

Board of Directors (Public)
Item 15**board
report**

Subject: Quarter 3 Monitor submission
Date of meeting: 27th January 2015
Prepared by: David Jago, Chief Financial Officer
Presented by: David Jago, Chief Financial Officer

Data Quality Rating	BAF Ref	Level of Assurance (Full / Incomplete/ Concerned / Immediate Action)
Silver	4,7	Full

1. Introduction

Under its licence conditions the Trust is required to prepare and submit a quarterly return to Monitor detailing its financial and governance risk ratings.

Monitor requires that the quarter 3 submission be made on or before 31st January 2015.

For this return the Trust forecasts the following ratings:

Governance Rating of: **Green**

Continuity of Service Risk Rating:

Debt Service Cover Rating 4

Liquidity Rating 3

Overall Rating 4

2. Recommendation

Under the Risk Assessment Framework the continuity of services risk rating reflects monitors view of the risk facing a provider of key NHS services. There are four rating categories ranging from 1, which represents the most serious risk, to 4 representing the least risk.

The Continuity of Service risk rating at quarter 3 is a level 4 above the planned level 3 driven by an improved liquidity metric.

The governance rating has three categories. Where there are no grounds for concern at a Trust, Monitor will assign a green rating. Where a concern has been identified but no action taken, Monitor will provide a written description stating the issue at hand and the action they are considering. Where Monitor have begun enforcement action, a red rating will be assigned.

The governance rating is in line with plan at quarter 3 and is Green.

The purpose of the paper is to ask the Board of Directors to approve the quarter 3 governance statement based on performance to 31st January 2015 and known movements as at the time of writing.

It is recommended that the Board confirms:-

- For finance that 'The Board anticipates that the trust will continue to maintain a Continuity of Service risk rating of at least 3 over the next 12 months'.
- For governance that 'The Board are satisfied that plans in place are sufficient to ensure: on-going compliance with all existing targets (after the application of thresholds) as set out in Appendix A of the Risk Assessment Framework; and a commitment to comply with all known targets going forwards'.
- Otherwise that 'The Board confirms that there are no matters arising in the quarter requiring an exception report to Monitor (per the Risk Assessment Framework page 21 Diagram 6) which have not already been reported.
- For capital that the trust's capital expenditure for the remainder of the year will not materially differ from the reforecast plan

Worksheet "Governance Statement"

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In Year Governance Statement from the Board of Liverpool Heart and Chest Hospital

The board are required to respond "Confirmed" or "Not confirmed" to the following statements (see notes below)

For finance, that:

Board Response

4 The board anticipates that the trust will continue to maintain a Continuity of Service risk rating of at least 3 over the next 12 months.

For governance, that:

11 The board is satisfied that plans in place are sufficient to ensure: ongoing compliance with all existing targets (after the application of thresholds) as set out in Appendix A of the Risk Assessment Framework; and a commitment to comply with all known targets going forwards.

Otherwise:

The board confirms that there are no matters arising in the quarter requiring an exception report to Monitor (per the Risk Assessment Framework page 22, Diagram 6) which have not already been reported.

Consolidated subsidiaries:

Number of subsidiaries included in the finances of this return. This template should not include the results of your NHS charitable funds.

Signed on behalf of the board of directors

Signature

Sign Here.

Signature

Sign Here.

Name

Name

Capacity [job title here]

Capacity [job title here]

Date

Date

4

Notes: Monitor will accept either 1) electronic signatures pasted into this worksheet or 2) hand written signatures on a paper printout of this declaration posted to Monitor to arrive by the submission deadline.

In the event than an NHS foundation trust is unable to confirm these statements it should NOT select "Confirmed" in the relevant box. It must provide a response (using the section below) explaining the reasons for the absence of a full certification and the action it proposes to take to address it.

This may include include any significant prospective risks and concerns the foundation trust has in respect of delivering quality services and effective quality governance.

Monitor may adjust the relevant risk rating if there are significant issues arising and this may increase the frequency and intensity of monitoring for the NHS foundation trust.

The board is unable to make one of more of the confirmations in the section above on this page and accordingly responds:

A

B

C

Worksheet "Capex Declaration"

[Click to go to index](#)

Capital Expenditure Declaration for Liverpool Heart and Chest Hospital

Where year-to-date capital expenditure is less than 85% or greater than 115% of levels in the latest annual plan (or any later capital expenditure reforecast) an NHS foundation trust must submit a capital expenditure reforecast for the remainder of the year. This is set out at the bottom of page 22 of the Risk Assessment Framework issued by Monitor April 2014.


If you have triggered one of these criteria (see worksheet "Capex Reforecast Trigger") then you must complete the worksheet "Capex Reforecast" and sign one and only one of the declarations below. If you have not triggered one of these criteria then please do not input into this worksheet and the worksheet "Capex Reforecast" at all.

Declaration 1

The Board anticipates that the trust's capital expenditure for the remainder of the financial year will not materially differ from the attached reforecast plan.

Signed: 

On behalf of the Board of Directors


Acting in Capacity as:  [job title here]

Declaration 2

The Board cannot make Declaration 1 and has provided relevant details on documents accompanying this return.

Signed: 

On behalf of the Board of Directors

Acting in Capacity as:  [job title here]

Note: Monitor will accept either an electronic signature or a hand written signature on this declaration