

AGENDA ITEM 16

APPENDIX 5

Effectiveness Framework for Board of Governors' Effectiveness Review

Definitions	Dimension	Survey feedback for each dimension	Other evidence that Board of Governors is fulfilling these dimensions
<ul style="list-style-type: none"> • Governors will oversee the activities of the hospital and bring a range of perspectives from the community we serve (2) • [They can] articulate priorities and future developments through their right to be consulted on strategic direction and to offer advice to the trust (5) • Providing ready source of community views to inform the work of the Board (5) • Providing independent scrutiny of the work of the Board and hospital (5) • Fulfil constitutional responsibilities including the appointment and deciding the level of remuneration of non-executive directors (appendix A) (1) • Ensuring views of 'grass roots' staff and patients are represented to the Board of Directors when decisions are being made (8) • Understand and carry out role 	<p>Clarity of role and commitment to Board of Governors' objectives</p>	<p>The Board of Governors rates itself with a score of 3.42 for this dimension, with a possible minimum of 1.00 and a possible maximum of 5.00. Low scale score would have been < 1.25 and high scale score would have been > 3.75. This is above the mid-point on the scale indicating no immediate cause for concern, however it is one of the dimensions where governors rate themselves as weakest.</p>	<p>Directors' 1:1 interviews as well as those of governors themselves demonstrate that the Board of Governors is performing the role of bringing the community's perspectives to the role that it performs but the review has highlighted the possible need for reinforcement of this important aspect of the role.</p> <p>Some 1:1 feedback highlights the need for governors to take on more of a leading role in contacting community groups and raising their profile and that of the Trust</p> <p>Again, 1:1 interviews highlight that governors are providing the independent scrutiny role which a number of directors find helpfully challenging.</p> <p>Governors have also fulfilled their constitutional responsibilities in terms of appointing Non-executive Directors and Auditors and deciding the level of remuneration of Non-executive Directors.</p>

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<p>as strategic advisors to the organisation (8)</p> <ul style="list-style-type: none"> • Carry out a strategic stewardship role on behalf of the community, patients and stakeholders (8) • Represent the views of staff, patients and the public at board level (8) • Use professional experience in an advisory capacity (8) • Very clear role definition / parameters with stated objectives (8) • Monitoring and auditing with subsequent reporting to the Board (8) • Dedication and commitment, giving considerable time to meet the Boards objectives (8) 			<p>Some reference has been made in the interviews of the need to ensure that the Board’s role is kept strategic and not operational</p> <p>One of the issues raised by the interviews was the ongoing need for clarity around the roles of the Board of Governors other than its statutory ones.</p>
<ul style="list-style-type: none"> • Constructive challenge by Board members of each other (6) • A culture of open dissent (7) • Dissent is an obligation – no subject is undiscussable (7) • Improve patient care and the quality of care given (8) • An effective sub-committee structure • Honesty (8) • Constructive challenge should add quality to decisions taken and policies adopted by the Board of Directors (8) • To develop an effective team (8) 	<p>Quality</p>	<p>The Board of Governors rates itself with a score of 3.37 for this dimension, with a possible minimum of 1.00 and a possible maximum of 5.00. Low scale score would have been < 1.25 and high scale score would have been > 3.75. This is above the mid-point on the scale indicating no immediate cause for concern, however it is one of the dimensions where governors rate themselves as weakest.</p>	<p>There is some concern from the interviews from amongst the governors themselves that a minority of vocal governors can sometimes dominate discussion – particularly at a full board meeting</p> <p>A number of examples of governor recommendations improving patient care have been cited in the 1:1 interviews</p> <p>A number of comments were made during the 1:1 interviews with reference to the subcommittees of the</p>

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<ul style="list-style-type: none"> • An effective Board will have efficient processes – well prepared meetings, well attended, which set clear questions and reach decisions which are relevant, and implementable (8) 			<p>Board – Nomination and Remuneration and the Constitution Committee seem to be well regarded and functioning well. Some actions may be felt appropriate with regards to the working groups.</p>
<ul style="list-style-type: none"> • A focus on strategic decision making (6) • Board members who trust each other, act cohesively and behave corporately (6) • Strong, high-functioning work groups whose members trust and challenge one another (7) • Robust, effective social system (7) • Taking active role in shaping the corporate strategy of the hospital (5) • Effective boards depend on having the right information at the right time. That information needs to be focussed on the right issues, pitched at the right level of details and presented clearly (4) • Influencing Trust decision-making <i>before</i> decisions have been taken (8) • Represent the organisation well in the community and be the conduit for effective communication (8) • Use quality information to make 	<p>Decision making and communication</p>	<p>The Board of Governors rates itself with a score of 3.55 for this dimension, with a possible minimum of 1.00 and a possible maximum of 5.00. Low scale score would have been < 1.25 and high scale score would have been > 3.75. This is above the mid-point on the scale indicating no immediate cause for concern. In addition it is the dimension of effectiveness where governors rate themselves most highly.</p>	<p>Again, there is the perceived need to maintain the Board of Governors; focus on the strategic rather than the operational</p> <p>A point made during the 1:1 interviews was that the information the Board receives must ensure that all governors are able to take action to dispel myths or inaccurate comments made by people they may meet in the course of their duties</p> <p>Relevant to the point above, the 1:1 interviews made it clear that it is important that governors take steps to address myths and inaccuracies when they hear them</p>

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<p>sound decisions (8)</p> <ul style="list-style-type: none"> Interface between Board of Directors and members, having an influence on decision-making that 'best fits' the members' needs (8) 			<p>The interviews give evidence that the governors are bringing the views of the members to the directors and that this is seen as one of their pivotal roles</p>
<ul style="list-style-type: none"> Support the evolution of the Trust into a centre of excellence by making a valuable input into future plans (8) 	<p>Support for innovation</p>	<p>The Board of Governors rates itself with a score of 3.43 for this dimension, with a possible minimum of 1.00 and a possible maximum of 5.00. Low scale score would have been < 1.25 and high scale score would have been > 3.75. Again, this is above the mid-point on the scale indicating no immediate cause for concern, indeed it is second only to decision making and communication as the area where governors feel they are most effective.</p>	<p>Feedback from 1:1s has demonstrated that governors' input is valued but that there may be some need to develop the systems for allowing governors to exert their influence</p>
<ul style="list-style-type: none"> Evaluate the Board's performance (5) The Board of Governors will represent the interests of members and of partner organisations in the governance of the NHS Foundation Trust (2) They [The Board of Governors] will ...be able to influence decisions at the highest level and ensure that the voice of staff is heard (2) A major part of the role of a governor is communicating with 	<p>Overall effectiveness, reputation and adherence to NHS values and principles</p>	<p>Governors rated themselves with a score of 3.45 for this dimension with a possible minimum of 1.00 and a possible maximum of 5.00 - low scale score would have been < 1.25 and high scale score would have been > 3.75, meaning it is the median score of the five dimensions. This was the dimension on which the views of stakeholders were sought. Their mean score was higher than the governors had given</p>	<p>The 1:1 interviews demonstrate that communicating with members is an</p>

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<p>the group of people who elected them and to represent the views of members of the constituency they represent (3)</p> <ul style="list-style-type: none"> • ...a greater sense of ownership and engagement of patients, the community and staff in the running of public services and consequently, an improvement in the quality and responsiveness of services (5) • Ensuring that the Board acts in accordance with NHS values (5) • Promoting the work of the hospital to the community and other stakeholders (5) • Handling, monitoring and promoting individual members' concerns (5) • Have good links with partner organisations or their constituencies (8) • A clear legitimacy because of a good mandate (8) • Having robust action plans for the future, identifying areas for improvement, ensuring the Trust's reputation is maintained by acting on praise and criticism (8) • Keeping NHS values at the forefront of all decisions (8) • An efficient and effective hospital (8) • A high level of satisfaction 		<p>themselves (3.62) and two of the stakeholder groups (executive directors and partner scientific companies on site) rated governors above the high scale score for this dimension. Only three stakeholder groups out of 10 consulted rated governors lower than they rated themselves.</p>	<p>area which must continue to be given high priority with governors.</p> <p>The 1:1 interviews raise the issue of governors taking more of a leading role in raising their own and the hospital's profile within the community</p> <p>The 1:1 interviews raise the question about which stakeholder groups the governors should concentrate on raising their profile with</p>
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<p>amongst patients, the local community and health workers (8)</p> <ul style="list-style-type: none"> • excellent contact and communication with the local community and local partner organisations (8) 			<p>The 1:1 interviews raise the issue of governors taking more of a leading role in raising their own and the hospital's profile within the community</p>
<ul style="list-style-type: none"> • Reference to Board of Governors' views made in meetings of Board of Directors and its committees (8) • Work closely with the Board of Directors on strategic issues, providing advice and constituents' views on the decisions facing the Board of Directors (8) • Board of Directors to appreciate legitimacy and worth of Board of Governors (8) • A well run and responsive Board of Directors, appointed and approved by the Governors (8) 	<p>Interface with the Board of Directors</p>	<p>Although not a specific dimension in its own right on the questionnaire, governors mean score for this was 3.2 with a possible minimum of 1.00 and a possible maximum of 5.00 - low scale score would have been < 1.25 and high scale score would have been > 3.75 – again above the mid-line. The mean score from stakeholders for this section was 2.92 – just under the mid-line. A number of respondents felt unable to answer this question, but some of those who did indicated that this interface could be improved.</p>	<p>In a number of 1:1 responses it was felt that whilst cordial, relations between the Boards could be improved with a view to making their meetings more purposeful with more identifiable outputs.</p> <p>1:1 feedback shows that the directors recognise the importance of enabling the Board of Governors to fulfil their roles and of ensuring that their input is useful and worthwhile to all concerned</p> <p>The documentation review shows that largely the recommendations of the governors have been taken on board by the Trust and the Board of Directors – more work is perhaps needed to ensure that adequate feedback continues to be received following events such as focus groups and a number of governors commented during the 1:1 interviews that they found directors helpful and approachable on focus group topics</p>

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- (1) Cambridge University Hospitals NHS Foundation Trust (2006) 'Constitution'
- (2) Cambridge University Hospitals NHS Foundation Trust (2003) 'Our NHS Foundation Trust Application Consultation Document'
- (3) Cambridge University Hospitals NHS Foundation Trust (2007) 'Roles and Responsibilities of the Board of Governors'
- (4) Dr Foster Research Team (2006) 'The intelligent board'
- (5) Lewis, R (2005) 'Governing Foundation Trusts, A new era for public accountability', King's Fund
- (6) NHS Confederation (2005) 'Effective boards in the NHS? A study of their behaviour and culture'
- (7) Sonnenfeld, Jeffrey A. (2002) 'What Makes Great Boards Great'
- (8) Aspirations of members of the Board of Governors and Board of Directors

Appendix A

8.14

Roles and responsibilities of Governors

Schedule 1,
paragraph
17(1)

8.14.1 The roles and responsibilities of the governors are-

(a) at a General Meeting –

(i) to appoint or remove the chairman and the other non-executive directors. The initial chairman appointed by the board of governors is to be the chairman of the applicant NHS trust if s/he wishes to be appointed. The other initial non –executive directors appointed by the board of governors are, so far as possible, to be non-executive directors (other than the chairman) of the applicant trust who wish to be

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- Schedule 1,
paragraph
18(1)
- Schedule 1,
paragraph
23(2)
- Schedule 1,
paragraph 28
- Schedule, 1,
paragraph
17(4)
- Schedule 1,
paragraphs
17(4) and
(19)(1), (5)
and (6)
- Schedule 1,
paragraph
27(3)
- Schedule 1,
paragraph 28
- appointed. The removal of a non-executive director requires the approval of three-quarters of the members of the board,
- (ii) to decide the remuneration and allowances, and the other terms and conditions of office, of the non-executive directors,
- (iii) to appoint or remove the Trust's auditor at a general meeting of the board,
- (iv) to be presented with the annual accounts, any report of the auditor on them and the annual report;
- (b) to approve (by a majority of the board of governors voting) an appointment (by the non-executive directors) of the chief executive other than the initial chief executive of the Trust appointed in pursuance of paragraph 19(6) of Schedule 1 to the 2003 Act;
- (c) to give the views of the board of governors to directors for the purposes of the preparation (by the directors) of the document containing information as to the Trust's forward planning in respect of each financial year to be given to the independent Regulator;
- (d) to consider the annual accounts, any report of the auditor on them and the annual report;
- (e) to respond as appropriate when consulted by the directors; and
- (f) to keep under review the Trust Principles and vary from time to time in accordance with the provisions of the Constitution.