

Trust Board and Board Committee Governance

Author: Stephen Ward

Sponsor: Karamjit Singh, Chairman

Trust Board paper L

Executive Summary

Context

At its June and July 2017 Thinking Days, the Trust Board discussed how to improve its effectiveness in sessions facilitated by NHS Providers.

In the light of those discussions, this report identifies recommendations for consideration and approval by the Trust Board to give effect formally to new governance arrangements.

Questions

1. Does the Trust Board support the proposed changes in Trust Board and Board Committee governance to strengthen the Board's focus on workforce issues; ensuring accountability; and achieving outcomes?
2. Is there any further information which the Trust Board wishes to receive at this stage about the decisions taken by the Chief Executive and Executive Directors to sharpen responsibilities, roles and the systems of accountability at Executive-level to support good governance and management?
3. Does the Trust Board support the actions set out in section 4 of the report to strengthen our administrative processes and practices to help improve Board effectiveness?
4. Is the Trust Board content to receive an updated Governance Framework for consideration and approval, at its October 2017 meeting, in the light of the proposed changes identified in the report?

Conclusion

The Trust Board is asked to consider and approve the recommendations set out in the report to give effect formally to new governance arrangements.

Input Sought

- (a) approve the restructuring of the Board Committees as set out in this paper;
- (b) approve the Chairmanship and membership of, and attendance at, Board Committees as set out in this paper;

- (c) note that the Board will be asked to confirm Deputy Chairs for each of the Board Committees at its October 2017 meeting;
- (d) note that revised terms of reference and work programme for each of the restructured Board Committees will be considered in draft form by each Committee at their September meetings, and recommended to the Trust Board for formal approval at its October 2017 meeting;
- (e) note the planned changes at Executive-level to strengthen accountability and performance management arrangements as set out in section 3 of this report;
- (f) note that the Trust's monthly quality and performance report is under review by the Executive Directors and that the outcome of this review will be considered at a forthcoming Trust Board Thinking Day, ahead of an updated version being implemented;
- (g) note and support the approach set out in section 4 of this report to strengthen Trust Board and Board Committee practice, commencing September 2017;
- (h) receive a report from the Director of Corporate and Legal Affairs at its October 2017 meeting on an updated UHL Governance Framework, to take account of the changes to Trust Board and Board Committee governance set out in this paper.

For Reference

Edit as appropriate:

1. The following **objectives** were considered when preparing this report:

Safe, high quality, patient centred healthcare	[Yes]
Effective, integrated emergency care	[Yes]
Consistently meeting national access standards	[Yes]
Integrated care in partnership with others	[Yes]
Enhanced delivery in research, innovation & ed'	[Yes]
A caring, professional, engaged workforce	[Yes]
Clinically sustainable services with excellent facilities	[Yes]
Financially sustainable NHS organisation	[Yes]
Enabled by excellent IM&T	[Yes]

2. This matter relates to the following **governance** initiatives:

a. Organisational Risk Register [Not applicable]

If YES please give details of risk ID, risk title and current / target risk ratings.

Datix Risk ID	Operational Risk Title(s) – add new line for each operational risk	Current Rating	Target Rating	CMG
XXXX	There is a risk ...			XX

If NO, why not? Eg. Current Risk Rating is LOW

b. Board Assurance Framework [Not applicable]

If YES please give details of risk No., risk title and current / target risk ratings.

Principal Risk	Principal Risk Title	Current Rating	Target Rating
No.	There is a risk ...		

3. Related **Patient and Public Involvement** actions taken, or to be taken: [N/A]

4. Results of any **Equality Impact Assessment**, relating to this matter: [N/A]

5. Scheduled date for the **next paper** on this topic: [TB 5.10.17]

6. Executive Summaries should not exceed **1 page**. [My paper does not comply]

7. Papers should not exceed **7 pages**. [My paper does comply]

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT TO: TRUST BOARD

DATE: 7 SEPTEMBER 2017

REPORT BY: DIRECTOR OF CORPORATE AND LEGAL AFFAIRS

SUBJECT: TRUST BOARD AND BOARD COMMITTEE GOVERNANCE

1. Introduction

- 1.1 At its June and July 2017 Thinking Days, the Trust Board discussed how to improve its effectiveness in sessions facilitated by NHS Providers.
- 1.2 In the light of those discussions, this report identifies recommendations for consideration and approval by the Trust Board to give effect formally to new governance arrangements.

2. Trust Board Committee Structure

- 2.1 In order to ensure accountability, Boards are required to establish Committees responsible for audit and remuneration, respectively. Current good practice also recommends a quality-focused Committee of the Board, and also a Committee which can provide the Board with assurance on financial matters.
- 2.2 Current arrangements reflect these provisions, but discussions at the Thinking Days identified a need to:
- (a) strengthen the Board's focus on:
- (i) workforce issues,
 - (ii) ensuring accountability,
- (b) change the emphasis of the current Quality Assurance Committee to focus on achieving outcomes.
- 2.3 Consequently, it is proposed to restructure the Committees which support the work of the Board from September 2017 to be as follows:-
- (a) Audit Committee – Chair: Richard Moore, Non-Executive Director
- (b) Charitable Funds Committee (acting on behalf of the Trust Board as Corporate Trustee) – Chair: Ballu Patel, Non-Executive Director
- (c) Finance and Investment Committee – Chair: Martin Traynor, Non-Executive Director

- (d) People and Performance Committee – Chair: Andrew Johnson, Non-Executive Director
 - (e) Quality and Outcomes Committee – Chair: Ian Crowe, Non-Executive Director
 - (f) Remuneration Committee – Chair: Karamjit Singh, Chairman.
- 2.4 In order to sharpen accountability, it is proposed that the voting membership of each Committee will now comprise Non-Executive Directors only, with specific Executive Directors in attendance at each Committee meeting. Details are set out at appendix A.
- 2.5 As now, each Committee will have the input of a Patient Partner, sitting as a non-voting, co-opted member.
- 2.6 The one exception to the general provision on membership is the Charitable Funds Committee, where the voting membership will continue to comprise a mixture of Non-Executive Directors and Executive Directors, given that this Committee has been granted decision-making powers by the Trust Board (acting as Corporate Trustee). Membership details are (also) set out at appendix A.
- 2.7 Deputy Chairs for each of the Board Committees will be identified and confirmed at the October 2017 Board meeting.
- 2.8 As now, it is intended that each Committee meeting takes place on the same day, (at present the last Thursday of the month). The sequence will be (a) Finance and Investment Committee; (b) People and Performance Committee; (c) Quality and Outcomes Committee.
- 2.9 On the assumption that the Trust Board approves their establishment today, revised terms of reference and work programmes for each Committee are in preparation. These will be considered in draft form by each Committee at their September meetings, and recommended to the Trust Board for formal approval at its October meeting.
3. Accountability and Performance Management
- 3.1 In parallel with the changes identified above, the Chief Executive and Executive Directors have recently taken decisions to sharpen responsibilities, roles and the systems of accountability at Executive-level to support good governance and management. The changes, commencing October 2017, comprise the following:
- (a) establishment of an UHL Finance Accountability and Performance Management Framework (August 2017),
 - (b) establishment of new, two hour monthly meetings involving the Chief Financial Officer, Chief Nurse, Chief Operating Officer, Medical Director and Director of Workforce and Organisational Development with each of the

Clinical Management Group (CMG) Senior Management Teams individually to look at performance in the round (financial, quality, operational, workforce, etc). Critical issues will be escalated to the ensuing Executive Performance Board. The Chief Executive will join these monthly meetings quarterly and otherwise as necessary.

- 3.2 The Executive Quality Board, Executive Strategy Board and Executive Performance Board will continue to meet monthly, and the Executive Information Management and Technology Board and Executive Workforce Board quarterly, as now.
- 3.3 Alongside these changes, the content of the monthly Trust quality and performance report is under review by Executive Directors. The outcome of this review will be considered at a forthcoming Trust Board Thinking Day, ahead of an updated version being implemented.

4. Discipline in Board/Committee Practice

- 4.1 Another theme which emerged from the recent Board effectiveness sessions facilitated by NHS Providers was the need to improve practice at meetings of the Board and Board Committees. Strengthening our general approach and administrative processes will enable the Board and its Committees to concentrate on their roles rather than getting bogged down in minutiae such as late and/or poor quality papers, unclear actions, inappropriate agenda items and unstructured debates leading to unclear outcomes.
- 4.2 The key elements of the approach to be adopted/reinforced are summarised below:
- ensure that Board papers are issued the week prior to the meeting in order that everyone has had adequate time to read through the papers and are capable of inputting into the discussions;
 - refreshing annual work plans which reflect the strategic objectives, Board Assurance Framework contents and other mandatory aspects of the role and function of the Board and Board Committees;
 - agendas shall be set with reference to the annual work plan and agendas pre-populated with items from the annual work plan allowing sufficient time for debate and iteration;
 - agendas shall reflect an appropriate balance of strategic and other items and ensure that adequate time is set aside for Board and Committee members to gain assurance over achievement of the organisation's strategic objectives and annual priorities;
 - agendas shall also ensure an appropriate balance of items for decision, for noting and for information only;

- in this digital age where the use of electronic Board and Committee papers is increasingly common it is all too easy to attach lengthy papers or externally written guidance/ reports without any summarisation or interpretation of the contents. Whilst it could be argued that it is good practice to provide Board and Committee members with the full facts, recognition should also be made of the limited time available to Board and Committee members. Executive Directors will take responsibility for producing papers that summarise the key points in sufficient detail to enable informed discussion without the addition of extraneous information;
- each agenda item/paper should be suitably précised to ensure that Board/Committee members are clear as to the context and purpose of the paper, the key issues/risks arising from the content and what is expected from the Board/Committee in terms of decisions. It is unacceptable for Executive colleagues to merely append a paper of some length and allow Board and Committee members to read it and determine for themselves what they see as the key issues/risks. This can lead to fragmented and poorly focused discussions, oblique conversations often outside of the central thrust of what is required and difficulties for the Chair in pulling together the outcome of the debate and ensuring that the Board/Committee fulfils its requirements consistent with why the paper was submitted to the Board/Committee in the first place.
- in this regard, the use of executive summaries can be an effective way of ensuring that the Board/Committee is sighted on the context, purpose and expectations of a paper. The quality of executive summaries will be policed in the short term by the Director of Corporate and Legal Affairs and Corporate and Committee Services Manager as part of the Board/Committee preparations prior to issue of the pack. This will set a clear marker of expectations and help improve and maintain quality over executive summaries until such time that this becomes embedded practice.
- other elements of good practice when writing Board/Committee papers include the need for greater use of forward look trajectories, being more action-oriented, clear assignment of responsibilities aligned with action dates and importantly greater emphasis on how future assurances over impacts/improvements as a result of actions will be reported to the Board/Committee. Again, the Director of Corporate and Legal Affairs and Corporate and Committee Services Manager will seek to ensure that reports reflect these requirements.
- we will revise the way in which written summaries of Board Committee meetings are prepared so that the direction of the Trust Board is more effectively directed to the key issues discussed; concerns identified; and level of assurance obtained.

4.3 Working with the Chairman, Committee Chairs and the Executive Team, the Director of Corporate and Legal Affairs and Corporate and Committee Services Manager will seek to strengthen our administrative processes and practices to reflect the points identified above, commencing September 2017.

5. UHL Governance Framework

5.1 The proposed changes identified in section 2, 3 and 4 of this report, if approved by the Board, will require the Trust's Governance Framework to be updated.

5.2 The Director of Corporate and Legal Affairs will co-ordinate the updating of the Governance Framework in the light of the Board's decision and a revised version will be submitted to the October 2017 Board meeting for consideration and approval.

6. Recommendation

6.1 The Trust Board is recommended to:

(a) approve the restructuring of the Board Committees as set out in this paper;

(b) approve the Chairmanship and membership of, and attendance at, Board Committees as set out in this paper;

(c) note that the Board will be asked to confirm Deputy Chairs for each of the Board Committees at its October 2017 meeting;

(d) note that revised terms of reference and work programme for each of the restructured Board Committees will be considered in draft form by each Committee at their September meetings, and recommended to the Trust Board for formal approval at its October 2017 meeting;

(e) note the planned changes at Executive-level to strengthen accountability and performance management arrangements as set out in section 3 of this report;

(f) note that the Trust's monthly quality and performance report is under review by the Executive Directors and that the outcome of this review will be considered at a forthcoming Trust Board Thinking Day, ahead of an updated version being implemented;

(g) note and support the approach set out in section 4 of this report to strengthen Trust Board and Board Committee practice, commencing September 2017;

(h) receive a report from the Director of Corporate and Legal Affairs at its October 2017 meeting on an updated UHL Governance Framework, to take account of the changes to Trust Board and Board Committee governance set out in this paper.

Stephen Ward
Director of Corporate and Legal Affairs

25th August 2017

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST**MEMBERSHIP OF BOARD COMMITTEES**

	Karamjit Singh Chairman	Philip Baker NED	Ian Crowe NED	Andrew Johnson NED	Richard Moore NED	Ballu Patel NED	Martin Traynor Deputy Chairman	John Adler Chief Executive	Andrew Furlong Medical Director	Tim Lynch Chief Operating Officer	Julie Smith Chief Nurse	Louise Tibbert Director of Workforce and Organisational Development	Paul Traynor Chief Financial Officer	Stephen Ward Director of Corporate and Legal Affairs	Mark Wightman Director of Integration, Communications and Engagement
Audit Committee			✓	✓	Chair		✓						A	A	
Charitable Funds Committee	✓		✓	✓		Chair					✓		✓	A	A
Finance and Investment Committee	Ex-officio			✓	✓		Chair	A		A			A		
People and Performance Committee	Ex-officio	✓	✓	Chair	✓	✓	✓	A	A	A	A	A	A		
Quality and Outcomes Committee	Ex-officio	✓	Chair			✓		A	A		A				
Remuneration Committee	Ex-officio	✓	✓	✓	✓	✓	✓	A				A		A	

A denotes Director is in attendance at this meeting