

SHEFFIELD TEACHING HOSPITALS NHS FOUNDATION TRUST

EXECUTIVE SUMMARY REPORT TO THE BOARD OF DIRECTORS 21 SEPTEMBER 2011

Subject:	Quarterly Assurance Report on 2011–12 Annual Plan Board Statements
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PURPOSE OF THE REPORT:

To provide the Board of Directors with a quarterly update on the Board Statements made as part of the 2011-12 Annual Plan submission to Monitor.

KEY POINTS:

- As part of the Annual Plan submission, the Board of Directors is required by Monitor to make a number of statements.
- The 2011-12 Annual Plan statements were approved by the Board at their meeting on 18 May 2011.
- As in previous years the Trust Secretary was asked to provide updates in order to reassure the Board of Directors that the Trust was on track against its commitments.
- This paper provides the first quarterly update on comments and assurances made in May and identifies additional sources of assurance and in-year risks.

IMPLICATIONS:

Achieve Clinical Excellence	Nil
Be Patient Focussed	Nil
Engaged Staff	Nil

RECOMMENDATION(S):

The Board of Directors is asked to **NOTE** the mid-year update.

KEY PERFORMANCE INDICATORS:

Key Performance Indicator	Desired Performance	STH Performance (specify reporting period)

2011 -12 ANNUAL PLAN - BOARD STATEMENTS

Quarterly Assurance Report

September 2011

BOARD STATEMENT		COMMENTS / ASSURANCE	UPDATE @ 31 AUGUST 2011
	Clinical Quality		
1	The Board is satisfied that, to the best of its knowledge and using its own processes (supported by Care Quality Commission information and including any further metrics it chooses to adopt), its NHS Foundation Trust has, and will keep in place, effective arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to its patients.	Healthcare Governance Committee and other committees that report to it CQC Compliance Review Group SUI Committee Robust work programme, including timetable of reports on specific issues Robust governance infrastructure/arrangements Unconditional registration with the CQC Formal and informal processes for obtaining assurance, feedback, etc Track record of prioritisation, improvement and investment	<ul style="list-style-type: none"> • Board required to make revised Board Statement by Quarter 2 submission (i.e. end of October) • Proposal to review Trust's Quality Governance Arrangements approved by Audit Committee, TEG and Board. • Quality Governance Framework Steering Group established. First meeting held – approval of Terms of Reference, timetable and workplan. Review underway
2	The Board is satisfied that, to the best of its knowledge and using its own processes, plans in place are sufficient to ensure ongoing compliance with the Care Quality Commission's registration requirements.	Healthcare Governance Committee CQC Compliance Review Group Unconditional registration with CQC Track record on CQC registration application	<ul style="list-style-type: none"> • Trust Secretary and Head of Patient Healthcare Governance recently met with CQC Relationship Manager. Improved clarity over inspection regime and implications for STHFT • Internal Audit: CQC Compliance – C rating • Production and review of Provider Compliance Assessment (PCA) for all outcomes underway • Quality Risk Profile (QRP) reported to TEG and Healthcare Governance Committee • Positive assurance from CQC Dignity and Nutrition for Older People targeted inspection review (May 2010)
3	The Board is satisfied that processes and procedures are in place to ensure all medical practitioners providing care on behalf of the NHS Foundation Trust have met the relevant registration and revalidation requirements.	Registration check process in place. Awaiting further clarification re revalidation requirements.	<ul style="list-style-type: none"> • Awaiting further information re revalidation requirements. National pilots extended to develop a clearer understanding of costs, benefits and practicalities. STH preparing appraisal arrangements in anticipation of final national guidance.

BOARD STATEMENT		COMMENTS / ASSURANCE	UPDATE @ 31 AUGUST 2011
	Mandatory Services		
4	The Board is satisfied that it expects its NHS foundation trust to be able to continue to provide the mandatory services specified in Schedule 2 and Schedule 3 of its Authorisation.	No proposed changes to Mandatory Services	Not applicable
	Service Performance		
5	The Board is satisfied that plans in place are sufficient to ensure ongoing compliance with all existing targets (after the application of thresholds) and compliance with all targets due to come into effect during 2010/11.	Board and TEG monthly monitoring Specific programmes supporting at risk performance targets i.e. 62 day cancer waiting times, CDiff and A&E services target Effective escalation of adverse performance leading to CEO summits, as appropriate Track record of achieving access targets. Business Planning processes.	<ul style="list-style-type: none"> • Key performance risks as detailed in CEO report. Notably <ul style="list-style-type: none"> ○ Cancer Services – particularly for urological cancers ○ CDiff – The prospect of meeting the target of 134 cases is at serious risk. A proposal to approve a revised STH target of 183 cases is being taken to the Board meeting in September.
	Risk Management		
6	Issues and concerns raised by external audit and external assessment groups (including reports for NHS Litigation Authority assessments) have been addressed and resolved. Where any issues or concerns are outstanding, the Board is confident that there are appropriate action plans in place to address the issues in a timely manner.	Healthcare Governance Committee Audit Committee Process for managing external visits/inspections via Chief Executive's Office and Patient and Healthcare Governance. Robust governance infrastructure/arrangements. Level 1 NHSLA Risk Management and Maternity Risk Management.	<ul style="list-style-type: none"> • Appointment of KPMG as Trust External Auditors approved by Audit Committee and Governors Council • Re-assessment against NHSLA Level 1 planned for February 2012
7	All recommendations to the Board from the Audit Committee are implemented in a timely and robust manner and to the satisfaction of the body concerned.	Minutes of Audit Committee submitted to Board and verbal update from Chair. Audit Committee work - workplan and annual report to Board, high attendance levels, management support, etc. Robust process for performance managing recommendations from relatively small number of 'D' grade audit reports.	Existing arrangements continue and are working well

BOARD STATEMENT		COMMENTS / ASSURANCE	UPDATE @ 31 st AUGUST
	Risk Management (continued)		
8	The necessary planning, performance management and risk management processes are in place to deliver the annual plan.	Finance Committee Business Planning process. CEO report to Board - Healthcheck, Finance, Infection Control, etc. Performance Management Framework Ad hoc Board reports.. Assurance Framework and Top Risks Report	<ul style="list-style-type: none"> Internal Audit: Assurance Framework – not graded but informs the Head of Internal Audit Opinion Internal Audit: Risk Management – C grading Internal Audit: Performance Management – C grading Internal Audit: Business Planning (Follow-up) – A grading
9	A Statement of Internal Control (“SIC”) is in place, and the NHS Foundation Trust is compliant with the risk management and assurance framework requirements that support the SIC pursuant to most up to date guidance from HM Treasury (see http://www.hm-treasury.gov.uk).	SIC in place for previous years. 2010-11 draft SIC (as per Monitor guidance) with External and Internal Audit for review.	<ul style="list-style-type: none"> 2010-11 SIC approved by Board and included in Annual Report 2011-12 SIC to be replaced by Annual Governance Statement. Preparations underway.
10	The Trust has achieved a minimum of Level 2 performance against the key requirements of the Department of Health’s Information Governance Toolkit.	Level 2 IGSoC Information Governance Committee Information Governance Annual Report to Healthcare Governance Committee Internal Audit	Existing arrangements continue and are working well
11	All key risks to compliance with the Authorisation have been identified and addressed.	Assurance Framework (Annually reviewed by Internal Audit) Top Risks Report (included in Internal Audit of Risk Management) Risk analyses as part of Annual Plan process.	Existing arrangements continue and are working well
	Compliance with the Authorisation		
12	The Board will ensure that the NHS Foundation Trust remains at all times compliant with their Authorisation and relevant legislation.	Robust governance infrastructure/arrangements.	Existing arrangements continue and are working well
13	The Board will ensure that the NHS Foundation Trust will, at all times, have regard to the NHS Constitution.	Staff awareness raised via general communication Arrangements in place for meeting 2-week cancer wait and 18-week wait rights	Existing arrangements continue and are working well

BOARD STATEMENT		COMMENTS / ASSURANCE	UPDATE @ 31 st AUGUST
	Compliance with the Authorisation		
14	The Board has considered all likely future risks to compliance with their Authorisation, the level of severity and likelihood of a breach occurring and the plans for mitigation of these risks.	Board committees i.e. Audit Committee, Healthcare Governance Committee, Finance Committee, Human Resources Committee Assurance Framework. Top Risks Report	Strategy refresh is underway
15	The Board has considered appropriate evidence to review these risks and has put in place action plans to address them where required to ensure continued compliance with their Authorisation.	Assurance Framework and quarterly Top Risks Reports regularly considered by the Board. CEO report on key aspects of Trust performance Work of Board committees.	Strategy refresh is underway
16	For an NHS Foundation Trust engaging in a major joint venture or any Academic Health Science Centre, the Board is satisfied that the NHS Foundation Trust has fulfilled, or continues to fulfil, the criteria set out in Appendix D4 of the Compliance Framework.	Not applicable	Not applicable
	Board Roles, Structures and Capacity		
17	The Board maintains its register of interests, and can specifically confirm that there are not material conflicts of interest in the Board.	Register of Interests in place reviewed by Audit Committee Interests reported via Annual Report.	A review of key corporate governance policies including Standards of Business Conduct policy is underway
18	The Board is satisfied that all directors are appropriately qualified to discharge their functions effectively, including setting strategy, monitoring and managing performance, and ensuring management capacity and capability.	Recruitment processes. Annual appraisals and objective setting. Board development programmes.	Existing arrangements continue and is working well
19	The selection process and training programs in place ensure that the Non-Executive Directors have appropriate experience and skills.	Selection processes compliant with Monitor Governance Code. Training and development programmes in place. Appraisal system in place.	Existing arrangements continue and is working well

BOARD STATEMENT		COMMENTS / ASSURANCE	UPDATE @ 31 st AUGUST
	Board Roles, Structures and Capacity		
20	The management team has the capability and experience necessary to deliver the annual plan.	Track record. Experienced Executive Director team Annual appraisals and objective setting.	Appointment of Kirsten Major Director of Service Development.
21	The management structure in place is adequate to deliver the annual plan objectives for the next three years.	Management arrangements refreshed October 2009.	As part of TCS, a 9 th Care Group – Integrated Community Services has been formed.
	Elections		
22	The Board confirm that all elections to the Governors Council were held in accordance with the election rules, as stated in the constitution.	Electoral Reform Society	Need to progress election of Staff Governors as two vacancies – 1 x Nursing and Midwifery and 1 x Ancillary, Works and Maintenance.