

**Cover Sheet**

**Council of Governors Meeting: Monday 2 October 2023**

**CoG2023.27**

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**Title:** Performance, Workforce and Finance Committee Report

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**Status:** For Information

**History:** Report from PWF to Council

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**Lead:** Committee Chair

**Author:** Laura Lauer, Deputy Head of Corporate Governance

**Confidential:** No

**Key Purpose:** Strategy

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## 1. Purpose

- 1.1. This paper forms part of the Performance, Workforce and Finance Committee's regular reporting to Council of Governors, providing Council with a summarised report highlighting key Committee business and issues arising from its meetings.

## 2. Background

- 2.1. The remit of the Committee is to consider, for the Council of Governors, matters concerning the performance of the Trust against key standards and how the Trust's Board of Directors obtains assurance about this; matters concerning the planning and development of the Trust's workforce and how the Trust's Board of Directors obtains assurance about this; and matters concerning the Trust's financial position and planning and how its Board of Directors obtains assurance about this.
- 2.2. Since the last meeting of the Council of Governors the Committee held a meeting on 13 September 2023. Ms Flint and Ms Kapernaros, Non-Executive Directors (NEDs), attended the meeting and provided comment. The main issues considered and discussed at this meeting are set out below.

## 3. Sexual Misconduct in the NHS

- 3.1. At its public meeting on 13 September, the Trust Board discussed the study by the University of Exeter, the University of Surrey, and the Working Party on Sexual Misconduct in Surgery.
- 3.2. The Committee returned to its discussion of this issue, which continued to be highlighted in the media. Members heard that that the Chief People Officer, Head of Workforce, Ms Flint, and Ms Robinson had met as agreed at the last meeting.
- 3.3. Members had the opportunity to hear directly from NEDs on the Board's use of data to inform its assessment of the problem and the indicators it was monitoring to gain assurance that the matter was being addressed appropriately.
- 3.4. This year's Staff Survey would, for the first time, include a specific question around sexual misconduct. NEDs did not regard the absence of data as being the equivalent to the absence of a problem and would continue to make this an area of focus.

- 3.5. The Trust had a wider strategy for eradicating bullying and harassment, and it was noted that more work was needed to encourage staff to speak up and to give them the confidence that they would be supported if they did.
- 3.6. The responsibility of all those connected to the Trust to take a stand against sexual misconduct and bullying and harassment was emphasised. Awareness training for Governors would be arranged.

#### **4. Integrated Performance Reporting**

- 4.1. The item was introduced by David Walliker, Chief Digital and Partnerships Officer. The presentation was led by Mark Currie, Director of Data and Analytics.
- 4.2. The Trust had considered the findings of the Deloitte independent review of leadership and governance arrangements and Care Quality Commission findings on the use of performance information. The refreshed Integrated Performance Report (IPR) was the result of a process to identify key indicators within the Trust's Performance Management and Accountability Framework. This included statutory indicators and those linked to institutional priorities.
- 4.3. Non-Executive Directors were fully involved in the development of the IPR. Indicators were kept under review and could be added/removed as appropriate.
- 4.4. The Director of Data and Analytics demonstrated:
  - A template assurance report for indicators that could trigger exception reporting and the framework for levels of assurance; and
  - The use of Statistical Process Control charts. The Trust used NHS England's recommended methodology of three standard deviations from the mean to set upper and lower control limits.
- 4.5. Members were briefed on how targets were set, monitored, and – if required – escalated through the committee structure.
- 4.6. The Committee discussed benchmarking data and noted the multiple views provided by the IPR.
- 4.7. Ms Flint and Ms Kapernaros confirmed that the refreshed IPR facilitated Board identification of trends and specific areas for improvement. A summary of key issues by the Chief Executive Officer helped to frame, but not restrict, the conversation at Board meetings.

- 4.8. Consideration would be given to an appropriate schedule for briefing the Committee on the Board's monitoring of IPR indicators and, in particular, the role played by NEDs in driving the conversation.

## **5. Assessing Significant Interference 2022/23**

- 5.1. The Chief Finance Officer, Jason Dorsett, summarised the work done by the Trust on an annual basis to provide assurance that other income-generating activities – education and training, research and development, services provided to other NHS Trusts and other forms of income – did not significantly interfere with the Trust's principal purpose of delivering NHS-funded healthcare.
- 5.2. The result of this analysis was that non-NHS income had not resulted in significant interference with the Trust's principal purpose.
- 5.3. The Committee heard that NED members of Audit Committee and Investment Committee were well-placed to proactively identify any activity that could present significant interference.
- 5.4. The Committee noted the assurance provided by the analysis and by NED membership of Board committees. Members agreed to recommend to the Council of Governors that annual receipt and review of this analysis be delegated to the Committee.

## **6. Terms of Reference**

- 6.1. The Committee agreed to recommend minor amendments to its Terms of Reference to align with other Governor sub-committees. These are presented as an Appendix to the report.

## **7. Other business**

- 7.1. Members focused on staff turnover and the ways in which the Board used Staff Survey data. The Board triangulated data from a range of sources when monitoring turnover.
- 7.2. The Head of Corporate Governance offered to speak with the Chief People Officer regarding a future workforce item on staff turnover.

## **8. Recommendations**

- 8.1. The Council is asked to note this report.
- 8.2. The Council is asked to approve:

- The Committee's recommendation that receipt and review of the annual Significant Interference analysis be delegated to the Performance, Workforce and Finance Committee; and
- The Committee's recommendation of minor changes to the Committee's Terms of Reference, as presented in the Appendix.

**Performance, Workforce and Finance Committee**  
**Terms of Reference**

**1. Authority**

- 1.1. The Performance, Workforce and Finance Committee (the Committee) is constituted as a standing committee of the Council of Governors. The Terms of Reference can only be amended with the approval of the Council of Governors.
- 1.2. The Council of Governors may commission work from the Committee within its scope, taking account of paragraph 5.4 of Annex 6 of the Constitution which states that “the Council of Governors shall not delegate to any committee any of the powers or responsibilities which are to be exercised by the Council of Governors.”
- 1.3. The Committee is authorised to secure the attendance of other Trust staff with relevant experience and expertise if it considers this necessary. External expert opinion may exceptionally be sought with the approval of the Council of Governors.

**2. Purpose of Committee**

- 2.1. The remit of the Committee is to consider, for the Council of Governors, matters concerning the performance of the Trust against key standards and how the Trust’s Board of Directors obtains assurance about this; matters concerning the planning and development of the Trust’s workforce and how the Trust’s Board of Directors obtains assurance about this; and matters concerning the Trust’s financial position and planning and how its Board of Directors obtains assurance about this.

**3. Membership**

- 3.1. The membership of the Committee shall be determined by the ~~Chairman~~Chair of the Council of Governors from amongst those members of the Council of Governors who express an interest in joining it. The composition of the Committee should be considered in respect of required skills and experience and of ensuring an appropriate balance between public, staff and stakeholder governors as relevant to the work of the Committee.
- 3.2. Only members of the Council of Governors may be members of the Committee although other individuals may be invited to attend meetings and participate in the work of the Committee with the agreement of its membership as noted in paragraph 1.3 above.
- 3.3. The ~~Chairman~~Chair of the Council of Governors may at any time suggest additional governors to join the Committee. The existing membership of the Committee is entitled to be consulted in advance of any additions to the membership.
- 3.4. The Committee will review its membership annually and may make recommendations at any time to the ~~Chairman~~Chair of the Council of Governors for the addition or removal of governors from the Committee.

**4. Attendance and Quorum**

- 4.1. A governor chosen by the members of the Committee from amongst its membership shall act as chair of the Committee and shall preside over any meetings of the

Committee. If the chair is absent from the meeting or is absent temporarily on the grounds of a declared conflict of interest, a chair the governors that are present shall appoint, shall preside.

- 4.2. No business shall be transacted at a meeting unless at least three members of the Committee are present, at least two of whom should be public governors.
- 4.3. Meetings of the Committee should be attended by ~~the Chair of the Board's Finance and Performance Committee~~the designated Non-executive Directors, though they are not a member of the Committee and do not have a vote.
- 4.4. The chair of the Committee may request attendance by relevant staff at any meeting.
- 4.5. The ~~Chairman~~Chair and Vice-~~Chairman~~Chair, if not members of the Committee, may choose to attend any meeting of the Committee.

### 5. Frequency of meetings

- 5.1. Meetings of the Committee should take place with a frequency to be agreed by its membership as appropriate to fulfil its agreed purpose.
- 5.2. The Chair of the Committee may at any time convene additional meetings of the Committee to consider business that requires urgent attention.
- 5.3. Meetings of the Performance, Workforce and Finance Committee shall be set at the start of the calendar year.

### 6. Specific Duties

- 6.1 The Performance, Workforce and Finance Committee shall:
  - Liaise with the office of the Chief Finance Officer regarding the development of the Trust Business Plan.
  - Work with the Audit Committee to prepare recommendations for the Council of Governors as required to fulfil the Council's statutory duties in relation to the appointment of the Trust's external auditors.
  - Consider specific issues in relation to Workforce, including matters related to the recruitment and retention of staff, as agreed with the Council of Governors in line with the Council's overall priorities, making relevant recommendations to the Council of Governors as required.
  - Undertake any other responsibilities as delegated by the Council of Governors.

### 7. Administrative Support

- 7.1. The Committee will be supported administratively by the office of the Head of Corporate Governance.
- 7.2. The agenda for meetings will be drawn up and circulated by the office of the Head of Corporate Governance in consultation with the chair of the Committee. Members of the Committee will be invited to submit items to be taken into account in preparing the agenda.
- 7.3. The minutes of the proceedings of a meeting shall be drawn up by the office of Head of Corporate Governance and submitted for agreement at the next ensuing meeting.

### 8. Accountability and Reporting arrangements

- 8.1. The Committee shall be directly accountable to the Council of Governors and will agree work priorities with the Council of Governors on an annual basis.

- 8.2. The Committee should provide a verbal update on its work to each meeting of the Council of Governors through a nominated member of the Committee. Written reports on specific areas of work should be provided as required by the Council of Governors.
- 8.3. The minutes of the Committee meetings shall be formally recorded and submitted to the next meeting of the Council of Governors following the production of the minutes.

### **9. Conflicts of Interest**

- 9.1. If a governor is present at a meeting of the Committee and has an interest of any sort in any matter which is the subject of consideration, he shall at the meeting and as soon as practicable after its commencement disclose the fact. The Chair of the Committee shall determine whether the governor should take part in the consideration or discussion of the matter.

### **10. Monitoring Effectiveness and Compliance with Terms of Reference**

- 10.1. The Committee will carry out an annual review of its effectiveness and provide an annual report to the Council on its work in discharging its responsibilities, delivering its objectives and complying with its terms of reference.

### **11. Review of Terms of Reference**

- 11.1. The Terms of Reference of the Committee shall be reviewed at least annually by the Performance, Workforce and Finance Committee and approved by the Council of Governors.