Northern Health and Social Care Trust

HSC Leadership Centre
Providing Management and Organisation Development

Board Governance

Independent Verification of Northern Health & Social Care Trust Board Governance Self-Assessment

November 2022

Contents

1 Introduction

Best practice in good governance requires Arm's Length Bodies (ALB) Boards to carry out a Board effectiveness evaluation annually. This is the eleventh year that the Northern Health and Social Care Trust (NHSCT) has undertaken an annual evaluation using the Board Governance Self-Assessment Tool (BGSAT) issued for use by the Department of Health, Northern Ireland (DoH). The BGSAT is intended to help ALB's improve the effectiveness of their Board and provide the Board members with the assurance that it is conducting its business in accordance with best practice.

The DoH Guidance requires each ALB Board to have their self-assessment ratings independently verified at least every three years however, due to the Covid-19 Pandemic, this was deferred by the Trust in 2021. The Verifier is aware that other HSC Trusts have also deferred independent verification during the Pandemic. The independent assessment 'provides the Department with assurance that the tool is being completed appropriately by Boards[1].' The HSC Leadership Centre was engaged by the NHSCT (the Trust) to undertake an independent verification of their Board Governance Self-Assessment for 2022.

The Trust has RAG rated each section of the BGSAT based on the scoring criteria outlined within the Tool. In addition, the Trust has provided an explanation of their rating and/or relevant evidence. The self-assessment was discussed by the Trust's Assurance Committee and approved by Trust Board on 26 May 2022.

This Report contains the views of the Verifier on the appropriateness of the 2021/22 ratings taking into account all supporting evidence and meetings with key stakeholders.

2 Approach

The view given is based on a range of activities aimed at verifying the comments and ratings within the BGSAT. These included a review of the breadth and scope of the Self-Assessment Tool to identify particular lines of inquiry and options for gathering the required evidence for verification. This was followed by stakeholder meetings, a sampling of the evidence information and a formal Trust Board observation. The Trust Board observation conducted on 25 August 2022 enabled the Verifier to see the Board in action, providing a real time perspective on areas covered in the BGSAT.

The Verifier has in the past undertaken extensive independent reviews of the Trust's integrated governance and assurance framework arrangements; the most recent review was undertaken in 2017.

3 Findings

All self-assessed ratings have been verified. The following paragraphs note particular supporting evidence to conclude the assessment.

[1] Letter from the Permanent Secretary and HSC Chief Executive to Chairs of HSC, 18th November 2014.

3.1 Board Composition and Commitment

The Trust has provided a detailed narrative of good practice and evidence of compliance against the five criterion within this section. The Trust has reported a self-assessment of 5 green ratings.

Board Positions and Size **Rating: Green (verified)**

The self-assessment indicates that for the reporting period all Trust Board voting positions were filled, and the size of the Board is appropriate. The evidence confirmed that attendance at Trust Board and Board Committee meetings is good. The Trust's Standing Orders make it clear who on the Board is entitled to vote. This was further demonstrated during observation of the Public Trust Board meeting on 25 August 2022.

The BGSAT indicates that Non-Executive posts have been filled on a staggered basis. In respect of Good Practice Note 4, the "composition of the Board and Board committees accords with the requirements of the relevant Establishment Order or other legislation and/or the ALB's Standing Orders", some areas for improvement have been identified that are highlighted within the narrative regarding balance and calibre of Board Members below. Resolution of these matters lie outside of the control of the Trust to address and the Verifier has been advised that there have been discussions held with Department of Health, Public Appointments Unit (PAU) on a number of occasions.

Competition for Non-Executive members had been set to progress Summer/Autumn 2022. A recent email from the PAU advised Trusts that recruitment for Board members would commence with Chairs and then progress to the appointment of Non-Executive Director (NED) positions. The Verifier was also advised that realistically the appointment to NED positions would not be achievable within the financial year.

The Chairman of the Board confirmed on 2 November that recruitment for the position of Chairpersons had been further delayed and through the DoH Sponsor Branch he had been informed that this should now commence in mid-November 2022. This process would then be followed as above by the recruitment process for NEDs. These delays may affect the ability for NED appointments to be staggered within the next round of appointments, again this is not within the control of the Trust to address.

Balance and calibre of Board members **Rating: Green (verified)**

The self-assessment indicates that the Trust Board has an appropriate balance of skills, experience and knowledge. The BGSAT 2022, highlighted that the majority of voting members are male, however, gender balance is achieved when the Trust Board meets, and Directors are in attendance. The gender imbalance within the Non-Executive Directors (NEDs) is beyond the control of the Trust and the BGSAT identifies that NEDs are appointed by the Minister. The Chairman also advised that the appointment of NEDs within the geographical area was an important matter for the NHSCT Board and from the perspective of local communities and this also had been raised with PAU as it is also not within the control of the Trust to address.

One Executive Director (Nursing), at the time of the self-assessment in May 2022, was within the first 18 months of appointment to the role and a new Medical Director had also recently been appointed on 1 September 2022. The remainder of the Board are experienced Board members, and all of the NEDS have previous Board level experience. The Trust has highlighted that the Trust does not have an NED with recent financial experience and again this requires to be considered by the PAU when they recruit to posts during 2022/23.

The Chair of the Board has experience as a NED for approximately 20 years and has led the Trust for a period of 8 years. The Board observation provided evidence of Trust Board leadership, focused debate and constructive challenge across a range of performance, patient safety and financial issues (see Appendix 1).

Role of the Board **Rating: Green (verified)**

A review of Board minutes, terms of reference for Trust Board Committees and the Assurance Framework provided evidence that the roles and responsibilities of the Board are clearly defined and have been communicated to Board members. The BGSAT indicates that Standing Orders and the Scheme of Delegation were approved by Trust Board in November 2021 and the Standing Financial Instructions in March 2022.

During the observation of Trust Board at its public meeting in August 2022, there were many examples of holding to account through purposeful challenge and scrutiny by Board members. The Chair led the meeting with a focus on the issues at hand, allowing full and open discussions by the Board members throughout the public meeting.

The Trust Board agenda was a balance of patient safety, finance and performance management. In line with the Scheme of Delegation, a number of papers had already been tabled at Trust Board Sub-Committees e.g., Audit Committee, to allow for due consideration and challenge before being tabled at the public Board meeting. The timings for the Board observation on 25 August demonstrates the percentage of the meeting that was spent dealing with performance management (see Appendix 1). The Verifier can confirm that the presentation and discussion during the Performance Report included a number of aspects of quality, service user and patient safety issues.

Committees of the Board **Rating: Green (verified)**

The Trust has an approved Integrated Governance and Assurance Framework and Committee structure which was last approved on 18 June 2020 and is due for revision by 2023. The Framework and terms of reference for the Committees and Sub-Committee of Trust Board demonstrate clear lines of reporting and accountability in respect of each Committee back to the Board. The Framework defines the three lines of assurance and demonstrates how the Committee structures links with these three lines of assurance. This is an example of best practice.

The analysis of a sample of Trust Board minutes provided evidence that NEDs provide regular reports summarising key issues as well as decisions or recommendations made by the Committees.

During stakeholder meetings, one NED confirmed the importance of the Integrated Governance and Assurance Framework as a source of information on how governance works within the Trust, and believed it was particularly useful for newly appointed Board members. The self-assessment states that the Committees are required to self-assess annually when reviewing their Terms of Reference. As part of the review of the Integrated Governance and Assurance Framework for 2023 the Verifier would recommend the Trust undertake a formal evaluation of the Committees and Sub-Committees to include a review of the Terms of Reference, membership and efficacy in their role within the model of the three lines of assurance in the post pandemic phase.

The Board Impact Case Study (Section 4) provides an example of how one of the Board Committees, a more recently established Performance and Finance Committee, provided a forum for a more detailed scrutiny of performance issues than is possible in a full meeting of Trust Board

Board member commitment **Rating: Green (verified)**

From the stakeholder interviews and sample of Trust Board minutes there is evidence of good practice in this area. Levels of attendance at Board and Committee meetings are monitored. Dates for Board and Committee meetings are arranged for the full financial year in advance but may require flexibility depending on needs of the service.

Board members received a copy of the Department's Code of Conduct and Code of Accountability upon appointment as part of the induction programme and during the Board Observation, the behaviours of Board members were in line with the Code.

3.2 Board evaluation, development and learning

The Trust has provided a self-assessment rating of green in all four sections of this standard.

Effective Board level evaluation **Rating: Green (verified)**

In May 2022, the Trust undertook the formal Board Governance self-assessment. The completion of this independent verification of the BGSAT self-assessment will provide the evidence for Good Practice notes.

The self-assessment states that service user and employee experience features as a standing item on Trust Board agenda, thus providing the Board with regular feedback. The BGSAT also states that the Chair and Chief Executive, in particular, regularly seek feedback from key stakeholders, including staff as to effectiveness of Board. The Verifier can confirm that a service user story was presented at the Board meeting on 25 August 2022. This was presented by the Assistant Director from the service area with input from the mother of the young person whose journey and transition from children to adult services was the subject of the service user experience.

The Trust has a mature Board and from the Board observation and stakeholder meetings there was evidence of the quality of relationships between Board members.

Whole Board development programme **Rating: Green (verified)**

As indicated above, there is evidence of improvements in relation to governance structures and processes and the new assurance framework was approved and implemented and is due for further review during 2022/23. Board workshops continue to be held on a regular basis to improve Members understanding of key issues. The action plan for the BGSAT has indicated that a more focused programme is to be developed during 2022/23 and this will assist new Board members when they are recruited. Training needs have included board effectiveness, statutory roles and responsibilities and patient safety and quality improvement data.

The Assurance Framework provides a useful resource to help Board members understand the role of the Board, Board Committees and the role of NED and Executive Directors. During stakeholder meetings, one of the NEDs advised that the DoH IHRD HSC Board Members handbook was also a useful resource for new Board members.

Board induction, succession and contingency planning

Rating: Green (verified)

The evidence indicated that all of the Non-Executive Directors had completed CIPFA 'On Board' Training. Newly appointed NEDs spend time during their induction with Executive Director Board members. There is a comprehensive induction programme for new members, however stakeholders indicated that the programme continues to evolve when new learning needs have been identified.

The Trust provides access for directors and potential directors to regional leadership development programmes.

Board member appraisal and personal development

Rating: Green (verified)

From stakeholder evidence annual appraisals are undertaken and performance discussed at the Remuneration Committee. Development needs are discussed at individual appraisals. The process is monitored by the Director of HR/Head of Office. The self-assessment highlights good practice with professional registration (Executive Directors) and good compliance with CPD.

3.3 Board insight and foresight

The Trust has reported green ratings for all 5 sections with no red flags identified.

Board performance reporting **Rating: Green (verified):**

Committee minutes and the Board observation confirm that performance reporting is a standing agenda item at public Trust Board meetings. The performance report contains a set of quality and performance measures. From the Board observation

(and review of sample minutes), the Verifier can confirm that the agenda allowed for a focus on the performance report with queries and challenges put forward by the NEDs (see Appendix 1).

Performance reporting continues to be refined and as indicated above (see also Case Study) a Finance and Performance Committee has been established. The Chair of this Committee advised the Verifier that this Committee provided the opportunity to drill down into specific aspects of performance when required. There was a need to focus more on outcomes. He also advised that the previous HSCB (now SPPG) had produced a performance report that was useful for benchmarking against regional performance. There is currently no similar DoH/SSPG reporting arrangement in place. The Verifier was shown examples of regional benchmarking data, developed by the Trust, including cancer services which had been utilised to inform the NED scrutiny of performance.

The Assurance Framework and Risk Management Strategy provide the detail for the Trust's process for the escalation of risk and within the minutes of the Trust Board there is evidence that key risks are escalated. The Risk Management Strategy, which was approved in August 2021 also defines risk tolerance, risk appetite and principal and corporate risk registers.

Efficiency and Productivity **Rating: Green (verified)**

The self-assessment states that key strategies and policies are screened for equality and human rights. Feedback on consultation for major proposals area discussed at Trust Board Meetings.

There are monthly accountability meetings in respect of efficiency and productivity plans and the risk to non-achievement where relevant is stated.

Review of the Assurance Framework and Risk Management Strategy confirms that there is a robust system for the escalation of risks through the assurance framework when required.

Environmental and strategic focus **Rating: Green (verified)**

Board observation and review of Board minutes confirmed that the Chair and the Chief Executive provide a brief report to each Board meeting outlining important changes or issues in the external environment. From a review of the minutes, there is evidence that Board Committees review lessons learned from SAIs, complaints and claims and from external reports for example RQIA Reviews. The Board also considers reports on the discharge of Statutory Functions.

Quality of Board papers and timeliness of information

Rating: Green (verified)

NED stakeholders did not indicate any gaps in this area. The pressure for Executive Members (and other Directors) during the pandemic in relation to maintaining the provision of reports was recognised by NEDs. From the Board observation it was

evident from the debate and scrutiny by NEDs that Board members had given papers due consideration and that where reports had been delegated through the Assurance Framework more detailed scrutiny occurred at Board Committee level. Board members offered challenge across a suite of Board reports.

Board papers are provided in an electronic tablet format and all Members have access to a shared folder which contains relevant papers and supporting evidence and information. In the event of members of the public virtually attending a Trust Board meeting, then copies of papers are made available to them.

Stakeholders confirmed that there was a timetable for making papers available to Board members. The Board agenda and cover sheets/briefing notes for reports denotes what action is required, for example 'for approval' or 'for noting'. During the Trust Board Observation there was evidence that Board Members offer constructive challenge to assess quality of reports and data quality.

Assurance and risk management **Rating Green (verified)**

As above the evidence show that the Board has an approved Assurance Framework and Risk Management Strategy. There are Executive Directors for professional regulation in post. The Trust can evidence that it has evaluated assurance and risk management arrangements.

The Risk Management Strategy and organisational risk appetite have been discussed at Board Level. The Principal and Corporate Risk Registers are reviewed and updated on a quarterly basis.

3.4 Board engagement and involvement

The Trust has indicated 3 green ratings in this section of the self-assessment with no red flags being identified.

External stakeholders **Rating Green (Independently verified)**

The Trust's PPI Strategy was replaced by the Involvement Plan which integrates PCE, PPI and Co-production which was required by the Chief Nursing Officer in April 2022. The Trust has an Equality Action Plan and Disability Action Plan which were approved by the Board after consultation in August 2018 and both these plans are currently being reviewed. The Equality Scheme was last revised and approved by the Board in 2018 and the 5 year review of the Scheme is also currently underway.

Key stakeholders are considered and have been engaged in the development of business plans. Board observation provided a good example of proposed external stakeholder engagement.

Trust Board have stipulated that they approve all external consultation processes. The minutes and papers reflect that this statement is based on documentary evidence, and this was observed during the formal Trust Board meeting. Additional assurance levels are reflected within the Trust's Integrated Governance Board Committee Structure, and this was evidenced during the Board observation in August 2022.

Trust Board meetings are publicised through the website and social media as per Standing Orders.

Internal stakeholders **Rating Green (verified)**

The self-assessment provides a broad range of evidence to demonstrate the Board's commitment to engaging with internal stakeholders. The Trust uses a variety of methods including Senior Leaders briefings and E-brief, Learning Sets, 'Staff News' on the intranet, Email Broadcasts, team briefings and a leadership Conference and a regular Chief Executive briefing for staff across sites.

The Trust's Health and Safety Committee is a joint committee with staff side.

Board profile and visibility **Rating: Green (verified)**

Stakeholders identified some challenges in this area due to the pandemic. During the reporting period the Trust stated in their self-assessment that the ability of the Board to maintain their profile and high level of visibility in keeping with their previous portfolio of evidence (which would normally include a full programme of events, conferences, meetings, leadership walkrounds and site visits including meetings with MLAs and attendance at Council Meetings) had been significantly inhibited by the restrictions during the COVID-19 pandemic. Many meetings during the period had to take place virtually. The Trust have indicated that they plan to revitalise their programme of visibility post-pandemic.

The Verifier has reviewed the Trust's website and can confirm that approved papers for Trust Board meetings were readily accessible and available.

4 Board impact case studies Rating Green (verified)

The Board Governance Self-Assessment requires a Board impact case study to be considered which demonstrate the impact the Board is having on the organisation, other organisations, service users the public. The Self-Assessment Tool defines 3 options.

The case study considered by the NHSCT Board in May 2022 was in respect of breast surgery performance and the issue described was performance falling below target for the last six months of 2021/22. The Board impact case study submitted is a strong example of Board challenge and scrutiny in respect of performance in this service area, which has not yet been resolved and therefore remains a focus for the Board. There was key learning points identified which included; the importance of going beyond the 'headline' figures and the context of an issue, in order to gain a full understanding and the importance of ongoing updates on progress if an issue is not quickly or easily resolved.

5 Conclusions

Based on the Verifiers meetings with key stakeholders, the review of documentation provided to support the self-assessment and observation of the Board in action, the ratings submitted in the BGSAT are supported and that the tool had been appropriately completed.

The verification process would also concur with the BGSAT Action Plan which focuses on the composition of the Board and the appointment of a Chair and new NEDs, the responsibility for appointment of Board members resting with the Department of Health, and the Chair has confirmed that he continues to raise awareness of this matter with the DoH.

There were no material concerns identified through the verification process.

Independent Verifier: June Champion

Associate, HSC Leadership Centre

2 November 2022

Appendix 1

One Hundred and Forty Fifth Trust Board Meeting
Thursday 25th August 2022 at 10:00am
Boardroom, Trust Headquarter/via Video – Conference

Agenda

This was a hybrid model of meeting with both virtual and physical Board Room attendees. The Public Meeting commenced at 10.27 following 'Reserved Session of Trust Board@ with apologies from Chairman for the delayed starting time.

		Timings
1.	Apologies	10.27
2.	Conflicts of Interest/Declarations of Interest	10.28
3.	Chairman's Report	10.28
4.	Chief Executive's Report	10.32
5.	Account of Patient/Client Experience	10.35
6.	Minutes of meeting held on 12th June and 28th June 2018 - for approval	10.57
7.	Matters Arising	10.57
	Items for Consideration	
8.	Performance Report - to consider position as at 31st July 2022	10.58
9.	Finance Report – to consider position as at 31st July 2022	11.50
10.	Approval of Business Cases: • Installation and replacement of lifts in service users home environments • Mid Ulster Eye Centre • Main CT Replacement Causeway Hospital • Mobile CT Scanner Causeway Hospital • Mid-Ulster Health Care, Cookstown – Accommodation to Facilitate the Expansion of GMS in the Practice • Conversion from Oil to Gas, Cookstown • Interim Beds Antrim Area Hospital – Full Business Case	11.55

- Purchase of MACS Building, Dundrod – for noting

11.	Section 75 Annual Progress Report & Equality Newsletter	12.17
12.	Property Matters: Disposal of Holywell Reservoir	12.24
	Items for Noting	
13.	Annual Accounts including Annual Report	12.26
14.	Audit Committee Annual Report	12.27
15.	Capital Programme – to note position as at 31st July 2022	12.27
16.	Update on Mental Health Inpatient Service Capital Development	12.30
17.	Minutes of Committee Meetings: • Performance & Finance 28th April 2022 • Charitable Funds Committee – 19th January 2022	12.34
18.	Contract Award Report	12.35
19.	Use of Trust Seal	12.35
20.	**Any Other Business**	12.35
21.	Public Questions	12.36 No public questions
22.	Date of next meeting - to confirm that the next meeting will be held at 10.00am on **Thursday 27th October 2022.**	Meeting ends at 12.36