

Delegation of Authority and Self-Certifications

Trust Board	Item: 20
Date: 27th March 2019	Enclosure: P
Purpose of the Report: To seek approval for the delegation of authority to approve the Annual Report & Accounts 2018/19 and arrangements for signature of annual declarations on behalf of the Trust Board.	
For: Information <input type="checkbox"/> Assurance <input type="checkbox"/> Discussion and input <input type="checkbox"/> Decision/approval <input checked="" type="checkbox"/>	
Sponsor (Executive Lead):	Jo Farrar, Interim Chief Executive
Author:	Susan Simpson, Director of Corporate Governance
Author Contact Details:	Susan.simpson19@nhs.net
Risk Implications – Link to Assurance Framework or Corporate Risk Register:	
Legal / Regulatory / Reputation Implications:	Implications for compliance with NHS regulations and licence conditions
Link to Relevant CQC Domain: Safe <input type="checkbox"/> Effective <input type="checkbox"/> Caring <input type="checkbox"/> Responsive <input type="checkbox"/> Well Led <input checked="" type="checkbox"/>	
Link to Relevant Corporate Objective:	All
Document Previously Considered By:	Audit Committee for Annual Report
Recommendations: The Board is asked to delegate authority to the Audit Committee to approve the final Annual Report & Accounts 2018/19 and to confirm arrangements for the signature of self-certification declarations on behalf of the Board, including delegation of authority to the Finance & Investment Committee where necessary to meet the deadlines.	

Self-Certification Declarations

Annual Report & Accounts 2018/19

The Audit Committee approved the timetable for completion and submission of the Annual Report & Accounts at its December 2018 meeting, as reported to the Trust Board in January 2019.

In order to meet the deadlines for submission, the Board is asked to delegate authority to the Audit Committee to approve the final Annual Report & Accounts (including Quality Report) for 2018/19 at the Audit Committee meeting scheduled for 23rd May 2019. The final draft will also have been considered earlier in the week by the Finance & Investment Committee meeting on 21st May 2019, as per the agreed timetable shown below.

Friday 1 st March 2019	Deadline for draft submissions for the Annual Report
Friday 12 th April 2019	Final text and data submissions for the Annual Report. Second review of annual accounts.
Midday, Wednesday 24 th April 2019	Submit draft FTC's and Draft Annual Accounts by email to Auditors and upload to NHS Improvement Portal. Draft text of Annual Report and Quality Report submitted to Auditors for review.
Tuesday 21 st May 2019	Final Draft of Annual Report and Accounts considered by FIC.
Thursday 23 rd May 2019	Final Draft of Annual Report, Accounts and Quality Report considered by the Audit Committee (on behalf of the Trust Board) for approval.
Midday, Wednesday 29 th May 2019	Submission to NHS Improvement by midday.
Friday 21 st June 2019	Last date to have checked that format meets standards required for Parliament.
Tuesday 25 th June 2019	Last date to lay annual reports and accounts before Parliament:
Friday 19 th July 2019	Submit laid reports to NHS Improvement.

Self-certifications

As part of the submission of the Annual Operating Plan 2019/20 due on 4th April 2019, the Board is asked to complete a process of self-certification in the following areas:

- a) Declaration of review of submitted data.
- b) 2019/20 Control Total and provider sustainability fund (PSF), financial recovery fund (FRF) and marginal rate emergency tariff (MRET) funding
- c) 2019/20 Capital Delegated Limit

(See below for detail of the declarations)

The data template will be reviewed and approved by the Director of Finance and the Director of Workforce, both for validation of content and to confirm that all flags have been

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satisfactorily resolved prior to submission. The declaration on the 2019/20 Control Total and associated funding will only be signed following Board confirmation in relation to acceptance of the Control Total for 2019/20.

The Board is asked to confirm authority to sign the self-certification declarations under these circumstances.

Self certification		06PLANCY Self-cert declarations Plan 31/03/2020 Year Ending DROP-DOWN
<p>1. Declaration of review of submitted data The board is satisfied that adequate governance measures are in place to ensure the accuracy of data entered in this planning template.</p> <p>We would expect that the template's validation checks are reviewed by senior management to ensure that there are no errors arising prior to submission and that any relevant flags within the template are adequately explained.</p>	i	Confirmed
<p>2. 2019/20 Control Total and PSF, FRF and MRET funding The Board has accepted its control total and has submitted this operational plan for 2019/20 that meets or exceeds the required financial control total for 2019/20 and the Board agrees to the conditions associated with the provider sustainability fund (PSF), financial recovery fund (FRF) and marginal rate emergency tariff (MRET) funding</p>	i	Confirmed – control total accepted; PSF, FRF and MRET funding incorporated in plan
<p>3. 2019/20 Capital Delegated Limit</p> <p>All NHS Trusts have a capital delegated limit of £15m. Foundation Trusts that fulfil any of the distressed financing criteria in rows 25-27 will have a capital delegated limit of £15m. As set out in the Capital regime, Investment and property business case approval guidance for NHS Trusts and Foundation Trusts, providers with delegated capital limits require business case approval from NHS Improvement.</p> <p>Foundation Trusts that do not fulfil any of the distressed financing criteria are subject to the reporting and review thresholds as per the "Transactions guidance – for trusts undertaking transactions, including mergers and acquisitions (November 2017)" and the Capital regime, Investment and property business case approval guidance for NHS trusts and foundation trusts.</p> <p>Are you in Financial Special Measures? If you are an FT, are you in breach of your licence? Or are you an NHS Trust? Have you received distressed financing or are you anticipating receiving this in either of the planning years?</p> <p>Delegated capital limit (£000) Adjusted delegated capital limit (£000) The Board agrees to the delegated limit for capital expenditure and business case approvals in line with the Capital regime, Investment and property business case approval guidance for NHS Trusts and Foundation Trusts.</p>	i i i i i	<p>FT</p> <p>Not in Financial Special Measures Not in breach of Foundation Trust licence Not in Receipt of Distressed Financing Existing reporting and review thresholds apply N/A Confirmed</p>
<p>In signing to the right, the board is confirming that: To the best of its knowledge, using its own processes, the financial projections and other supporting material included in the completed Provider Financial Monitoring System (PFMS) Template are internally consistent with the operational and, where relevant, strategic commentaries, and are based on assumptions which the board believes to be credible. This operating plan submission will be used to measure financial performance in 2019/20 and will be included in the calculation of the finance and use of resources metrics assessed under the Single Oversight Framework in 2019/20.</p>	<p>Signed on behalf of the board of directors; and having regard to the views of the governors (for FTs):</p> <p>Signature of CEO/Chief Exec i (to insert signature) Name: Ann Radmore Job title: Chief Executive Date: _____</p> <p>Signature of CFO/Director of Finance i (to insert signature) Name: Jo Farrar Job title: Director of Finance Date: _____</p>	

Foundation Trust Licence Conditions

NHS foundation trusts are required to self-certify whether or not they have complied with the conditions of the NHS provider licence (which itself includes requirements to comply with the National Health Service Act 2006, the Health and Social Care Act 2008, the Health Act 2009, and the Health and Social Care Act 2012, and have regard to the NHS Constitution), have the required resources available if providing commissioner requested services, and have complied with governance requirements.

The aim of self-certification is for providers to carry out assurance that they are in compliance with the conditions and it is up to providers how they carry out this process.

In previous years, declarations have been made to two deadlines:

- a. Compliance with General condition 6 and Continuity of Service condition 7 of the NHS provider licence - by 31st May; and
- b. The provider has complied with required governance arrangements (Condition FT4(8)) - by 30th June.

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Assuming that the deadlines remain the same as in previous years, the Board is asked to note the timetable for completion of the assurance activity related to these two declarations and arrangements for the approval of self-certification declarations on behalf of the Board.

(a) Compliance with General condition 6 and Continuity of Service condition 7 of the NHS provider licence

The Board will make two declarations:

Following a review for the purpose of paragraph 2(b) of licence condition G6, the Directors of the Licensee are satisfied that, in the Financial Year most recently ended, the Licensee took all such precautions as were necessary in order to comply with the conditions of the licence, any requirements imposed on it under the NHS Acts and have had regard to the NHS Constitution.

After making enquiries the Directors of the Licensee have a reasonable expectation that the Licensee will have the Required Resources available to it after taking account distributions which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate.

A review of compliance with the Foundation Trust Licence will be carried out by the Director of Corporate Governance during April 2019 using a self-assessment review tool, for review by the Interim Director of Finance. The output will be discussed with the Interim Chief Executive, Chairman and Lead Governor.

The Board is asked to delegate authority to the Finance & Investment Committee to approve the content of the declarations prior to submission.

(b) Governance arrangements (Condition FT4(8))

Under the governance condition, NHS foundation trusts submit a corporate governance statement within three months of the end of each financial year. The governance condition requires boards to confirm:

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

Where the corporate governance statement indicates risks to compliance with the governance condition, NHSI will consider whether any actions or other assurance are required at the time of the statement or whether it is more appropriate to maintain a watching brief.

Evidence to support self-certification against this declaration will be compiled by the Director of Corporate Governance, for review by the Interim Director of Finance. The output will be discussed with the Interim Chief Executive, Chairman and Lead Governor.

The Board is asked to delegate authority to the Finance & Investment Committee to approve the content of the declarations prior to submission.