

This template may be used by Foundation trusts and NHS trusts to record the self-certifications that must be made under their NHS Provider Licence.
You do not need to return your completed template to NHS Improvement unless it is requested for audit purposes.

Self-Certification Template - Condition FT4

Liverpool University Hospitals NHS Foundation Trust



Foundation Trusts and NHS trusts are required to make the following self-certifications to NHS Improvement:

Corporate Governance Statement - in accordance with Foundation Trust condition 4 (Foundations Trusts and NHS trusts)
Certification on training of Governors - in accordance with s151(5) of the Health and Social Care Act (Foundation Trusts only)

These self-certifications are set out in this template.

How to use this template

- 1) Save this file to your Local Network or Computer.
- 2) Enter responses and information into the yellow data-entry cells as appropriate.
- 3) Once the data has been entered, add signatures to the document.

Corporate Governance Statement (FTs and NHS trusts)

The Board are required to respond "Confirmed" or "Not confirmed" to the following statements, setting out any risks and mitigating actions planned for each one

Corporate Governance Statement	Response	Risks and Mitigating actions
1 The Board is satisfied that the Licensee applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the NHS.	Not confirmed	<p>Risk (1) The effectiveness of the revised corporate governance structure introduced by the Board in January 2022 has not been reviewed or evaluated following sufficient embedding of new governance and leadership structures to enable the Trust to confidently confirm that it consistently applied the principles of good corporate governance</p> <p>Mitigation (1) An evaluation of the effectiveness of the new structure commenced by the Trust's Internal Auditors (Mersey Internal Audit Agency) in Spring 2022. Any resultant recommendations will be actioned, and progress and effectiveness monitored by the Audit Committee. The Trust will supplement the work of Internal Auditors by commissioning a formal external Well Led Review during 2022/23</p> <p>Risk (2) Ward to Board governance flows are sufficient robust or embedded.</p> <p>Mitigation (2) The Board keeps the corporate governance systems under constant review via a series of mechanisms. Systems and controls assurances are obtained from the Audit Committee via the audit programme. Governor flows will be central to the formal external</p>
2 The Board has regard to such guidance on good corporate governance as may be issued by NHS Improvement from time to time	Confirmed	<p>Risk (1) Ability to demonstrate compliance with Well Led framework requirements for external review of governance arrangements.</p> <p>Mitigation (1) Plan for formal external Well Led review to take place during 2022/23.</p>
3 The Board is satisfied that the Licensee has established and implements: (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.	Confirmed	<p>Risk (1) The Trust's Board and Committee arrangements fail to keep up to date with external and internal requirements leading to a loss of effective oversight.</p> <p>Mitigation (1) Terms of Reference and Annual Work Schedules are in place for each Committee and Executive Assurance Groups providing clarity of accountabilities and responsibilities. The chairs of the Board Committees provide monthly reports to the Board of Directors on the key issues, areas of concern and items requiring formal escalation.</p> <p>The chairs of the Executive Assurance Groups provide monthly reports to the Executive Assurance & Risk Committee (reporting into the Board of Directors) on key issues, areas of concern and items requiring formal escalation.</p> <p>Non-Executive Directors attend Council of Governors meetings and provide updates on key issues considered by the assurance committees and concerns they have formally escalated to the Board.</p> <p>Risk (2) The Corporate Governance Manual currently implemented within the Trust may not be sufficiently robust and/or not reflect current arrangements.</p> <p>Mitigation (2) Review of Corporate Governance Manual to be conducted during 2022/23 and updated to reflect the current meeting structure.</p>
4 The Board is satisfied that the Licensee has established and effectively implements 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, 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 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.	Confirmed	<p>Risk (1) Lack of capacity to meet future regulatory compliance requirements which ensures the adaption of systems, processes and reporting within the Trust</p> <p>Mitigation (1) The Corporate Governance Team, in conjunction with relevant colleagues, undertake horizon scanning and monitor early warning systems in areas which present a risk to the Trust's compliance of the provider licence. Any such issues are escalated to the Trust Board, Board Committees, Executive Assurance Groups, Executive Directors and Council of Governors immediately. This includes details of any corrective action.</p>
5 The Board is satisfied that the systems and/or processes referred to in paragraph 4 (above) 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 including but not restricted to systems and/or processes for escalating and resolving quality issues including escalating them to the Board where appropriate.	Confirmed	<p>Risk (1) The Board of Directors become detached from the experiences of patients and front-line staff through not receiving patient and staff stories at the Board</p> <p>Mitigation (1) Continuation of patient and staff stories to the Board of Directors agenda.</p> <p>Mitigation (2) The Non-Executive Director and Governor Engagement Programme (visiting programme) has been reintroduced. Visits take place on a monthly basis across different wards and services and provide the opportunity for Non-Executive Directors and Governors to speak with staff and patients about their experiences.</p> <p>Mitigation (3) The Integrated Performance Report (IPR) includes metrics on Quality & Safety which enable the Board to have timely and up to date information.</p>
6 The Board is satisfied that there are systems to ensure that the Licensee has in place personnel on the Board, reporting to the Board and within the rest of the organisation who are sufficient in number and appropriately qualified to ensure compliance with the conditions of its NHS provider licence.	Not confirmed	<p>Risk (1) Appraisals for the Executive Director team (with the exception of the Chief Executive) appraisals have not been undertaken during 2021/22 due to staff changes that have occurred during the reporting period.</p> <p>Mitigation (1) Arrangements are in place for the Chief Executive to undertake an appraisal with each Executive Director by October 2022</p> <p>Risk (2) The on-going monitoring arrangements to ensure all Board members comply with the Fit & Proper Person requirements are not sufficiently robust.</p> <p>Mitigation (2) Audit of board members files to be undertaken against the Fit & Proper Person requirements on an annual basis with the outcome reported to the Audit Committee and Board of Directors. The audit should take place on an annual basis.</p>

Signed on behalf of the Board of directors, and, in the case of Foundation Trusts, having regard to the views of the governors

Signature 
Name Sue Mason

Signature 
Name James Sumner

Further explanatory information should be provided below where the Board has been unable to confirm declarations under FT4.

The Board is satisfied that the Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the NHS.

The review of the Trust's governance arrangements undertaken by NHSEI in 2021 and the subsequent Well Led inspection by CQC in July 2021 identified a range of issues/concerns in relation to these arrangements. During the reporting year, an Interim Chief Executive was appointed commencing in September 2021 together with appointments to the Interim Chief Nurse and Interim Medical Director positions. Following the CQC inspection, an improvement plan was developed which included changes to the Trust's governance and operational leadership arrangements. These were considered by the Board in December 2021 and formally approved with effect from January 2022. Whilst these arrangements have been introduced to address previously identified areas of concern, the effectiveness has yet to be reviewed, following sufficient embedding of new governance and leadership structures, to enable the Trust to confidently confirm that it consistently applied the principles of good corporate governance. An evaluation of the effectiveness of the new structure commenced by the Trust's Internal Auditors (Mersey Internal Audit Agency) in Spring 2022. Any resultant recommendations will be actioned, and progress and effectiveness monitored by the Audit Committee. The Trust will supplement the work of Internal Auditors by commissioning a formal external Well Led Review during 2022/23.

The Board is satisfied that the systems and/or processes referred should include but not be restricted to systems and/or processes to ensure that there is sufficient capability at Board level to provide effective organisational leadership on the quality of care provided. With regard to sections 5 & 6 of condition FT4(b), as part of the review of the Fit & Proper Persons requirements which was undertaken on behalf of the Associate Director of Corporate Affairs/Company Secretary and the Interim Chief People Officer, evidence was provided that all board members meet the requirements of the Fit and Proper Person Test with the exception of annual appraisal/performance reviews for Executive Directors. The details of the review were presented to the Board of Directors in May 2022. Whilst a performance review was undertaken for the Interim Chief Executive in 2021/22, no appraisals information was identified as being completed during the 12-month period in question for other members of the Executive Director team. This is a likely reflection of the staff changes which have occurred during the period and arrangements are being put in place for these to be undertaken by the end of October 2022 with the substantive Chief Executive. Assurance is provided that appraisals have been undertaken for the Chair and all Non-Executive Directors, and that full compliance was evidenced including in terms of the test of independence.

Recruitment has been completed for the substantive Executive Director positions with the new Chief Executive commencing in May 2022. The Medical Director will commence in June 2022 and Chief Nurse in July 2022.

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