

Report to:	Trust Board, 1 November 2012
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Title	Board Committee structure
Sponsor	Martin Beardwell, Acting Chair
Author(s)	Julia Clarke, Director of Risk & Compliance
Purpose	To ensure the Trust's governance arrangements are fit for purpose and FT- ready.
Previously considered at	Board Development Day – April, July & October 2012 Trust Board August 2012

Executive Summary
<p>Following recommendations made by Grant Thornton as part of the Trust's HDD phase 1 review and a review of committee structure undertaken by Deloitte's, a proposed structure was presented to the Board in August 2012.</p> <p>This Committee structure was discussed in some detail at the Board Development session on 22 October and a number of principles agreed in order to ensure that the formal sub-committees of the Board focus on key strategic imperatives, assurance of systems, reduce duplication and ensure delivery against robust plans, namely;</p> <ul style="list-style-type: none"> • Establishing Executive Risk Committee and Workforce Committee as formal sub-committees of the Board (Tier 2) • Refreshing the Finance & Performance Committee and Audit & Risk Committee responsibilities and Terms of Reference (Tier 2) • Establishing a Clinical Governance Executive, Operational Risk Group, IT Group and Business Development Group as Tier 4 groups • Future Board Development sessions will be scheduled to run for two hours after Part 1 and Part 2 Board meetings • Certain aspects of performance will be reserved to the Board <p>Allocation of NEDs to the Committees will be finalised by the Trust Chair.</p> <p>Terms of reference and membership will be agreed by the Chairs of the relevant Committees</p>

Related SATH Objectives	SATH Sub-Objectives
D. Learning and Growth We will develop our staff and internal processes to sustain our ability to change & improve	D3. Develop responsibility and accountability and cooperate with each other

Action required by the Trust Board
<ul style="list-style-type: none"> • APPROVE the proposed Committee structure

Board Committee Structure 1 November 2012

1. Background

A review of Board Committee structures and reporting arrangements was undertaken by Deloitte¹ between April and June 2012 and Grant Thornton² undertook Historic Due Diligence Phase 1 between July and August 2012. Both of these reviews have involved desk-top documentation reviews and 1:1 interviews with Board Members. There are also some actions required by the Board Governance Assurance Framework³ that were incorporated into recommendations made to the Board in August 2012. The key focus of all these reviews is to ensure that there is a clear hierarchical reporting structure with no gaps and any duplication is minimised. It is also to ensure compliance with good practice and Monitor's Code of Governance⁴ to ensure FT-readiness.

2. Findings

2.1 The final shape of the Committee structure and content was discussed at the Board Development Day on 22 October and a number of decisions and principles agreed in order to ensure that the formal sub-committees of the Board focus on key strategic imperatives, assurance of systems and delivery against robust plans and to minimise duplication.

2.2 Tier 2 committees (formal sub-committees of the Board with NED involvement*)

- An Executive Risk Committee as a formal sub-committee of the Board to be established to review strategic and corporate risks and consider and review the Board Assurance Framework to report to the Trust Board each quarter to provide assurance to the Board.
- A Workforce Committee to be established as a formal sub-committee of the Board to consider key aspects of workforce strategy including improving staff morale and engagement through a robust OD programme.
- Refreshing the Finance & Performance Committee responsibilities so that it focuses on key aspects of longer term financial planning/strategy, to include creating income, reducing cost base and expanding market share. Performance will be considered by the Board so the Committee will be renamed the Finance Committee
- Refreshing the Audit & Risk Committee so that it focuses on assuring the Board that appropriate high-level systems and processes are in place, with the detail around risk management being dealt with by the Executive Risk Committee and being renamed the Audit Committee
- Clinical Quality & Safety Committee to focus on key aspects of Quality Improvement Strategy and Quality Governance Framework and to consider its membership and responsibilities to include monitoring of robust action plans for QIPP and consideration of action plans to improve performance against regional safety dashboard. Some of the work currently being dealt with by the Committee should be dealt with by the Clinical Governance Executive
- Charitable Funds Committee and Remuneration Committee to remain unchanged
- Hospital Executive Committee (which does not have NED involvement) will be reported to the Board through Chief Executive's update when appropriate, and the minutes will be included in the Board Information pack (see s3.3)
- * NED involvement may only require one NED present per Committee and not necessarily to chair that Committee (apart from Audit, Remuneration and Charitable Funds Committees which require NED chairs and members). To enable one NED per Committee an option may be to 'pair' NEDs so that exceptionally should the lead NED be unable to attend the relevant Committee then the deputy could attend to ensure quoracy.

¹ Review of Board committee structure and reporting June 2012

² Stage 1 Preliminary assessment and Financial reporting procedures Report August 2012

³ Board Governance assurance Framework Department of health December 2011

⁴ The NHS Foundation Trust Code of Governance Monitor March 2010

2.3 Tier 3 Groups (reporting into Tier 2 Committees)

- Establishing a Clinical Governance Executive to report to the Clinical Quality & Safety Committee and deal with many of the operational issues currently being addressed by the Committee.
- Establishing IT and Business Development Groups as Tier 3 groups to report to HEC and Finance Committee respectively
- Establishing an Operational Risk Group (Tier 4) to report to the Executive Risk Committee, dealing with operational risk (the Information Governance Group would also report to the Executive Risk Committee)

Please see Attachment 1 for structure

2.4 Board meetings

- Board meetings will be scheduled for 2.5 hours. The dates are shown below
- Future Board Development sessions will be scheduled to run for two hours after Part 1 and Part 2 Board meetings

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
31	28	28	25	30	6* & 27	25	29	12** & 26	31	28	x

2013

*Special for Annual Accounts

** Provisional AGM

3. Committee Membership

- 3.1 Allocation of NEDs to the Committees will be finalised by the Trust Chair.
- 3.2 Membership will be agreed by the Chairs of the respective Committees
Terms of reference and membership will be agreed by the Chairs of the relevant Committees
- 3.3 The minutes from all committees will be included in the supporting Information pack and members will be given an opportunity to discuss any issues arising from these. This should help limit repetition and enable the Board to focus on the key issues.

4. Recommendations

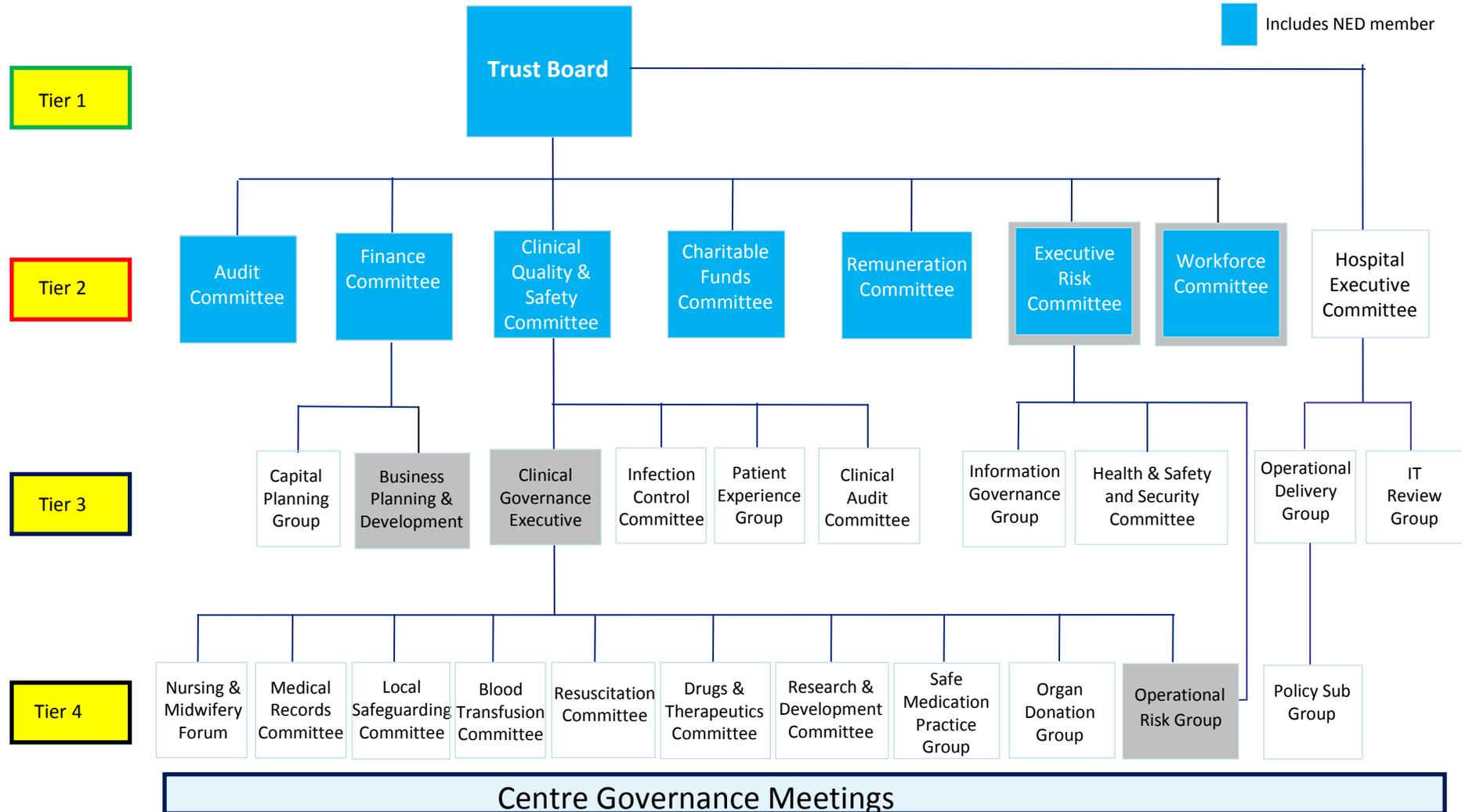
The Board is asked to:

- 4.1 **APPROVE** the proposed structure and **NOTE** date for Board meetings and Board Development sessions.

Board Committee Structure

Key

- Proposed new Committee or Group
- Includes NED member



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