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**Public Board Meeting, Thursday 21 February 2008**

**Governance Rationale**

*to receive and discuss proposed new governance arrangements for the board and its sub committees and approve changes to the terms of reference for the committees*

Report by **Jan Filochowski, Chief Executive**

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**Purpose**

This paper outlines the proposed structure for how the Board will operate. It highlights the changes to the type and number of sub - committees that report to the board and describes their terms of reference.

**The Board**

**Main principles**

The Trust should have an effective board, which is collectively responsible for the success of the Trust. Executive Directors and Non Executive Directors should have the necessary skills, behaviours and expertise to contribute fully and be able to take objective decisions in the interest of the Trust. Information should be provided in a timely manner and in a format that is clear and accurate to enable it to discharge its duties.

There is a clear division of responsibility between the Chair and CEO – with no one having unfettered powers of decision. The Board comprises a balance of executive and non-executive directors and should evaluate annually its own performance and that of its committees and individual directors.

**Frequency of Meetings**

A public Board is held every month and attended by 6 Non Executive Directors and 5 voting Executive Directors. The Board secretary also attends.

The voting Executive Directors are:

Jan Filochowski, Chief Executive  
Graham Ramsay, Director of Patient Safety & Medical Director  
Nick Evans, Director of Support Partnerships  
Ken Sharp, Interim Director of Finance

Gary Etheridge, Director of Nursing

Other Directors attend as required and include:

Russell Harrison, Director of Delivery  
Sarah Childerstone, Director of Workforce  
Lindsay Macintyre, Director of Implementation  
David McNeil, Director of Corporate Affairs & Board Secretary

A short briefing meeting on relevant items not included on the agenda may precede each monthly meeting

## **Committees that report to the Board**

### Audit Committee

The Board should establish formal and transparent arrangements for considering how they should apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the Trust's auditors. Proposed Terms of Reference that reflect the requirements as outlined by Monitor<sup>1</sup> for FTs are shown in the Appendix 1.

The main changes are:

- Paragraphs 1 to 6 now state the purpose and authority of the committee, membership and attendance.
- Clerk to the Committee will normally be Senior Finance Staff
- Full responsibilities are shown at 7.1; 7.4 lists other assurance functions.

### Remuneration Committee

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. (ToR are shown in Appendix 2).

The main changes are:

- Committee clerk is recommended as the Director of HR
- Paragraphs 1 -3 detail the constitution, membership and frequency
- Paragraph 4 details clinical excellence awards for 2 grades rather than 4.
- Paragraph 5 refers to FT code of Governance.

### Charitable Funds Committee

To ensure Funds Held on Trust/Charitable Funds are managed in accordance with the Trust's Standing Financial Instruction No 29, as approved by the Trust Board. (ToR are shown in Appendix 3.)

The main changes are:

- Committee clerk will be Senior Finance Staff
- Frequency has changed from monthly to 3 times a year

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<sup>1</sup> Audit Code for NHS Foundation Trusts - Monitor

## **Committees to be developed**

### Clinical Governance

The CEO and/or Medical Director will present formal minutes from this committee to the Board. The terms of reference will allow specific direct representation to the Board when required.

### Nomination Committee

To lead the process for board appointments and make recommendations to the board. (ToR to be developed only when the Trust becomes an FT)

## **Structure of Board meetings**

The agenda for Board meetings is split between Strategic and Operational issues. In addition, agenda items are annotated with an expected outcome, for example for *noting*, *discussion* or *decision*. Items are also tabled for *information* but are not discussed unless members want to raise specific questions. There is a separate part of the agenda to allow for reports from committees that report to the Board, i.e. Audit, Remuneration and Charities.

The order of the agenda should reflect the importance of the item. Individual agenda items will be sequential numbered for the year, for example 1/08, 2/08 – 365/08. Minutes will reflect discussion and challenge and will clearly identify agreed actions.

Agenda items (and reason for submitting them) will be discussed in advance with the CEO. The Board secretary will request appropriate papers in support of the items and will establish a corporate format. A summary of what outcome is required will be recorded on a front cover sheet.

In line with the guidance outlined in the Intelligent Board<sup>2</sup>:

Strategic information for the board will be:

- Structured around a set of strategic goals
- Show trends of performance in terms of finance and business development
- Provide forecasts and anticipate future performance issues
- Encourage an external focus.

### Operational performance

- Provide an accurate and balanced picture of current and recent performance – including financial, clinical, regulatory and patient services.
- Focus on the most important measures of performance and highlight exceptions
- Enable comparison with the performance of similar organisations

All information will be:

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<sup>2</sup> The Intelligent Board Feb 2006

- Clear and simply presented
- Updated in a timely manner
- Point up significant risks, issues and exceptions
- Provide a level of detail appropriate to the board's role

The Trust Secretary will publish a yearly plan of what the board should expect to receive at the March Board.

## **Reputation Management**

Prior to each Board, the CEO and Chair, together with the Director of Corporate Affairs will review papers in advance of the Board. It is also the intention that the CEO and Chair will offer to hold a press conference the day before the board with the local media or otherwise contact them.

## **Self-Certification**

A new Monitor style self-certification system has been introduced by the SHA. We are one of a number of Trust who report monthly. The process now in place means that at the end of each month the Board needs to sign both a governance and finance declaration. The board dates have been moved (starting from March) to enable it to sign off the governance self-certification required on Targets and Finance.

## **Non Board Level Structures**

Appendix 4 gives details of committees and other governance structures that support the work of the Trust below Board level

## **Recommendation**

The Board are asked to agree to

- the proposed changes to process
- the sub-committees that now directly report to the board
- terms of reference for the sub-committees

The Board are also asked to note

- the committee structure below Board level

**Jan Filochowski**  
Chief Executive Officer

## Committee Terms of Reference

### AUDIT COMMITTEE

#### Terms of Reference

<b>Status:</b>	Sub-committee of the Trust Board
<b>Chair:</b>	Non-Executive Director
<b>Membership:</b>	Non-Executive Directors
<b>Clerk:</b>	Trust Board Secretary
<b>Frequency of Meetings:</b>	Quarterly <i>The External Auditor or Head of Internal Audit may request a meeting if they consider this to be necessary</i>
<b>Quorum:</b>	Three

#### 1. Context

- 1.1 The terms of reference of the Trust's Audit Committee reflect the requirements of the Trust's Constitution, the NHS FT Code of Governance and the Audit Committee Handbook 2005.

#### 2. Remit

- 2.1 The Committee has delegated authority from the Board of Directors and the Board of Governors to investigate any activity within its terms of reference. In undertaking such activities, the Committee will help discharge the responsibility of the Trust's Accounting Officer, who under the terms of the National Health Service Act 2006 is held responsible to Parliament, by the Public Accounts Committee, for the overall stewardship of the organisation and the use of its resources

#### 3. Membership

- 3.1 The membership of the Committee will consist of all independent non-executive directors. Papers will be distributed to all non-executive directors, who may also attend the meetings. The Chairman of the organisation shall not be a member of the Committee.

#### 3.2. **Chairman of the Audit Committee**

The chairman of the Committee will be appointed by the Board of Directors, and will be an independent non-executive director (NED). In the absence of the Chairman, another member will be delegated the responsibility of Deputy Chairman.

### 3.3 **Secretary of the Audit Committee**

The secretary of the Committee will be Board Secretary, supported by a senior member of the Finance Department

## 4. **Attendance at meetings of the Audit Committee**

4.1 The following individuals will regularly attend the meetings of the Committee:

- Director of Finance
- Head of Internal
- External Auditor
- Director of Patient Safety
- Head of Risk
- Board Secretary

4.2 The Chief Executive will be invited to attend, at least annually, to discuss the process for assurance that supports the Statement on Internal Control. The Chief Executive and other executive directors/senior managers will be invited to attend any meetings of the Committee when issues relevant to their area of responsibility are to be discussed.

## 5. **Accountability and Reporting Arrangements**

5.1 The Committee will be directly accountable to the Board.

5.2 The chairman of the Committee will report on the proceedings of each meeting to the next meeting of the Board.

5.3 *{The Committee will report on its activities to the Board of Governors on an annual basis.}*

5.4 Although no committee / group reports into the Audit Committee, the Audit Committee has the jurisdiction to request formally recorded minutes of any committee and group within the Trust that may provide assurance to the Audit Committee of a safe system of internal control. The Committee is authorised to seek information and advice either within the Trust or externally on any matters within its terms of reference.

## 6. **Responsibilities**

### 6.1 **Governance, Risk Management and Internal Control**

The Committee will review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (assurance of the processes of both clinical and non-clinical decisions) that supports the achievement of the organisation's objectives.

The Committee will review the adequacy of:

- All risk and control related disclosure statements (in particular the Statement on Internal Control and declarations of compliance with the Standards for Better Health), together with any accompanying Head of Internal Audit

statement, external Audit opinion or other appropriate independent assurances, prior to endorsement by the Board.

- The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements.
- The policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements.
- The policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions and as required by the Counter Fraud and Security Management Service.

In particular, the committee will

- monitor the effectiveness of the Trust Risk Management systems and processes.
- monitor the Trust Risk Register and associated action plans to reduce risk.
- ensure that the Assurance Framework identifies risks that threatens the achievement of the Trust's objectives.
- receive a Risk Management Annual Report.

In carrying out this work, the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these Audit functions. It will also seek reports and assurances from executive directors and managers as appropriate, concentrating on the overarching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness. This will be evidenced through the Committee's use of an effective Assurance Framework to guide its work and that of the Audit and assurance functions that report to it.

## **6.2 Internal Audit**

The Committee will ensure that there is an effective internal Audit function established by management that meets mandatory NHS Internal Audit Standards and provides appropriate independent assurance to the Audit Committee, Chief Executive and Board. This will be achieved by:

- Consideration of the provision and appointment of the Internal Audit service, the cost of the Audit and any questions of resignation and dismissal.
- Review and approval of the Internal Audit strategy, operational plan and more detailed programme of work, ensuring that this is consistent with the Audit needs of the organisation as identified in the Assurance Framework.
- Consideration of the major findings of internal Audit work (and management's response and follow-up and implementation of all recommendations),
- Ensuring co-ordination between the Internal and External Auditors to optimise Audit resources.
- Ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation.
- Annual review of the effectiveness of internal Audit.

## **6.3 External Audit**

The Committee will review the work and findings of the External Auditor appointed *{by the Board of Governors when an FT}* and will consider the

implications and management responses to their work. This will be achieved by:

- Consideration of the performance of the External Auditor as far as Monitor's rules permit.
- Discussion and agreement with the External Auditor, before the Audit commences, of the nature and scope of the Audit as set out in the Annual Plan, and ensure co-ordination, as appropriate, with other External Auditors in the local health economy.
- Discussion with the External Auditors of their local evaluation of Audit risks and assessment of the Trust and associated impact on the Audit fee.
- Review all External Audit reports, including agreement of the annual Audit letter before submission to the Board of Governors, and any work carried outside the annual Audit plan, together with the appropriateness of management responses.

#### **6.4 Other Assurance Functions**

The Audit Committee will review the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications for the governance of the organisation.

In addition, the Committee will review the minutes/action plans, as necessary, of any other committees within the organisation, whose work can provide relevant assurance to the Audit Committee's own scope of work.

#### **6.5 Management**

The Committee shall request and review reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control. They may also request specific reports from individual functions within the organisation (e.g. clinical Audit) as may be appropriate to the overall arrangements.

#### **6.6 Financial Reporting**

The Audit Committee will review the Annual Report and Financial Statements before submission to the Board, focusing particularly on:

- The wording in the Statement on Internal Control and other disclosures relevant to the Terms of Reference of the Committee.
- Changes in, and compliance with, accounting policies and practices.
- Unadjusted statements in the financial statements.
- Major judgemental areas.
- Significant adjustments resulting from the Audit.

The Committee will review:

- the entries recorded in the Register of Interests
- the entries recorded in the Hospitality Register
- the entries recorded in The Trust Seal Register
- the entries recorded in the Tender/Quotation Waiver Register

The Committee will also ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Board.

**7. Notice of Meetings**

- 7.1 Meetings of the Committee will be called at the request of the chairman.
- 7.2 Details of each meeting, including agenda and supporting papers will be forwarded to each member of the Committee before the date of the meeting.

**8. Minutes of Meetings**

- 8.1 Minutes of the meetings will be circulated promptly to all members of the Committee and those in attendance as soon as reasonably practical.

**9. Monitoring of Effectiveness**

- 9.1 The Committee will review its own performance and terms of reference at least once a year to ensure it is operating at maximum effectiveness. Any proposed changes will be submitted to the Board for approval.
- 9.2 These terms of reference will be approved by the Board and formally reviewed at intervals not exceeding two years.

To be approved by the Board on 21 February 2008

## REMUNERATION COMMITTEE

### TERMS OF REFERENCE

<b>Status:</b>	Committee of the Trust Board
<b>Chair:</b>	Non-Executive Director
<b>Membership:</b>	Non-Executive Directors
<b>Clerk:</b>	Director of Workforce
<b>Frequency of Meetings:</b>	Quarterly
<b>Quorum:</b>	Two

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#### ***Main Principle***

Levels of remuneration should be sufficient to attract, retain and motivate directors of the quality required to run the Trust successfully, but avoid paying more than is necessary.

The remuneration committee should judge where to position the Trust relative to other similar Trusts, but avoid raising pay without corresponding improvement in performance and taking into account local pay and employment conditions.

The terms of reference of the committee should be presented and agreed by the Board with an explanation of its delegated responsibilities, i.e. setting remuneration for all executive directors and the chairman, including pension rights and any compensation payments and recommending and monitoring the level and structure of remuneration for senior management, i.e. those on Very Senior Management (VSM) terms and conditions (as determined by the Board). Remuneration of Non Executive Directors is normally decided by the Board, but can be delegated to the remuneration committee

#### **Terms of Reference:**

##### **1. Constitution**

- 1.1 The Trust Board has established a committee of the Trust Board known the **Remuneration Committee**.

- 1.2 The Terms of Reference for the Committee outlined below are defined by the Board and may be amended by the Board at any time.

## **2. Membership**

- 2.1 The Trust Board is responsible for the appointment of members to the Remuneration Committee, for setting the term of members' appointments and for the revocation of any such appointments.
- 2.2 The Remuneration Committee shall comprise not less than three members, all of whom shall be Non Executive Directors. The quorum shall be two Committee members, one of whom should be the Committee Chairman unless he/she is unable to attend. All members of the Committee shall be advised of the business to be transacted at any meeting even if they are unable to be present.
- 2.3 The Chairman of the Committee shall be a Non Executive Director.
- 2.4 No one other than members of the Committee and the Trust Chairman is entitled to be present at Committee meetings. The Chief Executive and Director of Workforce shall normally be in attendance except when issues regarding their own remuneration are discussed.
- 2.5 The Remuneration Committee is authorised by the Board to obtain legal, remuneration or other professional advice from both inside and outside the Trust as and when required, at the Trust's expense, and to appoint and secure the attendance of external remuneration and other consultants and advisers if it considers this beneficial.
- 2.5 The Director of Workforce shall act as secretary to the Committee and shall produce such papers and minutes of the Committee's meetings as are appropriate, in a timely manner.

## **3. Frequency of meetings**

- 3.1 Meetings of the Remuneration Committee shall be held as necessary, but not less than three times a year and at such other times as the Chairman of the Committee shall require. The Chief Executive can request ad hoc meetings as required to deal with specific items of business.
- 3.2 The Chairman of the Committee shall report verbally to the Trust Board after each meeting, outlining the key agenda items discussed while having due regard for the sensitive nature of some of the Committee's discussions. The minutes of the meetings shall be circulated to all members of the Committee, the Trust Chairman, the Chief Executive and the Director of Workforce and, if not members of the Committee, the other Non Executive Directors of the Trust.

- 3.3 Where it is necessary for decisions to be taken between meetings of the Remuneration Committee, these decisions should be ratified and minuted at the next meeting of the Committee to ensure an effective audit trail.
- 3.4 If a matter needs to be raised in Part 2 of the Board when all Directors are present then, depending on the item for discussion, a decision needs to be taken by the Chairman as to whether any or all of the Directors should be present for the discussion.

#### **4. Duties**

- 4.1 The Committee shall:
- i. have delegated authority to determine the broad policy for the remuneration of those staff who are covered by Very Senior Manager (VSM) terms and conditions. The Trust's Annual Report, which is approved by the Trust Board, shall include a statement of the broad remuneration policy.
  - ii. have delegated authority to set individual remuneration arrangements and where agreed % bandings within any performance related pay framework for the posts covered by VSM terms and conditions.
  - iii. in determining remuneration for those referred to above, review and agree:
    - Overall market positioning of the remuneration package;
    - Individual base salaries and increases.
    - To agree PRP criteria for CEO and to consider recommendations from CEO on the criteria for PRP for the other VSM posts in the Trust.
    - Agree levels of PRP for CEO and VSM posts against agreed criteria.
- 4.2 The Committee shall approve the service contracts of each Executive Director, including termination arrangements.
- 4.3 In determining remuneration policy and packages, the Committee shall have regard to the policies and recommendations of the Department of Health and the NHS, as well as best practice on executive remuneration and all relevant codes, laws and regulations.
- 4.4. To approve on behalf of the Trust Board the recommendations of the Clinical Excellence Awards Committee in relation to:
- Consultants / Associate Specialists  
Staff Grades

## **5. Other matters**

- 5.1 The Committee will consider and recommend to the Board the content of the Directors' Remuneration Report, having regard to the relevant codes, regulations and rules.
- 5.2 The Committee will undertake its duties having due regard to the provisions of Monitor's NHS Foundation Trust Code of Governance.

The Committee shall undertake any other duties as directed by the Board.

To be approved by the Board on 21 February 2008

## **Charities Committee**

<b>Status:</b>	Committee of the Trust Board
<b>Chair:</b>	Non Executive Director
<b>Membership:</b>	Non-Executive Directors
<b>Clerk:</b>	Senior Finance Staff/Trust Secretary
<b>Frequency of Meetings:</b>	3 times a year
<b>Quorum:</b>	Two

1. To ensure Funds Held on Trust/Charitable Funds are managed in accordance with the Trust's Standing Financial Instruction No 29, as approved by the Trust Board.
2. To receive regular reports from the Finance Directorate covering:
  - Number and value of funds
  - Purpose of funds
  - Income and Expenditure Analysis
3. To receive detailed quarterly Investment Performance Report from Investment Managers.
4. To decide on investment policy.
5. To appoint Investment Managers as appropriate
6. To decide upon expenditure criteria.
7. To ensure that the requirements of the Charities Acts and the Charities Commission are met.
8. To provide reports for the Trust Board as appropriate.
9. To review the Annual Accounts prior to submission to the Trustees for formal approval.
10. The Committee will regularly monitor the effectiveness of the requirements contained within these terms of reference in relation to regular attendance and reporting arrangements. Where monitoring has identified deficiencies, recommendations and action plans must be developed and changes implemented accordingly.

To be approved by the Board on 21 February 2008

**1 Introduction**

West Herts hospitals NHS Trust currently had, until recently, a number of Board sub-committees that acted as both a scrutiny and filter for issues that required consideration and/or decisions by Non-Executive Directors. Proposals recommended by the Chief Executive to disband all sub-committees, with the exception of audit, remuneration and charitable affairs means that business undertaken by the now disestablished sub-committees (Finance and Performance, Assurance and Strategic Investment committees) needs to be managed differently. This paper sets out the impacts on the decision to disestablish certain committees and advises on the appropriate systems and processes by which business previously discussed by sub-committees should be maintained.

**2 Business Currently Referred to Sub-Committees**

The system that had been in place within the Trust for the management of Board business had been to use Trust Board Sub-Committees as a mechanism to undertake detailed discussions on key issues and provide an opportunity for Non-Executive Directors to scrutinise the effectiveness of business systems to ensure that the Board was given the appropriate level of assurance that the organisation was meeting its obligations. Earlier in 2007 a number of sub-committees were disestablished and a single Assurance Committee created. This reduction in the number of sub-committees was an attempt to both re-focus the work of the Executive and the Non-Executive Directors and to emphasise the requirement on sub-committees to provide greater scrutiny and assurance on behalf of the Board. It also followed a recommendation by John Bullivant (Co-Author of the Integrated Governance Handbook) that the majority of Board related business should be undertaken at the meetings of the Board in public rather than in the enclosed environments of sub-committees. It was emphasised at the time that this would only be achievable at a point in time where relationships between Executive and Non-Executive Directors were thought to be well established and mature enough to conduct this level of business in public.

The agendas for the Finance and Performance Committee have focussed on the scrutiny of the financial and access target based performance of the Trust and provided the Executives with advice and guidance on the key strategic issues. The Assurance Committee has provided a focus for scrutiny of issues relating to clinical governance, risk management, health and safety, standards for better health and quality assurance. The Strategic Investment Committee, although only having met once, had been set up in order to provide a focus on the key capital developments within the Trust. All three committees contributed to the overall ratification process of key decisions and policy development and provided Executive Directors with the opportunity to identify those areas of Trust performance, which, by exception, were not being delivered.

The Audit Committee historically provided a focus on the financial management and systems although has recently begun to review its role in line with current best practice in relation to assurance that the Trust's systems

and processes are fit for purpose, in turn proving the Board with the appropriate level of assurance.

The impact on day-to-day Board business of the disestablishment of some of the sub-committees will be to ensure that there is a clear and transparent process that delivers the key governance requirements and decisions in order to enable the Board and the Trust to continue to operate both effectively and legally.

### **3 Executive Level Structures**

Below the Trust Board sub-committees are a number of Executive level groups that have traditionally reported into the sub-committees, or in the case of the Trust Executive, directly to the Board. With the disestablishment of some of the sub-committees alternative mechanisms will need to be established to ensure that the work of these Groups continues to move forward, with the appropriate level of authority to act, take decisions and implement actions without undermining the need for proper governance arrangements back to the Trust Board.

The current Executive Groups and their reporting relationship to the previous Board level sub committees are set out in annex A. As Executive Groups they are responsible for the day to day running of the Trust but currently have no delegated Board level responsibilities. Issues that have previously needed Board level discussion have been discussed in the first instance at sub-committee level and only if it has not been possible to make decision within the delegated powers of those sub-committees have the issues been further referred to the Board. The consequences of the disestablishment some of the Board sub-committees are that alternative mechanisms will either need to be established as substitutes for previous sub-committee discussions or more discussion will need to take place at the Board meetings on those issues that the Executives feel require Board level input. This latter option is in keeping with the creation of a more open environment between the Trust's business and the public scrutiny of the actions of the Board.

### **4 Suggested Arrangements for Managing Trust Business to Ensure Effective Governance**

In line with the proposals set out by the Chief Executive to the Board, most of the business undertaken by Trust Board sub-committees will now either have to be reported directly to the Board at one of its meetings in public (or under part 2 measures if it is a matter of confidential business, is commercially in confidence or relates to the naming of a member of staff or patient).

Contained within the Standing Financial Instructions and the Standing Orders are the powers that are reserved for the Board and which cannot be delegated. These are reproduced at annex B. Other areas of Board business can and have been delegated to former sub-committees and those that remain, as well as to specific job titles. Some of these delegated

responsibilities will now need to be reviewed and appropriate pathways established to ensure that they are properly discharged.

With the expectations set out in the December Board meeting presented by the Chief Executive, it is clear that responsibility for the delivery of the agreed organisational objectives and national requirements will be firmly vested in the Executive Groups. In some instances the role of existing Groups will be revised, giving them the clear authority to take decisions and move things forward. In other instances new Groups will be established with similar levels of authority and responsibilities.

## **EXECUTIVE COMMITTEES**

**Clinical Policy and Practice Group** – To act as the senior clinical group within the Trust, meeting weekly in order to keep informed of issues affecting the Trust and discussing the clinical impacts and contributions to ensuring the Trust maintains its objectives. It will consider the ways in which clinical practice needs to change in order to meet the challenges of the Trust and ensure that changes are made. CPPG will provide a practical contribution to how clinical staff, and how they practice, can deliver sustained improvement in performance and quality. The Director of Patient Safety/Medical Director, reporting to the Chief Executive, will chair the Group.

**Delivery Support Group** – To act as the group, which monitors and reviews the Trust's performance in achieving national requirements and strategic objectives. It will take executive action to ensure that areas of non-delivery are investigated, reviewed and changed where required in order that delivery can be achieved and sustained. The Chief Executive will chair the Group.

**Clinical Quality and Governance Committee** – This Committee will not be a formal sub committee of the Board. However, it will have direct access to the Board should it feel there are issues that need to be reported to them. Its principal role will be to advise executive management, which it will do via the Clinical Standards Group. Its primary focus will be matters of patient safety and the maintenance of clinical standards and will have a number of executive level groups reporting to it, all of which will have responsibility for a specific aspect of patient safety. It will have a broad membership with substantial clinical involvement. It will be chaired by the Director of Patient Safety/Medical Director, or other senior clinician but will also have a Non Executive Director within its membership

**Clinical Standards Executive** – To provide a day-to-day focus on the achievement of high quality clinical services. In a sense this group will be the Executive arm of the Clinical Quality and Governance Committee from whom it will seek advice though its accountability as an Executive Group will be through the Executive line. CSE will review divisional performance in relation to clinical standards on a quarterly basis, taking action where necessary to ensure any aspects of concern are addressed and improved. The Director of

Patient Services/Medical Director will chair the CSE, reporting to the Chief Executive.

**Acute Admissions Unit Steering Group.** To provide the day-to-day overview of the delivery of the AAU, ensuring that all issues affecting the operation of the Unit are identified and addressed in advance of commissioning. Post commissioning the role of the group will be reviewed. The group will be chaired by the Director of Patient Services/Medical Director and report to the Chief Executive.

## **5 The Overview of Governance Within The Trust**

A significant amount of the governance agenda is focussed on the clinical agendas within the organisation. Consequently it is appropriate that the structure of the Trust has been re-defined with the establishment of the post of Director of Patient Safety who will take responsibility for ensuring all aspects of clinically related governance are in place and effective. All aspects of clinically related governance therefore come within the remit of this post, and it specifically includes clinical governance arrangements, risk management strategy, clinical audit, research and development, public health and quality assurance. An appropriate group that has a reporting line to the Clinical Quality and Governance Committee supports each of these areas of the Trust's business. This is set out in annex C.

In order to ensure that clinical governance sits within the wider governance framework, the responsibility of the Director of Patient Safety will also include the lead on integrated governance. This role will provide a strong link to the Audit Committee in relation to the assurances needed by both the Audit Committee and the Board that systems and processes are in place to deliver Trust business (both clinical and non clinical). As the Director of Patient Safety reports to the Chief Executive and is, by virtue of the dual nature of the post with that of Medical Director, a voting member of the Board, appropriate levels of assurance can be determined at both Executive and Board level.

As the Trust moves towards Foundation status the corporate governance structures and processes will rightly come under significant scrutiny. It will be essential therefore that as the FT process identifies those areas where changes and/or improvements are needed.

There are a number of executive level groups that already exist across the Trust and it is essential that they have the right reporting structure to ensure effective governance. Annex C sets out the proposed structure that should enable the Board to receive the assurance it requires in terms of organisational governance and delivery. The lines of accountability of these groups to the Chief Executive/Executive Directors ultimately provide the opportunity for scrutiny by Non Executive Directors at Board level. Through this Board level accountability, the Board can be assured that the systems and processes to ensure delivery against the national requirements and the organisation's strategic objectives are in place. In addition, the Audit Committee will be able to assure itself, through scrutiny of audit reports and

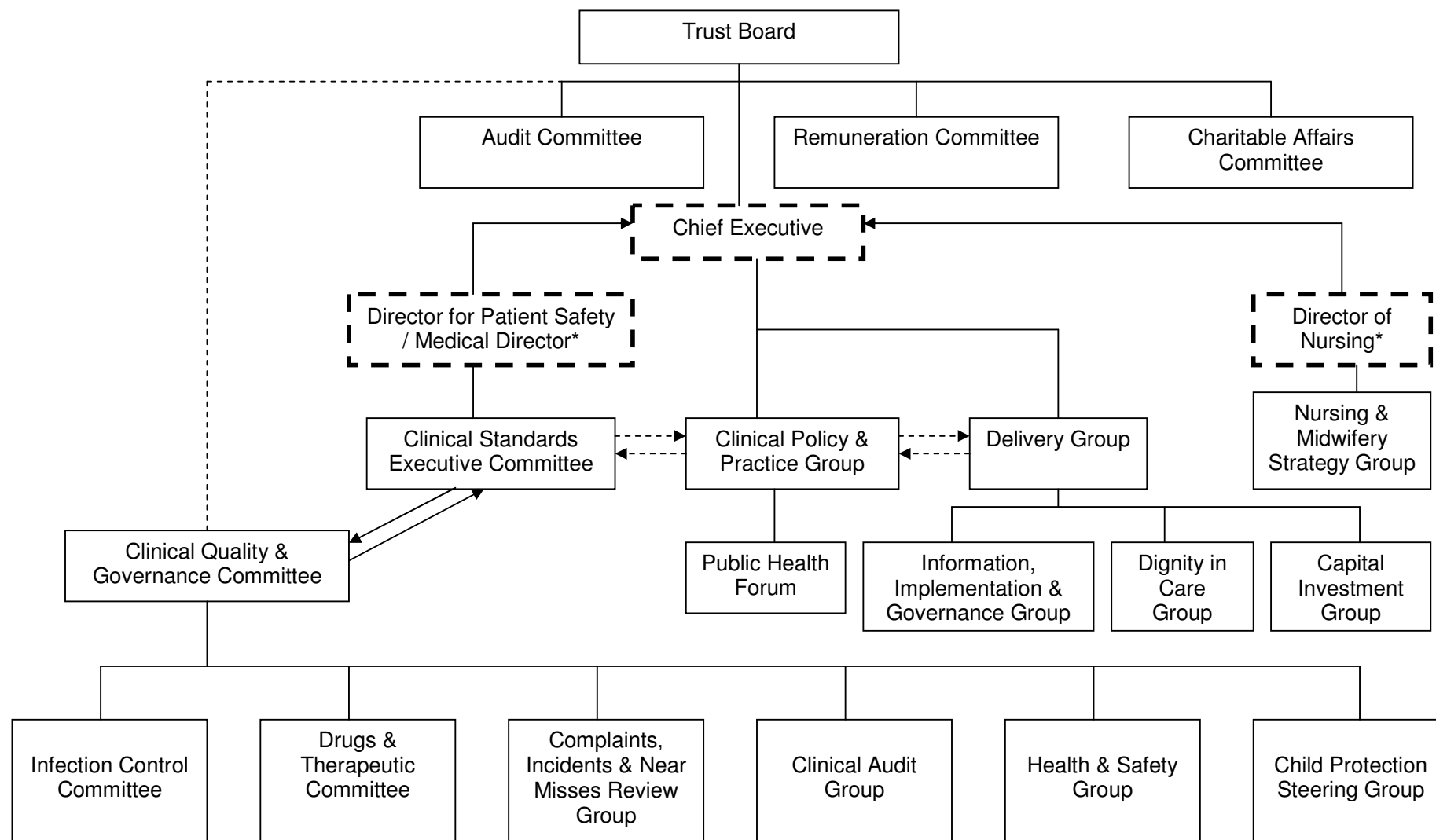
inviting people to attend meetings, that systems and processes are appropriate to maintain sound governance and fitness for purpose. The focus of the executive level groups is to manage the day to day functions of the Trust and to deliver the required outcomes. A brief summary of all the executive level groups is attached at annex D.

## **6 Terms of Reference, Objectives and Accountability**

All Committees and Groups will be asked to review and agree their terms of reference, objectives and lines of accountability with their superior Committee/Group or sponsoring Director. This information, when agree, will be circulated widely within the Trust and placed on the intranet. It will be regularly reviewed and updated.

## Annex C

### Trust Committee Structure



The following Groups will make annual reports to the Clinical Quality & Governance Committee and raise issues with the Medical Director in the first instance: Medical Devices Group; Resuscitation Committee, Blood Transfusion Committee

\* These are Executive Directors who have lead responsibility for the groups below them and report to the Board via the CEO

### **Infection Control Committee**

This is the principal group within the Trust taking an overview of the healthcare acquired infection agenda. It membership is multi-professional.

### **Drugs and Therapeutics Committee**

This Committee is responsible for the review of the Trust Formulary and consideration of drugs and devices trials.

### **Clinical Audit Committee**

This Committee oversees the programme of clinical audit within the Trust, ensuring that best practice is applied at all times and that the Trust is maintaining an appropriate portfolio of clinical audit studies.

### **Complaints, Incidents and Near Misses Review Group**

This is a newly formed Group, bringing together the previous Complaints Advisory and Risk Management Groups. Its focus will be on ensuring that the Trust learns the lessons of complaints, incidents and near misses and that where necessary clinical practice is changed. The Group will maintain a strong relationship with each of the other executive level groups and ensure that where necessary they provide advice to other groups as well as highlighting specific issues that they need to take forward.

### **Health and Safety Committee**

This Committee oversees the Trust's compliance with health and safety legislation, ensuring that all policies and procedures are in place and properly implemented and embedded across the Trust. It maintains a strong dialogue with the Health and Safety Executive and ensures that appropriate systems and processes are in place to meet the requirements of the action plan agreed with the HSE on achieving overall improvements.

### **Child Protection Committee**

This Committee ensures that the Trust is maintaining all statutory requirements with respect to the delivery of safe services to children.

### **Information, Implementation and Governance Group**

This Group ensures that the Trust has the appropriate strategy in place to deliver a effective IT infrastructure across both clinical and non clinical settings. It undertakes the annual Information Governance assessment, as required by Connecting For Health and implements appropriate plans to meet any deficiencies identified within the assessment.

### **Patient Experience Group**

This Group leads on the implementation on the Dignity In Care and Patient Involvement Strategies. It provides a focus for getting input from patient and user groups.

### **Capital Investment Group**

This Group will be established out of the current Capital Planning Group. Its primary focus will be to agree and oversee the delivery of capital schemes, ensuring appropriate use of the capital allocation.

### **Public Health Forum**

This Forum will bring together the Trust and PCT to oversee the delivery of an effective health economy approach to the improvement of public health locally.