

CAMBRIDGE UNIVERSITY HOSPITALS NHS FOUNDATION TRUST

AGENDA ITEM 16

3 April 2008

BOARD OF GOVERNORS

BOARD OF GOVERNORS EFFECTIVENESS REVIEW

Report of the Governors' Constitution Committee

1. Purpose

The purpose of this document is to inform the Board of Governors of the findings of the Board of Governors Effectiveness Review, as well as to recommend a number of actions as a result of this review.

2. Summary

In summary the Board of Governors is performing well and there is a large amount of evidence to support this view. The Board of Governors Effectiveness Review has highlighted a number of important issues which the governors and the Trust may wish to use to shape the programme of ongoing governor development activities for 2008 and beyond. There are some real opportunities for the Trust and the Board of Governors in particular to enhance its reputation as a leader in relation to the role of governors and engagement in a meaningful way. Key issues highlighted are a need to;

- raise the profile of the Board of Governors with certain stakeholder groups
- develop a set of objectives for the Board of Governors
- focus on communications within the Board of Governors
- further develop relations with directors, in particular Non-executive Directors
- ensure that the three governor / director working groups function as efficiently and productively as possible

3. Background

The Board of Governors Effectiveness Review was carried out due to the desire of the Board itself to understand its own performance to allow ongoing targeted development activities and also to comply with recommendations relating to good practice in relation to governance – particularly as recommended by Monitor – the Independent Regulator for NHS Foundation Trusts in its Code of Governance published in 2006.

The procedure for the review was agreed by the Board of Governors on 5 July 2007 following the shaping of the proposals and the recommendation of the Governors' Constitution Committee. This committee has continued to steer and shape the review to its conclusion and on 28 January 2008 met to formulate a number of proposed actions.

4. Discussion

A number of elements made up the effectiveness review;

- A questionnaire focussing on teamwork, completed by governors (attached as APPENDIX 1)
- A questionnaire focussing on perception of stakeholders distributed to 244 key stakeholders (attached as APPENDIX 2)
 - A comprehensive report on the results of the two questionnaires is attached as APPENDIX 3
- 1:1 interviews with directors and key governors to explore in more detail some of the issues relating to effectiveness

- Documentation review, tracking the progress of governors' recommendations following one focus group and one governor / director working group (attached as APPENDIX 4)
- Relating results to evidence based framework to aid understating of the effectiveness of the Board of Governors (attached as APPENDIX 5)

The detail of a number of these elements is confidential and only the Trust Secretary and the Membership Manager have access to it in order to aid construction of the final report. Emerging themes are reported however to ensure that significant points are not lost.

This report will list the salient details emerging from each section of the review.

a) *Governors' and stakeholders' questionnaire*

The results of this section of the review demonstrate that the Board of Governors broadly considers itself to be functioning well in the five key areas identified for investigation in the questionnaire (Clarity and Commitment to Team Objectives, Focus on Quality, Decision making and Communication, Support for Innovation, Perception of overall effectiveness and adherence to NHS values and principles).

The Board of Governors considers its weakest areas to be clarity and commitment to team objectives as well as focus on quality and its strongest area to be decision making and communication.

Some comments from governors highlighted the view that the Board was dominated by a small number of vocal governors.

Of the 10 groups of key stakeholders who were asked to complete the questionnaire relating to the fifth question set (perception of overall effectiveness and adherence to NHS values and principles), seven rated the Board of Governors higher than it rated itself, with three rating it lower than it rated itself. Two of the groups' (Executive Directors and members who have met governors) feedback meant that their view is that stakeholders have a good level of awareness of the existence of the Board of Governors, it has made a tangible difference to patients, public and staff, has a positive image with stakeholders and adheres to the Nolan principles and the principles of the NHS. The three groups who rated the Board of Governors lower than it rated itself were internal managerial, local authority and members who have not met governors. A number of the stakeholder questionnaires indicated that the respondent did not have enough information on which to base their answers.

b) 1:1 interviews with directors

A number of issues have emerged from the in-depth interviews with directors which are summarised here;

- In terms of views of the directors on the level of contribution governors are able to make to their areas of responsibility, feedback varied quite considerably. The governors are viewed as a valued and committed group of individuals and some directors including the Medical Director specifically mentioned that they had been impressed with the quality of questions received. The Chief Executive stated that he places a lot of value on the governors. Clear boundaries between the role of governors and that of directors are seen as vital and there is a perception of an ongoing need to highlight these boundaries. Directors recognise that they have a large role to play in this. The role of the Board of Governors as a conduit of members' and others' views is seen as extremely

useful and indeed one of the fundamental roles for the Board – especially in helping the Patient Experience agenda. Directors feel that governors are intellectual and articulate and Gerald Coteman makes specific reference to this. Some directors feel that due to the nature of their portfolios they would only *ask* for governor input and involvement in the most important issues rather than more frequently.

- In terms of tangible examples of where the Board of Governors or individual governors have made a palpable positive impact on services the Trust provides to patients, there is the view that the governors have a key role in galvanising the Trust's response to issues of concern and act as an effective mechanism for challenging senior management over key issues of importance to patients. Some directors did not have specific examples of where governors have made a tangible difference, but again governors are seen as key in shaping the Patient Experience agenda and directors have been impressed with their interest in this. It is felt that governors' participation in PEAT inspections has made a difference to the service the Trust provides and Shona Johnstone specifically mentioned their involvement in issues regarding access to the site and the smoking ban. Governors have been involved in the introduction of red trays for patients who need help eating and in the design of gowns. Directors see involving governors in small project groups as the best way of facilitating involvement in areas which make a difference to patients.
- In terms of innovations or developments in the way services are provided directors could not give examples of where changes have *only* occurred due to the involvement of governors. Again directors commented that this may be a reflection of the governors' main role being on the Patient Experience part of the agenda.
- Directors had no examples of where governors may have made a negative impact on the services the Trust provides. There were some concerns that governors may not have the information at hand to dispel myths or unjustified comments about the Trust when meeting patients and the public and that there may be a danger of some governors being seen to agree with some of these comments due to this lack of information.
- Most directors find interactions with the governors helpful or very helpful, especially in informing them what issues the members are concerned about. Some directors felt that it would be wise to ask the governors more frequently about what they want to get out of the interactions to ensure that they are helpful and most agree that the smaller less formal meetings work best.
- On the subject of working groups of the Board of Governors, there were a number of comments. Directors found attendance at the groups helpful, challenging and stimulating and saw them as the best method yet of governor / director engagement. There is some concern that the groups are too oriented towards the giving of information by directors and other staff and could be more balanced in this regard so that directors gain more information from the meetings. It was also suggested that each committee should perhaps devise objectives against which it should be judged.
- In terms of the image of the Board of Governors with external stakeholders, the directors feel that most stakeholders would either not sufficiently understand the structure of a Foundation Trust or those who did would not have enough interaction with the Board of

Governors to comment. There was some question as to how important the image of the governors was with external stakeholders – aside from being good advocates for the Trust in certain circumstances. One suggestion was to have a ‘voice of the governors’ trained by Communications to comment on specific issues if required.

- In terms of the contribution of the governors to the overall functioning of the organisation, the directors feel that the impact has been good. Governors are seen as a committed group of people. Where governors have made a difference is in making the organisation hold a mirror to itself and in bringing in the view of the ‘educated person in the street’. Directors recognise that it is difficult with such a large board to ensure all governors have the same level of understanding of all the issues and indeed it may well not be necessary for all governors to fully understand all the issues – balance is the key and this is of ongoing importance. Directors see one of the most vital roles of the governors as being able to intervene in a failing organisation – it is therefore vital to have a well-trained and informed group of people.
- In terms of the perception of the Non-executive Directors of the quality of interaction with the governors, this is seen as good quality although still not perhaps using the time of both parties to the best advantage. The NEDs feel that the sessions should be used for exchanging information – an opportunity to inform governors of what NEDs are doing and hear their views. Joint meetings to explore matters of mutual interest are seen as a useful idea.

c) 1:1 interviews with governors

A number of issues have emerged from the in-depth interviews with governors which are summarised here;

- In terms of the value that governors add to the organisation, governors felt that they add an important perspective to discussions and considerations. Governors feel they have a better understanding of their role than two to three years ago. There is the feeling that governors add democracy and credibility to the Trust’s position in a number of areas and are the ideal contacts for patients and the public.
- Some governors are concerned that it is difficult to see how the Trust uses their expertise and input. Others feel they are taken seriously but that because change is a slow process in a large organisation it may appear that nothing is being done. Board of Governors pre-meetings are seen as good but there is concern that they are under valued by many governors. There are concerns that there is not enough connectivity between the governors and in particular the Executive Directors. Concerns were raised that governors do not see enough of the Chief Executive.
- In terms of tangible examples of where the Board of Governors or individual governors have made a palpable positive impact on services the Trust provides to patients, governors cite their involvement in the redesign of patient letters, improvements in feeding and nutrition – such as new trolleys. Some governors made the point that they are involved in processes rather than making things happen themselves and that there may be a perception by some governors that they have made a difference when they have not. Some governors felt that they needed to take

more of a lead in pursuing their focus group interests. Governors also felt that some of their own number may listen to sweeping statements from members of the public and not challenge them where they are untrue or inaccurate.

- In terms of how valued governors feel their experience is by the organisation, governors feel more valued now than earlier in the Foundation Trust process. Governors feel more valued by some directors than others. Governors feel there may be a risk to using individuals' experience too much as they may become 'the governor for...'
- In terms of how useful governors find interactions with the directors, governors find the working groups very helpful and essential to their fulfilment of their role. Some governors feel that interactions could be improved by governors sitting in on Board of Directors meetings and by increasing links with Non-Executive Directors. The Board of Governors is seen as the least helpful forum by a number of governors.
- In terms of the working groups, some governors feel that the boundaries of the working groups may need clearer definition and that thought needs to be given to their purpose. Governors on the whole do find them useful but certain meetings can be 'hard work' with not much achieved.
- In terms of how professional the image of the Board of Governors is with external stakeholders, governors feel that they may be perceived as not having 'teeth' and therefore influence. Governors feel that they need to demonstrate their value and that they do have a currency in the wider world. Governors need to lead this. Stakeholder governors are highly valued and viewed as putting forward an excellent image.
- In terms of the overall contribution made by governors to the functioning of the organisation, governors hope their contributions have been helpful. Some feel they have made a real difference by discussing issues which may not have been aired anywhere else. A number of governors mentioned the fact that they do not enjoy Board of Governors meetings and that they are too long.
- In terms of the quality of the interaction with Non-executive Directors governors feel this is helpful and informative. There is a feeling that links with Non-executives could be better and perhaps more frequent but must have a defined purpose – perhaps to allow information exchange on a specific topic or meeting members together which is now happening. Governors have a large amount of respect for the Non-executives.

d) Documentation Review

The documentation review looked at the recommendations of governors following the Hygiene Focus Group held on 2 February 2005 and also the Governance and Assurance Governor / Director working Group since its inception on 20 February 2006.

The review graded the recommendations on a scale which related whether or not they had been implemented, not implemented but an explanation given, not implemented with insufficient or no explanation given and finally, already implemented at the time of recommendation.

Hygiene Focus Group

Of the 10 main recommendations of the focus group, six have been implemented, one was not implemented but an explanation was given, one was not implemented without explanation and three were already implemented at the time of recommendation

Governance and Assurance Working Group

Of the 12 main recommendations of the group at the time the review was undertaken, nine have been implemented, one was not implemented but an explanation was given and two are pending

It is difficult to judge whether developments in policy or procedure have occurred as a result of the focus group and working group, or would have occurred whether or not the recommendations were made at these fora.

e) Evidence based framework

The evidence based framework has been a useful tool in helping to place the findings of the review as evidence in the context of a framework for a Board of Governors which is functioning well. The framework uses definitions of effectiveness from a number of authoritative sources, relating to boards, and the purpose is to find evidence from this review to support the fact that the Board of Governors meets those definitions.

It shows that a number of the dimensions of an effective Board of Governors is being met through a number of means and highlights the fact that various stages of the effectiveness review have shown where there may be room for improvement in certain areas.

Following the effectiveness review, the Board of Governors does not meet every piece of criteria within every dimension, but this may be due to the fact that more work may be needed to delve deeper into specific areas of the Trust's work to completely fill in the framework. Anecdotal evidence suggests that much of the criteria is being met.

5. Conclusions

The Board of Governors is performing well, taking decisions and challenging constructively on a number of key issues of importance. Mutual respect exists between the Board of Governors and the Board of Directors although there are some areas which may need revision procedurally in order to ensure the most effective outputs from interactions. A number of themes are common in the thinking of directors and governors and therefore form an excellent basis on which to make necessary adjustments to ways of working. A number of important issues have been raised by this review which may lead to a number of actions. Draft actions have been outlined by the Governors' Constitution Committee and are attached as APPENDIX 6. There exists a real opportunity for governors and directors to continue to work together to lead the way amongst Foundation Trusts in developing methods of working which allow true, meaningful and successful engagement of the Board of Governors.

6. Recommendations

The Board of Governors is asked to note the findings of the Effectiveness Review and to amend approve the draft actions outlined in APPENDIX 6.