Observations for the Better Governance of Trusts

Lead Governors Network

“Lead Governors in most respects have the longevity of a butterfly. Ages in a cocoon until you understand what you’re doing, then eventually you get your wings, fly around for a while and then die off.

It is essential that we have an organisation for Lead Governors that learns, realigns and moves on, able to use the experience past and the enthusiasm of the future.”

R Duggan. LG Southern Ambulance Trust

Introduction

Councils of Governors (CoGs) are potentially valuable quality monitors, with knowledge of the communities they serve. We have collected information about how they perform their duties by means of surveys (see appendices), meetings and videoconferences. In this short paper we outline some of the key issues felt to contribute to success or otherwise by the 30 or so Lead Governors in our network.

Key Issues

Governors of NHS Trusts

1. **The Duty of the Council of Governors** (CoG) is that it should assure itself:
   i) Of the quality of the service being delivered to the public, and  
   ii) That all decisions by the Board are carried out with due diligence 
   without in any way interfering with the running of Trusts.

2. CoGs have to be critical friends - supportive of the Boards of Trusts in delivering the best possible care to patients.

3. The responsibility of the CoG is to see Trust activity from the public perspective - and therefore, to be effective, it should be consulted and involved in any aspect of the public interface.

4. With adequate communication, CoGs should **already** be aware of issues of general concern to NHSI and CQC **before** inspections are carried out.

Chairs

5. The principal responsibilities of the Chair of the CoG are:
   i) to ensure that the CoG carries out its public duty, and  
   ii) that the necessary resources and access are provided by the Trust.

6. The Chair must be a diplomat - smoothing and facilitating the communication paths between CoG and NEDs.

7. The Chair must be as skilled in negotiation as decision taking.

8. Guidance should be provided on the appointment of Chairs, including the internal processes that should be used to evaluate short-listed candidates, and their desirable personality characteristics.

Confidentiality

9. When considering what issues should be kept from the knowledge of the CoG, e.g. in private Board meetings, it should be kept in mind that the governors have signed legally binding confidentiality agreements.

10. It may be considered that the only grounds for such confidentiality are those which are necessary to maintain patients’ or staff privacy.

11. In general, it is our experience that secrecy is the enemy of good governance.

NEDs

12. All NEDs, including the Chair, should be appraised by Governors using a standard questionnaire sent to all governors. Possible questions are:
   i) Have you had contact with this Non-Executive Director at Council, Council Committee or Board meetings?  
   ii) On the basis of your exposure to this Non-Executive Director, do you feel that they have made an active contribution?
iii) Do they show a good knowledge of issues facing the Trust?
iv) Do they make informed and constructive challenge of Executives?
v) Do they provide governors with assurance on key issues facing the Trust?
vi) Do you want to suggest any areas where this Non-Executive Director might want to consider changing their approach?
vii) Do you know the current year’s personal objective for each NED relating specifically to their contribution to the work of the CoG.

13. The results of Governors views on NEDs business and personal objectives should be fed back to the Chair, Senior Independent Director and Performance Committee of the CoG to be used in the NEDs annual performance appraisals.

Role of the Lead Governor (LG)

14. Lead Governors have an understanding of the role of Governors beyond statutory responsibilities. Corporate Governance in some trusts may see the latter as defining the boundary or limit of Lead Governor responsibilities; others are more flexible and may see it as a minimum requirement, and accept that broader local arrangements may be helpful.

15. There is always a slight conflict of interest in the Chairman being a NED, and Chairman of the Board, as well as of the CoG.

16. Where the governors might want to be a bit inquisitive, the Chairman may be somewhat inclined to pull rank. On such occasions, the LG should sound out views off the record, informally, and decide whether the matter should simply be discussed with the chair, or made into an agenda item.

17. The LG should meet regularly in private with the Chair, and assist with the construction with CoG agendas.

Suggested Quality Reports for CoGs.

1) Monthly:
   i) Dashboard of Monitor and CQC metrics (simplified format)
   ii) Outcomes of the progress of the Annual Quality Objectives
   iii) Topics that reflect NED objectives. (basis of appraisal)

2) Quarterly:
   i) Statement of Trust financial position and specific warning of an adverse position.
   ii) Staffing levels compared to optimum safe levels.
   iii) Dashboard of the maternity unit, a precis of the paper submitted to the board.
   v) Whistle blowing (new cases, outstanding cases with times, and closed cases) all incognito.

3) Half yearly:
   i) Cases in litigation. New cases, time on unresolved cases and level of settlement for closed cases.

4) Annually:
   i) The Quality Report

5) Exception reports:
   i) Advise governors as exceptions arise.
Conclusion
From the evidence we have compiled from our surveys and discussions, we have formed the view that there is a need for a better and more consistent approach to involving Governors in the governance mechanisms of Foundation Trusts.

We have also formed the view that the formation of a Lead Governors Network (both elect, present and past LGs) would support this approach.

As a Lead Governors Network, we would be very willing to help NHS Providers and NHS Improvement to work towards better governance of Trusts and in the formation of a national Lead Governors Network.

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LG South London & Maudsley  
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On behalf of the Lead Governors Network

The Lead Governors' Network is most grateful to all who took part in the compilation of this paper, which draws on the experience of many LGs.

Appendix 1
Appendix 2

16 Responses from 25 LGs surveyed by the LG Network

- Does your Trust have a Governor nominated as a contact for whistleblowers?
- Does your CoG have representatives sitting in Private parts of Board meetings?
- Does the CoG have a representative in attendance at ‘Never Event’ (or equivalent)...
- Are NEDs required to give a systematic review of their portfolio at CoG meetings?
- Does your Trust have a Governance Committee?
- In Trust committee meetings, are CoG observers allowed to ask questions?
- Do CoG observers at Private Parts of Board meetings and Trust committees see the...
- Does the LG communicate regularly with the Chief Executive?
- Does the CoG have its own Strategy Committee to review the Trust strategy?
- Do Governors routinely visit patients to gather information about the quality of their...
- Does the CoG have observers on all Trust committees it considers of direct relevance...
- Is there an annual process in which Governors review NED performance?
- Does the LG work with the Trust Secretary in the design, delivery and evaluation of...
- Does the CoG regularly meet informally, alone, prior to all formal sessions with the...
- Does the LG meet at least monthly in private with the Chair?
- Does the CoG review and comment on the work of the Trust’s Quality Committee?
- Does the CoG have a system for assessing its own performance annually?
- Does the CoG regularly meet informally with the NEDs?
- Does the LG play a speaking part in the Trust AGM?
- Does the LG play an active part in assigning governors to Committees?
- Does the LG assist with constructing the agenda for CoG meetings?
- Do governors chair all CoG committees apart from Nominations?
- Does the LG communicate regularly with the Trust Secretary?