

Board of Directors Meeting in Public

Subject:	Review of Council of Governor observers and Council of Governor Committees	Date: 12 th November 2019		
Prepared By:	Shirley A Higginbotham Director of Corporate Affairs			
Approved By:	John MacDonald, Chair			
Presented By:	John MacDonald, Chair			
Purpose				
For the council to review and consider the role of Governor observers on board committees compared to the role of council of governor committees			Approval	
			Assurance	
			Update	
			Consider	X
Strategic Objectives				
To provide outstanding care	To promote and support health and wellbeing	To maximise the potential of our workforce	To continuously learn and improve	To achieve better value
x	x	x	x	x
Overall Level of Assurance				
	Significant	Sufficient	Limited	None
		x		
Risks/Issues				
Financial	N/A			
Patient Impact	N/A			
Staff Impact	N/A			
Services	N/A			
Reputational	N/A			
Committees/groups where this item has been presented before				
N/A				
Executive Summary				
<p>Prior to September 2018, the Council of Governors had three Committees: Governance and Strategy, Safety and Experience and Membership and Engagement. Council agreed for the first two committees to be put on hold and implement a governor observer role on each of the Board Committees.</p> <p>As the governor observer role is now established, it is considered appropriate to review the role and compare to the previous system of governor committees.</p> <p>Council are asked to review the paper and agree the outcome of the review</p>				

Review of Council of Governor Observers and Council of Governor Committees

12th November 2019

Background

The Council of Governors has two key statutory roles:

- Hold the Non-executive Directors individually and collectively to account for the performance of the Board of Directors.
- Represent the interest of the members of the trust as a whole and the interests of the public

There are a number of ways in which Governors can carry out these duties, below are the two models which have been utilised by the governors in order to support them in achieving these objectives.

Council of Governor Committees

The Council of Governors previously had three committees,

Governance and Strategy (previously performance and strategy)	Chaired by Martin Stott
Safety and Experience	Chaired by Sue Holmes
Membership and Engagement	Chaired by Sue Holmes

The committees all had Terms of Reference which were approved by the Council and membership from across public, staff and appointed governors. There were 10 governors on each committee, with six governors on more than one committee and one governor on all three committees and five governors on no committees.

Below are extracts from each of the committee agenda's:

Integrated Performance Report
Newark Strategy updates
Better Together (now ICP)
Quality and Patient Safety report
Self-medication pilot report
Patient Experience report
Membership Communications
Governor involvement, precursor to MYG
Update on Long Term Plan
Update on Strategy
Governor Development Programme
Membership Activity
Operational Plan

The committees met quarterly, in an evening and attendance was variable, Governance and Strategy 65%, Safety and Experience 48% and Membership and Engagement 35% on average.

Although it is a decision of the council of Governors whether to have Committees and working groups, the Council of Governors has no power of delegation, so although governor committees and working groups can make recommendations to and advise the full council they cannot make decisions on its behalf. This therefore can lead to duplication as reports to committee have to be presented to the full Council for decision.

Previously governor committees were attended by members of the executive team; this did provide information to those governors in attendance at the committee, however it is for the NEDs to hold the executives to account, therefore it was considered more beneficial to hold governor workshops to help with understanding the more in depth issues these are usually attended by the majority of governors, therefore ensuring access to information to enable the governor body to hold the executives to account. The subjects for the governor workshops are suggested and agreed by the governors, the draft schedule for the next workshops is:

Workshop Date	Topic
17 th December 2019	<ul style="list-style-type: none"> • Complaints process • 15 steps process
24 th March 2020	<ul style="list-style-type: none"> • Finance • ICS / ICP / PCNs
23 rd June 2020	<ul style="list-style-type: none"> • Perfect ward and Nervecentre
22 nd September 2020	TBC
15 th December 2020	TBC

Governor Observers

In September 2018 Council agreed to implement the role of governor observers, expressions of interest were sort for two governor observers on each of the board committees:

Audit and Assurance
 Quality Committee
 Finance Committee
 Charitable Funds Committee

Due to the level of interest it was agreed the Quality Committee would have three observers. The establishment of a People, OD and Culture committee has also required two governor observers. At the same time it was agreed to maintain the Membership and Engagement Group and to include all governors as members, to increase governor involvement.

The minutes of the committee meetings record the attendance of governors. Part of the criteria for becoming a governor observer is the ability to attend all of the meetings;

Governor Observers – Committee Attendance		
Committee	2018/19	2019 (post-election)
Audit and Assurance	75%	75%
Quality	33%	83%
Finance	66%	100%
Charitable Funds	100%	100%
People, OD and Culture	N/A	66%

The role of the observers as stated in the role description and on the request for expressions of interest.

Role

The overarching role is to enable the governors to seek evidence of the Non-Executive Directors holding the executive to account for the performance of the Trust. This will in turn enable the governors to hold the Non-Executive Directors to account, through reporting to the whole of the Council of Governors the outcome of the committee observed. It is imperative the observer shares their view of the committee with all Governors in order for the Council of Governors to receive assurance the Non-Executive Directors are carrying out their role effectively.

Governor observers are:

- Not members of the committees and are not expected to contribute to discussion.
- Expected to attend all committee meetings
- To feedback their views at each Council of Governors meeting following the report from the Chair of the Committee to the Council.
- To meet with the chair twice a year, as a minimum, to discuss the Committee and raise any queries or issues about the way the Committee operates and to highlight any examples of good practice which could be shared with other Committees
- Expected to provide input to the Chair to be taken into account in the annual appraisal of the Committee chairs

Well – Led

The performance of the Council of Governors is considered by the CQC as part of the well-led assessment. The Trust undertakes an external evaluation of the well-led element every three years; the last assessment was undertaken by KPMG who presented their report to the Council of Governors in November 2018, which stated:

The Trust works well on engagement with its Council of Governors (CoG), and has introduced initiatives that are considered best practice. For example, the Board has invited two members from the CoG to observe the Board sub-committees. This adds to their experience and assists in their role of holding the Non-Executive Directors individually and collectively accountable for the performance of the Board of Directors. However, this is a relatively new process and the Board needs to ensure a more a rigorous and consistent approach is taken in order for it to maximise benefits.

As a result of KPMG's recommendations the trust clarified the role for the governor observers and ensured consistency of approach with committee chairs.

1 2 1 sessions with the Chair

A schedule of 1 2 1 sessions for each of the governors to meet the chair has been implemented, part of these meetings has included a discussion with a view to understanding the views of the governors with regard to observers and committees. As these sessions haven't concluded, all governors were emailed for their views, of the 24 consulted 17 responded:

4 expressed no opinion mainly due to them being new in post

3 supported committees

9 supported the governor observer role

1 supported the governor observer role but wished for a review of the committees/observer role

The main reasons for supporting committees:

- The ability to question NED's in a formal setting
- Potential to add to triangulation of 15 steps, MYG
- Not assured of discussion at board committees if not an observer

The main reason for support governor observer role

- Engaged with the NED chair of the committee
- Observed the chair and other NEDs holding executive directors to account
- Did not like previous system as no formal report back to Council of Governors

Suggestions for improvement:

- All governor observers to feedback to CoG, some governors noted there was a variance in the quality of governor feedback
- Governor workshop with regard to triangulation of data, utilising different sources of data, e.g. 15 steps, MYG, observers, Board reports, CoG reports

Non-Executive Directors

Non-executive Directors are responsible for challenging the executive director in decision-making and on the trusts strategy, they are collectively accountable with the executive directors for the performance of the trust, however unlike executive directors they do not have a managerial role.

Non-executive directors are contracted to work 2.5 days per month, this includes preparing for meetings, attending meetings, 15 steps, external meetings, etc. therefore their time is limited and needs to be utilised effectively.

The Non-Executive directors were previously on the Council of Governors Committees Terms of Reference as attendees; however a significant number of apologies were received.

All Board committees are chaired by a non-executive director and at least two other Non-Executive directors are members of the committee, attendance is high, all the meetings take place during the day.

Reporting to Council of Governors

The Council of Governors is the statutory body and receives reports from a number of sources to provide assurance regarding the delivery of the trusts strategy.

The council of governors committee reported to the council at each meeting, usually verbally regarding the items discussed in committee, attached are extracts from the minutes of CoG to evidence the conversations.

All board committees present a written report to CoG regarding the items discussed in committee, the governor observers are then asked for their comments. Historically this has usually meant the observers agreeing with the assessment of the chair of the performance of the committee and confirming to CoG they are assured the Non-Executives hold the executives to account for delivery of the Trust strategy.

Attached is a sample of reports to CoG from Board Committees for consideration.

Recommendations:

The Council of Governors are asked to consider this report, discuss both models and agree the outcome of the review.