



MEETING TITLE Trust Board in Public		MEETING DATE 27/09/2016	
TITLE of PAPER	Review of YAS' Governance Structure at Board and Committee Level including Proposals for Development of the Unitary Board	PAPER REF	4.3
STRATEGIC OBJECTIVE		All	
PURPOSE OF THE PAPER		To present an updated review of Board committee arrangements for approval, for implementation in 2017/18.	
For Approval	<input checked="" type="checkbox"/>	For Assurance	<input type="checkbox"/>
For Decision	<input type="checkbox"/>	Discussion/Information	<input type="checkbox"/>
AUTHOR / LEAD	Steve Page, ED Quality, Governance & Performance Assurance and Anne Allen, Trust Secretary	ACCOUNTABLE DIRECTOR	Steve Page, ED Quality, Governance & Performance Assurance
DISCUSSED AT / INFORMED BY – include date(s) as appropriate (free text – i.e. please provide an audit trail of the development(s)/proposal(s) subject of this paper): This paper is informed by discussion at Private Trust Board in July, TEG in July and September and informal discussion with the Chairman and each of the Committee Chairmen (Audit, Quality and Finance & Investment Committees).			
PREVIOUSLY AGREED AT:	Committee/Group: Not Applicable	Date:	
RECOMMENDATION	It is recommended that the Trust Board: 1. Considers the options outlined, agrees the preferred option proposed and next steps for implementation; 2. Agrees a second Non-Executive Director lead for Trust 'Whistleblowing'.		
RISK ASSESSMENT		Yes	No
Corporate Risk Register and/or Board Assurance Framework amended <i>If 'Yes' – expand in Section 4. / attached paper</i>		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Resource Implications (Financial, Workforce, other - specify) <i>If 'Yes' – expand in Section 2. / attached paper</i>		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Legal implications/Regulatory requirements <i>If 'Yes' – expand in Section 2. / attached paper</i>		<input checked="" type="checkbox"/>	<input type="checkbox"/>
Equality and Diversity Implications <i>If 'Yes' – please attach to the back of this paper</i>		<input type="checkbox"/>	<input checked="" type="checkbox"/>
ASSURANCE/COMPLIANCE			
Care Quality Commission		5: Well led	
Monitor Quality Governance Framework		3: Planning and driving continuous improvement 5: Identifying and managing risks to quality of care	

1. PURPOSE/AIM

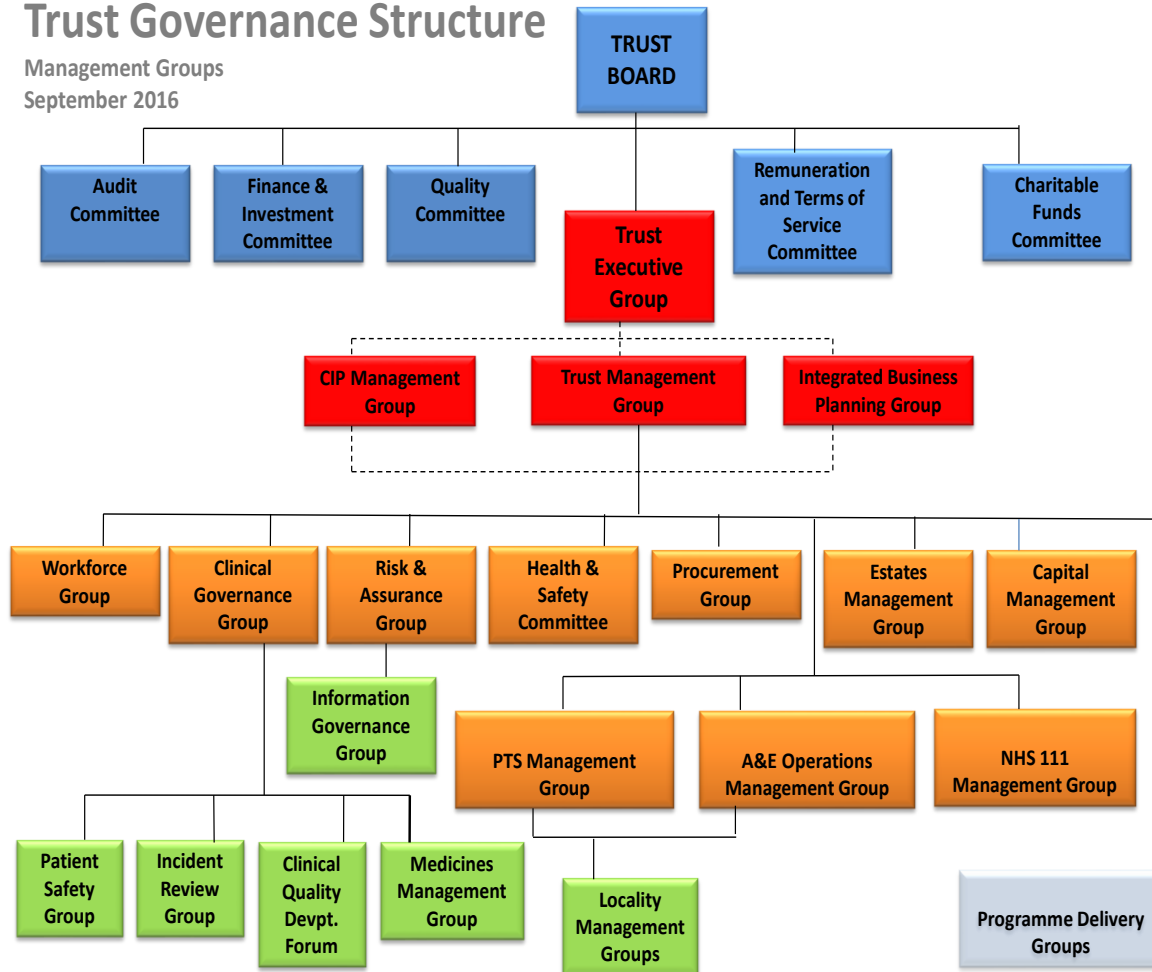
- 1.1 To present an updated review of Board committee arrangements for approval, for implementation in 2017/18.

2. BACKGROUND/CONTEXT

- 2.1 The role and responsibilities of Directors (Executive and Non-Executive) participating within a unitary board includes acting collectively to:
- a) Establish and communicate the values and behaviours underpinning organisational culture;
 - b) Determine the organisation's strategy from amongst options provided / recommended by the Executive;
 - c) Allocate resources using budgets;
 - d) Monitor performance using an integrated performance methodology/report;
 - e) Hold the Executive to account, exercising constructive challenge.
- 2.2 The Board Committees, underpinned by effective executive management arrangements should support the Trust Board in fulfilling these roles.
- 2.3 The current Committee and management group structure is set out in the diagram below. From August 2016, the Foundation Trust Development Group has been replaced by a new Integrated Business Planning Group, chaired by the Director of Business Development.
- 2.4 In addition to the meetings shown, the Trust also has 6-monthly joint meetings between the Quality Committee and Finance and Investment Committee and a series of between 4-6 Board Development Meetings.

Trust Governance Structure

Management Groups
September 2016



2.5 A Committee Effectiveness Review was conducted by the Internal Audit team during 2015/16 with reference to the national Well Led framework (*Well Led Framework for Governance Reviews: guidance for NHS Trusts, Monitor, 2014*). This identified a number of areas for potential development in relation to the Board, Committees and management groups (a high level summary in relation to the Trust Board itself is provided at **Appendix 1**).

The issues relating to Board, Committees and management groups have been considered in a number of forums and a range of specific improvement actions are in progress, including review of the implications for Committee Terms of Reference and extensive work to develop the performance management processes and function of the Trust Management Group.

2.6 Trust strategy is developing in line with the wider health and social care system development in a fluid and uncertain national, regional and local political context. This requires significant transformational change across a number of key work streams, with a significant cross-cutting emphasis on workforce, organisational development, staff and stakeholder engagement.

- 2.7 During 2015/16 the Trust also completed an extensive Executive and senior management portfolio review to ensure that its leadership arrangements are fit for purpose in meeting the developing organisational challenges. This review has resulted in a significant change to the profile of senior roles and which potentially impacts on the operation of the Board Committees.
- 2.8 In the light of the developments outlined, the Trust Board has identified a need to review the Trust's governance arrangements, including the breadth, remit, frequency and membership of Committees, as well as the relationship of the Committees to the Trust Board itself.
- 2.9 Aligned to the review of the Trust Board and Committees, a need has also been identified to review the operation of the Board Development Meetings, to remove overlaps with other Board and Committee sessions and to ensure that these are appropriately focused on strategy and the development of Board effectiveness.
- 2.10 Overall, the Trust's arrangements have been assessed both internally and by a number of external bodies over recent years and have been found to be effective. It is important to note that this paper outlines potential areas and options for further strengthening and streamlining these arrangements, building on the existing good practice.
- 2.11 Specific issues which need to be addressed through the review process include:
- Clarification of the specific roles of each of the Board Committees in relation to assurance, contribution to strategy and approvals, and re-affirmation of the distinction between the assurance roles of Committees and executive management functions.
 - Confirmation that the Committee functions provide comprehensive coverage across Trust business and fulfil the necessary regulatory requirements.
 - Review of the flow of information to ensure that it follows a logical sequence through management groups, Committees and to Board.
 - Ensuring that the escalation of key risks to delivery is effectively managed through the management groups and Committees, to the Trust Board.
 - Minimisation of duplicated work across Committees.
 - Ensuring appropriate Non-Executive and Executive representation at each Committee to make best use of the available expertise and time.
 - Refreshing the focus in Board Development Meetings on the key strategy and Board development topics.
 - Ensuring that all specific Board leadership roles required in legislation or regulation are explicitly identified.

- Review of the Terms of Reference of each Committee and of Standing Orders and Standing Financial Instructions as necessary in the light of the review.

A. BOARD AND COMMITTEE ARRANGEMENTS

3. BENCHMARKING INFORMATION AND CURRENT TRUST POSITION

- 3.1 A benchmarking exercise has been undertaken to compare YAS' governance Committee structures to those in other ambulance Trusts and a selection of other NHS Trusts. This has included a small number of Trusts with an outstanding CQC rating. The information has been drawn from responses to a direct request for information and search of Trust websites. It is not comprehensive, but gives a broad basis for comparison at a high level. The benchmark information collated is provided in **Appendix 2**.
- 3.2 The benchmark information illustrates a wide range of models in operation across different Trusts. In terms of frequency of Board meetings, this ranges from 3 times/year to monthly.
- 3.3 Committee arrangements similarly vary, with all organisations having an Audit Committee and version of Quality Committee and Finance Committee. Four of the 10 ambulance Trusts and 2 of the hospital Trusts also have a separate Workforce-related committee with a remit across different aspects of HR, OD, safe staffing, education and training. Two of the hospital Trusts have a separate Risk Committee which includes a remit across operational and support functions. There are a small number of other unique variants, which generally relate to the specific nature or circumstances of the Trust.
- 3.4 The benchmark information also illustrates a range in the high level function of their Finance Committee. Of the 20 trusts surveyed, 6 had an assurance function, 6 an assurance/approvals function, with the other 8 where the information was either unclear or unavailable (**Appendix 2** refers).
- 3.5 Frequency of Committee meetings varies, although monthly or 2-monthly are the most common. There is no obvious relationship between the frequency of Committees and Board meetings. Committee arrangements are also affected by the underlying management processes and executive groups.
- 3.6 In relation to remuneration Committees and Charitable Funds Committees, these generally meet less frequently than in YAS, typically twice a year and rarely more than 3 times/year.
- 3.7 Membership of Non-Executive Directors (NEDs) and other Directors similarly varies, although overall the pattern appears to be to have a smaller number of NEDs per Committee than at YAS. The breakdown of Executive Director attendance is more variable and beyond this there is significant variation in the level of senior management involvement in all groups.
- 3.8 There is no absolute template for the right Committee model. A decision will therefore need to be made based with reference to a number of key criteria:

- Comprehensiveness of coverage across Trust functions;
- Clarity of assurance through the elements of the system;
- Ensuring an effective and logical flow of assurance through the system;
- Relevance to the current strategic priorities and risks for the organisation;
- Practicality of delivery in terms of Non-Executive, Executive and senior management time.

3.9 The table below summarises the current coverage of Trust business across Committees and level of overlap of business between Committees:

Issue	Board Committee	Coverage	Overlaps	Comments
Clinical governance and quality	QC, AC, TB	H	M	Opportunity for greater clarity and to reduce overlap in respective roles of QC, AC and Board in relation to assurance on clinical governance and quality, including the clinical audit programme.
Integrated Governance	QC, TB	H	L	
Risk	QC, F&IC, AC, TB	H	H	Opportunity to reduce overlap in process for reviewing BAF and CRR through Board and Committees.
Health and Safety, Security	QC, AC, TB	H	L	
HR, education and training	QC, AC, TB	M	L	Opportunity to strengthen Board and Committee assurance on HR compliance issues.
Strategic workforce and OD	QC, F&IC, TB	M	H	Opportunity to strengthen and streamline Board and Committee assurance processes for strategic workforce issues.
Service transformation	QC, F&IC, Joint F&Q, TB	M	H	Potential for further refinement of assurance of transformation plans, including reduction of duplication.
A&E service	QC, F&IC, AC, TB	H	M	Potential to reduce overlaps in Board and Committee operational service line assurance
PTS service	QC, F&IC, AC, TB	H	M	Potential to reduce overlaps in Board and Committee operational service line assurance
NHS 111/UC service	QC, F&IC, AC, TB	M	M	Opportunity to strengthen Board and Committee assurance on sub-contractor performance and quality
Resilience	QC, AC, TB	H	L	
ICT	F&IC, QC, AC, TB	M	M	Potential to increase focus of Board and Committee assurance of ICT plans
Estate and fleet strategy	F&IC, QC, AC, TB	H	L	
Estate and fleet compliance, including fire safety	AC, TB	L	L	Opportunity to strengthen Board and Committee assurance on Estates and Fleet compliance.
Procurement	F&IC, AC, TB	H	L	
Strategy/ business development	F&IC, AC, TB	M	L	Potential to rationalise Board, Committee and Board development Meeting sessions to allow more focused opportunity for strategy discussion.
FT development	F&IC, TB	M	L	
Communications and engagement	QC, TB	H	M	Potential to reduce duplication and increase focus in assurance process for communications and engagement
Finance performance	F&IC, AC, TB	H	L	
Capital programme	F&IC, TB	M	L	Opportunity to increase Board assurance on in-year delivery of, and variations in the capital programme
CIP programme	F&IC, QC, Joint F&Q, AC, TB	H	H	Potential to reduce overlap in assurance process for CIP programme.
Business cases	F&IC, TB	M	M	Opportunity to improve flow of business cases through Committee and Board.

- 3.10 The table highlights a number of areas where there is scope for strengthening the Committee assurance process in relation to specific areas of business. It also highlights a number of areas where business is duplicated through the existing arrangements. It is proposed that these issues are addressed through review of the Terms of Reference and work plans of each of the Committees and groups.
- 3.11 There is an opportunity to use the joint Finance and Investment and Quality Committee meetings in a more systematic way to cover specific areas of business and to reduce existing duplication.
- 3.12 There are also a number of areas where the effectiveness of assurance processes through Committees and Board can be increased through further development of the underpinning management arrangements, including:
- General effectiveness of operational and departmental management groups;
 - Compliance oversight in relation to specific functions – e.g. Fleet, HR, new equipment procurement and introduction;
 - Strategic workforce issues, including re-establishment of a Workforce Governance Group or equivalent;
 - Programme management of transformation and improvement plans;
 - Communications and engagement strategy and plans;
 - Review and approval of new business cases;
 - Review and development of the Integrated Business Plan and annual Operating Plan through the (new) Business Development Group (refashioned from the former Foundation Trust Development Group).

4. OPTIONS FOR DEVELOPMENT

- 4.1 There are many possible variants on structural options available, but at a high level these include the following:

OPTION 1 - No Change to Current Arrangements

Benefits

This retains the positive features of the current system which has been assessed positively over recent years and fulfils all of the statutory requirements. A review of membership would still be required in light of the portfolio review and there would be a value in reviewing the processes and information flow.

Disadvantages

Overall, this option would not increase capacity or focus on workforce issues beyond the current position. It would also not address anomalies during the year in sequencing of Committee and Board business.

OPTION 2 - Add a Separate Workforce-Related But Retain Other Arrangements as at Present

Benefits

This retains the positive features of the current system which has been assessed positively over recent years and fulfils all of the statutory requirements. A review of membership would still be required in light of the portfolio review and there would be a value in reviewing the processes and information flow. A potential advantage of this option would be to increase capacity and focus for review of workforce related issues.

Disadvantages

This would separate workforce business from wider quality assurance and would add a further Committee requiring NED and Executive input. It would also not address anomalies during the year in sequencing of Committee and Board business.

OPTION 3 - Reduce the Frequency of Board Meetings to Quarterly and Increase the Frequency of Committee Meetings to Monthly, With Or Without the Creation of a Separate Workforce-Related Committee

Benefits

This would afford additional space and a timetable for more timely review of business. Assurance reports to Board could be managed in a systematic quarterly cycle from all Committees.

Disadvantages

This would increase the frequency and therefore the administrative burden in relation to Committees, although to some extent the additional administration of Committees would be offset to a degree by the less frequent Board meetings. Downsides of less frequent Boards would be potential for less visibility on key issues across the whole Board, plus a potential perception that the Trust is less open and public facing.

OPTION 4 - Reduce the Frequency of All Committees to Quarterly With Board Meetings Between 4-8 Times/Year, With Or Without the Creation of a Separate Workforce-Related Committee

Benefits

This would afford additional space and a timetable for more timely review of business at whole Board level. It would also reduce the frequency and administrative burden of the Board Committees.

In order to achieve this there would need to be a shift of focus in the Committees to risk based review of key issues to inform Board discussion or matters referred by the Board for more detailed scrutiny. Assurance reports to Board could be managed in a systematic quarterly cycle from all Committees. This would increase the whole Board visibility on key topics and support the transparency.

Disadvantages

This would increase the frequency and therefore the administrative burden in relation to the Board itself. This arrangement would potentially allow less time for internal review in Committee prior to Board discussion, although refinement of the Committee functions and agendas and support in key areas with strengthened management arrangements would create additional Committee capacity.

- 4.2 A version of **Option 4** is proposed as the preferred way forward, with the following details:

Public and Private Trust Board meetings 5 times a year, including the Annual General Meeting. Increased focus on the role of the Unitary Board as the key decision-making body.
Quarterly Finance and Investment Committee meetings, with a shift in the terms of reference, underpinned by strengthened management arrangements away from pre-Board approval of business cases, to a broader assurance role in relation to financial strategy and investment.
Quarterly Quality Committee meetings, with a remit including workforce compliance and quality issues, to ensure an integrated view of quality and workforce matters.
Quarterly Audit Committee meetings (plus annual special meeting for Accounts sign-off). Quarterly reports from Audit Committee to Board to provide explicit assurance in relation to its review of risks and controls underpinning Trust financial management.
Eight Board Development Meetings focused specifically on strategic development and Board effectiveness, including 2 sessions within the work plan each year focused on detailed consideration of service transformation and change programmes including support service strategies and CIP, strategic workforce issues and a rounded perspective of operational service lines.
Provision within the Board planner for additional Private Board meetings if required.
Twice yearly Remuneration and Terms of Service Committee meetings, with additional sessions ad hoc if required.
Twice yearly Charitable Funds Committee meetings underpinned by an overarching strategy and delegated authority to commit funds within appropriate limits against agreed criteria.
Additional scheduled time for Chairman and Non-Executive Director team outside formal meetings.

4.3 It is proposed that Finance and Investment Committee, Quality Committee, Audit Committee and Board should operate in a structured quarterly cycle, broadly as follows, to allow a streamlined flow of business:

Key:  Quarterly Committee and Board assurance cycle – flowing Quality and Finance and Investment through Audit Committee to Board.

Month	Quality Committee	Finance and Investment Committee	Joint Quality/ Finance and Investment Committee	Audit Committee	Trust Board
January					
February					
March					
April			1		1
May	1	1			
June				1 + extra-annual accounts	2 including annual accounts
July					3
August	2	2			
September				2	4 + AGM
October			2		5
November	3	3			6
December				3	
January					7
February	4	4			
March				4	8
April					
May					
June					

NB – illustrative of assurance flows – not the full annual plan. A detailed draft Board and Committee planner for 2017/18 is attached as Appendix 5.

- 4.4 Additional Trust Board meetings not used as part of the quarterly Committee assurance cycle can be Public, Private or both, and can have a refocused agenda with fewer standing items, to allow for more expansive discussion of key strategic topics.
- 4.5 Committee terms of reference should be reviewed and updated to reflect the proposed changes.
- 4.6 The standing agenda and work plans of the Board and each Committee should be reviewed in the light of any change to the Committee structure and strengthening of underpinning management arrangements, to support the more streamlined flow of information and reduction in duplication.
- 4.7 Non-Executive and Executive membership of each Committee should be reviewed under all options to ensure an appropriate mix without the arrangements being excessively burdensome. This can include review of the role of Observers and Non-Executive membership of the Audit Committee.

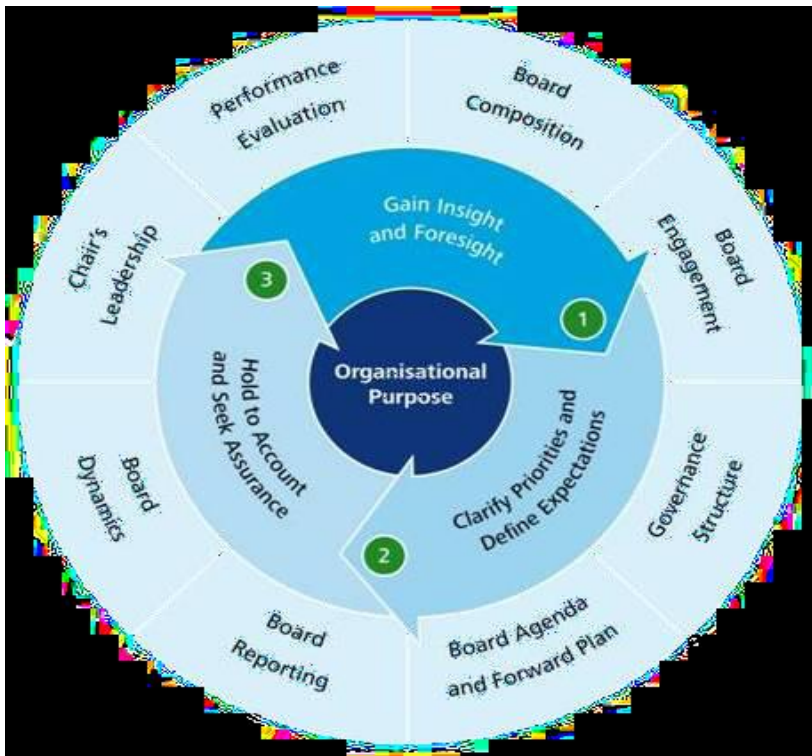
- 4.8 Standing Orders and Standing Financial Instructions should be reviewed to ensure alignment with the updated Board, Committee and management arrangements.
- 4.9 It is proposed that updated Standing Financial Instructions, Standing Orders (SFIs/SOs), terms of reference and work plans should be agreed in the November 2016 Board meeting, following further consideration in the October Board Development Meeting.

B. BOARD DEVELOPMENT PLANNING

5. BACKGROUND AND CURRENT TRUST POSITION

- 5.1 One aspect of delivering the role and responsibilities of a board is through its formal agenda/meetings (in Public and in Private). However, for the members to deliver as a unitary board, there must be effective working relationships between individuals and the collective membership, including a consensual approach to delivering the board's purpose in the most effective, open and transparent manner. Board development meetings/workshops are one way of facilitating those aims outside the formal business of the board.
- 5.2 YAS currently has a cycle of four Board Development meetings per annum. In the last two years, since the 'push' for foundation trust status was at its height these meetings have largely been overtaken as another forum for developing the business, rather than development of the Board. This paper seeks to propose redress of those shortcomings to deliver a fit-for-purpose Board Development Plan for 2016/17 and thereafter.
- 5.3 The NHS Institute for Improvement and Innovation provided a board development tool/model which will be familiar to the Board, based on good practice "known to contribute to board effectiveness". The model describes three roles core to any highly effective board:
1. gaining insight and foresight;
 2. clarifying priorities and defining expectations; and
 3. holding to account and seeking assurance.

http://www.institute.nhs.uk/building_capability/general/board_development_tool.html



This model however dates from 2010 and has largely been superseded by later guidance.

5.4 **The Good Governance Handbook**, *Good Governance Institute (GGI)*, 2015 identified a series of principles for good governance, the tenth of which was an addition to its 2012 version, recognising the importance of the collective competence of the members in effectively fulfilling their duty as a Unitary Board:

1. Entity
2. Accountability
3. Stakeholders
4. Governance and management
5. The board and constructive challenge
6. Delegation and reservation
7. Openness and transparency
8. Board supports
9. Knowing the organisation and the market
10. *Competence*

To competently deliver its purpose as a Unitary Board, the individual and collective members (Executive and Non-Executive) must have the necessary skills, knowledge, behaviours and competence supported through a structured approach to the Board Development Plan (BDP).

The GGI provides a tool to aid the development of Directors' competencies which the Board may find useful: maturity matrix to support development and improvement (**see Appendix 3**).

- 5.5 **The Well Led Framework for Governance Reviews, 2014/2015** outlined the characteristics of a well-led organisation, as defined by Care Quality Commission, Monitor and the Trust Development Authority (now NHS Improvement) which are now identical, with a common understanding of what a good organisation looks like and what it should be able to demonstrate.
- 5.6 Over recent years, YAS' Board has reviewed its own and those of its Committees' effectiveness using a variety of methodology. In 2015, based on the Monitor Well Led Framework, the Board approved a programme of Well Led Reviews (WLRs) facilitated by Internal Audit (IA) which included the Board (Public, Private and Board Development), its Committees (Audit, Quality, F&IC, Charitable Funds, RTSC), Trust Executive Group – and (for the first time) included the Trust Management Group.
- 5.7 In relation to the Board's own WLR the criteria for, and the recommendations of IA's report are attached at **Appendix 1**, and are already familiar to the Board. Each of the five key recommendations and their associated actions will be addressed through the Governance Review outlined above.
- 5.8 Notwithstanding the WLR did not make any specific recommendation with respect to Board Development (**see Appendix 1: Key Recommendations**) there are a number of pertinent learning points highlighted in the WLR report and in previous reports of a similar nature (*italicised*) including:

a) Well Led Effectiveness Review - General Comments:

- Inclusive approach with good reference to members of the public and staff;
- Some NEDs have highlighted that the lack of overt challenge in some forums, including the Board, may be due to questions and debate having taken place elsewhere as all NEDs appear to be involved in most committee meetings in a full or observing capacity. This may mean that NEDs are more informed and able to levy more incisive and informed challenges. It could also lead to 'dampening' the challenge process if NEDs become 'embedded' in the issues;
- Update and background material presented in reports could detract from the real focus of the Board with this information better provided in a separate forum/communication – i.e. Board development;
- The overall scheduling of Committee business (including charitable funds) requires appropriate sequencing.

b) Relevant Recommendations from Previous Reviews:

- Earlier engagement with staff, using the engagement strategy to develop greater engagement and different ways of engaging;
- Cascading the strategy within the organisation through objectives and initiatives;

- Further development of monitoring arrangements in the design and implementation of initiatives;
 - Succession planning challenges for NEDs and EDs;
 - Significant work needed in communicating and embedding values and behaviours throughout the organisation;
 - Enhancement of Board engagement with internal and external stakeholders;
 - Opportunity to reflect on the management of partnerships, joint ventures and shared services bringing updates to the Board to support collective understanding;
 - Continued reflection on the importance of assurance v reassurance.
- 5.9 The Trust Secretary has benchmarked among networked peers in the ambulance sector and more widely in the NHS, to find only one or two submissions to Boards on the subject of their development which were largely theoretical in nature and of limited value. The majority of trusts willing to share the nature and/or content of their Board's development plan proved similarly transactional in nature to that of YAS currently and again of limited value. Many organisations surveyed appeared not to have a Board Development Plan.

6. PROPOSAL/NEXT STEPS

- 6.1 To support the Board's role and purpose and complement the leadership, assurance and approval processes of the formal Board/Committee business, an annual, thematic cycle of board development meetings/workshops is proposed (see below), the specific content of which can be flexed, as appropriate, to cater for 'hot topics' or specific areas of risk and could be led by the relevant Executive Director/Director(s) with external facilitation as required.
- 6.2 This direction of travel has been discussed with and supported by the Chairman and Chief Executive.
- 6.3 Once agreed in outline, the timeline for meetings will need to be agreed in detail to ensure full alignment with external reporting timelines as these are published. It is proposed that this is considered in the October Board Development Meeting prior to approval in the November Public Board meeting.

6.4 The proposed annual meeting cycle is set out below:

Meeting 1	Developing the Unitary Board <ul style="list-style-type: none"> • building consensus / relationships • values and behaviours • acting as a Unitary Board
Meeting 2	Strategic Development and the 5-year Integrated Business Plan <ul style="list-style-type: none"> • horizon scanning, policy and commissioning landscape • strategic service model • risk appetite (segmented by business type) • managing risk
Meeting 3	Service Transformation and Workforce <ul style="list-style-type: none"> • Detailed consideration of service transformation and change programmes including support service strategies and CIPs • Strategic workforce issues • A rounded perspective of operational service lines
Meeting 4	Organisational Development <ul style="list-style-type: none"> • vision and values (revisit) • behavioural framework / culture change • diversity & inclusion • succession planning
Meeting 5	Strategic Development <ul style="list-style-type: none"> • strategic business development • stakeholder relationship management
Meeting 6	Board Development <ul style="list-style-type: none"> • Board accountability and leadership • Key governance and compliance updates
Meeting 7	Service Transformation and Workforce <ul style="list-style-type: none"> • Detailed consideration of service transformation and change programmes including support service strategies and CIPs • Strategic workforce issues • A rounded perspective of operational service lines.
Meeting 6	Developing the Unitary Board <ul style="list-style-type: none"> • Board and Committee effectiveness review

C. DESIGNATED STATUTORY ROLES

7. CURRENT TRUST POSITION

7.1 A number of formally designated Non-Executive and Executive roles are set out in legislation and other regulatory documents. The designation of individuals fulfilling these roles has previously been agreed by the Board, but owing to changes in personnel and elements of regulation this now requires further review.

8. PROPOSAL/NEXT STEPS

8.1 The existing Trust schedule has been updated in the light of changes to relevant legislation and regulation, and to reflect the internal organisational changes. This is included as **Appendix 4**.

8.2 Following a recent NED resignation there is a current gap for a NED Designated Lead for Trust 'Whistleblowing' which the Board is asked to consider.

9. RISK ASSESSMENT

9.1 If YAS were not to have effective corporate governance structure and delivery enablers in place, Trust Board assurance of effective and timely delivery of the business plan may be compromised.

10. RECOMMENDATIONS

10.1 It is recommended that the Trust Board:

- Considers the options outlined, agrees the preferred option proposed and next steps for implementation;
- Agrees a second Non-Executive Director lead for Trust 'Whistleblowing'.

11. APPENDICES/BACKGROUND INFORMATION

APPENDIX 1	Internal Audit: Board and Committees' Effectiveness Review Summary
APPENDIX 2	Board and Committee Benchmarking – June 2016
APPENDIX 3	Good Governance Institute: NHS Director Competencies
APPENDIX 4	Statutory Lead Roles: Executive and Non-Executive – updated draft June 2016

12. REFERENCES

1. Internal Audit: Board and Committees' Effectiveness Review Summary, 2016
2. NHS Constitution, 2015
3. Well Led Framework for Governance Reviews: guidance for NHS Trusts, Monitor, 2015
4. Governance Handbook: Good Governance Institute, 2015
5. The NHS Institute for Improvement: Board Development Tool, 2010
6. NHS Audit Committee Handbook, HFMA 2015
7. Audit and Risk Assurance Committee Handbook, HM Treasury 2016

**East Coast Audit Consortium: Committee Effectiveness Review (Applying aspects of the 'Well Led' methodology),
Reported March 2016**

TRUST BOARD – PRIVATE and PUBLIC

APPENDIX 1

No	Question	Well Led Rating (see Key/end)	Key Development Areas (Items in italics for noting)
Well Led Key Lines of Enquiry (KLOES)			
1	Does the Board have a credible strategy to provide quality, sustainable services to patients and is there a robust plan to deliver?	●	
2	Is the Board sufficiently aware of potential risks to the quality, sustainability and delivery of current and future services?	●	
3	Does the Board have the skills and capability to lead the organisation?	●	<i>The anticipated outcomes from the current portfolio review are not likely to be evident for several months so it is important that the Board continues to assure itself on the capabilities, experience and capacity in the senior management team.</i>
4	Does the Board shape an open, transparent and quality-focused culture?	●	
5	Does the Board support continuous learning and development across the organisation?	●	<i>The regular review of the effectiveness of Board working relationships (including the preparation for future 'well led' assessments) should be actively programmed into Trust schedules to provide for appropriate coverage to be achieved in a co-ordinated way and which utilises existing processes, where appropriate.</i>

No	Question	Well Led Rating (see Key/end)		Key Development Areas (Items in italics for noting)
6	Are there clear roles and accountabilities in relation to Board governance (including quality governance?)	●	●	<p>Flow of information and assurances from management committees through to Committees and up to the Board to be reaffirmed. The Trust should consider the relative roles of the groups and committees underpinning the Board to ensure that the correct level of detail is being considered in the right place(s) in order to provide assurance to the Board.</p> <p>Business to be properly routed through officer processes prior to NED consideration but ensuring NEDs are involved at an early enough stage.</p>
7	Are there clearly defined, well-understood processes for escalating and resolving issues and managing performance?	●	●	<p>The Trust should clarify (through a revised performance management framework) how performance monitoring data and information is assimilated to assure the Board that all areas are covered</p> <p>Strategic objectives in the operating plan, analysed across priorities and actions would benefit from greater precision / being 'SMART'</p>
8	Does the Board actively engage patients, staff, governors and other key stakeholders on quality, operational and financial performance?	●	●	<p>Clarity is needed around how the governance arrangements of partnership bodies interact with the Board (and underpinning committees and groups) including confirmation of assurance processes.</p>
9	Is appropriate information on organisational and operational performance being analysed and challenged?	●	●	<p>The IPR 'pyramid' should be reviewed to ensure performance is being considered at appropriate levels.</p> <p>The IPR in its complete form is presented to a number of meetings and whilst this presents a compendium of data which is comprehensive, focussed IPR reporting may provide a clearer view of key performance</p> <p>IPR refinements should be identified including the use of on-demand data and qualitative measures to add further dimension (and impact) to performance data</p>

No	Question	Well Led Rating (see Key/end)		Key Development Areas <i>(Items in italics for noting)</i>
				The current approach to performance reporting (for the Board to pick up exceptions and challenge those 'offered up' by the Exec Directors) should be reviewed to ensure appropriate focus and concentration on all key areas
10	Is the Board assured of the robustness of information?	●	●	Need for clarity (and challenge) of assurance v reassurance Negative exception reporting (i.e. 'no new issues to report') requires fuller explanation and challenge

Well Led Scoring Criteria

Risk Rating		Definition	Evidence
Green		Meets or exceeds expectations	Many elements of good practice and no major omissions
Green	Amber	Partially meets expectations, but confident in management's capacity to deliver green performance within a reasonable timeframe	Some elements of good practice, some minor omissions and robust action plans to address perceived gaps with proven track record of delivery
Amber	Red	Partially meets expectations, but with some concerns on capacity to deliver within a reasonable timeframe	Some elements of good practice, has no major omissions. Action plans to address perceived gaps are in early stage of development with limited evidence of track record of delivery
Red		Does not meet expectations	Major omission in governance identified. Significant volume of action plans required with concerns regarding management's capacity to deliver

Well Led Effectiveness Reviews - Key Recommendations (actioned through YAS' Governance Review)

- The specific areas for development arising from this review should be pursued by each committee/group, as appropriate.
- The Trust should undertake a review of all underpinning management and sub groups to confirm their relative roles and reporting lines and to ensure that the correct scope of coverage and level of detail is being considered in the right place(s) to provide assurance to the Board.
- The Performance Management Strategy should be reviewed to affirm performance reporting across the Trust and underpinning groups and to clarify the reporting and accountability arrangements for the IPR in particular. This should involve a review of the IPR 'pyramid' to ensure performance is being adequately considered at appropriate levels.
- The regular review of the effectiveness of Board and committee/group working relationships (including the preparation for future 'Well Led' assessments (page 7 refers)) should be actively programmed into Trust schedules to provide for appropriate coverage to be achieved in a co-ordinated way and which utilises existing processes, where appropriate. The Trust should confirm it is appropriately sighted on its review landscape to effectively co-ordinate the delivery of associated action plans.
- Report authors and committees would benefit from clarification on the delivery and receipt of assurance reporting (differentiated from reassurance) and to ensure that reports are properly and fully constructed with clear purpose and appropriate pathway. A Quality Assurance process of committee papers would assist in embedding expectations.

Board and Committee Benchmarking – June 2016

APPENDIX 2

Trust	Board	Audit	Finance	Quality	Workforce	Risk	Other
Ambulance Trusts							
Key: Finance (Committee) – Assurance/Approval indicates the committee's main purpose							
YAS	2 monthly	2 monthly All NEDs 2 EDs	5x year – plus 2 joint meetings with QC 5 NEDs 3 EDs Assurance/Approval	5x year – plus 2 joint meetings with F&IC 4 NEDs 5 EDs	x	x	x
SWAS FT	2 monthly	2 monthly	2 monthly Assurance	2 monthly	x	x	x
SECAMB	9 times/ year	Min 3 times/ year 3 NEDs 2 EDs	Quarterly plus telecons 3 NEDs 2 EDs Assurance	2 monthly Risk Management and Clinical Governance Committee 3 NEDS 4 EDs	Quarterly plus telecons 2 NEDS, 4 EDs	x	x
EMAS	2 monthly	5 times/year 3 NEDs	Monthly Finance and Performance 2 NEDs 6 EDs Assurance	Monthly Quality and Governance 3 NEDs 4 EDs	Monthly 2 NEDs 4 EDs	x	Ad hoc working groups Better Care Transformation Board
LAS	2 monthly	Monthly?	2 monthly Assurance/Approval	2 monthly Quality Governance Committee	?frequency Workforce and OD	x	Monthly Quality Improvement Programme Board
WMAS FT	2 monthly		Workforce sub-group Not available	Quality Governance Clinical governance sub-groups	x	x	x

Trust	Board	Audit	Finance	Quality	Workforce	Risk	Other
Ambulance Trusts							
Key: Finance (Committee) – Assurance/Approval indicates the committee’s main purpose							
NEAS	10 times/ year	2 monthly 3 NEDs 3 EDs	Monthly 3 NEDs 2 EDs Assurance	2 monthly 2 NEDs 3 EDs	2 monthly 2NEDs 2 EDs	x	x
NWAS	Monthly	Audit Committee	Finance, Investment and Planning Assurance	Quality	x	x	Performance Committee
EoE	2 monthly	Audit Committee	Performance and Finance Committee Not available	Quality Governance Committee	x	x	x

Trust	Board	Audit	Finance	Quality	Workforce	Risk	Other
Other Trusts							
Key: Finance (Committee) – Assurance/Approval indicates the committee's main purpose							
York Teaching Hospitals	2 monthly		Monthly Assurance/Approval	Monthly	Monthly	Monthly	Environment and Estate
Nottingham University Hospitals	11 times/year	2 monthly Audit Committee 4 NEDs DoF and other EDs by invitation	Monthly Finance and Investment 4 NEDS 5 EDs Assurance	Monthly Quality Assurance 4 NEDs 6 EDs	x	x	As required Ethics of Clinical Practice Clinical chair, lay members and others
Leeds Teaching Hospital	7 times/year	Quarterly 3 NEDs DoF Others by invitation	10 times/ Year Finance and Performance 3 NEDs 7 EDs Assurance/Approval	Quarterly Quality Assurance 3 NEDs 4 EDs plus senior managers	x	x	x
Central Manchester FT	6 times/year	2 monthly NEDs DoF Other EDs by invitation	2 monthly Finance Scrutiny 2 NEDs 3 EDs Assurance	2 monthly Quality and Performance Scrutiny 2NEDs 3 EDs	2 monthly HR Scrutiny 2 NEDS 3 EDS	2 monthly Trust Risk Mgt CEO, EDs and other TMG, NEDs open invitation	x
Northumbria Healthcare FT	3 times/year	Audit Committee	Monthly except Aug Finance, Investment and Performance 3 NEDs 4 EDs Assurance/Approval	Monthly except Aug Safety and Quality 4 NEDs 5 EDs	Quarterly Workforce Strategic 7 times/year workforce operational 1 NED 1ED	x	Quarterly Assurance Committee 2 NEDs 3 EDs Integration Committee
Frimley Park Hospitals FT	12 times/year	Audit Committee	?	?	?	?	?

Trust	Board	Audit	Finance	Quality	Workforce	Risk	Other
Other Trusts							
Key: Finance (Committee) – Assurance/Approval indicates the committee's main purpose							
Western Sussex Hospitals FT	8 times/year	Audit Committee	?	?	?	?	?
Hull and East Yorks	10 times/year	Audit Committee	?	?	?	?	?
Sheffield Teaching Hospitals	12 times/year	Audit Committee	?	?	?	?	?
Barnsley Hospital FT	12 times/year	Audit Committee	Finance and Performance (including workforce) Not available	Quality and Governance	x	x	x
Calderdale and Huddersfield FT	12 times/year	Audit Committee	?	?	?	?	?

NHS Director Competencies:

A maturity matrix to support development and improvement



APPENDIX 3

VERSION 1.0 JUNE 2015

PROGRESS LEVELS	0	1 APPOINTABLE	2 EARLY PROGRESS	3 FT LEVEL	4 MATURITY	5 EXEMPLAR
KEY ELEMENTS	No	Meets the standard for appointment to an NHS Trust board	Demonstrates application of competencies to add value to the board	Meets the level to be part of board passing Monitor assessment	Proven success in independent director role. Appointable to an FT board	Demonstrates leadership and added value at the highest level
UNDERSTANDING THE ROLE Directors must understand their role within a corporate board and their governance and legal responsibilities.		Able to articulate governance and legal responsibilities of directors, and how governance works in an NHS organisation	Able to use constructive challenge in a way that is valued by colleagues	Able to explain BAF and provide examples without reference to documents	Can show how governance tools or concepts, such as risk appetite, have been used to improve governance in own organisation	Accepted expert on governance and involved in commentating or teaching around role of board
TECHNICAL KNOWLEDGE Anyone sitting on a board should have a sound and relevant knowledge of the law, finance, accounting and compliance as it affects their organisation and role		Knowledge and experience of appropriate legal issues. Able to read and explain a set of accounts. Able to understand data and metrics	Able to describe compliance/regulation regimes for healthcare organisations. Understands relevant healthcare legislation	Understands and can explain concepts such as EBITA, and why these are important. Knowledgeable about Monitor's governance codes and FT authorisation process	High level of relevant professional experience, e.g. commercial law, and board level experience in complex, large-scale organisation	Has led the board of complex organisation, or has had a board level leadership role in significant national/international enterprise
UNDERSTANDING THE ORGANISATION AND THE MARKET Directors working in the NHS must understand the strategy and services of their own organisation, and be knowledgeable about national policy as it affects their organisation		Can describe the various types of NHS organisation and their functions/purpose	Can comprehensively describe own organisation, local healthcare economy and principle market features. Understands main healthcare processes of organisation and funding streams	Fully conversant with IBP and is able to describe how this was constructed. Would be confident to represent organisation. Knowledgeable about significant care pathways	Significant understanding of local health and social care market, including development aspirations of main stakeholders and local political forces	A national-level expert in a main specialism of the organisation, or in relevant management discipline in healthcare
STRATEGIC THINKING The ability to focus on strategy is a key factor of working on a board.		Able to distinguish strategic from operational issues. Understands main policy strands affecting health and social care	Able to articulate local strategy and describe how it was developed. Fully conversant with policy environment	Able to describe risk environment to strategy, and relevant controls to these risks	Has contributed to reviews of strategic direction. Demonstrates insight and understanding of macro themes of the UK's healthcare development and policy and can apply this knowledge to local context	Has been intimately involved in strategic development of market, or directed national-level strategic initiatives
VOCATIONAL SKILLS Directors need to have a number of skills related to the working methods.		Able to digest and understand board papers. Experience of working in a senior team. Can understand a brief around a complex issue	Is able to Chair committee and contribute to quasi-judicial proceedings. Can make relevant challenge points around main areas of board work. Able to explain complex issues crisply. Quickly understands key points within a complex argument	Outputs from committees chaired demonstrate reason and logic, and are able to contribute as evidence of assurance for the organisation. Is able to rapidly review complex papers, such as business cases and can identify and test key points	Is able to dissect and offer commentary on complex papers, strategies and reports. Provides the board with stability and support by being able to reference back to previous decisions	Has successfully contributed to multiple boards of significant organisations over a period of at least a decade
BEHAVIOURS Directors need to have personal gravitas and work in a professional manner.		Has gravitas. Demonstrates listening skills and is able to crisply and succinctly contribute relevant points to discussion	Trusted by colleagues for personal integrity. Self-aware and politically savvy. Has natural authority. Good powers of persuasion	Able to answer detailed questions in board-to-board situation in clear, straight-forward manner. Unflappable under pressure	Has confidence to provide direct, relevant feedback to colleagues and authority/credibility in that such feedback is accepted as useful. Trusted by colleagues as a sounding board	Can withstand considerable personal and professional pressure. Imparts confidence and is considered a peer by national-level leaders
LEADERSHIP CALIBRE Directors should have strong influencing skills, good powers of judgement, insight and vision, and good listening skills.		Experience of having held a senior position	Has been able to exert influence and to persuade through reasoned argument. Discusses ideas rather than examples. Has achieved own PDP plan objectives for last year	Would be able to deputise for any other non-executive director if required	Has chaired board committee, or acted as SID, or has taken on a specific leadership assignment on behalf of Trust (e.g. partnership board membership)	Appointable as Chair of NHS Foundation Trust or similar. Has been trusted by peers outside of own organisation with a leadership role

Statutory Lead Roles – Executive and Non-Executive – updated draft June 2016

APPENDIX 4

Subject	Requirement	Executive Role	Designated person	Management lead role	Designated person
Information governance	The SIRO should be an Executive or Senior Manager on the Board who is familiar with information risks and the organisation's response to risk and has the knowledge and skills necessary to provide the required input and support to the Board and the Accountable Officer.	Senior Information Risk Owner (SIRO)	Steve Page, Executive Director of Quality, Governance and Performance Assurance	Information Governance manager Information Asset Owners	Leon Kaplan Relevant Department Heads
Information governance	Each NHS organisation is required to have a Caldicott Guardian; this was mandated for the NHS by Health Service Circular: HSC 1999/012. The mandate covers all organisations that have access to patient records, so it includes ambulance trusts and special health authorities such as NHS Direct.	Caldicott Guardian	Julian Mark, Executive Medical Director	Information Governance Manager	Leon Kaplan Relevant Department Heads
Information Governance	There should be an Information Asset Owner who is a member of the Board assigned overall responsibility for the organisation's RA. The responsibilities of an RA Manager are to assign, sponsor and register RA agents and assist Sponsors in understanding Role Based Access Control (RBAC) and Position Based Access Control (PBAC), by the development of access control positions, and in finding information about	Registration Authority Lead	Robert Toole, Executive Director of Finance	Registration Authority Manager	Ola Zahran, Associate Director of ICT

	applications they sponsor Users for.				
Subject	Requirement	Executive Role	Designated person	Management lead role	Designated person
Information Governance	Within the HSCIC Common Assurance Process the Clinical Safety Officer (CSO) is a registered Health Care Professional with suitable risk management experience. The role is to ensure both NHS safety standards are adhered to, and any clinical risks appropriately managed prior to use of an ICT solution.	Clinical Safety Officer	Dr Steven Dykes Deputy Medical Director		
Fire safety	The primary legislation for fire safety is the Regulatory Reform (fire safety) Order 2005. Responsibility for complying with the order rests with the 'responsible person'. I have provided below the definition for this role direct from the Order. The responsible person must put in place the following roles; Nominated Officer, Fire Safety Officer, Duty Officer and Fire Marshalls.	Responsible person Nominated Officer	Rod Barnes, Chief Executive Director of Estates and Facilities	Fire Safety Adviser	Glyn Brown, Fire Safety Adviser
Emergency Planning	The Health and Social Care Act 2012 places upon NHS-funded organisations the duty to have an accountable emergency officer with regard to EPRR (section 46.9). Chief executives of organisations commissioning or providing care on behalf of the NHS will designate the responsibility for EPRR as a core part of the organisation's governance and its operational delivery programme	Executive Director Non-Executive Director	Dave Macklin, Executive Director of Operations Ronnie Coutts, Non-Executive Director	Deputy Director	Ian Walton, Deputy Director of Operations

Subject	Requirement	Executive Role	Designated person	Management lead role	Designated person
Security	<p>It is the responsibility of the Chair/Chief Executive of all NHS health bodies to designate an Executive Director or Officer to the role of SMD. The SMD must be a voting member of the trust board and ensure that adequate security management provision is made in their NHS health body, as specified particularly in paragraphs 2 and 7 of the <i>Secretary of State Directions to NHS Bodies on Security Management Measures 2004 (amended 2006)</i>.</p> <p>It is the responsibility of the Chair/Chief Executive of all NHS health bodies to designate a non-Executive Director or non-officer member to promote and champion security management work. The SMD has overall responsibility for the appointment and management of a suitable individual to the role of LSMS for their NHS health body.</p>	<p>Security Management Director</p> <p>Designated Non-Executive Director for Security</p>	<p>Steve Page, Executive Director of Quality, Governance and Performance assurance</p> <p>Ronnie Coutts, Non-Executive Director</p>	Local Security Management Specialist	Helen Carter, Local Security Management Specialist
Counter Fraud	<p>It is the responsibility of the Chair/Chief Executive of all NHS health bodies to designate an Executive Director or Officer to the role of CFD. The CFD has overall responsibility for the appointment and management of a suitable individual to the role of (LCFS) for their NHS health body.</p>	Counter Fraud Director	Robert Toole, Executive Director of Finance	Local Counter Fraud Specialist	Sean Fleming, Local Counter Fraud Specialist

Subject	Requirement	Executive Role	Designated person	Management lead role	Designated person role
Health and Safety	The Management of Health and Safety at Work Regulations 1999, Regulation 7 requires every employer to appoint one or more competent persons to assist with putting measures in place to ensure legal compliance.	Responsible person Nominated Officer	Rod Barnes, Chief Executive Steve Page, Executive Director of Quality, Governance and Performance Assurance	Competent Person(s)	Shelley Taylor, Health and Safety Manager
Infection prevention and control	A Director of Infection Prevention and Control will be designated within each organisation providing NHS services.	Director of Infection Prevention and Control	Steve Page, Executive Director of Quality, Governance and Performance Assurance	Competent Person(s)	Clare Ashby, Head of Safety/ Infection Prevention and Control Nurse
Controlled drugs	Under the Department of Health legislation governing controlled drugs, all NHS trusts that are designated bodies must appoint an accountable officer to be responsible for the safe management and use of controlled drugs in their organisation.	Controlled Drugs - Accountable Officer.	Julian Mark, Executive Medical Director	Competent Person(s)	Rebecca McClaren, Trust Pharmacist
Medical staff	All doctors employed in NHS organisations must report to a designated Responsible Officer. Trusts must identify a suitably qualified RO, who will oversee the professional revalidation of doctors and any issues relating to professional conduct.	Responsible Officer	Julian Mark, Executive Medical Director		

Subject	Requirement	Executive Role	Designated person	Management lead role	Designated person
Safeguarding	A person with sufficient seniority should be identified by the Trust to champion safeguarding within the organization.	Lead Director	Steve Page, Executive Director of Quality, Governance and Performance Assurance	Competent Person(s) Mental Capacity Act lead	Head of Safeguarding – Nicola Gibson Named Professionals – Adult and Child Angela Harris Lead Nurse for Urgent Care.
Governance	The Foundation Trust Code of Governance stipulates that the board of directors should appoint one of the independent non-executive directors to be the senior independent director, in consultation with the board of governors. The senior independent director should be available to members and governors if they have concerns which contact through the normal channels of chairman, chief executive or finance director has failed to resolve or for which such contact is inappropriate.	Senior Independent Director	Erfana Mahmood, Non-Executive Director		
Whistleblowing		Non-Executive Director	To be confirmed Non-Executive Director John Nutton, Non-Executive Director		