scrutiny/oversight by the Board in terms of the Trust's strategy and operations. The standard Agenda for the Board of Directors meetings include: • Declaration of interest; • Minutes of previous meetings/matters arising; • Action Checklist; • Quality, clinical and patient issues; • Performance and assurance; • Staff issues; • Strategy and partnerships including commercial and business development; • Minutes/reports for information As a part of the Agenda the Board of Directors receive and review the Integrated Performance Report, the quarterly reports to Monitor relating to performance and compliance together with specific reports and updates on performance, clinical, quality and patient issues, strategy, partnerships, staff issues and regulatory issues. The Board of Directors also receives and reviews minutes and papers from the Standing Committees, the Council of Governors, Overview and Scrutiny Committees and local Safeguarding Committees. The Chairs of the Standing Committees highlight to the Board of Directors any specific issues arising. The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting. The Board has an Assurance Framework and Corporate Risk Register. The current and future risks to quality, including non compliance with healthcare standards, are reviewed regularly, with input from the Board of Directors, Corporate Decisions Team and Operational Leaders Meeting and reported to the Board of Directors as a part of the Integrated Performance and Assurance Report. The Board of Directors approve the quarterly report to Monitor which includes a review of risks in terms of governance, quality and finance. The Trust's Quality and Performance Committee and Corporate Decisions Team reviews the Corporate Risk Register and Assurance Framework as well as top Group/Directorate risks regularly. Action plans are agreed and followed through to address areas of concern/non compliance. The Annual Governance Statement includes the Trust's principal risks and key controls, as reported in the Board Assurance Framework and Corporate Risk Register. All risks identified are considered as in year and future risks.

The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit.

As a part of the Annual Planning process 2016/17 the Board reviewed at its meeting in May 2016 evidence relating to the systems in place to ensure compliance with its licence conditions and related conditions and agreed to confirm to Monitor that:
-In the financial year most recently ended all such precautions were taken in order to comply with the Trust's provider licence, any requirements imposed on it under the NHS Acts and have also had regard to the NHS Constitution;

AND

-The Board declares that the Trust continues to meet the criteria for holding the licence.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

4 (c) to ensure compliance with healthcare 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 professionals;

Trust Evidence

The Trust has systems and processes in place through the Trust's Governance and Performance Management/Reporting arrangements to ensure ongoing compliance with healthcare standards.
The Board of Directors responsibilities include ensuring the quality and safety of healthcare services, education, training and research and applying principles and standards of clinical governance set out by the Department of Health, the Care Quality Commission and other relevant NHS bodies together with ensuring compliance with the Trust's Licence, its constitution, mandatory guidance issued by Monitor, relevant statutory requirements and contractual obligations.
The Standing Committees of the Board of Directors ensure effective governance for the major operational and strategic processes and systems of the Trust, and also provide assurance that risk, including that relating to non compliance with healthcare standards is effectively managed. The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting.

The annual review of Terms of Reference ensures that the Trust has effective processes in place to identify risks and potential issues including those relating to compliance with healthcare standards including those standards specified by the Secretary of State, the Care Quality Commission, the NHS Commissioning Board and statutory regulators of health care professionals.

The key responsibilities of the Board Committees in this regard include the following;

- Audit Committee-

Responsibilities include independently monitoring, reviewing and reporting to the Board of Directors on the process of governance and where appropriate facilitates and supports through its independence the attainment of effective processes.

- Remuneration Committee-

Responsibilities include ensuring compliance with Monitor's Code of Governance.

- Mental Health Legislation Committee-

Responsibilities include ensuring that there are systems and processes in place to support the operation of mental health legislation and ensure compliance with associated codes of practice and recognised best practice.

- Quality and Performance Committee-

Responsibilities include assurance on the effective management of risk, safety, quality and performance across the Trust. Specific responsibilities include the Assurance/Performance Framework, overseeing and assuring the implementation of NICE Guidance, recommending to the Board for endorsement the declaration of compliance with CQC Essential Standards of Health and Safety etc.

- Finance Infrastructure and Business Development Committee (now called the Resource and Business Assurance Committee).

Responsibilities include ensuring effective arrangements are in place to manage commercial activity, business development and contractual arrangements, in line with Trust and Monitor requirements. The Committee are also responsible for assurance that financial targets will be delivered and there is a clear understanding of current and emerging risks to delivery.

The Corporate Decisions Team is responsible for the co-ordination and operational management of the system of internal control and for the management of the achievement of the Trust's objectives agreed with the Board of Directors. The Team is also responsible for operational management, through the Trust's Executive Directors and the delivery of the Trusts objectives and national standards and for managing the risks associated with the delivery of these objectives through the Trust's risk and control framework.

A Trust wide CQC Quality Compliance Group was established in August 2011 with a broad membership from clinical and corporate Groups and Directorates with responsibility for the ongoing preparation, monitoring and review of actions linked to Essential Standards. This Group keeps the Corporate Decisions Team informed of performance against agreed action plans formulated following each CQC inspection.

The Board of Directors receive and review specific reports and updates on performance and assurance, clinical, quality and patient issues, strategy and partnerships, staff issues and regulatory issues these reports highlight risks to non compliance to standards and action plans are agreed and reviewed to ensure compliance.

The Board of Directors receive and review minutes and papers from the Board sub Committees, the Council of Governors, Overview and Scrutiny Committees and local Safeguarding Committees. These include regular reports in relation to SUIs, Complaints and Safeguarding. This enables the Board of Directors to assess, understand and identify lessons learnt, addressing any current or future risks to quality and non compliance with healthcare standards.

The Annual Governance Statement includes the Trust's principal risks and key controls, as reported in the Board Assurance Framework and Corporate Risk Register. All risks identified are considered as in year and future risks.
The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit.

As a part of the Annual Planning process 2016/17 the Board reviewed at its meeting in May 2016 evidence relating to the systems in place to ensure compliance with its licence conditions and related conditions and agreed to confirm to Monitor that:
-In the financial year most recently ended all such precautions were taken in order to comply with the Trust's provider licence, any requirements imposed on it under the NHS Acts and have also had regard to the NHS Constitution;

AND

-The Board declares that the Trust continues to meet the criteria for holding the licence.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

4 (d) for effective financial decision making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licence holders ability to continue as a going concern);

Trust Evidence

The Trust's governance arrangements include Terms of Reference for the Board, Corporate Decisions Team and Standing Committees reporting to the Board. The Terms of Reference include Membership, Key Outputs, Standing Agendas and reporting arrangements. The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting.

There are therefore clear lines of responsibilities throughout the organisation for effective financial decision making, management and control through the following:

- Board of Directors-
  Responsible for ensuring that the Trust exercises its functions effectively, efficiently and economically together with ensuring compliance with the Trust's Licence, its constitution, mandatory guidance issued by Monitor, relevant statutory requirements and contractual obligations. It is the responsibility of the Executive Directors and the Accountable Officer to establish and maintain processes for governance including relating to finance. The Board of Directors is responsible for approving the Trust's Operational Plan and Financial Strategy/Plan and thereafter reviewing the Trusts financial performance through the Integrated Performance Report. The Board of Directors also review and approve the Trust's Quarterly submission to Monitor, these include certificates relating to Governance and Finance.

- Audit Committee-
  Provides a central means by which the Board of Directors ensures effective internal control arrangements are in place. The Committee also provides a form of independent check on the executive arm of the Board of Directors. Responsibilities include independently monitoring, reviewing and reporting to the Board of Directors on the process of governance and where appropriate facilitates and supports through its independence the attainment of effective processes.

- Finance Infrastructure and Business Development Committee (now called the Resource and Business Assurance Committee)-
  Responsibilities include assurance that financial targets will be delivered and there is a clear understanding of current and emerging risk to that delivery. The Committee also is responsible for ensuring effective arrangements are in place to manage commercial activity, business development and contractual arrangements, in line with Trust and Monitor requirements. The Committee therefore review and agree the Trust's overall financial position and forecast to be presented to the Board of Directors including any remedial action required to manage developing risks, and responses to specific queries from the Board.

- The Corporate Decisions Team-.
  Responsible for the co-ordination and operational management of the system of internal control and for the management of the achievement of the Trust's objectives agreed with the Board of Directors. The Team is also responsible for operational management, through the Trust's Executive Directors and the delivery of the Trust's objectives and national standards and for managing the risks associated with the delivery of these objectives through the Trust's risk and control framework. The Team have the authority to make decisions according to the authority delegated to the Chief Executive enshrined within the Scheme of Delegation and the Decision Making Framework, or where appropriate to recommend decision to the Board.

The Trust has an extensive suite of Policies, Procedures and Practice Guidance Notes relating to effective financial decision making, management and control supported by effective processes to ensure that the policies, procedures and Practice Guidance notes are kept up to date. The Trust's financial decision making, management and control is the subject of scrutiny through the Internal and External Audit process.
The results of all audits are reported to the Corporate Decisions Team including progress on agreed action plans and the sign off of action plans.

The Audit Committee prepare annually a Going Concern Report and in March 2015 the Audit Committee agreed to recommend to the Board of Directors that the Trust should be considered as a going concern and the year end accounts should be prepared on that basis.

The Annual Governance Statement includes the Trust's principal risks and key controls, as reported in the Board Assurance Framework and Corporate Risk Register. All risks identified are considered as in year and future risks.
The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit.

As a part of the Annual Planning process 2016/17 the Board reviewed at its meeting in May 2016 evidence relating to the systems in place to ensure compliance with its licence conditions and related conditions and agreed to confirm to Monitor that:
-In the financial year most recently ended all such precautions were taken in order to comply with the Trust's provider licence, any requirements imposed on it under the NHS Acts and have also had regard to the NHS Constitution;

AND

-The Board declares that the Trust continues to meet the criteria for holding the licence.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

4 (e) to obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision making;

Trust Evidence

The standing Agendas for Board of Director meetings, Corporate Decisions Team meetings and Standing Committees of the Board together with the support arrangements (relating to the issue of papers and production of minutes) are structured so as to ensure that there is a systematic and timely dissemination of accurate, comprehensive timely and up to date information for Board and Committee decision making. The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting.
The standard Agenda for the Board of Directors meetings include:

- Declaration of interest;
- Minutes of previous meetings/matters arising;
- Action Checklist;
- Quality, clinical and patient issues;
- Performance and assurance;
- Staff issues;
- Strategy and partnerships including commercial and business development;
- Minutes/reports for information

As a part of the Agenda the Board of Directors receive and review the Integrated Performance Report, the quarterly reports to Monitor relating to performance and compliance together with specific reports and updates on performance, clinical, quality and patient issues, strategy, partnerships, staff issues and regulatory issues. The Board of Directors also receives and reviews minutes and papers from the Standing Committees, the Council of Governors, Overview and Scrutiny Committees and local Safeguarding Committees. The Chairs of the Standing Committees highlight to the Board of Directors any specific issues arising.

As a part of the Annual Planning process 2016/17 the Board reviewed at its meeting in May 2016 evidence relating to the systems in place to ensure compliance with its licence conditions and related conditions and agreed to confirm to Monitor that:
-In the financial year most recently ended all such precautions were taken in order to comply with the Trust's provider licence, any requirements imposed on it under the NHS Acts and have also had regard to the NHS Constitution;

AND

-The Board declares that the Trust continues to meet the criteria for holding the licence.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

4 (f) to identify and manage (including but not restricted to manage through forward plans)material risks to compliance with the Conditions of its Licence

Trust Evidence

The Trust has systems and processes in place through the Trust's Governance and Performance Management/Reporting arrangements to ensure ongoing compliance with the Trust's licence conditions and related obligations.

With regard to Governance the Trust's Governance and Clinical Governance arrangements were reviewed during 2012/13 and the Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting.
The annual review process ensures that the Trust has effective processes to identify and manage risks to compliance with the Trust's licence and potential issues and puts in place action plans to address these. Delivery of action plans are monitored and progress reported to sub committees of the Board of Directors and Board of Director meetings, as appropriate.

The Board has an Assurance Framework and Corporate Risk Register. The current and future risks to quality are reviewed regularly, with input from the Board of Directors, Corporate Decisions Team and Operational Leaders Meeting and reported to the Board of Directors as a part of the Integrated Performance and Assurance Report. The Board of Directors approve the quarterly report to Monitor which includes a review of risks in terms of governance, quality and finance. The Trust's Quality and Performance Committee and Corporate Decisions Team reviews the Corporate Risk Register and Board Assurance Framework as well as top Group/Directorate risks regularly.
The Risk Register is supported and fed by quality issues captured in the Group/Directorate registers.
Each Group/Directorate has their own Risk Register, which are reviewed by the Group Quality and Performance Groups. The Corporate Decisions Team, Operational Leaders Meeting and Trust Quality and Performance Committee receive the Group/Directorate top risks. The Trust has a risk escalation process in place. The Board of Directors receive minutes from the standing/sub committees of the Board including the Audit Committee and Quality and Performance Committee The Chairs of the Standing Committees highlight to the Board of Directors any specific issues arising.

The Annual Governance Statement includes the Trust's principal risks and key controls, as reported in the Board Assurance Framework and Corporate Risk Register. All risks identified are considered as in year and future risks.
The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit.

The Trust's Risk Management Strategy was reviewed in 2012. The Trust met the required standard of level 2 across all key standards in the Information Governance Tool Kit(submission March 2016).

The Trust agreed all of its main contracts by April 2016.

The Trust's Annual Plan/Operational Plan, including Long Term Financial Model is reviewed by Monitor. The Annual Plan/Operational Plan includes details of the Trust's principal risks and mitigation strategies.
Monitor conduct an Annual Review process with the Board of Directors as a part of their assurance process. No significant issues were raised by Monitor in their Annual Review 2015/16.Monitor have confirmed that they will provide feedback on their review of the Trust's Operational Plan 2016-2017 during July 2016.

The Board of Directors review and approve the Trust's Quarterly submissions to Monitor. These include certificates relating to Governance and Finance together with details of the Trust's Membership and Elections. The Trust has consistently maintained a high level of financial performance as evidenced by the Quarterly submissions to Monitor.

The Trust holds Level 1 accreditation with the National Health Service Litigation Authority.

The Audit Committee prepare annually a Going Concern Report and in April 2016 the Audit Committee agreed to recommend to the Board of Directors that the Trust should be considered as a going concern and the year end accounts should be prepared on that basis.

As a part of the Annual Planning process 2016/17 the Board reviewed at its meeting in May 2016 evidence relating to the systems in place to ensure compliance with its licence conditions and related conditions and agreed to confirm to Monitor that:
-In the financial year most recently ended all such precautions were taken in order to comply with the Trust's provider licence, any requirements imposed on it under the NHS Acts and have also had regard to the NHS Constitution;

AND

-The Board declares that the Trust continues to meet the criteria for holding the licence.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

4 (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

Trust Evidence

The Trust completed a Strategic Planning Self Assessment in March 2014 which was reviewed by the Board of Directors at its meeting on the 26th March 2014.Evidence to support the Self Assessment confirmed:

- The Trust has put in place a structured strategic planning process to guarantee that the Board and Executive Team regularly spend time discussing strategic issues at the correct point in the Trust calendar;
- The Trust have detailed delivery plans for each of its strategic initiatives that lay out milestones, resource requirements, dependencies and risk mitigation;
- Plans are reviewed and updated yearly to keep them relevant.

The Trust has an Annual Planning and Business Cycle in place and, as a part of this, the Board of Directors review progress on the delivery and development of its Strategic/Operational Plans at Board Development Sessions. The Board has also established a Strategy Working Group with the remit of supporting the Board, overseeing the development of the Trust's new Integrated Business Plan (IBP)/Strategy and by providing a strategic forum for environmental and horizon scanning and a review of intelligence to inform and input into the IBP/Strategy and the Trust's decision making.

As a part of the Trust Accountability Framework the concept of the Quarterly Accountability Framework Meetings have been introduced. The concept of this approach is a two way process whereby Operational Groups/Directorates present to the Executive Directors their contribution and delivery of the Trust's strategy and their operational performance (historic and forward plan).The Executive Directors are then able to confirm and challenge the work of the Groups/Directorates.

The Trust's Annual Plan/Operational Plan, including Long Term Financial Model is reviewed by Monitor. The Annual Plan/Operational Plan includes details of the Trust's strategy, proposed service developments and financial plans to maintain a sustainable foundation trust together with the principal risks and mitigation strategies.

Monitor conduct an Annual Review process with the Board of Directors as a part of their assurance process. No significant issues were raised by Monitor in their Annual Review 2015/16. Monitor have confirmed that they will provide feedback on their review of the Trust's Operational Plan 2016-2017 during July 2016.

As a part of the Annual Planning process 2016/17 the Board reviewed at its meeting in May 2016 evidence relating to the systems in place to ensure compliance with its licence conditions and related conditions and agreed to confirm to Monitor that:
-In the financial year most recently ended all such precautions were taken in order to comply with the Trust's provider licence, any requirements imposed on it under the NHS Acts and have also had regard to the NHS Constitution;

AND

-The Board declares that the Trust continues to meet the criteria for holding the licence.

Any risks to compliance going forward and mitigating actions
No significant risks to compliance going forward identified
4 (h) to ensure compliance with all applicable legal requirements
Trust Evidence
The Trust has systems and processes in place through the Trust's Governance and Performance Management/Reporting arrangements to ensure ongoing compliance with legal requirement. The Board of Directors responsibilities include ensuring the quality and safety of healthcare services, education, training and research and applying principles and standards of clinical governance set out by the Department of Health, the Care Quality Commission and other relevant NHS bodies together with ensuring compliance with the Trust's Licence, its constitution, mandatory guidance issued by Monitor, relevant statutory requirements and contractual obligations. The Standing Committees of the Board of Directors ensure effective governance for the major operational and strategic processes and systems of the Trust, and also provide assurance that risk, including that relating to non compliance with legal requirements is effectively managed. The Board of Directors reviewed and approved changes to the Terms of Reference for the Board and its Committees in April 2015, October 2015 and April 2016, as a part of the routine annual review process. The review of Terms of Reference for the Committees in April 2016 included addressing the recommendations from the Independent Review of Governance against the Well Led Framework relating to improving the assurance focus of Committees and assurance based exception reporting. This review process ensures that the Trust has effective processes in place to identify risks and potential issues including those relating to compliance with healthcare standards including those standards specified by the Secretary of State, the Care Quality Commission, the NHS Commissioning Board and statutory regulators of health care professionals. • Audit Committee- Responsibilities include independently monitoring, reviewing and reporting to the Board of Directors on the process of governance and where appropriate facilitates and supports through its independence the attainment of effective processes. • Remuneration Committee- Responsibilities include ensuring compliance with Monitor's Code of Governance. • Mental Health Legislation Committee- Responsibilities include ensuring that there are systems and processes in place to support the operation of mental health legislation and ensure compliance with associated codes of practice and recognised best practice. • Quality and Performance Committee- Responsibilities include assurance on the effective management of risk, safety, quality and performance across the Trust. Specific responsibilities include the Assurance/Performance Framework, overseeing and assuring the implementation of NICE Guidance, recommending to the Board for endorsement the declaration of compliance with CQC Essential Standards of Health and Safety etc • Finance Infrastructure and Business Development Committee (now called the Resource and Business Assurance Committee) - Responsibilities include ensuring effective arrangements are in place to manage commercial activity, business development and contractual arrangements, in line with Trust and Monitor requirements.

The Corporate Decisions Team is responsible for the co-ordination and operational management of the system of internal control and for the management of the achievement of the Trust's objectives agreed with the Board of Directors. The Team is also responsible for operational management, through the Trust's Executive Directors and the delivery of the Trust's objectives and national standards/legislation and for managing the risks associated with the delivery of these objectives through the Trust's risk and control framework.

A Trust wide CQC Quality Compliance Group was established in August 2011 with a broad membership from clinical and corporate Groups and Directorates with responsibility for the ongoing preparation, monitoring and review of actions linked to Essential Standards. This Group keeps the Corporate Decisions Team informed of performance against agreed action plans formulated following each CQC inspection.

The Board of Directors receive and review specific reports and updates on performance and assurance, clinical, quality and patient issues, strategy and partnerships, staff issues and regulatory issues (including legal issues) these reports highlight risks to non compliance to standards and action plans are agreed and reviewed to ensure compliance.

The Board of Directors receive and review minutes and papers from the Board sub Committees, the Council of Governors, Overview and Scrutiny Committees and local Safeguarding Committees. These include regular reports in relation to SUIs, Complaints and Safeguarding. This enables the Board of Directors to assess, understand and identify lessons learnt, addressing any current or future risks to quality and non compliance with legal requirements.

The Annual Governance Statement includes the Trust's principal risks and key controls, as reported in the Board Assurance Framework and Corporate Risk Register. All risks identified are considered as in year and future risks.
The Audit Committee reviewed the Annual Governance Statement 2015/16 and confirmed that it was consistent with the Committee's view on the organisation's system of internal control with a view to recommending the draft Statement to the Board of Directors. The Board of Directors approved the Annual Governance Statement at its meeting in May 2016, following a review by the Trust's External Auditors, as a part of the statutory audit.

As a part of the Annual Planning process 2016/17 the Board reviewed at its meeting in May 2016 evidence relating to the systems in place to ensure compliance with its licence conditions and related conditions and agreed to confirm to Monitor that:
-In the financial year most recently ended all such precautions were taken in order to comply with the Trust's provider licence, any requirements imposed on it under the NHS Acts and have also had regard to the NHS Constitution;

AND

-The Board declares that the Trust continues to meet the criteria for holding the licence.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

5.The Board is satisfied:

5 (a) that there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided:

Trust Evidence

The Trust piloted Monitor's Quality Governance Framework and populates the Framework quarterly, providing evidence against the ten components of the framework structured around the areas of good practice set out within the Framework. The completed quarterly Quality Governance Framework is presented to and reviewed by the Quality and Performance Committee, the Quarter 4 2015/16 Framework was reviewed by the Quality and Performance Committee at its meeting on the 20th April 2016.

The completed quarterly Quality Governance Framework includes evidence relating to the following:

- The Board has the necessary leadership, skills and knowledge to ensure delivery of the quality agenda.

The completed quarterly Quality Governance Framework provides the Board with assurance regarding quality governance.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

5 (b) that the Boards planning and decision making processes take timely and appropriate account of quality care considerations:

Trust Evidence

The Trust piloted Monitor's Quality Governance Framework and populates the Framework quarterly, providing evidence against the ten components of the framework structured around the areas of good practice set out within the Framework. The completed quarterly Quality Governance Framework is presented to and reviewed by the Quality and Performance Committee, the Quarter 4 2015/16 Framework was reviewed by the Quality and Performance Committee at its meeting on the 20th April 2016.

The completed quarterly Quality Governance Framework includes evidence relating to the following:

- How quality drives the Trust's strategy;
- That there are clear roles and accountabilities in relation to quality governance;
- That there are clearly defined, well understood processes for escalating and resolving issues and managing performance;
- That appropriate quality information is analysed and challenged;
- That the Board is assured of the robustness of the quality information;
- That quality information is being used effectively.

The completed quarterly Quality Governance Framework provides the Board with assurance regarding quality governance.

Any risks to compliance going forward and mitigating actions
No significant risks to compliance going forward identified
5 (c) the collection of accurate, comprehensive, timely and up to date information on quality care
Trust Evidence
The Trust piloted Monitor's Quality Governance Framework and populates the Framework quarterly, providing evidence against the ten components of the framework structured around the areas of good practice set out within the Framework. The completed quarterly Quality Governance Framework is presented to and reviewed by the Quality and Performance Committee. The completed quarterly Quality Governance Framework is presented to and reviewed by the Quality and Performance Committee, the Quarter 4 2015/16 Framework was reviewed by the Quality and Performance Committee at its meeting on the 20th April 2016. The completed quarterly Quality Governance Framework includes evidence relating to the following: • That appropriate quality information is analysed and challenged; • That the Board is assured of the robustness of the quality information; • That quality information is being used effectively. The completed quarterly Quality Governance Framework provides the Board with assurance regarding quality governance.
Any risks to compliance going forward and mitigating actions
No significant risks to compliance going forward identified
5 (d) that the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care
Trust Evidence
The Trust piloted Monitor's Quality Governance Framework and populates the Framework quarterly, providing evidence against the ten components of the framework structured around the areas of good practice set out within the Framework. The completed quarterly Quality Governance Framework is presented to and reviewed by the Quality and Performance Committee. The completed quarterly Quality Governance Framework is presented to and reviewed by the Quality and Performance Committee, the Quarter 4 2015/16 Framework was reviewed by the Quality and Performance Committee at its meeting on the 20th April 2016. .

The completed quarterly Quality Governance Framework includes evidence relating to the following:

- How quality drives the Trust's strategy;
- That there are clear roles and accountabilities in relation to quality governance;
- That there are clearly defined, well understood processes for escalating and resolving issues and managing performance;
- That appropriate quality information is analysed and challenged;
- That the Board is assured of the robustness of the quality information;
- That quality information is being used effectively.

The completed quarterly Quality Governance Framework provides the Board with assurance regarding quality governance.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

5 (e) that Northumberland, Tyne and Wear 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

Trust Evidence

The Trust piloted Monitor's Quality Governance Framework and populates the Framework quarterly, providing evidence against the ten components of the framework structured around the areas of good practice set out within the Framework. The completed quarterly Quality Governance Framework is presented to and reviewed by the Quality and Performance Committee. The Quarter 4 2015/16 Framework was reviewed by the Quality and Performance Committee at its meeting on the 20th April 2016.

The completed quarterly Quality Governance Framework includes evidence relating to the following:

- That the Board actively engages patients, staff and other key stakeholders on quality.

The completed quarterly Quality Governance Framework provides the Board with assurance regarding quality governance.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

5 (f) that there is clear accountability for quality of care throughout Northumberland, Tyne and Wear NHS Foundation Trust including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate

Trust Evidence

The Trust piloted Monitor's Quality Governance Framework and populates the Framework quarterly, providing evidence against the ten components of the framework structured around the areas of good practice set out within the Framework. The completed quarterly Quality Governance Framework is presented to and reviewed by the Quality and Performance Committee. The Quarter 4 2015/16 Framework was reviewed by the Quality and Performance Committee at its meeting on the 20th April 2016.

The completed quarterly Quality Governance Framework includes evidence relating to the following:

- That there are clear roles and accountabilities in relation to quality governance;
- That there are clearly defined, well understood processes for escalating and resolving issues and managing performance;

The completed quarterly Quality Governance Framework provides the Board with assurance regarding quality governance.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

6.The Board of Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems to ensure that it has in place personnel on the Board, reporting to the Board and within the rest of the Licence holder's organisation who are sufficient in number and appropriately qualified to ensure compliance with the Conditions of this Licence

Trust Evidence

The Board of Directors:
A formal, rigorous and transparent procedure is followed for the appointment of new Directors to the Board. The Council of Governors has established a Nominations Committee and its membership and terms of reference are prescribed by the Trust's Constitution. Its role is to make recommendations to the full Council of Governors on the appointment of the Chair and Non Executive Directors together with the associated remuneration, allowances and other terms and conditions. When considering the appointment of Non Executive Directors the Council of Governors take into account the views of the Board of Directors on the qualifications, skills and experienced required for each position this was demonstrated in the recent appointment of the Chair and new Non Executive Director. The Trust has a planned programme in place with regard to the review/reappointment of those Non Executive Directors whose term of office is up for review.

All Directors receive appropriate induction on joining the Board of Directors and the Board participates in an annual Board Development Programme. Robust processes are in place for the annual appraisal of the Board of Directors. The Chair leads the Non Executive Directors in their appraisals and the Chief Executive for the Executive Directors. The Chief Executive is appraised by the Chair. The Senior Independent Director leads on the Chair's appraisal.

The Trust's Business Model:
In March 2011 the Board of Directors agreed to implement a new management business model across the Trust, one that was centred around providing patient care based on need, and one that segments the Trust business in such a way that it is easier to manage and also more easily understood by those who use and commission our services. The key aspects of the business model included the:

- Move from five operational directorates to three groups: urgent care, planned care and specialist care services;
- Increase in clinical leadership and decision making;
- Realignment of professional leadership models;
- Realignment of corporate support functions

In the light of the progress made with regard to the Transformation of Services Programme with effect from April 2015 two of the existing care Groups were renamed (Inpatient Care Group and Community Services Care Group) and some service management changes were introduced to reflect the changes to the two Groups service portfolios. A new strategic operating model, including a more enabling Accountability Framework, was adopted in January 2016 providing for a more devolved, high trust and more empowered way of working across Group, Directorate, Service Management and local departmental team structures. Phase 1 of the Corporate Services Transformation Programme was also implemented during 2015/16 with the aim of redesigning corporate services to align with the transformation of clinical services both in terms of a proportionate level of overhead and meeting the changing needs of a broad range of corporate customers.

Workforce Planning:
Staffing levels and skill mix are built into plans as a part of the Trust's Transformation of Services Programme and Business Cases relating to individual initiatives, as an integral part of both the Trust's quality strategy and planning processes. The review of staffing requirement and skill mix are carried out as and when required/proportionate to the size and complexity of the initiative. The Trust's new Workforce Committee is to be responsible for developing workforce planning requirements. This includes identifying the skills and competencies needed in the future workforce and identifying a training and development plan to support this.

Recruitment Processes:
The Trust's Recruitment and Selection Policy (NTW (HR)15),supported by a suite of associated policies, provides Appointing Managers with the required standards and procedures that must be adopted when recruiting staff on behalf of the Trust, both permanent and temporary. The Policy reflects all current Employment Legislation, Department of Health guidelines, NHS Employers Employment Check Standards, Safeguarding Children, CRB Protocol and Code of Practice and ensures that Trust endeavours to recruit only those staff with the required knowledge, skills and experience to provide the Trust's services and functions.

Staff Appraisal Process:
In 2014 the Trust introduced a whole new appraisal system linked to the Trust's values and more aligned with Agenda for Change flexibilities. The Trust's Staff Appraisal Policy (NTW (HR)09) outlines the process whereby each member of staff understands where their role and contribution fit into the overall success of the Trust, enables each individual to understand what is expected of them, has clear and objective feedback on their work and gains access to relevant learning, development and support which is clearly linked to the KSF outline for their particular role. The Trust's performance with regard to carrying out appraisals are reported to the Board of Directors through the Integrated Performance Report.

Individual's Performance:
The Trust's Disciplinary Policy (NTW (HR) 04) was reviewed in March 2015 and sets out guidance to all employees on expected standards of behaviour and provides procedures for addressing instances where an individual fails to meet required standards of conduct or performance. The aim is to ensure consistent and fair treatment for all. The incidence of disciplinaries reported to the Board of Directors through the Integrated Performance Report.

Any risks to compliance going forward and mitigating actions

No significant risks to compliance going forward identified

Summary of Assessment /Recommended Declarations

In the light of the evidence presented above it is recommended the Board of Directors declare the following:

Statement	Confirm compliance at the date of this Statement Yes/No	Risks to compliance going forward and mitigating actions
1. The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of healthcare services to the NHS.	**Yes**	**No significant risks to compliance going forward identified**
2. The Board has regard to such guidance on good corporate governance as may be issued by Monitor from time to time	**Yes**	**No significant risks to compliance going forward identified**
3.The Board is satisfied that Northumberland, Tyne and Wear NHS Foundation Trust implements:		
3(a) effective Board and Committee structures:	**Yes**	**No significant risks to compliance going forward identified**
3(b) clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and	**Yes**	**No significant risks to compliance going forward identified**
3 (c) clear reporting lines and accountabilities throughout its organisation	**Yes**	**No significant risks to compliance going forward identified**

4.The Board is satisfied Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems and/or processes:		
4 (a) to ensure compliance with the Licence holder's duty to operate efficiently, economically and effectively:	**Yes**	**No significant risks to compliance going forward identified**
4 (b) for timely and effective scrutiny and oversight by the Board of the Licence holder's operations;	**Yes**	**No significant risks to compliance going forward identified**
4 (c) to ensure compliance with healthcare 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 professionals;	**Yes**	**No significant risks to compliance going forward identified**
4 (d) for effective financial decision making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licence holders ability to continue as a going concern);	**Yes**	**No significant risks to compliance going forward identified**
4 (e) to obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision making;	**Yes**	**No significant risks to compliance going forward identified**
4 (f) to identify and manage (including but not restricted to manage through forward plans)material risks to compliance with the Conditions of its Licence	**Yes**	**No significant risks to compliance going forward identified**
4 (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	**Yes**	**No significant risks to compliance going forward identified**

4 (h) to ensure compliance with all applicable legal requirements	**Yes**	**No significant risks to compliance going forward identified**
5.The Board is satisfied:		
5 (a) that there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided:	**Yes**	**No significant risks to compliance going forward identified**
5 (b) that the Boards planning and decision making processes take timely and appropriate account of quality care considerations:	**Yes**	**No significant risks to compliance going forward identified**
5 (c) the collection of accurate, comprehensive, timely and up to date information on quality care	**Yes**	**No significant risks to compliance going forward identified**
5 (d) that the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care	**Yes**	**No significant risks to compliance going forward identified**
5 (e) that Northumberland, Tyne and Wear 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	**Yes**	**No significant risks to compliance going forward identified**
5 (f) that there is clear accountability for quality of care throughout Northumberland, Tyne and Wear NHS Foundation Trust including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate	**Yes**	**No significant risks to compliance going forward identified**

6.The Board of Northumberland, Tyne and Wear NHS Foundation Trust effectively implements systems to ensure that it has in place personnel on the Board, reporting to the Board and within the rest of the Licence holder's organisation who are sufficient in number and appropriately qualified to ensure compliance with the Conditions of this Licence	**Yes**	**No significant risks to compliance going forward identified**