

## APPENDIX A - PROVIDER LICENCE COMPLIANCE

The Provider has taken all precautions necessary to comply with the licence, NHS Acts and the NHS Constitution (Condition G6 (3))

Licence Condition		Level of Compliance	Evidence/Board Assurance	Comment where non-compliant or at risk of non-compliance and required action	Completion Date
G1	This condition requires licensees to provide Monitor/NHSI with any information they may require for licencing functions.	<b>Compliant</b>	SASH has robust data collection and validation processes and has a good track record of producing and submitting large amounts of accurate, complete and timely information to regulators and other third parties to meet specific requirements.	N/A	
G2	This condition contains an obligation for all licensees to publish such information as Monitor/NHSI may require, in a manner that is made accessible to the public.	<b>Compliant</b>	<p>SASH is committed to operating in an open and transparent manner and has robust governance arrangements to ensure that required information is made accessible to the public.</p> <p>The Board meets in public and will continue to undertake the majority of Trust business in public meetings; agendas, minutes and associated papers are published on our website.</p> <p>Our website contains a variety of information and referral point details providing advice to the public and referrers who may require further information</p>	N/A	

			<p>about services.</p> <p>Copies of the Trust's Annual Report and Accounts and Quality Account are published on the website and the Trust operates a publication scheme for Freedom of Information requests.</p>		
G3	Payment of fees to Monitor/NHSI	N/A	<p>The Health &amp; Social Care Act 2012 ("The Act") gives Monitor/NHSI the ability to charge fees and this condition obliges licence holders to pay fees to NHSI if requested.</p> <p>No decision has yet been made by NHSI to charge fees. However, the obligation to pay fees is a condition and will be accounted for within the Trust's financial planning.</p> <p>SASH pays fees to other parties such as the Care Quality Commission and the NHS Litigation Authority.</p>	N/A	
G4	Fit and proper persons as Governors and Directors (also applicable to those performing equivalent or similar functions)	Compliant	<p>All employment contracts contain a clause concerning possible termination in the event of gross misconduct. The Trust disciplinary policy defines misconduct.</p> <p>The Trust operates a rolling programme of Disclosure &amp; Barring Service (DBS) checks for front line staff and for staff with access to sensitive information. The Board of Directors are subject to DBS checks on appointment and every 3 years thereafter.</p>	N/A	

			<p>The Board of Directors sign a Code of Conduct that identifies expected standards of behaviour which includes clear references to the new FPP regulation.</p> <p>The constitution contains relevant clauses for governors and directors about eligibility, disqualification and removal.</p> <p>Governors sign a code of conduct on appointment and are subject to DBS checks on election/appointment and every 3 years thereafter. This requirement is formalised in the Draft Trust constitution.</p> <p>Non-Executive (via NHSi) and Executive Directors are required to sign an annual declaration that they remain a FPP.</p>		
G5	Having regard to Monitor/NHSI Guidance	<b>Compliant</b>	<p>This condition requires licensees to have regard to any guidance that NHSI issues.</p> <p>The Trust has had regard to NHSI guidance through submission of required annual and quarterly declarations, self-certifications and exception reporting as set out in the Single Oversight Framework and previous Compliance Frameworks.</p> <p>The Board has had regard to the Code of</p>	N/A	

			Governance and has complied with all other guidance documents and requirements.		
G6	Systems for compliance with licence conditions and related obligations	<b>Compliant</b>	<p>This requires providers to take all reasonable precautions against the risk of failure to comply with the licence and other important requirements.</p> <p>SASH has an approved Risk Management Policy and a clear approach to identifying, managing, escalating and mitigating risk.</p> <p>The Executive Committee for Quality &amp; Risk monitors risks across the organisation.</p> <p>The Trust has a robust Board Assurance Framework which is reviewed on a monthly basis by the Board.</p> <p>Internal and External Audit reports on regulatory compliance.</p>	N/A	
G7	Registration with the Care Quality Commission	<b>Compliant</b>	<p>This licence condition requires providers to be registered with the Care Quality Commission and to notify NHSI if registration is cancelled.</p> <p>The Trust has full registration of all services with the CQC.</p>	N/A	
G8	Patient eligibility and selection criteria	<b>Compliant</b>	<p>This condition requires licence holders to set transparent eligibility and selection criteria for patients and to apply these in a transparent manner.</p>	N/A	

			<p>The Trust publishes descriptions of the services it provides and who the services are for on the Trust website.</p> <p>Eligibility is defined through commissioners' contracts. Assurance is gained through the assessment stages to ensure that the appropriate services are provided.</p>		
G9	Application of Section 5 (Continuity of Services)	<b>Compliant</b>	<p>This condition applies to all licensees. It sets out the conditions under which a service will be designated as a Commissioner Requested Service.</p> <p>Licensees are required to notify NHSI at least 28 days prior to the expiry of a contractual obligation if no renewal or extension has been agreed.</p> <p>Licensees are required to continue to provide the service on expiry of the contract until NHSI issues a direction to continue service provision for a specified period or is advised otherwise. Services shall cease to be Commissioner Requested Services (CRS) if:</p> <ul style="list-style-type: none"> <li>• commissioners agree in writing that there is no longer a service need and the regulator has issued a determination in writing that the service is no longer a CRS;</li> <li>• three years have elapsed since the 1 April 2013 or one year has elapsed since the commencement of the license, whichever is the latter; or</li> <li>• the contract to provide a service has expired and the direction notice issued by</li> </ul>	N/A	

			<p>NHSI specifying a further period of provision has expired.</p> <p>Licencees are required under this Condition, to notify NHSI of any changes in the description and quantity of services which they are under contractual or legal obligation to provide. Similar to the previous Mandatory Services, Commissioner Requested Services continue to be set within the contracts agreed with commissioners.</p> <p>The Trust has strong working relationships with its commissioning partners within the local health economy.</p> <p>The Board has a director responsible for leading on contract negotiations.</p> <p>The Trust has a strong track record of delivering service transformation, efficiency, productivity and quality improvement to meet the needs of the local population.</p>		
<b>SECTION 2 - PRICING</b>					
P1	Recording of information	<b>Compliant</b>	<p>Under this condition, NHSI may oblige licensees to record information, particularly information about their costs, in line with guidance to be published by Monitor/NHSI.</p> <p>The Trust records all of its information about costs in line with current guidance and will comply fully</p>	N/A	

			with any new guidance.		
P2	Provision of information	<b>Compliant</b>	<p>Having recorded the information in line with Pricing condition 1 above, licensees can then be required to submit this information to NHSI.</p> <p>The Trust will comply fully with any new requirements to submit information to NHSI.</p>	N/A	
P3	Assurance report on submissions to Monitor /NHSI	<b>Compliant</b>	<p>When collecting information for price setting, it will be important that the submitted information is accurate. This condition allows NHSI to oblige licensees to submit an assurance report confirming that the information that they have provided is accurate.</p> <p>The price of Trust services is described in our Acute Care Contracts with commissioners, set according to Contract rules and agreed with them. Local arrangements (provider to provider contracts/agreements) are similarly set and agreed in formal documents. The Audit &amp; Assurance Committee receives and monitors all Internal Audit reports including specific reports on pricing.</p>	N/A	
P4	Compliance with the National Tariff	<b>Compliant</b>	The Health and Social Care Act 2012 requires commissioners to pay providers a price which complies with, or is determined in accordance with, the National Tariff for NHS health care services. This licence condition imposes a similar obligation on licensees, i.e. the obligation to charge for NHS health care services in line with the National Tariff.	N/A	

			<p>The Trust will follow national guidance which is consistent with the NHS payment system, with a value based commissioning contract where variable payments are related to outcomes or activities.</p> <p>Such contracts are in place with all commissioners and operated according to the process laid down in those contracts. The Finance &amp; Workforce Committee receives reporting on Contracts and the Audit and Assurance Committee receives internal and external audit reports in relation to these Contracts.</p>		
P5	Constructive engagement concerning local tariff modifications	<b>Compliant</b>	<p>The Act allows for local modifications to prices. This licence condition requires licence holders to engage constructively with commissioners, and to try to reach agreement locally, before applying to NHSI for a modification.</p> <p>The Trust will follow national guidance which is consistent with the NHS payment system, with a value based commissioning contract where variable payments are related to outcomes or activities. Any such arrangements are included within the Acute care Contract as specified – no application to NHSi was made in 2016/17 or in setting eth 2017/18 Contracts.</p>	N/A	

CHOICE & COMPETITION					
CI	The Right of patients to make choices	<b>Compliant</b>	<p>This condition protects patients' rights to choose between providers by obliging providers to make information available and act in a fair way where patients have a choice of provider. This condition applies wherever patients have a choice under the NHS Constitution, or where a choice has been conferred locally by commissioners.</p> <p>The Trust complies fully with all guidance in relation to patient choice.</p>	N/A	
C2	Competition oversight	<b>Compliant</b>	<p>This condition prevents providers from entering into or maintaining agreements that have the object or effect of preventing, restricting or distorting competition to the extent that it is against the interests of health care users. It also prohibits licensees from engaging in other conduct that has the effect of preventing, restricting or distorting competition to the extent that it is against the interests of health care users.</p> <p>All licensed provider organisations will be treated as 'undertakings' under the terms of the Competition Act 1998. This means that all licensed providers will be deemed to be organisations engaging in an 'economic activity'</p>	N/A	

			for which the provisions of the Competition Act will apply. Licensed providers therefore need to comply with the Competition Act. The Trust Board and Executive Committee has access to expert advice to ensure compliance with this condition.		
<b>INTEGRATED CARE</b>					
IC1	Provision of integrated care	<b>Compliant</b>	<p>The licensee shall not do anything that could reasonably be regarded as detrimental to enabling integrated care.</p> <p>SASH is an active participant and leader in the local health and social care economy across the STP and is working in partnership with commissioners to take forward models of integrated care.</p> <p>The Trust has a strong track record of working on integrated care pathways with other health and social care providers.</p>	N/A	
<b>CONTINUITY OF SERVICES</b>					
CoS1	Continuing provision of Commissioner Requested Services	<b>Compliant</b>	<p>This condition prevents licensees from ceasing to provide Commissioner Requested Services, or from changing the way in which they provides Commissioner Requested Services, without the agreement of relevant commissioners.</p> <p>The Trust has strong working relationships with its commissioning partners within the local health</p>	N/A	

			<p>economy.</p> <p>The Board has a director responsible for leading on contract negotiations.</p> <p>The Trust has a strong track record of delivering service transformation, efficiency, productivity and quality improvement to meet the needs of the local population.</p>		
CoS2	Restriction on the disposal of assets	<b>Compliant</b>	<p>This licence condition ensures that licensees keep an up to date register of relevant assets used in the provision of Commissioner Requested Services. It also creates a requirement for licensees to obtain NHSI's consent before disposing of these assets when Monitor is concerned about the ability of the licensee to carry on as a going concern.</p> <p>The Finance Department maintains a capital asset register for all depreciable assets valued at over £5,000 on purchase, or group assets valued individually over £1,000, and when grouped together functionally, valued at more than £5,000.</p> <p>The Finance Department maintains an asset register and the Contracts Department a register of contracts.</p>	N/A	
CoS3	Standards of Corporate Governance and Financial	<b>Compliant</b>	<p>This condition requires licensees to have due regard to adequate standards of corporate governance and financial management.</p> <p>The single Oversight Framework will be utilised by</p>	N/A	

	Management		<p>NHSI to determine compliance</p> <p>The Trust has a corporate Governance manual containing a suite of governance documents including:</p> <ul style="list-style-type: none"> <li>• An overarching corporate governance framework;</li> <li>• Standing Orders</li> <li>• Standing Financial Instructions; and</li> <li>• Reservation of Powers to the Board and Delegation of Powers.</li> </ul> <p>Governance and Financial reports to Board meetings and Board sub-committees confirming details of the Trust's governance and financial management and information which supports the Governance and Continuity of Services declarations.</p>		
CoS4	Undertaking from the ultimate controller	N/A	<p>This condition requires licensees to put in place a legally enforceable agreement with their 'ultimate controller' to stop ultimate controllers from taking any action that would cause licensees to breach the license conditions. This is best described as a 'parent/subsidiary company' arrangement. <b>If no such controlling arrangements exist then this condition would not apply.</b></p> <p>Should a controlling arrangement come into being, the ultimate controller will be required to put in place arrangements to protect the assets and services within 7 days.</p> <p>Directors and Trustees of Charities are not regarded by NHSI as 'Ultimate Controllers'.</p>	N/A	

			<b>This licence condition would not apply as the Trust is not an authorised NHS Foundation Trust.</b>		
CoS5	Risk Pool Levy	N/A	<p>This licence condition obliges licensees to contribute, if required, towards the funding of the 'risk pool' – this is like an assurance mechanism to pay for vital services if a provider fails.</p> <p>The regulatory Risk Pool Levy has not come into effect to date.</p> <p>The Trust currently contributes to the NHS Litigation Authority risk pool for clinical negligence, property expenses and public liability schemes.</p>	N/A	
CoS6	Cooperation in the event of financial stress	<b>Compliant</b>	<p>This licence condition applies when a licensee fails a test of sound finances, and obliges the licensee to cooperate with NHSI and any of its appointed persons in these circumstances in order to protect services for patients.</p> <p>In 2016/17 the Trust did not fail any such tests – should it do so it will cooperate with NHSi. The Trust reports its financial position according to regular reporting and is held to account by NHSi through monthly integrated delivery meetings.</p> <p>The Trust has a track record of co-operating with external bodies and regulators.</p>	N/A	

CoS7	Availability of Resources	<b>Compliant</b>	<p>This licence condition requires licensees to act in a way that secures access to the resources needed to operate Commissioner Requested Services.</p> <p>As with the provision of Mandatory Services, the Trust has well established services in place and currently provides all of the Commissioner Requested Services to a high standard.</p> <p>The Trust has forward plans and agreements in place with commissioners that meet this condition, including a 2 year Contract for 2017 -2019.</p>	N/A	
<b>NHS FOUNDATION TRUST CONDITIONS</b>					
FT1	Information to update the register of NHS Foundation Trusts.	N/A	This licence condition ensures that NHS Foundation trusts provide required documentation to Monitor/NHSI	N/A	
FT2	Payment to NHSI in respect of registration and related costs.	N/A	If Monitor/NHSI moves to funding by collecting fees, we may need this licence condition to charge additional fees to NHS Foundation Trusts to recover the costs of registration. Monitor/NHSI would consult stakeholders before introducing such a fee.	N/A	
FT3	Provision of information to advisory panel.	N/A	The Act gives Monitor/NHSI the ability to establish an advisory panel that will consider questions brought be governors. It is Monitor's/NHSI current intention to establish this panel. This licence condition requires NHS Foundation Trusts to provide the information requested by an advisory panel.	N/A	

FT4	NHS Foundation Trust Governance arrangements.	<b>Though not an NHS Foundation Trust SASH is Compliant</b>	<p>This condition will enable NHSI to continue oversight of governance of NHS Foundation Trusts and NHS Trusts. In summary, licensees are required to:</p> <ul style="list-style-type: none"> <li>• have systems and processes and standards of good corporate governance;</li> <li>• have regard for the guidance published by NHSI;</li> <li>• have effective Board Committee Structures</li> <li>• have clear accountabilities and reporting lines throughout the organisation and maintain appropriate capacity and capability of the Board;</li> <li>• comply with healthcare standards;</li> <li>• have effective financial management, control and decision making; and</li> <li>• maintain accurate information</li> </ul> <p>The Board undertakes regular reviews of:</p> <ul style="list-style-type: none"> <li>• Board effectiveness;</li> <li>• Strategic objectives and risks to delivery through the Board Assurance Framework, Strategic Risk Register and Annual Plan</li> <li>• Board committee and assurance framework; their terms of reference and performance against these; and</li> <li>• Standing Financial Instructions and Reservation of Powers to the Board and Delegation of Powers.</li> <li>• Rules of Procedure</li> </ul>	N/A	
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			<p>Other forms of assurance include;</p> <ul style="list-style-type: none"> <li>• Good CQC review of Well Led Domain in 2014</li> <li>• Internal Well-led framework review</li> <li>• Managerial and professional lines of accountability and clinical leadership;</li> <li>• Annual Governance Statement;</li> <li>• Audit and Assurance Committee scrutiny;</li> <li>• Internal Controls Framework</li> <li>• Internal and External Audit reports;</li> <li>• Integrated Performance reports received by the Board each month</li> <li>• Annual appraisals and development plans;</li> <li>• Performance Management Framework;</li> <li>• Annual Report and Quality Account;</li> <li>• Monthly reports to the Board from NED sub-committee Chairs</li> <li>• Divisional quality scorecards &amp; dashboards</li> <li>• Specialty “Deep Dives”</li> <li>• Strategies and policies kept under regular review.</li> </ul>		
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