

Council of Governors

SUMMARY REPORT

Meeting Date: 22 June 2023

Agenda Item: 12

Report Title:	Governance Report	
Author(s):	Deborah Lawrenson, Director of Corporate Governance	
Accountable Director:	Deborah Lawrenson, Director of Corporate Governance	
Other Meetings presented to or previously agreed at:	Committee/Group:	Board of Directors (Provider Licence)
	Date:	28 May 2023
Key Points recommendations to or previously agreed at:	The Board of Directors received the updated Provider Licence at the meeting in May 2023 alongside updated declarations of interest and confirmation regarding the Fit and Proper Persons Test for Board members.	

Summary of key points in report

Key areas covered in this report are outlined in full below:

- New provider licence for SHSC – **appendix 1** – for information
- Corporate Governance Disclosures Statement – **appendix 2 - for agreement**
- Declaration of compliance and self – certification with the provider licence 2022/23 – **appendix 3 and 4** for information and assurance for onward submission to the June Audit and Risk Committee
- Declaration of interests, gifts and hospitality register 2022/23 for the Council of Governors – **appendix 5 – for approval** for onward submission to the June Audit and Risk Committee
- Governor Election update – for information and assurance
- The term of office of the current Deputy Lead Governor concludes at the end of June. The election process for the role will then take place in August after the conclusion of our main elections. Job descriptions for the Lead Governor and Deputy Lead Governor role – **appendix 6** – for information and assurance
- Patient Led Assessment of the Clinical Environment (PLACE) assessments – for Governors to express an interest to support planning – for information
- Annual Members meeting – for information and for Governors to be asked to hold the date in their diaries.

Recommendation for the Council of Governors to consider:

Consider for Action		Approval	✓	Assurance	✓	Information	✓
----------------------------	--	-----------------	---	------------------	---	--------------------	---

The Council of Governors is asked to:

- Receive updates provided for assurance and information
- Approve the Governance Disclosure statement from the perspective of the Council of Governors and support provided in discharging its responsibilities.
- Approve the declaration of interests, gifts and hospitality register for the Council of Governors.

Please identify which strategic priorities will be impacted by this report:

Recover Services and Improve Efficiency	Yes	✓	No	
Continuous Quality Improvement	Yes	✓	No	
Transformation – Changing things that will make a difference	Yes	✓	No	
Partnerships – working together to make a bigger impact	Yes	✓	No	

Is this report relevant to compliance with any key standards? State specific standard

Care Quality Commission	Yes	✓	No		Health and Social Care Act 2022 Code of Governance 2022
Data Security Protection Toolkit	Yes		No		

Have these areas been considered ? YES/NO

If Yes, what are the implications or the impact?
If no, please explain why

Service User and Carer Safety, Engagement and Experience	Yes		No	✓	Not required for this purpose
Financial (revenue & capital)	Yes		No	✓	
OD/Workforce	Yes		No	✓	
Equality, Diversity & Inclusion	Yes		No	✓	
Legal	Yes		No	✓	
Environmental sustainability	Yes		No	✓	

1. New provider licence for SHSC

Attached at **appendix 1** is the provider licence for the Trust. This has been updated by NHS England to reflect modified standard licence conditions. The licence was modified following a [statutory consultation](#) to bring it up to date to reflect current statutory and policy requirements. These modifications also merge the NHS provider licence and the NHS controlled provider licence.

Corporate Governance Statement; declaration of compliance and self – certification with the provider licence 2022/23

- The corporate governance disclosures statement is provided **for agreement** by the Council of Governors in respect of support provided to it in discharging its duties. Attached at **appendix 2**.
- The declarations of compliance and self-certification are provided for information at **appendices 3 and 4**. These will go forward to the Audit and Risk Committee and Board of Directors for final approval in June in an additional public session.

The Council of Governors will receive the draft Annual Report and Accounts for 2022/23 in confidential session for information in advance of approval at the Audit and Risk Committee and the Board of Directors in private in June, submission to NHS England and laying before Parliament. They will then be received at the Annual Members meeting in September.

2. Declarations of interest, gifts and hospitality register 2022/23 for the Council of Governors

The final declarations for the 2022/23 register for the Council of Governors is attached at **appendix 5 for approval** and onward receipt at the Audit and Risk Committee in June prior to publishing.

At the time of writing, updated declaration forms from two existing governors were pending. Fit and Proper Persons test reviews have been undertaken and completed for Governors. There were no declarations of gifts and hospitality.

3. Governor Election update

Governor elections opened for nominations on 12 May 2023 and ran until 12 June 2023. The election is currently underway and will conclude on 28 July 2023. The outcome will be reported to Governors via email in August when the results have been published.

New Governors will go through due diligence (completion of the declarations of interest and fit and proper persons test processes) before being formally appointed. Following successful completion of the due diligence process they will be able to join the Council of Governors at the Annual Members Meeting in September, the next formal Council of Governors meeting in October as well as any other meetings or development events.

Promotion of the elections has taken place, with support from SHSC Communications team, governors, the Board of Directors and partnership organisations:

- News item in the website <https://www.shsc.nhs.uk/get-involved/council-governors>
- Two Staff Governor blogs <https://jarvis.shsc.nhs.uk/news/governor-elections-are-now-open> and <https://jarvis.shsc.nhs.uk/news/governor-elections-submit-your-nomination>

- Social media posts – Twitter <https://twitter.com/SHSCFT/status/1667547164485238784?s=20> and Facebook [Nom... - Sheffield Health and Social Care NHS Foundation Trust | Facebook](#)
- Website <https://www.shsc.nhs.uk/get-involved/council-governors>
- Direct push communication to governors to promote elections in their constituencies
- Direct push communication via email to partnership organisations to cascade to their communities
- Direct push communication via email to senior leaders to cascade to their teams
- Final push via the Board of Directors to cascade to senior leaders and via networks
- SHSC screensaver

With regard to appointed Governors at the time of writing it can be confirmed that:

- one nominee from Sheffield City Council has not yet completed their due diligence forms and has therefore not yet taken up their seat on the Council of Governors. We are awaiting confirmation from the Council on how they wish to move forward with their nominations.
- the term of office for the Sheffield Hallam nominee ended in 2022. The University have been contacted to seek a new nomination.
- confirmation has been received from Mencap of their intention to re-nominate Dave Swindlehurst whose seat was up for review at the end of June 2023.
- confirmation is awaited from Staff side in terms of their intentions with regard to their nominated seat currently held by Julie Marsland and whose seat is up for review at the end of June 2023. An update is expected to be available at the meeting.

Sylvia Hartley, Public Northwest, will be stepping down at the end of July 2023 having served the maximum term of 9 years as a Governor. We would like to thank Sylvia for her dedication to the role and her valuable contribution to the Council of Governors and the Trust in her time with us.

4. Election process for the role of Deputy Lead Governor

At the Council of Governors meeting in April 2021, it was recommended to appoint a Deputy Lead Governor to support/ work alongside the Lead governor with a term of office of 2 years. The current Deputy Lead Governor comes to the end of their current term of office at the end of June 2023.

Given a number of governors are participating in the election process which ends on 28 July 2023 it is recommended elections to the role of Deputy Lead Governor take place post conclusion of the election over August and early September. This will enable any governors eligible to stand who wish to do so to participate. Governors are asked to **approve** this recommendation.

The Director of Corporate Governance will call in nominations in August asking for expressions of interest with a statement of no more than 200 words detailing why Governors wish to be considered and what they can bring to the role.

A description of the roles of Lead Governor and Deputy Lead Governor is provided in **Appendix 6**.

5. Patient Led Assessment of the Clinical Environment (PLACE) assessments

Good environments matter. Every NHS patient should be cared for with compassion and dignity in a clean, safe environment. Where standards fall short, they should be able to draw it to the attention of managers and hold the service to account. PLACE assessments will provide motivation for improvement by providing a clear message, directly from patients, about how the environment or services might be enhanced. PLACE assessments can provide motivation for improvement by providing a clear message, directly from patients, about how the environment or services might be enhanced.

The Patient Led Assessments of the Care Environment PLACE programme is an annual appraisal of the non-clinical aspects of NHS and independent/private healthcare settings, undertaken by teams made up of staff and members of the public (known as patient assessors).

PLACE assessments provide a framework for assessing quality against common guidelines and standards to quantify the environment's cleanliness, food and hydration provision, the extent to which the provision of care with privacy and dignity is supported, and whether the premises are equipped to meet the needs of people with dementia or with a disability.

The PLACE process relates closely to the National Standards of Cleanliness 2021 but also includes a wider range of assessments. PLACE is not intended to be a technical or professional assessment but is a generic assessment based on what is seen/found on a given day, and what would be viewed by any visitor/member of the general public who might visit an inpatient ward.

It is proposed that Governor representatives are included in every visit, particularly those Governors who are representing service user and carer constituents to act as "patient assessors" and Governors are asked to **express their interest** in participating to support planning.

NHS digital set the timeframe for the assessments to be completed. Although not yet known it is anticipated that this will be September 2023. The Head of Facilities and Health and Safety is supporting the coordination of arranging the assessments. Governors will be included in communications and kept informed of updates.

6. Annual Members meeting

The Annual Members Meeting (AMM) will take place on 19 September 1-5pm. It will be held as an in-person event and venues are being explored taking into account space, accessibility and links to public transport.

The AMM provides an opportunity for members to learn more about the Trust and its services to hear on achievements from the last year and to look forward to the year ahead. The Annual Report and Accounts 2022/23 will be formally received.

Staff at SHSC will showcase examples of their hard work and there will be a range of information stalls highlighting some of the services and projects in SHSC.

Attendees will have the opportunity to hear from the Chair, Chief Executive, Lead Governor and other key speakers from the Board. Keynote speaker options will be explored with partnership organisations.

e-Booking for the Annual Member meeting will take place via Eventbrite and governors and members will be kept updated and encouraged to attend via email and through our new database which it is hoped will be in place by early September.

Sheffield Health and Social Care NHS Foundation Trust

Centre Court
Atlas Way
Sheffield
S4 7QQ

Licence number: 130097

Date of issue
1 April 2023

Version number
3



Miranda Carter
Director of Provider Development, NHS England

Version History

Version number	Date	Comments
1.0	26 March 2013	Created
2.0	04 April 2013	Formatting changes
3.0	31 March 2023	Modified licence standard conditions

Classification: Official

Publication reference: PR00191



NHS Provider Licence

Standard Conditions

31 March 2023

Version History

Version number	Date	Comments
1.0	26 March 2013	Created
2.0	04 April 2013	Formatting changes
3.0	27 October 2022	Draft updated licence for consultation
4.0	31 March 2023	Updated licence conditions

Contents

NHS Provider Licence Standard Conditions

Contents	3
Section 1 – Integrated Care	5
IC1: Provision of Integrated care	5
IC2: Personalised Care and Patient Choice	6
Section 2 – Trusts Working in Systems	7
WS1: Cooperation	7
WS2: The Triple Aim	9
WS3: Digital Transformation	10
Section 3 – General Conditions	11
G1: Provision of information	11
G2: Publication of information	12
G3: Fit and proper persons as Governors and Directors (also applicable to those performing the functions of, or functions equivalent or similar to the functions of, a director)	13
G4: NHS England guidance	15
G5: Systems for compliance with licence conditions and related obligations	16
G6: Registration with the Care Quality Commission	17
G7: Patient eligibility and selection criteria	18
G8: Application of section 6 (Continuity of Service)	19
Section 4 – Trust Conditions	22
NHS1: Information to update the register	22
NHS2: Governance arrangements	24
Section 5 – NHS Controlled Providers Conditions	26
CP1: Governance arrangements for NHS-controlled providers	26
Section 6 – Continuity of Services	29
CoS 1: Continuing provision of Commissioner Requested services	29
CoS 2: Restriction of the disposal of assets	31
CoS 3: Standards of corporate governance, financial management and quality governance	34
CoS 4: Undertaking from the ultimate controller	35
CoS 5: Risk pool levy	37
CoS 6: Cooperation in the event of financial or quality stress	38
CoS 7: Availability of resources	39

Section 7 – Costing Conditions.....	41
C1: Submission of costing information	41
C2: Provision of costing and costing related information	43
C3: Assuring the accuracy of pricing and costing information	44
Section 8 – Pricing Conditions.....	45
P1: Compliance with the NHS payment scheme	45
Section 9 – Interpretation and Definitions	46
Condition D1: Interpretation and Definitions	46

Section 1 – Integrated Care

IC1: Provision of Integrated care

1. The Licensee shall act in the interests of the people who use health care services by ensuring that its provision of health care services for the purposes of the NHS:
 - i) is integrated with the provision of such services by others, and
 - ii) is integrated with the provision of health-related services or social care services by others and
 - iii) enables co-operation with other providers of health care services for the purposes of the NHSwhere this would achieve one or more of the objectives referred to in paragraph 2.
2. The objectives are:
 - a. improving the quality of health care services provided for the purposes of the NHS (including the outcomes that are achieved from their provision) or the efficiency of their provision,
 - b. reducing inequalities between persons with respect to their ability to access those services, and
 - c. reducing inequalities between persons with respect to the outcomes achieved for them by the provision of those services.
3. The Licensee shall have regard to guidance as may be issued by NHS England from time to time for the purposes of paragraphs 1 and 2 of this Condition.
4. Nothing in this licence condition requires the licensee to take action or share information with other providers of health care services for the purposes of the NHS if the action or disclosure of the information would materially prejudice its commercial or charitable interests.

IC2: Personalised Care and Patient Choice

1. The Licensee shall support the implementation and delivery of personalised care by complying with legislation and having due regard to guidance on personalised care.
2. Subsequent to a person becoming a patient of the Licensee, and for as long the person remains a patient, the Licensee must ensure people who use their services are offered information, choice and control to manage their own health and well-being to best meet their circumstances, needs and preferences, working in partnership with other services where required.
3. Subsequent to a person becoming a patient of the Licensee, and for as long the person remains a patient, the Licensee shall ensure that at every point where that person has a choice of provider under the NHS Constitution or a choice of provider conferred locally by Commissioners, the person is notified of that choice and told where information about that choice can be found.
4. Information and advice about patient choice of provider made available by the Licensee shall not be misleading.
5. Without prejudice to paragraph 2, information and advice about patient choice of provider made available by the Licensee shall not unfairly favour one provider over another and shall be presented in a manner that, as far as reasonably practicable, assists patients in making well informed choices between providers of treatments or other health care services.
6. In the conduct of any activities, and in the provision of any material, for the purpose of promoting itself as a provider of health care services for the purposes of the NHS the Licensee shall not offer or give gifts, benefits in kind, or pecuniary or other advantages to clinicians, other health professionals, Commissioners or their administrative or other staff as inducements to refer patients or commission services.

Section 2 – Trusts Working in Systems

WS1: Cooperation

1. This condition shall apply if the Licensee is an NHS trust NHS foundation trust or NHS controlled provider of healthcare services for the purposes of the NHS.
2. The Licensee shall carry out its legal duties to co-operate with NHS bodies and with local authorities.
3. Without prejudice to the generality of paragraph 2, the Licensee shall:
 - a. consistently co-operate with:
 - other providers of NHS services; and
 - other NHS bodies, including any Integrated Care Board of which it is a partner;
 - i. as necessary and appropriate for the purposes of developing and delivering system plan(s).
 - ii. as necessary and appropriate for the purposes of delivering their individual or collective financial responsibilities including but not limited to contributing to the delivery of agreed system financial plans in each financial year
 - iii. as necessary and appropriate for the purposes of delivering agreed people and workforce plans
 - b. consistently co-operate with:
 - other providers of NHS services;
 - other NHS bodies, including any Integrated Care Board of which it is a partner; and
 - any relevant local authority in England
 - i. as necessary and appropriate for the purposes of delivering NHS services.
 - ii. as necessary and appropriate for the purposes of improving NHS services.
4. The Licensee shall have regard to such guidance concerning co-operation as may be issued from time to time by either:

- a. the Secretary of State for Health and Social Care; or
- b. NHS England.

For the purposes of this condition, cooperation is considered synonymous to collaboration.

WS2: The Triple Aim

1. This condition shall apply if the Licensee is an NHS trust, NHS foundation trust or NHS controlled provider of healthcare services for the purposes of the NHS.
2. When making decisions in the exercise of its functions which relate to the provision of health care for the purposes of the NHS, the Licensee shall comply with its duty relating to the triple aim.
3. The Licensee shall have regard to the triple aim and to any guidance published by NHS England under section 13NB of the 2006 Act.
4. In this condition, “the triple aim” refers to the aim of achieving:
 - a. better health and wellbeing of the people of England (including by reducing inequalities with respect to health and wellbeing)
 - b. better quality of health care services for the purposes of the NHS (including by reducing inequalities with respect to the benefits obtained by individuals from those services)
 - c. more sustainable and efficient use of resources by NHS bodies,and “duty relating to the triple aim” means, in relation to an NHS trust, its duty under section 26A of the 2006 Act, and in relation to an NHS foundation trust, its duty under section 63A of the 2006 Act.

WS3: Digital Transformation

1. This condition shall apply if the Licensee is an NHS trust, NHS foundation trust or NHS controlled provider of healthcare services for the purposes of the NHS.
2. The Licensee shall comply with information standards published under section 250 of the 2012 Act where they pertain to one or more of the requirements set out in the cooperation condition (WS1) and the Triple Aim condition (WS2).
3. The Licensee shall comply with required levels of digital maturity as set out in guidance published by NHS England from time to time where they pertain to one or more of the requirements set out in the cooperation condition (WS1) and the Triple Aim condition (WS2).

Section 3 – General Conditions

G1: Provision of information

1. The Licensee shall provide NHS England with such information, documents and reports (together 'information') as NHS England may require for any of the purposes set out in section 96(2) of the 2012 Act. This requirement is in addition to specific obligations set out elsewhere in the licence. If requested by NHS England, the Licensee shall prepare or procure information in order to comply with this condition.
2. Information shall be provided in such manner, in such form, and at such place and times as NHS England may require.
3. The Licensee shall take all reasonable steps to ensure that information is:
 - a. in the case of information or a report, it is accurate, complete and not misleading;
 - b. in the case of a document, it is a true copy of the document requested.
4. This Condition shall not require the Licensee to provide any information which it could not be compelled to produce or give in evidence in civil proceedings before a court because of legal professional privilege.

G2: Publication of information

1. The Licensee shall comply with any instruction by NHS England, issued for any of the purposes set out in section 96(2) of the 2012 Act, to publish information about the health care services it provides for the purposes of the NHS. The Licensee shall publish the information in such manner as NHS England may instruct.

2. For the purposes of this Condition, “publish” includes making available to the public at large, to any section of the public or to particular individuals.

G3: Fit and proper persons as Governors and Directors (also applicable to those performing the functions of, or functions equivalent or similar to the functions of, a director)

1. The Licensee must ensure that a person may not become or continue as a Governor of the Licensee if that person is:
 - a. a person who has been made bankrupt or whose estate has been sequestrated and (in either case) has not been discharged;
 - b. a person in relation to whom a moratorium period under a debt relief order applies (under Part 7A of the Insolvency Act 1986);
 - c. a person who has made a composition or arrangement with, or granted a trust deed for, that person's creditors and has not been discharged in respect of it;
 - d. a person who within the preceding five years has been convicted in the British Islands of any offence if a sentence of imprisonment (whether suspended or not) for a period of not less than three months (without the option of a fine) was imposed on that person.
2. The Licensee must not appoint or have in place a person as a Director of the Licensee who is not fit and proper.
3. For the purposes of paragraph 2, a person is not fit and proper if that person is:
 - a. an individual who does not satisfy all the requirements as set out in paragraph (3) and referenced in paragraph (4) of regulation 5 (fit and proper persons: directors) of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 (S.I. 2014/2936); or
 - b. an organisation which is a body corporate, or a body corporate with a parent body corporate:
 - i. where one or more of the Directors of the body corporate or of its parent body corporate is an individual who does not meet the requirements referred to in sub-paragraph (a);
 - ii. in relation to which a voluntary arrangement is proposed, or has effect, under section 1 of the Insolvency Act 1986;

- iii. which has a receiver (including an administrative receiver within the meaning of section 29(2) of the 1986 Act) appointed for the whole or any material part of its assets or undertaking;
 - iv. which has an administrator appointed to manage its affairs, business and property in accordance with Schedule B1 to the 1986 Act;
 - v. which passes any resolution for winding up;
 - vi. which becomes subject to an order of a Court for winding up; or
 - vii. the estate of which has been sequestrated under Part 1 of the Bankruptcy (Scotland) Act 1985.
4. In assessing whether a person satisfies the requirements referred to in paragraph 3(a), the Licensee must take into account any guidance published by the Care Quality Commission.

G4: NHS England guidance

1. Without prejudice to specific obligations in other Conditions of this Licence, the Licensee shall at all times have regard to guidance issued by NHS England for any of the purposes set out in section 96(2) of the 2012 Act.
2. In any case where the Licensee decides not to follow the guidance referred to in paragraph 1 or guidance issued under any other Conditions of this licence, it shall inform NHS England of the reasons for that decision.

G5: Systems for compliance with licence conditions and related obligations

1. The Licensee shall take all reasonable precautions against the risk of failure to comply with:

- a. the Conditions of this Licence,
- b. any requirements imposed on it under the NHS Acts, and
- c. the requirement to have regard to the NHS Constitution in providing health care services for the purposes of the NHS.

2. Without prejudice to the generality of paragraph 1, the steps that the Licensee must take pursuant to that paragraph shall include:

- a. the establishment and implementation of processes and systems to identify risks and guard against their occurrence; and
- b. regular review of whether those processes and systems have been implemented and of their effectiveness.

G6: Registration with the Care Quality Commission

1. The Licensee shall at all times be registered with the Care Quality Commission in so far as is necessary in order to be able to lawfully provide health care services for the purposes of the NHS.
2. The Licensee shall notify NHS England promptly of:
 - a. any application it may make to the Care Quality Commission for the cancellation of its registration by that Commission, or
 - b. the cancellation by the Care Quality Commission for any reason of its registration by that Commission.
3. A notification given by the Licensee for the purposes of paragraph 2 shall:
 - a. be made within 7 days of:
 - i. the making of an application in the case of paragraph (a), or
 - ii. becoming aware of the cancellation in the case of paragraph (b),
and
 - b. contain an explanation of the reasons (in so far as they are known to the Licensee) for:
 - i. the making of an application in the case of paragraph (a), or
 - ii. the cancellation in the case of paragraph (b).

G7: Patient eligibility and selection criteria

1. The Licensee shall:

- a. set transparent eligibility and selection criteria,
- b. apply those criteria in a transparent way to persons who, having a choice of persons from whom to receive health care services for the purposes of the NHS, choose to receive them from the Licensee, and
- c. publish those criteria in such a manner as will make them readily accessible by any persons who could reasonably be regarded as likely to have an interest in them.

2. “Eligibility and selection criteria” means criteria for determining:

- a. whether a person is eligible, or is to be selected, to receive health care services provided by the Licensee for the purposes of the NHS, and
- b. if the person is selected, the manner in which the services are provided to the person.

G8: Application of section 6 (Continuity of Service)

1. The Conditions in Section 6 shall apply:
 - a. whenever the Licensee is subject to a contractual obligation to provide a service to a Commissioner which is contractually agreed to be a Commissioner Requested Service,
 - b. whenever the Licensee is subject to a contractual obligation to deliver a service which is subsequently designated as a Commissioner Requested Service by virtue of the process set out in paragraph 2,
 - c. where the circumstances set out in paragraph 6 apply (expiry of contract without renewal or extension),
 - d. where the circumstances set out in paragraph 7 apply (instruction by NHS England that the Licensee must continue to deliver a service as a Commissioner Requested Service),
 - e. whenever the Licensee is determined by NHS England to be a Hard to Replace Provider.
2. A service is designated as a Commissioner Requested Service if:
 - a. it is a service which the Licensee is required to provide to a Commissioner under the terms of a contract which has been entered into between them, and
 - b. the Commissioner has made a written request to the Licensee to provide that service as a Commissioner Requested Service, and either
 - c. the Licensee has failed to respond in writing to that request by the expiry of the 28th day after it was made to the Licensee by the Commissioner, or
 - d. the Commissioner, not earlier than the expiry of the 28th day after making that request to the Licensee, has given to NHS England and to the Licensee a notice in accordance with paragraph 4, and NHS England, after giving the Licensee the opportunity to make representations, has issued an instruction in writing in accordance with paragraph 4.
3. A notice in accordance with this paragraph is a notice:
 - a. in writing,
 - b. stating that the Licensee has refused to agree to a request to provide a service as a Commissioner Requested Service, and

- c. setting out the Commissioner's reasons for concluding that the Licensee is acting unreasonably in refusing to agree to that request to provide a service as a Commissioner Requested Service.
4. An instruction in accordance with this paragraph is an instruction that the Licensee's refusal to provide a service as a Commissioner Requested Service in response to a request made under paragraph 2(b) is unreasonable.
5. The Licensee shall give NHS England not less than 28 days' notice of the expiry of any contractual obligation pursuant to which it is required to provide a Commissioner Requested Service to a Commissioner for which no extension or renewal has been agreed.
6. If any contractual obligation of a Licensee to provide a Commissioner Requested Service expires without extension or renewal having been agreed between the Licensee and the Commissioner who is a party to the contract, the Licensee shall continue to provide that service on the terms of the contract (save as agreed with that Commissioner), and the service shall continue to be a Commissioner Requested Service, for the period from the expiry of the contractual obligation until NHS England issues either:
 - a. an instruction of the sort referred to in paragraph 7, or
 - b. a notice in writing to the Licensee stating that it has decided not to issue such a instruction.
7. If, during the period of a contractual or post contractual obligation to provide a Commissioner Requested Service, NHS England issues to the Licensee an instruction in writing to continue providing that service for a period specified in the instruction, then for that period the service shall continue to be a Commissioner Requested Service.
8. A service shall cease to be a Commissioner Requested Service if:
 - a. all current Commissioners of that service as a Commissioner Requested Service agree in writing that there is no longer any need for the service to be a Commissioner Requested Service, and NHS England has issued a determination in writing that the service is no longer a Commissioner Requested Service, or
 - b. NHS England has issued a determination in writing that the service is no longer a Commissioner Requested Service; or

- c. the contractual obligation pursuant to which the service is provided has expired and NHS England has issued a notice pursuant to paragraph 6(b) in relation to the service; or
- d. the period specified in an instruction by NHS England of the sort referred to in paragraph 7 in relation to the service has expired.

9. The Licensee shall make available free of charge to any person who requests it a statement in writing setting out the description and quantity of services which it is under a contractual or other legally enforceable obligation to provide as Commissioner Requested Services.

10. Within 28 days of every occasion on which there is a change in the description or quantity of the services which the Licensee is under a contractual or other legally enforceable obligation to provide as Commissioner Requested Services, the Licensee shall provide to NHS England in writing a notice setting out the description and quantity of all the services it is obliged to provide as Commissioner Requested Services.

11. In this condition, a provider is a Hard to Replace Provider if it has been identified as such by NHS England based on criteria set out and managed through guidance published by NHS England and NHS England has issued a determination in writing.

12. A provider will cease to be a Hard to Replace provider if it no longer meets the criteria set out and managed through guidance published by NHS England and NHS England has issued a determination in writing that the provider is no longer a Hard to Replace Provider.

13. In this Condition “NHS contract” has the meaning given to that term in Section 9 of the 2006 Act.

Section 4 – Trust Conditions

NHS1: Information to update the register

1. The obligations in the following paragraphs of this Condition apply if the Licensee is an NHS foundation trust, without prejudice to the generality of the other conditions in this Licence.

2. The Licensee shall make available to NHS England written and electronic copies of the following documents:

- a. the current version of Licensee's constitution;
- b. the Licensee's most recently published annual accounts and any report of the auditor on them, and
- c. the Licensee's most recently published annual report,

and for that purpose shall provide to NHS England written and electronic copies of any document establishing or amending its constitution within 28 days of being adopted and of the documents referred to in sub-paragraphs (b) and (c) within 28 days of being published.

3. Subject to paragraph 4, the Licensee shall provide to NHS England written and electronic copies of any document that is required by NHS England for the purpose of NHS foundation trust register within 28 days of the receipt of the original document by the Licensee.

4. The obligation in paragraph 3 shall not apply to:

- a. any document provided pursuant to paragraph 2;
- b. any document originating from NHS England; or
- c. any document required by law to be provided to NHS England by another person.

5. The Licensee shall comply with any instruction issued by NHS England concerning the format in which electronic copies of documents are to be made available or provided.

6. When submitting a document to NHS England for the purposes of this Condition, the Licensee shall provide to NHS England a short written statement describing the document and specifying its electronic format and advising NHS England that the

document is being sent for the purpose of updating the register of NHS foundation trusts maintained in accordance with section 39 of the 2006 Act.

NHS2: Governance arrangements

1. This Condition shall apply if the Licensee is an NHS trust or NHS foundation trust, without prejudice to the generality of the other conditions in this Licence.
2. The Licensee shall apply those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a provider of health care services to the NHS.
3. Without prejudice to the generality of paragraph 2 and to the generality of General Condition 5, the Licensee shall:
 - a. have regard to such guidance on good corporate governance as may be issued by NHS England from time to time
 - b. have regard to such guidance on tackling climate change and delivering net zero emissions as NHS England may publish from time to time, and take all reasonable steps to minimise the adverse impact of climate change on health
 - c. have corporate and/or governance systems and processes in place to meet any guidance issued by NHS England on digital maturity; and
 - d. comply with the following paragraphs of this Condition.
4. The Licensee shall establish and implement:
 - a. effective board and committee structures;
 - b. clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and
 - c. clear reporting lines and accountabilities throughout its organisation.
5. The Licensee shall establish and effectively implement systems and/or processes:
 - a. to ensure compliance with the Licensee's duty to operate efficiently, economically and effectively;
 - b. for timely and effective scrutiny and oversight by the Board of the Licensee's operations;
 - c. to ensure compliance with health care standards binding on the Licensee including but not restricted to standards specified by the Secretary of State, the Care Quality Commission, NHS England and statutory regulators of health care professions;

- d. for effective financial decision-making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licensee's ability to continue as a going concern);
- e. to obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making;
- f. to identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence;
- g. to generate and monitor delivery of business plans (including any changes to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery; and
- h. to ensure compliance with all applicable legal requirements.

6. The systems and/or processes referred to in paragraph 5 should include but not be restricted to systems and/or processes to ensure:

- a. that there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided;
- b. that the Board's planning and decision-making processes take timely and appropriate account of quality of care considerations;
- c. the collection of accurate, comprehensive, timely and up to date information on quality of care;
- d. that the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care;
- e. that the Licensee including its Board actively engages on quality of care with patients, staff and other relevant stakeholders and takes into account as appropriate views and information from these sources; and
- f. that there is clear accountability for quality of care throughout the Licensee's organisation including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.

7. The Licensee shall ensure the existence and effective operation of systems to ensure that it has in place personnel on the Board, reporting to the Board and within the rest of the Licensee's organisation who are sufficient in number and appropriately qualified to ensure compliance with the Conditions of this Licence.

Section 5 – NHS Controlled Providers Conditions

CP1: Governance arrangements for NHS-controlled providers

1. This condition shall apply if the Licensee is an NHS-controlled provider of healthcare services for the purposes of the NHS without prejudice to the generality of the other conditions in this Licence.
2. The Licensee shall apply those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a provider of health care services to the NHS.
3. Without prejudice to the generality of paragraph 2 and to the generality of General Condition 5, the Licensee shall:
 - a. have regard to such guidance on good corporate governance as may be issued by NHS England from time to time
 - b. have regard to such guidance on tackling climate change and delivering net zero emissions as NHS England may publish from time to time, and take all reasonable steps to minimise the adverse impact of climate change on health
 - c. have corporate and/or governance systems and processes in place to meet any guidance issued by NHS England on digital maturity; and
 - d. comply with the following paragraphs of this Condition.
4. The Licensee shall establish and implement:
 - a. effective board and committee structures;
 - b. clear responsibilities for its Board, for committees reporting to the Board and for staff reporting to the Board and those committees; and
 - c. clear reporting lines and accountabilities throughout its organisation and to the NHS body by which it is controlled (as defined below).
5. The Licensee shall establish and effectively implement systems and/or processes:
 - a. to operate efficiently, economically and effectively;

- b. for timely and effective scrutiny and oversight by the Board of the Licensee's operations;
- c. to ensure compliance with health care standards binding on the Licensee including but not restricted to standards specified by the Secretary of State, the Care Quality Commission, NHS England and statutory regulators of health care professions;
- d. for effective financial decision-making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licensee's ability to continue as a going concern);
- e. to obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making;
- f. to identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence;
- g. to generate and monitor delivery of business plans (including any changes to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery; and
- h. to ensure compliance with all applicable legal requirements.

6. The systems and/or processes referred to in paragraph 5 should include but not be restricted to systems and/or processes to ensure:

- a. that there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided;
- b. that the Board's planning and decision-making processes take timely and appropriate account of quality of care considerations;
- c. the collection of accurate, comprehensive, timely and up to date information on quality of care;
- d. that the Board receives and takes into account accurate, comprehensive, timely and up to date information on quality of care;
- e. that the Licensee including its Board actively engages on quality of care with patients, staff and other relevant stakeholders and takes into account as appropriate views and information from these sources; and

- f. that there is clear accountability for quality of care throughout the Licensee's organisation including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.

7. The Licensee shall ensure the existence and effective operation of systems to ensure that it has in place personnel on the Board reporting to the Board and within the rest of the Licensee's organisation who are sufficient in number and appropriately qualified to ensure compliance with the Conditions of this Licence.

Section 6 – Continuity of Services

CoS 1: Continuing provision of Commissioner Requested services

1. The Licensee shall not cease to provide, or materially alter the specification or means of provision of, any Commissioner Requested Service otherwise than in accordance with the following paragraphs of this Condition.
2. If, during the period of a contractual or other legally enforceable obligation to provide a Commissioner Requested Service, or during any period when this condition applies by virtue of Condition G8(1)(b), NHS England issues to the Licensee a direction in writing to continue providing that service for a period specified in the direction, then the Licensee shall provide the service for that period in accordance with the direction.
3. The Licensee shall not materially alter the specification or means of provision of any Commissioner Requested Service except:
 - a. with the agreement in writing of all Commissioners to which the Licensee is required by a contractual or other legally enforceable obligation to provide the service as a Commissioner Requested Service; or
 - b. at any time when this condition applies by virtue of Condition G8(1)(b), with the agreement in writing of all Commissioners to which the Licensee provides, or may be requested to provide, the service as a Commissioner Requested Service; or
 - c. if required to do so by, or in accordance with the terms of its authorisation by, any body having responsibility pursuant to statute for regulating one or more aspects of the provision of health care services in England and which has been designated by NHS England for the purposes of this condition and of equivalent conditions in other licences granted under the 2012 Act.
4. If the specification or means of provision of a Commissioner Requested Service is altered as provided in paragraph 3 the Licensee, within 28 days of the alteration, shall give to NHS England notice in writing of the occurrence of the alteration with a summary of its nature.

5. For the purposes of this Condition an alteration to the specification or means of provision of any Commissioner Requested Service is material if it involves the delivery or provision of that service in a manner which differs from the manner specified and described in:

- a. the contract in which it was first required to be provided to a Commissioner at or following the coming into effect of this Condition; or
- b. if there has been an alteration pursuant to paragraph 3, the document in which it was specified on the coming into effect of that alteration; or
- c. at any time when this Condition applies by virtue of Condition G8(1)(b), the contract, or NHS contract, by which it was required to be provided immediately before the commencement of this Licence or the Licensee's authorisation, as the case may be.

CoS 2: Restriction of the disposal of assets

1. The Licensee shall establish, maintain and keep up to date, an asset register which complies with paragraphs 2 and 3 of this Condition (“the Asset Register”)
2. The Asset Register shall list every relevant asset used by the Licensee for the provision of Commissioner Requested Services.
3. The Asset Register shall be established, maintained and kept up to date in a manner that reasonably would be regarded as both adequate and professional.
4. The obligations in paragraphs 5 to 8 shall apply to the Licensee if NHS England has given notice in writing to the Licensee that it is concerned about the ability of the Licensee to carry on as a going concern.
5. The Licensee shall not dispose of, or relinquish control over, any relevant asset except:
 - a. with the consent in writing of NHS England, and
 - b. in accordance with the paragraphs 6 to 8 of this Condition.
6. The Licensee shall provide NHS England with such information as NHS England may request relating to any proposal by the Licensee to dispose of, or relinquish control over, any relevant asset.
7. Where consent by NHS England for the purpose of paragraph 5(a) is subject to conditions, the Licensee shall comply with those conditions.
8. Paragraph 5(a) of this Condition shall not prevent the Licensee from disposing of, or relinquishing control over, any relevant asset where:
 - a. NHS England has issued a general consent for the purposes of this Condition (whether or not subject to conditions) in relation to:
 - i. transactions of a specified description; or
 - ii. the disposal of or relinquishment of control over relevant assets of a specified description, and the transaction or the relevant assets are of a description to which the consent applies and the disposal, or relinquishment of control, is in accordance with any conditions to which the consent is subject; or
 - b. the Licensee is required by the Care Quality Commission to dispose of a relevant asset.

9. In this Condition:

<p>“disposal”</p>	<p>means any of the following:</p> <p>(a) a transfer, whether legal or equitable, of the whole or any part of an asset (whether or not for value) to a person other than the Licensee; or</p> <p>(b) a grant, whether legal or equitable, of a lease, licence, or loan of (or the grant of any other right of possession in relation to) that asset; or</p> <p>(c) the grant, whether legal or equitable, of any mortgage, charge, or other form of security over that asset; or</p> <p>(d) if the asset is an interest in land, any transaction or event that is capable under any enactment or rule of law of affecting the title to a registered interest in that land, on the assumption that the title is registered, and references to “dispose” are to be read accordingly;</p>
<p>“relevant asset”</p>	<p>means any item of property, including buildings, interests in land, equipment (including rights, licenses and consents relating to its use), without which the Licensee’s ability to meet its obligations to provide Commissioner Requested Services would reasonably be regarded as materially prejudiced;</p>
<p>“relinquishment of control”</p>	<p>includes entering into any agreement or arrangement under which control of the asset is not, or ceases to be, under the sole management of the Licensee, and “relinquish” and related expressions are to be read accordingly.</p>

10. The Licensee shall have regard to such guidance as may be issued from time to time by NHS England regarding:

- a. the manner in which asset registers should be established, maintained and updated, and
- b. property, including buildings, interests in land, intellectual property rights and equipment, without which a licensee’s ability to provide

Commissioner Requested Services should be regarded as materially prejudiced.

CoS 3: Standards of corporate governance, financial management and quality governance

1. The Licensee shall at all times adopt and apply systems and standards of corporate governance, quality governance and of financial management which reasonably would be regarded as:
 - a. suitable for a provider of the Commissioner Requested Services, provided by the Licensee, or a Hard to Replace Provider,
 - b. providing reasonable safeguards against the risk of the Licensee being unable to carry on as a going concern, and
 - c. providing reasonable safeguards against the licensee being unable to deliver services due to quality stress.
2. In its determination of the systems and standards to adopt for the purpose of paragraph 1, and in the application of those systems and standards, the Licensee shall have regard to:
 - a. such guidance as NHS England may issue from time to time concerning systems and standards of corporate governance, financial management and quality governance;
 - b. the Licensee's ratings using the risk rating methodologies published by NHS England from time to time, and
 - c. the desirability of that rating being not less than the level regarded by NHS England as acceptable under the provisions of that methodology.

CoS 4: Undertaking from the ultimate controller

1. The Licensee shall procure from each company or other person which the Licensee knows or reasonably ought to know is at any time its ultimate controller, a legally enforceable undertaking in favour of the Licensee, in the form specified by NHS England, that the ultimate controller (“the Covenantor”):

- a. will refrain for any action, and will procure that any person which is a subsidiary of, or which is controlled by, the Covenantor (other than the Licensee and its subsidiaries) will refrain from any action, which would be likely to cause the Licensee to be in contravention of any of its obligations under the NHS Acts or this Licence, and
- b. will give to the Licensee, and will procure that any person which is a subsidiary of, or which is controlled by, the Covenantor (other than the Licensee and its subsidiaries) will give to the Licensee, all such information in its possession or control as may be necessary to enable the Licensee to comply fully with its obligations under this Licence to provide information to NHS England.

2. The Licensee shall obtain any undertaking required to be procured for the purpose of paragraph 1 within 7 days of a company or other person becoming an ultimate controller of the Licensee and shall ensure that any such undertaking remains in force for as long as the Covenantor remains the ultimate controller of the Licensee.

3. The Licensee shall:

- a. deliver to NHS England a copy of each such undertaking within seven days of obtaining it;
- b. inform NHS England immediately in writing if any Director, secretary or other officer of the Licensee becomes aware that any such undertaking has ceased to be legally enforceable or that its terms have been breached, and
- c. comply with any request which may be made by NHS England to enforce any such undertaking.

4. For the purpose of this Condition, subject to paragraph 5, a person (whether an individual or a body corporate) is an ultimate controller of the Licensee if:

- a. directly, or indirectly, the Licensee can be required to act in accordance with the instructions of that person acting alone or in concert with others, and
 - b. that person cannot be required to act in accordance with the instructions of another person acting alone or in concert with others.
5. A person is not an ultimate controller if they are:
- a. a health service body, within the meaning of section 9 of the 2006 Act;
 - b. a Governor or Director of the Licensee and the Licensee is an NHS foundation trust;
 - c. any Director of the Licensee who does not, alone or in association with others, have a controlling interest in the ownership of the Licensee and the Licensee is a body corporate; or
 - d. a trustee of the Licensee and the Licensee is a charity.

CoS 5: Risk pool levy

1. The Licensee shall pay to NHS England any sums required to be paid in consequence of any requirement imposed on providers under section 135(2) of the 2012 Act, including sums payable by way of levy imposed under section 139(1) and any interest payable under section 143(10), by the dates by which they are required to be paid.

2. In the event that no date has been clearly determined by which a sum referred to in paragraph 1 is required to be paid, that sum shall be paid within 28 days of being demanded in writing by NHS England.

CoS 6: Cooperation in the event of financial or quality stress

1. The obligations in paragraph 2 shall apply if NHS England has given notice in writing to the Licensee that it is concerned about:
 - a. the ability of the Licensee to continue to provide commissioner requested services due to quality stress
 - b. the ability of a Hard to Replace Provider being able to continue to provide its NHS commissioned services due to quality stress, or
 - c. the ability of the Licensee to carry on as a going concern.
2. When this paragraph applies the Licensee shall:
 - a. provide such information as NHS England may direct to Commissioners and to such other persons as NHS England may direct;
 - b. allow such persons as NHS England may appoint to enter premises owned or controlled by the Licensee and to inspect the premises and anything on them, and
 - c. co-operate with such persons as NHS England may appoint to assist in the management of the Licensee's affairs, business and property.

CoS 7: Availability of resources

1. The Licensee shall at all times act in a manner calculated to secure that it has, or has access to, the Required Resources.
2. The Licensee shall not enter into any agreement or undertake any activity which creates a material risk that the Required Resources will not be available to the Licensee.
3. The Licensee, not later than two months from the end of each Financial Year, shall submit to NHS England a certificate as to the availability of the Required Resources for the period of 12 months commencing on the date of the certificate, in one of the following forms:
 - a. “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.”
 - b. “After making enquiries the Directors of the Licensee have a reasonable expectation, subject to what is explained below, that the Licensee will have the Required Resources available to it after taking into account in particular (but without limitation) any distribution which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate. However, they would like to draw attention to the following factors which may cast doubt on the ability of the Licensee to have access to the required resources”.
 - c. “In the opinion of the Directors of the Licensee, the Licensee will not have the Required Resources available to it for the period of 12 months referred to in this certificate”.
4. The Licensee shall submit to NHS England with that certificate a statement of the main factors which the Directors of the Licensee have taken into account in issuing that certificate.
5. The statement submitted to NHS England in accordance with paragraph 4 shall be approved by a resolution of the board of Directors of the Licensee and signed by a Director of the Licensee pursuant to that resolution.

6. The Licensee shall inform NHS England immediately if the Directors of the Licensee become aware of any circumstance that causes them to no longer have the reasonable expectation referred to in the most recent certificate given under paragraph 3.

7. The Licensee shall publish each certificate provided for in paragraph 3 in such a manner as will enable any person having an interest in it to have ready access to it.

8. In this Condition:

“distribution” includes the payment of dividends or similar payments on share capital and the payment of interest or similar payments on public dividend capital and the repayment of capital;

“Financial Year” means the period of twelve months over which the Licensee normally prepares its accounts;

“Required Resources” means such:

- a. management resources including clinical leadership,
- b. appropriate and accurate information pertinent to the governance of quality
- c. financial resources and financial facilities,
- d. personnel,
- e. physical and other assets including rights, licences and consents relating to their use,
- f. subcontracts , and
- g. working capital as reasonably would be regarded as sufficient for a Hard to Replace Provider and/or to enable the Licensee at all times to provide the Commissioner Requested Services.

Section 7 – Costing Conditions

C1: Submission of costing information

1. Whereby NHS England, and only in relation to periods from the date of that requirement, the Licensee shall:
 - a. obtain, record and maintain sufficient information about the costs which it expends in the course of providing services for the purposes of the NHS and other relevant information,
 - b. establish, maintain and apply such systems and methods for the obtaining, recording and maintaining of such information about those costs and other relevant information, as are necessary to enable it to comply with the following paragraphs of this Condition.
2. Licensee should record the cost and other relevant information required in this condition consistent with the guidance in NHS England's Approved Costing Guidance. The form of data collected, costed and submitted should be consistent with the technical guidance included in the Approved Costing Guidance (subject to any variations agreed and approved with NHS England) and submitted in line with the nationally set deadlines.
3. If the Licensee uses sub-contractors in the provision of health care services for the purposes of the NHS, to the extent that it is required to do so in writing by NHS England the Licensee shall procure that each of those sub-contractors:
 - a. obtains, records and maintains information about the costs which it expends in the course of providing services as sub-contractor to the Licensee, and establishes, maintains and applies systems and methods for the obtaining, recording and maintaining of that information, in a manner that complies with paragraphs 2 and 3 of this Condition, and
 - b. provides that information to NHS England in a timely manner.
4. Records required to be maintained by this Condition shall be kept for not less than six years.

5. In this Condition:

“the Approved Guidance”	means such guidance on the obtaining, recording and maintaining of information about costs and on the breaking down and allocation of costs published annually by NHS England.
“other relevant information”	means such information, which may include quality and outcomes data, as may be required by NHS England for the purpose of its functions under Chapter 4 (Pricing) in Part 3 of the 2012 Act and material costs funded through other public sector entities which impact on the accuracy of costing information.

C2: Provision of costing and costing related information

1. Subject to paragraph 3, and without prejudice to the generality of Condition G1, the Licensee shall submit the mandated information required per Costing Condition 1 consistent with the approved costing guidance in the form, manner and the timetable as prescribed.
2. In furnishing information documents and reports pursuant to paragraph 1 the Licensee shall take all reasonable steps to ensure that:
 - a. in the case of information (data) or a report, it is accurate, complete and not misleading;
 - b. in the case of a document, it is a true copy of the document requested;
3. This Condition shall not require the Licensee to furnish any information, documents or reports which it could not be compelled to produce or give in evidence in civil proceedings before a court because of legal professional privilege.

C3: Assuring the accuracy of pricing and costing information

1. Providers are required to have processes in place to ensure itself of the accuracy and completeness of costing and other relevant information collected and submitted to NHS England is as per the Approved Costing Guidance.
2. This may include but is not limited to
 - a. Regular assessments by the providers internal and/or external auditor
 - b. specific work by NHS England or NHS England nominated representative on costing related issues and
 - c. use of tools or other information or assessments of costing information produced by NHS England on costing and other relevant information.
 - d. Evidence of the assurance process (including work by the internal or external auditor of the provider) should be maintained and submitted as and when requested by NHS England and may be subject to follow up by NHS England. NHS England reserves the right to undertake specific work at a provider where issues are identified which may be undertaken by a nominated representative.

Section 8 – Pricing Conditions

P1: Compliance with the NHS payment scheme

1. Except as approved in writing by NHS England, the Licensee shall comply with the rules, and apply the methods, concerning charging for the provision of health care services for the purposes of the NHS contained in the NHS Payment Scheme published by NHS England in accordance with section 116 of the 2012 Act, wherever applicable.

Section 9 – Interpretation and Definitions

Condition D1: Interpretation and Definitions

1. In this Licence, except where the context requires otherwise, words or expressions set out in the left-hand column of the following table have the meaning set out next to them in the right hand column of the table.

“the 2006 Act”	the National Health Service Act 2006 c.41;
“the 2008 Act”	the Health and Social Care Act 2008 c.14;
“the 2009 Act”	the Health Act 2009 c.21;
“the 2012 Act”	the Health and Social Care Act 2012 c.7;
“the 2022 Act”	The Health and Care Act 2022;
“the Care Quality Commission”	the Care Quality Commission established under section 1 of the 2008 Act;
“Commissioner Requested Service”	a service of the sort described in paragraph 2 of condition G8 which has not ceased to be such a service in accordance with paragraph 8 of that condition;
“Commissioners”	NHS England and any Integrated Care Board and includes any bodies exercising commissioning functions pursuant to a delegation from NHS England or an ICB;
“Director”	includes any person who, in any organisation, performs the functions of, or functions equivalent or similar to those of, a director of: (i) an NHS foundation trust, (ii) an NHS Trust or (iii) a company constituted under the Companies Act 2006;

“Governor”	a Governor of an NHS foundation trust;
“Hard to replace provider”	has the meaning given in condition G8 of the licence;
“Integrated Care Board”	a body corporate established by NHS England by virtue of section 14Z25 of the 2006 Act;
“the NHS Acts”	the 2006 Act, the 2008 Act, the 2009 Act; the 2012 Act and the 2022 Act;
NHS Controlled provider	An organisation which is not an NHS trust or NHS foundation trust but is ultimately controlled by one or more NHS trusts and/or foundation trusts, where ‘control’ is defined on the basis of IFRS 10;
“NHS England”	the body named as NHS England in section 1 of the 2022 Act;
“NHS foundation trust”	a public benefit corporation established pursuant to section 30 of, and Schedule 7 to, the 2006 Act;
“NHS Trust”	an NHS trust established under section 25 of the 2006 Act;
“Relevant bodies”	NHS England, Integrated Care Boards, NHS trusts and NHS foundation trusts in accordance with section 96(2B) of the 2012 Act;
“Trusts”	means NHS foundation trusts and NHS trusts.

2. Any reference in this Licence to a statutory body shall be taken, unless the contrary is indicated, to be a reference also to any successor to that body.

3. Unless the context requires otherwise, words or expressions which are defined in the NHS Acts shall have the same meaning for the purpose of this Licence as they have for the purpose of that Act.

4. Any reference in the Licence to any provision of a statute, statutory instrument or other regulation is a reference, unless the context requires otherwise, to that provision as currently amended.

NHS England
Wellington House
133-155 Waterloo Road
London
SE1 8UG

This publication can be made available in a number of alternative formats on request.

© NHS England 2023 | PR00191

Appendix 2 – to the Governance Report – Code of Governance disclosures

Governors are asked to confirm their agreement with the Code of Governance disclosures and in particular B5.6 and E1.5 referenced in the table - in respect of how Governors are supported to fulfil their statutory role. Corresponding extracts from the draft Annual Report for 2022/23 are provided attached in **annex 1** to support assurance around confirmation. This appendix should also be viewed alongside **appendix 3** Declaration of Compliance and **appendix 4** Self-Certification.

Extract from the draft Annual Report – 2022/23

3.4 Code of Governance Disclosures

3.4.1 Our commitment to good governance

The Board of Directors recognises the importance of the principles of good corporate governance and is committed to improving the standards of corporate governance followed by all those who play a part in the conduct of the Trust's business. The Board of Directors recognises that the purpose of the NHS Foundation Trust Code of Governance published to assist NHS Foundation Trust Boards and their Governors to improve their governance practices by bringing together the best practices from the public and private sectors. Sheffield Health and Social Care NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, revised in July 2014, is based on the principles of the UK Corporate Code issued in 2012. The Code of Governance revised in 2022 will apply to the reporting process in 2023/24.

3.4.2 Application of the main and supporting principles of the Code of Governance

The Board implements the main and supporting principles of the Code through a number of key governance documents, policies and procedures, including the:

- Trust Constitution
- Standing Orders of the Board of Directors and the Council of Governors
- Standing Financial Instructions and Scheme of Delegation
- Annual Governance Statement
- Codes of Conduct and Standards of Business Conduct
- Annual Operating Plan
- Annual Report

3.4.3 Compliance with the provisions of the Code

SHSC has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012 *[the revised Code 2022 will be used for the 2023/24 annual report]*. In 2022/23 the Trust complied with all relevant requirements of the Code. The Trust has moved away from four-year terms for non-executive directors to three-year terms for newly appointed directors. Measures put in place to comply with the requirements of the Care Quality Commission inspections in 2019/20 and 2020/21 are well developed and the organisation has retained SOF 3 throughout the year.

Commented [JE1]: Worth adding a note to say what this is? Or perhaps refer to Section 3.5

Commented [DL2R1]: We need to keep the crossed out wording in please Phil

3.4.4 Disclosure of corporate governance arrangements

In accordance with the disclosure requirements of the Code, the Board of Directors makes the following disclosures:

A1.1	Statements on how the Board of Directors and the Council of Governors operate, including high level statements of which types of decisions are to be taken by each one of them and which are to be delegated to the management by the Board of Directors, are contained in Sections 3.1.8 and 3.1.28 of this report. A statement describing how any disputes between the Council of Governors and the Board of Directors will be resolved is contained in Section 3.1.28.
A.1.2	The names of the Chair, the Deputy-Chair, the Chief Executive, the Senior Independent Director, Chairs and members of the Board of Directors' Remuneration and Nomination Committee, the Council of Governors' Nominations and Remuneration Committee and the Audit and Risk Committee are contained in Sections 3.1.2, 3.1.3, 3.1.11 and 3.1.28.4.4 of this report. The number of meetings of the Board of Directors, its committees and the attendance by individual Directors are shown in Sections 3.1.9 of this report.
A.5.3	The names of the governors, details of their constituencies, whether they are elected or appointed, the duration of their appointment and details of the nominated Lead Governor are contained in Section 3.1.28.2 of this report. The number of meetings of the Council of Governors and the individual attendance by Governors and Directors is also contained in Section 3.1.28.2 [New Foundation Trust Annual Reporting Manual (FT ARM) required disclosure]
B.1.1	The Board of Directors considers the following voting Non-Executive Directors to be independent in character and judgement: I. Sharon Mays (Chair) II. Anne Dray III. Richard Mills (retired February 2023) IV. Heather Smith V. Dr Olayinka Monisola Fadahunsi-Oluwole

	<p>VI. Owen McClellan VII. Mark Dundon</p> <p>The Board of Directors holds this view in relation to all of the above - mentioned directors for the following reasons:</p> <ul style="list-style-type: none"> • None of them is employed by the Trust or has been in the last five years • None of them has, or has had, within the last three years, a material business relationship with the Trust, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Trust • None of them has received or receives additional remuneration from the Trust apart from their director's fee. They do not participate in any performance-related pay as no such scheme is run by the Trust nor are they a member of the Trust's pension scheme • None of them has close family ties with any of the Trust's advisers, directors or senior employees • None of them holds cross-directorships or has significant links with other directors through involvement (with those other directors) in other companies or bodies • None of them is a member of the Council of Governors • None of them has served on the Board of this NHS Foundation Trust for more than 10 years
B.1.4	<p>Contained in Sections 3.1.12 of this report is a description of each director's expertise and experience. In addition, it also contains information about the length of appointments of the Non-Executive directors. A statement is contained in 3.1.15 on the Board of Directors' balance, completeness and appropriateness. Information about how Non-Executive Director appointments may be terminated is contained in Section 3.1.28.4.4. [new FT ARM required disclosure]</p>
B.2.10	<p>An explanation of the work of the Remuneration and Nomination Committee which oversees the appointment process of executive members of the Board of Directors can be found in Sections 3.1.11.1.4 of this report. The work of the Nominations and Remuneration Committee of the Council of Governors, including the process it has used in relation to Board of Director appointments together with an explanation of whether a search consultancy was used in the appointment of the Chair or the Non-Executive directors, is contained in Section 3.1.28.4.4 of this report [new FT ARM required disclosure]</p>
B.3.1	<p>The Trust Chair's other significant commitments and any changes to them during the year are contained in the Directors' Register of Interests referred to in Section 3.1.14 of this report.</p>
B.5.6	<p>Governors have been kept informed about the Trust plans objectives and strategy including revisions to the strategic objectives and detail on engagement as part of system strategy and governance changes. See section 3.1.28.4.3 of this report.</p>

Commented [JE3]: That's in Section 3.1.12

Commented [DL4R3]: Phil please double check and change if needed.

Commented [PS5R3]: This is correct, have amended.

New FT ARM disclosure	The Council of Governors have not had to exercise its powers under paragraph 10c of Schedule 7 of the NHS Act 2006 during the financial year
B.6.1	A statement on how the performance of the Board of Directors, its Committees and individual Directors was evaluated is contained in Section 3.1.15 of this report.
B.6.2	Relating to external evaluation of the Trust Board and governance of the Trust a number of activities have taken place. The Board of Directors undertook a Well-Led review during the year with external support from NHS England. The outcome was reported to the Quality Board (CQC and NHSE) monitoring the improvement programme put in place in response to CQC inspections between 2019 and 2022. In addition, 360 Assurance, the Trust's internal auditors conducted a number of governance reviews. Following each review detailed actions plans were completed and monitored as appropriate.
C.1.1	An explanation from the Directors of their responsibility for preparing the accounts and a statement by the auditors about their reporting responsibilities is contained in Sections 3.1.5 and 3.6 of this report and the approach taken to quality governance is detailed in the Annual Governance Statement in Section 3.7.
C.2.1	A report that the Board of Directors has conducted a review of the effectiveness of the Trust's system of internal controls is contained in Section 3.1.11.1 of this report.
C.2.2	The Trust has an internal audit function. Information on how the function is structured and what role it performs is included in Section 3.1.11.1.3 of this report.
C.3.5	The Council of Governors has not refused to accept the recommendation of the Audit and Risk Committee on the appointment of an external auditor, and this matter is therefore not reported on.
C.3.9	An explanation of the work of the Audit and Risk Committee can be found in Section 3.1.11.1 which includes any significant statements the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed, It also contains an explanation of how it has assessed the effectiveness of the Trust's external audit process and details of the Trust's external audit contract as well as information about any non-audit work that may have been commissioned.
D.1.3	Details regarding Director remuneration can be found within the Remuneration Report in Section 3.2 within the salaries and allowances table.
E.1.4	Members who wish to communicate with governors or directors may do so via the Trust's website where contact details are clearly stated.
E.1.5	Board members, and in particular Non-Executive Directors, develop an understanding of the views of governors and members through their attendance at meetings of the Council of Governors.

	They are further informed of the activities of the Council of Governors through Board of Directors meeting updates on the affairs of the Council of Governors and Trust's members. Board members are apprised of members' opinions at the Annual Members Meeting where views are canvassed. Further details on how the Board of Directors canvasses the views of governors and members can be found in Section 3.1.28 of this report.
E.1.6	<p>The Board of Directors monitors membership and engagement through monthly reporting processes. Information on monitoring how representative the Trust's membership is and the level and effectiveness of member engagement is contained in Section 3.1.29 of this report.</p> <p>Detailed information regarding the Trust's membership constituencies and their eligibility, membership numbers, the Membership Strategy and steps taken in year to ensure a representative membership are detailed in Section 3.1.29.1.</p> <p>The Council of Governors has not exercised their power under paragraph 10c of Schedule 7 of the NHS Act 2006, and this matter is therefore not reported on.</p> <p>A statement from the Directors that the business is a going concern, together with supporting assumptions or qualifications as necessary, is contained in Section 2.2.6 of this report.</p>
Additional FT ARM requirement	Detail on eligibility for membership, numbers of members broken down constituency and detail on membership strategy and engagement are contained in Section 3.1.29.
Additional FT ARM requirement (based on FReM requirement)	The declarations of interest for Board of Directors and Council of Governors outline any directorships or other material interests in companies held by Board members or Governors, where those parties might do business, or seek to do business with the Trust. The registers are publicly available on the website.

Annex 1

3.1.14 Keeping informed of the views of governors and members

The Board of Directors ensures it is kept informed of the views of Governors and members in a range of ways. The Trust encourages quality engagement with stakeholders and regularly consults with, and involves Governors, service users and carers. It also supports Governors in ensuring that they represent the interests of members and the public through seeking their views and keeping them informed. Some examples of the wide range of engagement opportunities with Governors are covered in other sections of the Annual Report and include:

- Council of Governors meetings
- Council Committees (Nomination and Remuneration committee)

- Regular drop-in sessions with the Trust Chair
- Development Workshops with Governors
- Governor observer of Board sub-committees
- Governor participation in key areas of work, co-production, strategy and service development including with Governor colleagues across the system around the new duties placed upon them through the Health and Social Care Act and associated requirements
- Opportunity to attend public Board of Directors meetings

Governor feedback and views are captured and shared with the Board as described above and are also reported through:

- The Trust Chair's Report to the Board
- Updates received from Governors at public Council of Governors meetings
- The Trusts' Annual Members meeting
- Receiving reports on the outcome of consultations with governors
- Updates provided by the Trust Chair and Non-Executive Directors at Board meetings

In addition, Governors are regularly invited to, and attend Trust events to gain a wider understanding of Trust services and provide appropriate feedback on wide ranging areas such as work around the Community Mental Health Transformation programme, Integrated Care Board Governor conferences, and the Carer Action group.

The Senior Independent Director and the Board Secretary are also available to Governors if they have concerns regarding any issues which have not been addressed by the Trust Chair, Chief Executive or other usual business arrangements.

In general, regarding attendance at meetings of the Council of Governors:

- The Trust Chair attends all meetings
- The Non-Executive Directors attend all meetings
- Other Executive Directors and Trust staff attend meetings, if required, for example to deliver reports, or as observers

The Council of Governors also has powers to require attendance of a director at any of its meetings, under paragraph 26 (2) (aa) of Schedule 7 of the National Health Service Act 2006, for the purpose of obtaining information on the Foundation Trust's performance of its functions or the directors' performance of their duties. The Council of Governors did not exercise these powers during 2022/23.

3.1.28 Council of Governors **extracts**

3.1.28.1 The role of the Council of Governors

Governors play a vital role in governance arrangements of the Trust and contribute to the work of the Trust, together with the Board of Directors, to help improve the quality of services and care. The Council of Governors is representative of the membership of the organisation and brings together the views of the public, service users, carers, staff and other stakeholders into the governance process.

Whilst responsibility for the Trust's management and performance rests with the Board of Directors, the Council of Governors has specific decision-making powers conferred upon it by the Health and Social Care Act 2012 and the Trust's Constitution. These include:

- Holding the Non-Executive Directors both individually and collectively to account for the performance of the Board of Directors
- Holding the Board of Directors to account for the effective management and delivery of the organisation's strategic aims and objectives
- Being consulted on future plans, including any significant changes to the delivery of the Trust's business plan, and offer comment on those plans
- Receiving the annual accounts, any auditor report regarding the accounts, and annual report
- Deciding whether any private patient work undertaken by the Trust would significantly interfere with the Trust's principal purpose, which is to provide goods and services for the health service in England, or performing the Trust's other functions
- Approving any proposed increases in non-NHS income of 5% or more in any financial year. Approval means that at least half of the Governors taking part in the vote agree with the increase
- Approving 'significant transactions'
- Approving any application by the Trust to enter into a merger, acquisition, separation or dissolution. In this case, approval means at least half the Governors taking part in the vote agree with the amendments
- Approving amendments to the Constitution

The Council of Governors also plays an equally important role in the governance of the Trust by:

- Contributing to discussions on strategic issues
- Monitoring the activities of the Trust with a view to ensuring these are being carried out in a manner that is consistent with the Trust's Constitution and its terms of authorisation
- Representing the interests of members and partner organisations
- Providing feedback to members
- Developing the Trust's membership strategy

- Contributing to constructive debate regarding the strategic development of the Trust and any other material and significant issues facing the organisation and participating in system governance change discussions on the role of governors
- Building and maintaining close relations between the Trust's constituencies and stakeholder groups to promote the effective operation of the Trust's activities

In undertaking the above, the Council of Governors ensures that the Board of Directors is held to account by the Trust's key stakeholders.

Any disputes are resolved in accordance with the Trust's Constitution. The Engagement Policy provides further guidance on action to take dependent upon the nature of the dispute.

3.1.28.2 Composition of the Council of Governors [not required for governance statement discussion](#)

3.1.28.3 Changes to the Council of Governors [not required for governance statement discussion](#)

3.1.28.4 Governor activities in 2022/23 [not required for governance statement discussion](#)

3.1.28.4.1 Holding to account

According to the Health and Social Care Act 2012, it is the role of the Council of Governors to ensure that the Trust operates within its terms of authorisation. The Council of Governors holds the Board of Directors to account through the Non-Executive Directors. Governors have been updated on requirements of the updated Act and the updated Code of Governance, in respect of the impact on provider organisations and on the revised role of Governors including expectations around representing the views of wider populations than those served by their foundation Trust and have been provided with the opportunity to participate in system-wide Governor sessions.

The Trust must provide Governors with sufficient information to assure them on the safety, quality and cost effectiveness of its services and reports and presentations have been provided throughout the year to support them in this. The Board of Directors and the Council of Governors seek to work together effectively in their respective roles. Throughout the year Governors have undertaken several activities which enable them to fulfil their statutory duties by representing their membership and holding the Trust to account.

The Board and the Council of Governors work closely together to ensure the former understands the views of Governors. This is undertaken through a variety of methods including reports to Council meetings and through regular dialogue with Non-Executive Directors and opportunities to engage directly with the Chair. In 2022/23 Non-Executive Directors continued to share significant issues from Board committees

with assurance on how they are being addressed. Governors are encouraged to attend the Board of Directors meetings held in public and to observe board sub committee meetings.

Along with the Chief Executive and Non-Executive Directors, other Board members and Trust officers attend Council of Governors meetings when appropriate.

The attendance of the Non-Executive Directors at Council of Governors meetings is shown in the table below.

Name	Title	Attendance at regular meetings	Attendance at extraordinary meetings
Sharon Mays	Trust Chair	4/5	3/3
Richard Mills (left 28 February 2023)	Non-Executive Director and Vice Chair	4/5	2/3
Anne Dray	Non-Executive Director	5/5	2/3
Heather Smith	Non-Executive Director	5/5	2/3
Dr Olayinka Fadahunsi-Oluwole	Non-Executive Director	2/5	2/3
Owen McLellan	Non-Executive Director	1/3	1/3
Mark Dundon (from March 2023)	Non-Executive Director	0/0	0/0
Professor Brendan Stone	Associate Non-Executive Director	3/5	2/3
Deborah Lawrenson	Director of Corporate Governance (Board Secretary) Lead Executive support	5/5	3/3

Executive Directors attend meetings as and when needed and attendance at all meetings is not a requirement of them.

3.1.28.4.2 Forward plans

The Council of Governors collectively has responsibility for supporting the Trust in taking account of the views of its members when developing forward plans and services. Governors' views on the Trust's forward plans are sought each year along with the views of staff, service users and other stakeholders.

3.1.28.4.3 Other activities

In addition to their statutory duties, during the financial year governors were provided with access to a range of training and development opportunities including:

- Regular Chair drop-in sessions for service user, public, carer and staff Governors
- One to one meetings with the Chair
- Governor Buddying scheme and meetings
- Patient and Carers Race Equality Framework workshop
- Service User Engagement and Experience co-production strategy workshop
- Human Rights Training Workshop
- Care Opinion Workshop
- Carers Open Door meetings
- Therapeutic Environments ward visit
- South Yorkshire Integrated Care System Governor Focus Workshop and Conference on system changes
- Community Mental Health Team Transformation programme workshop
- New Governors Induction workshops
- Networking lunch with Governors and Non-Executive Directors
- Observing Board sub committees
- Non-Executive Director recruitment
- Chief Executive Officer recruitment
- Carers Workshop
- Annual Members meeting
- Rethink Carer Involvement Workshop

- MHLDA Provider Collaborative Stakeholder panel

All Governors are required to comply with the Council of Governors Code of Conduct which includes a requirement to declare any interests that may result in a potential conflict in their role as a governor in the Trust and with the Fit and Proper Persons Test.

The register of interests is held by the Board Secretary and is available on the Trust's website at www.shsc.nhs.uk/get-involved/council-governors

3.1.28.4.4 The Nomination and Remuneration Committee of the Council of Governors

The Nomination and Remuneration Committee is a delegated committee of the Council of Governors and consists of public, staff, service user and carer Governors. The committee is chaired by the Trust Chair, except for instances in which the appointment and performance of the Chair are discussed. The Senior Independent Director and the Board Secretary attend the committee to provide support and advice and where appropriate the Director/Deputy Director of People.

The committee is responsible for taking forward recommendations to the Council of Governors concerning appointment, re-appointment or termination of the Chair and Non-Executive Directors prior to the conclusion of their terms of office and reviews annual performance. It also receives key reports on appointments to the Executive which require approval at the Council of Governors such as the appointment of a Chief Executive; in advance of discussion at the Council of Governors meetings.

In 2022/2023, the Nominations and Remuneration Committee were involved in the following activities:

- Non-Executive Director recruitment
- Chief Executive Officer recruitment
- Chair and Non-Executive Appraisals
- Reappointment of the Trust Chair

Over the past 12 months the committee has met eight times (17 May 2022, 8 June 2022, 19 July 2022, 1 September 2022, 13 October 2022, 28 November 2022, 31 January 2023 and 31 March 2023)

Attendance of the Nominations and Remuneration Committee members is shown in the table below.

Name	Position	Attendance
Sharon Mays	Chair	8/8
Terry Proudfoot	Lead Governor (Service User)	7/8

Ben Duke	Deputy Lead Governor	6/8
Sylvia Hartley	Public Governor	7/8
Adam Butcher	Service User Governor	2/2
Billie Critchlow	Carer Governor	7/8
Nev Wheeler	Service User governor	2/7
David Palfreyman	Staff Governor	2/3
Jonathan Hall	Service User Governor	3/3
Anne Dray	Non-Executive Director and Senior Independent Director in an advisory role	7/8
Deborah Lawrenson	Director of Corporate Governance (Board Secretary) in an advisory role	8/8

Appendix 1

Sheffield Health and Social Care NHS Foundation Trust Self-certification against Provider Licence Conditions 2022-23



Subject to final approval at the Audit and Risk Committee and the June Board of Directors

- Received for information and assurance at Council of Governors.
- For noting at Audit and Risk Committee – document updated since receipt at the April 2023 Audit and Risk Committee and the May Board of Directors. Updates are highlighted.

Details of Condition	General condition G6(3) – Systems for compliance with licence conditions and related obligations
	<ol style="list-style-type: none"><li data-bbox="517 791 2085 1007">1. The Licensee shall take all reasonable precautions against the risk of failure to comply with:<ol style="list-style-type: none"><li data-bbox="595 863 2085 900">(a) the Conditions of this Licence,<li data-bbox="595 900 2085 936">(b) any requirements imposed on it under the NHS Acts, and<li data-bbox="595 936 2085 1007">(c) the requirement to have regard to the NHS Constitution in providing health care services for the purposes of the NHS<li data-bbox="517 1046 2085 1302">2. Without prejudice the generality of paragraph 1, the steps the Licensee must take pursuant to that paragraph shall include:<ol style="list-style-type: none"><li data-bbox="595 1158 2085 1227">(a) the establishment and implementation of processes and systems to identify risks and guard against their occurrence, and<li data-bbox="595 1227 2085 1302">(b) regular review of whether those processes and systems have been implemented and of their effectiveness.<li data-bbox="517 1342 2085 1414">3. Not later than two months from the end of the financial year, the Licensee shall prepare a certificate to the effect that, following a review of the purpose of paragraph 2(b) the Directors of the Licensee are or

	are not satisfied as the case may be that, in the financial year most recently ended, the Licensee took all such precautions as were necessary in order to comply with this condition.
This means	This means a provider is required to have in place effective systems and processes to ensure compliance, identify risks to compliance and take reasonable mitigating actions to prevent those risks and a failure to comply from occurring.
Assurance	<ul style="list-style-type: none"> • Governance infrastructure • Strategy defined and reviewed objectives and suite of supporting strategies in place and monitored. • BAF risks reviewed regularly • Board and Committees (Audit & Risk, Finance & Performance, Quality Assurance, People, Remuneration, and Mental Health Legislation) • Tier II committees in place and reporting regularly into the Tier I board sub-committees – all have produced self-effectiveness reviews and annual reports • Trust’s Risk Management Strategy and risk management processes – positively reviewed through external risk management review (NHSE supported) – with some improvements identified which are being followed up and overseen at Audit and Risk Committee. The Risk Management Strategy will be updated by the end of Q2 in 2023/24. • Risk Oversight Group established in year which has improved rigour around confirm and challenge on the corporate risk register. • Risk Internal Audit split opinion significant for Risk Oversight Group and limited around risk registers • Significant progress made in year with the development of the Board Assurance Framework • Incident management processes and procedures • Speaking Up processes – new FTSU strategy approved March 2023 and Board self-assessment completed. • Service User Engagement Groups and carer engagement groups • Community engagement groups and project working with leaders in Sheffield aligned to race equity. • Wide ranging opportunities to learn from good practice through reporting, groups, forums, visits, events and feedback – with learning reported through reports to committees and board. • Quality Improvement Framework • Back to Good programme • Quality Account • Alert, Advise, Assure (AAA) reports from board sub-committees to board and from groups reporting into the board sub-committees

	<p>The Trust regularly reviews these processes and systems and their effectiveness. This has included a range of internal audit reports and management reviews of systems and processes.</p>
<p>Evidence</p>	<ul style="list-style-type: none"> • Annual report and Accounts • Annual Governance Statement • Head of Internal Audit Opinion • Corporate Risk Register • Board Assurance Framework • Risk Management Internal Audit Report • External Risk Review report • Quality Account
<p>Assessment</p>	<p>The organisation has continued to make significant improvements during 2022/23 to address issues highlighted by the CQC inspection undertaken in early 2020.</p> <p>In May 2021 the CQC carried out follow up inspections for the areas previously rated as inadequate - mental health wards for older people, crisis and health-based places of safety and moved these to 'requires improvement'. The Well Led element was also re-visited at this time and moved from 'inadequate' to 'requires improvement'. The acute wards and psychiatric intensive care unit were inspected but remained rated as 'inadequate' as further improvement was required. Following re-inspection in December 2021 they were re-rated as 'requires improvement'.</p> <p>In August 2021 the CQC re-rated the Trust overall from 'inadequate' to 'requires improvement'</p> <p>In February 2022 the CQC confirmed the Trust had made significant improvements in the areas highlighted in the previous Section 29A enforcement notice and this enforcement notice was closed.</p> <p>In March 2022 NHS England and NHS Improvement formally notified the Trust of its transition from system Operating Framework (SOF) Category 4 (formerly 'Special Measures) to Category 3. This was in recognition of the progress made against Quality and the further work around sustained delivery of improvements.</p> <p>Board well led-assessment undertaken in year with positive external assessment by NHSE/I.</p> <p>External risk review undertaken with positive feedback received generally on systems and processes in place</p>

	<p>and monitoring of improvement actions taking place at Audit and Risk Committee.</p> <p>During 2022/23 we have continued to submit returns to the CQC in relation to the conditions on registration at Firshill Conditions, confirming that the unit remains paused. An application to vary conditions at Firshill has been approved and conditions 2 – 7 removed resulting in the issuing of a new registration certificate. Condition 1 remains in place, which outlines the need for CQC authorisation should a request to admit a service user to the service be required. The net effect of these changes is that the site is registered without restriction as a community base but with a condition limiting potential inpatient admission.</p> <p>In June 2023 we outlined at the Health Overview and Scrutiny Sub-Committee at the City Council our partnership proposals to improve care for people with Learning Disabilities and Autism who need specialist support due to more complex needs at the. Alongside our Integrated Care Board colleagues, we described options for an accessible, flexible and appropriately intensive community model of care, with an enhanced multi-disciplinary team able to support people to live at home in their communities.</p> <p>The Committee could see that we had actively involved service users, their families, experts by experience, and local communities in planning how we work together to care for people with Learning Disabilities and Autism with more complex needs. They were supportive of us continuing to engage widely in this way as we further develop plans for new models of care and services for people with Learning Disabilities and Autism.</p> <p>As part of well led improvement, finance reviews by NHSE/I continued to take place with CQC/NHSE/I oversight of our Quality Improvement journey continued throughout the year which provided an opportunity for extended challenge and verification resulting in the Trust moving from SOF 4 to SOF 3 at the end of the financial year and we have ended the current financial year with a move to local system oversight from March 2023.</p>
Self-certification	Compliance status: Confirmed

Details of Condition	<p>FT4: NHS Foundation Trust Conditions governance arrangements</p> <ol style="list-style-type: none"> 1. The Licensee shall apply those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services in the NHS. 2. Without prejudice to the generality of paragraph 1 and to the generality of General Condition 5, the Licensee shall: <ol style="list-style-type: none"> (a) have regard to such guidance on good corporate governance as may be issued by NHS Improvement from time to time; and (b) comply with the following paragraphs of this Condition. 3. The Licensee shall establish and implement: <ol style="list-style-type: none"> (a) effective board and committee structures; (b) clear responsibilities for its Board, its committees reporting to the Board and for staff reporting to the Board and those committees; and (c) clear reporting lines and accountabilities throughout its organisation. 4. The Licensee shall establish and effectively implement systems and/or processes: <ol style="list-style-type: none"> (a) to ensure compliance with the Licensees' duty to operate efficiently, economically and effectively; (b) for timely and effective scrutiny and oversight by the Board of the Licensee's operations; (c) to ensure compliance with health care standards binding on the Licensee including but not restricted to standards specified by the Secretary of State, the Care Quality Commission, the NHS Commissioning Board and statutory regulators of health care professions (d) for effective financial decision-making, management and control (including but not restricted to appropriate systems and/or processes to ensure the Licensee's ability as a going concern) (e) to obtain and disseminate accurate, comprehensive, timely and up to date information for Board and Committee decision-making; (f) to identify and manage (including but not restricted to manage through forward plans) material risks to compliance with the Conditions of its Licence; (g) to generate and monitor delivery of business plans (including any change to such plans) and to receive internal and where appropriate external assurance on such plans and their delivery; and
-----------------------------	--

	<p>(h) to ensure compliance with all applicable legal requirements.</p> <p>5. The systems and/or processes referred to above include, but are not restricted to, systems and/or processes that ensure:</p> <ul style="list-style-type: none"> (a) sufficient capability at Board level to provide effective organisational leadership on the quality of care provided; (b) the Board’s planning and decision-making processes take timely and appropriate account of quality of care considerations; (c) the collection of accurate, comprehensive, timely and up-to-date information on quality of care; (d) the Board receives and takes into account accurate, comprehensive, timely and up-to-date information on quality of care; (e) that the Licensee including the Board actively engages on quality of care with patients, staff and other relevant stakeholders and takes into account as appropriate views and information from these sources; and (f) there is a clear accountability for quality of care throughout the Licensee’s organisation including, but not restricted to, systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate. <p>6. The Licensee shall ensure the existence and effective operation of systems to ensure it has in place personnel on the Board, reporting to the Board and within the rest of the Licensee’s organisation who are sufficient in number and appropriately qualified to ensure compliance with the Conditions of this Licence 5.</p> <p>7. The Licensee shall publish within three months of the end of the financial year:</p> <ul style="list-style-type: none"> (a) a corporate governance statement by and on behalf of its Board confirming compliance with this Condition as at the date of the statement and anticipated compliance with this Condition for the next financial year, specifying any risks to compliance with this Condition in the next financial year and any actions it proposes to take to manage such risks.
This means	<p>This means Providers should review whether their governance systems meet the standards and objectives in this Condition. There is not a standard / set model, but any compliant approach would involve effective Board and Committee structures, reporting lines and performance and risk management systems.</p>

Assurance	<ul style="list-style-type: none"> • Governance infrastructure and arrangements • Board and Committees (including reviews of planners and terms of reference) • Data Quality process and review • Recruitment process for Board and Executive positions – skills and experience reviewed through Remuneration Committee. Board Remuneration committee and the Governors Nomination and Remuneration Committee have roles in competence of Board (Executive and Non-Executive respectively). • Board stories and visits to sites by board members support triangulation of data • Business planning processes • Business Planning Group • Incident management processes and procedures • Appraisal process for Board Members and Executive Directors • CQC inspection process and outcomes • Review meetings with CQC • Review meetings with NHS Improvement • Trust’s Risk Management Strategy and risk management processes
Evidence	<ul style="list-style-type: none"> • Annual Board Compliance Statements • Annual Operational Plan • Annual Report and Accounts • Annual Governance Statement • Annual Quality Report • Head of Internal Audit Opinion • Trust Constitution and Standing Orders – will be updated in 2023/24 to reflect the new Code of Governance and addendum for Governors changes • Standing Financial Instructions and Scheme of Delegation will be updated as required to meet system changes required in 2023/24. • Terms of Reference for Board Committees • ‘Back to Good’ Board – which will develop in 2023/24 to focus on Continuous Quality Improvement • Management arrangements • Integrated Performance report • Performance framework including performance management reviews

	<ul style="list-style-type: none"> • Board Assurance Framework • ‘Alert, Assure, Advise’ reports from Committee Chairs to Board • Allocate Health Roster and Safe Care • Fit and Proper Persons Requirement processes • A stable executive leadership team and operational leadership arrangements with the right skills and expertise have been in place in 2022/23 and recruitment is underway for replacement executive roles in 2023/24 with the next Chief Executive due to join in August. <i>Included because this is a statement of compliance for the next financial year (2023/24)</i> • Robust Board development plan alongside executive, non-executive, and staff leadership programmes • Appraisal process for Board Members and Executive Directors • Robust responsible officer arrangements for medical staff • Induction arrangements in place for all staff including board members. • Board development plan • Range of leadership and development programmes in place for staff across the organisation • Induction arrangements in place for Governors and training and development provided across the year, including via NHS Providers and including system sessions for Governors on changes to their role as a result of new governance changes which came into force in 2022/23 around ‘duty of collaboration’ and responsibilities around wider engagement. • Programme in place for reporting to the Council of Governors throughout the year ensures appropriate reporting takes place
Assessment	<p>The organisation has continued to make significant improvements during 2022/23 to address issues highlighted by the CQC inspection undertaken in early 2020.</p> <p>In May 2021 the CQC carried out follow up inspections for the areas previously rated as inadequate - mental health wards for older people, crisis and health-based places of safety and moved these to ‘requires improvement’. The Well Led element was also re-visited at this time and moved from ‘inadequate’ to ‘requires improvement’. The acute wards and psychiatric intensive care unit were inspected but remained rated as ‘inadequate’ as further improvement was required. Following re-inspection in December 2021 they were re-rated as ‘requires improvement’.</p> <p>In August 2021 the CQC re-rated the Trust overall from ‘inadequate’ to ‘requires improvement’</p> <p>In February 2022 the CQC confirmed the Trust had made significant improvements in the areas highlighted in</p>

	<p>the previous Section 29A enforcement notice and this enforcement notice was closed.</p> <p>In March 2022 NHS England and NHS Improvement formally notified the Trust of its transition from system Operating Framework (SOF) Category 4 (formerly 'Special Measures) to Category 3. This was in recognition of the progress made against Quality and the further work around sustained delivery of improvements.</p> <p>In March 2023 NHS England wrote to the Trust confirming retention of SOF 3 at the current time and progress recognised with a move to system oversight from regional with significant progress made in a number of areas commended.</p>
Self-certification	Compliance status: Confirmed

Details of Condition	<p>CoS7: Availability of Resources</p> <ol style="list-style-type: none"> 1. The Licensee shall at all times act in a manner calculated to secure that it has, or has access to, the required resources. 2. The Licensee shall not enter into any agreement or undertake any activity which creates a material risk that the required resources will not be available to the Licensee. 3. The Licensee, not later than two months from the end of each financial year, shall publish a certificate as to the availability of the requires resources for the period of 12 months commencing on the date of the certificate, in one of the following forms: <ol style="list-style-type: none"> (a) “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 of distributions which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate.” (b) “After making enquiries, the Directors of the Licensee have a reasonable expectation, subject to what is explained below, that the Licensee will have the required resources available to it after taking into account in particular (but without limitation) any distribution which might reasonably be expected to be declared or paid for the period of 12 months referred to in this certificate. However,
-----------------------------	--

	<p>they would like to draw attention to the following factors which may case doubt on the ability of the Licensee to provide Commissioner Requested Services.”</p> <p>(c) “In the opinion of the Directors of the Licensee, the Licensee will not have the required resources available to it for the period of 12 months referred to in this certificate.”</p>
This means	<p>This means that providers designated as providing Commissioner Requested Services will have the required resources to continue to provide those services; for example, management, financial, facilities and resources. Commissioner Requested Services are services that:</p> <ul style="list-style-type: none"> • should continue to be provided locally even if a provider is at risk of failing financially; • there is no alternative provider close enough; • removing them would increase health inequalities; • removing them could make other related services unviable.
Assurance	<ul style="list-style-type: none"> • Board of Directors and Committees • Board Assurance Framework • Annual Operational Plan • Financial Plan • Business planning arrangements and governance • Annual Accounts • Annual Report prepared on a going concern basis
Evidence	<ul style="list-style-type: none"> • Going concerns assessment process • External audit opinion • Contracts in place for patient services • Financial reports and updates, including annual accounts and supporting narrative • Finance, capital and cost improvement plans in place , including cash flow forecast • Workforce and activity planning
Assessment	<p>SHSC has been sufficiently resourced to undertake the significant changes detailed while also coping with the residual impact of the Covid-19 and have managed industrial action with no significant impact on services and care.</p> <p>Financial, capital and cost improvement plans are in place and being regularly monitored at committee and board level.</p>

	The Trust has provisionally approved a deficit plan subject to ongoing planning processes, however the Trust has sufficient cash resources for the period.
Self-certification	Compliance status: Confirmed

Register of Interests 2023-24 Governors



Sheffield Health
and Social Care
NHS Foundation Trust

Name of Governor and Constituency	Code of Conduct Signed	DOI Date Notified/Registered	Declaration of Interests	Identified potential for conflict of Interest and action taken by Trust	Date From	Date To
Service User Governors						
Jonathan Hall	Y	26/03/2023	None declared	N/A	N/A	N/A
Rebecca Lawlor	N/A	18/05/2023	None declared	N/A	N/A	N/A
Nicola Hudson	N/A	27/03/2023	None declared		N/A	N/A
Terry Proudfoot	Y	14/06/2023	Non-Executive Director, South Yorkshire Housing Association SHSC funding final year MSc research project on Trust services (December 2019)		October 2017 December 2019	Present Present
Nev Wheeler OBE	N/A	17/05/2022	Awaiting returned papers - unwell during this call of declarations		N/A	N/A
Young Service User/Carer Governors						
Alistair Brash	Y	22/05/23	<ol style="list-style-type: none"> 1. Holds a research fellowship from the Engineering and Physical Sciences Research Council. 2. Employed by the University of Sheffield as a Research Fellow in the Department of Physics. 3. Partner volunteers for Rethink Advice and Information Service. 	Professional	<ol style="list-style-type: none"> 1. 06/2022 2. 10/2016 3. 10/2020 	<ol style="list-style-type: none"> 1. 06/2027 2. Current 3. Current
Public Governors						
Chris Digman (SE)	N/A	09/06/2022 updated form pending	Wife works as Project Support Officer, Care Outside of Hospital Team at Sheffield CCG	N/A	N/A	N/A

Name of Governor and Constituency	Code of Conduct Signed	DOI Date Notified/ Registered	Declaration of Interests	Identified potential for conflict of Interest and action taken by Trust	Date From	Date To
Sylvia Hartley (NW)	N/A	13/06/2023	Nothing to Declare	N/A	N/A	N/A
Julie Kitlowski (SW)	N/A	12/04/2023	Nothing to Declare	N/A	N/A	N/A
Ben Duke (SW)	Y	27/03/2023	Volunteering for: Sheffield Mencap, Re-engage, Young Lives vs Cancer Works as Health and Social Care Research Associate (HEE post) at University of Nottingham	N/A	Nov 2018 July 2020 Nov 2018 Feb 2023	Present Present Present Present
Irene Nakamatte (NW)	Y	17/05/2023	Agency for culture and change management Person Centred Care Co. Ltd Registered Manager	Non-Financial Professional	October 2004	Present
Fozia Nadeem (Rest of England)	Y	12/06/23	None Declared	N/A	N/A	N/A
Staff Governors						
David Palfreyman (Central Support)	Y	16/05/2023	Associate Development Solutions (spouse is Company Director). Wife is Trustee for Chilypep Charity	N/A	2009	present
Vyvyan Hopkinson (AHP)	Y	15/06/2023	None declared	N/A	N/A	N/A
Angelito Esquerra (Support Worker)	Y	03/04/23	None declared	N/A	N/A	N/A
Trevor Wright (Clinical Support Worker)	Y	28/03/23	None declared	N/A	N/A	N/A
Kathleen Myrie (Nursing)	Y	24/03/23	None declared	N/A	N/A	N/A
CARER GOVERNORS						
Billie Critchlow	Y	11/05/2023	None declared	N/A	N/A	N/A
Saira Jabin	Y	13/01/23	None declared	N/A	N/A	N/A
APPOINTED GOVERNORS						

Name of Governor and Constituency	Code of Conduct Signed	DOI Date Notified/ Registered	Declaration of Interests	Identified potential for conflict of Interest and action taken by Trust	Date From	Date To
Julie Marsland (Staff-side)	N/A	15/05/2023	Michael Baxter Father - Trustee Mencap Sheffield	N/A	2017	Present
Dave Swindlehurst (Sheffield MENCAP and Gateway)	N/A	30/03/2023	Sheffield Mencap and Gateway Chief Executive	N/A	Sept 2016	Present
Irfan Khan VCFS (PMC)	Y	13/06/23	Chairman Pakistan Muslim Centre	N/A	April 2022	Present
Celia Jackson-Chambers (SACMHA)	N/A	03/04/2023	Sheffield African Caribbean Mental Health Association (SACMHA) Chairperson	N/A	2020	Present
James Barlow (Carers Centre Sheffield)	N/A	27/05/2022	Sheffield Carers Centre, Deputy Advice and Assessment team Manager	N/A	2012	Present
Prof Scott Weich (University of Sheffield)	N/A	26/03/2023	During 2022 was involved in arranging an evidence review that was commissioned by SHSC and undertaken by myself and colleagues on behalf of the University of Sheffield. The value of this contract was circa £3000. I am a named applicant on research grants hosted by SHSC and funded by NIHR. This research is ongoing, and varies with time depending on applications and their outcome. My substantive employer is the University of Sheffield and I hold an honorary Consultant appointment with SHSC	N/A	ongoing	ongoing
Susan Wakefield (Sheffield Hallam University)	N/A	09/06/2022 stepped down in 2022	Head of The Department of Nursing and Midwifery, Sheffield Hallam University. Delivery of educational services to NHS staff and providers. As Head of Department of Nursing and Midwifery Department May receive research grants into the	N/A	N/A	N/A

Name of Governor and Constituency	Code of Conduct Signed	DOI Date Notified/ Registered	Declaration of Interests	Identified potential for conflict of Interest and action taken by Trust	Date From	Date To
			department from a range of funders and organisations.			
Cllr Martin Phipps	Y	13/06/2022 updated form pending	Member of Health scrutiny sub committee and Adult Health and Social Care policy committee Sheffield City Council City ward councillor	N/A	03/05/2018	Present
Cllr Steve Ayris	Y	27/03/23	HOPE (Registered Charity No. 1165443) Chair of Trustees Elected Member, Sheffield City Council	Non-financial personal	26 June 2017	Ongoing
Cllr Garry Weatherall			Forms pending			



Appendix 1

LEAD GOVERNOR ROLE DESCRIPTION

Background

In accordance with the NHS Foundation Trust Code of Governance the primary purpose of the Lead Governor is to facilitate direct communication between the Regulator (NHS England/Improvement) and the Council of Governors.

The Regulator does not, however, envisage direct communication with the Council unless there is a real risk of the Foundation Trust significantly breaching its licence or constitution and the Council's concerns cannot be satisfactorily resolved.

Once there is a risk that this may be the case, and the likely issue is one of board leadership, the Regulator will often wish to have direct contact with the Foundation Trust's Council of Governors, but at speed and through one established point of contact, namely, the Foundation Trust's nominated Lead Governor. A full description of the role of the nominated Lead Governor as stated in the NHS Foundation Trust Code of Governance is shown in Attachment A below.

However, Lead Governors can have an understanding of the role of the Council beyond its statutory responsibilities and at SHSC there is a commitment to agreeing broader local arrangements for the role that support the work of the Council. This will allow for the appointment of a Lead Governor and a Deputy Lead Governor.

In addition to this, the Lead Governor, supported by the Deputy Lead Governor, will also:

- Be a member of the nominations committee (Appointments and Remuneration Committee) that oversees the arrangements for appointing (and removing if necessary) the Chair and other Non-Executive Directors, and considers the remuneration, allowances and other terms and conditions of office of Non-Executive Directors.
- Support and facilitate opportunities for governors to communicate and share feedback in-between formal meetings;
- Present the Annual Governor's Report to Members at the Annual Members Meeting. The Director of Corporate Governance and the Corporate Assurance Manager will provide support to the Lead Governor and Deputy Lead Governor

DEPUTY LEAD GOVERNOR ROLE DESCRIPTION

The role of Deputy Lead Governor is not a statutory role under the NHS Foundation Trust Code of Governance.

Primary Role

The primary purpose of the Deputy Lead Governor is to provide the Foundation Trust with a point of contact for the Council of Governors should the Lead Governor be unavailable for a period of time or have a conflict of interest. In addition, the Deputy Lead Governor will support the Lead Governor in all aspects of their role.

Specifically the Deputy Lead Governor will:

- Support the Lead Governor in their liaison role across individual governors, to ensure views and feedback are considered by the Chair and the wider Council as appropriate.
- Undertake specific tasks on behalf of the Council as agreed with the Chair and Lead Governor.

The Director of Corporate Governance and the Corporate Assurance Manager will provide support to the Lead Governor and Deputy Lead Governor.