

# Board of Directors

## SUMMARY REPORT

Meeting Date: 25 September 2024

Agenda Item: 26

<b>Report Title:</b>	<b>Governance Report (including annual Board of Directors review of effectiveness)</b>	
<b>Author(s):</b>	Deborah Lawrenson, Director of Corporate Governance (Trust Secretary)	
<b>Accountable Director:</b>	Deborah Lawrenson, Director of Corporate Governance (Trust Secretary)	
<b>Other Meetings presented to or previously agreed at:</b>	<b>Committee/Group:</b>	Council of Governors (CoG) and Board of Directors (BoD)
	<b>Date:</b>	20 June 2024 (CoG) 24 July 2024 (BoD)
<b>Key Points recommendations to or previously agreed at:</b>	The Annual Members Meeting due to take place on 26 September will be asked to formally approve changes to the Constitution following discussion and agreement at the June Council of Governors meeting and July Board of Directors meeting and will be asked to receive and approve for publication the Annual Report and Accounts 2023/24	

### Summary of key points in report

Key areas covered in this report are outlined below:

**Annual Members Meeting and the Constitution** – The Annual Members Meeting to be held on 26 September 2024 at the OEC in Sheffield, will formally receive and approve the Annual Report and Accounts 2023/24 and consider proposed changes to the Constitution following approval at the Council of Governors and Board of Directors. It will also receive presentations on the work and achievements of the Trust in 2023/24 and will look forward and discuss opportunities and challenges in the current financial year. We will be joined by a range of partners, staff and governors hosting information stalls.

**Council of Governors** – We are going through final due diligence arrangements for our newly elected and appointed Governors and for renewals of DBS for some existing Governors. Our new Governors will be formally welcomed at the Annual Members Meeting and at our next Council of Governors meeting due to take place on 16 October 2024.

**Board of Directors review of effectiveness** – The Board of Directors have undertaken their annual review of effectiveness looking back over the period 2023/24. The output is attached at **Appendix 1**. Overall feedback from Board members was extremely positive with the majority either strongly agreeing or agreeing that arrangements in place are appropriate and working well. Discussions will take place to understand those areas where a small number of Board members either disagreed with the statements or were unsure how to answer them, to support us in identifying any actions which might be required to support our continuous

improvement. One key area requiring continued focus is the length of papers and the quality of the cover sheets/summaries - although the majority of Board members were positive about the ongoing and continuous improvements made there was recognition further work is needed to consistently deliver high quality papers.

**Recommendation for the Board of Directors to consider:**

<b>Consider for Action</b>		<b>Approval</b>		<b>Assurance</b>	✓	<b>Information</b>	✓
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The Board of Directors is asked to receive for **assurance, discussion** and for **noting**:

- Updates provided in respect of the Annual Members Meeting and plans for approval of changes to the Constitution; arrangements in place to finalise due diligence for Governors; and an update on the outcome of the Board of Directors review of effectiveness for 2023/24.

**Please identify which strategic priorities will be impacted by this report:**

Effective Use of Resources	Yes	✓	No
Deliver Outstanding Care	Yes	✓	No
Great Place to Work	Yes	✓	No
Ensuring our services are inclusive	Yes	✓	No

**Is this report relevant to compliance with any key standards? State specific standard**

Care Quality Commission	Yes	✓	No	Health and Social Care Act 2022 Code of Governance 2022
Data Security Protection Toolkit	Yes		No	

**Have these areas been considered ? YES/NO**

If Yes, what are the implications or the impact?  
If no, please explain why

Service User and Carer Safety, Engagement and Experience	Yes		No	✓	Reflected in: • Review of Constitution
Financial (revenue & capital)	Yes		No	✓	
OD/Workforce	Yes		No	✓	
Equality, Diversity & Inclusion	Yes	✓	No		
Legal	Yes	✓	No		
Environmental sustainability	Yes		No	✓	

**SHSC BOARD – Self-Assessment 2023-24 – as at 11 September 2024**

All members of the Board voting and non-voting responded

## Theme 1 – Board focus

Ref	Statement	Strongly Agree	Agree	Disagree	Strongly Disagree	Cannot answer	Comments
1a	The Board has set itself a series of objectives it wants to achieve this year	7	6			1	<ul style="list-style-type: none"> <li>• Not that I'm aware of. I presume this relates to objectives about the way the board works together, rather than the organisation's strategic objectives?.</li> <li>• The Board did not request any specific objectives following the review of effectiveness in 2023/24. The Board did review the strategic objectives in October.</li> <li>• Operational plan and updates.</li> <li>• Agreed priorities which are cascaded throughout organisation.</li> </ul>
1b	The Board has made a conscious decision about the information it would like to receive through its forward planning and provides feedback to authors on papers received to support ongoing improvements	6	7			1	<ul style="list-style-type: none"> <li>• I wonder if this is something that the Chair, CEO and CoSec do together, rather than the Board collectively?</li> <li>• Feedback is constructive, and clearly acknowledges improvement.</li> <li>• Effective forward planning is in place received at each meeting with updates made clear. The planners were reviewed in the financial year and again at the outset of 2024/25. Continuous improvement in the quality of board papers has continued to take place. Front sheets have been updated and reports generally include an AAA on the cover sheets to support focussing discussion.</li> <li>• Authors are given feedback on papers in discussions to support ongoing improvement.</li> <li>• Board has forward annual workplans which are regularly reviewed.</li> <li>• IPQR has been partially reviewed and this continues.</li> </ul>

1c	Board members contribute regularly across the range of issues discussed	5	9				<ul style="list-style-type: none"> <li>• There is good contribution evidenced in the minutes.</li> <li>• In the main.</li> <li>• There is good evidence of board members contributing across the broad range of issues discussed which is evidenced in the minutes.</li> <li>• Good contributions and challenge from exec and NED board members.</li> </ul>
1d	The Board is aware of the key sources of assurance and who provides them.	9	5				<ul style="list-style-type: none"> <li>• The Annual Reports from the assurance committees outline their key sources of assurance and these have also been reported through ARC and is evidenced in the AAA reports. Also evidenced on the BAF.</li> <li>• Evidenced in board papers, AAA reports and annual reports.</li> </ul>
1e	Where appropriate, the Board receives assurances from third parties who deliver key functions to the organisation	9	4	1			<ul style="list-style-type: none"> <li>• e.g. auditors.</li> <li>• I can't remember this happening much?.</li> <li>• This is evidenced in the Annual Reports from the assurance committees and in the report to ARC. It is also evidenced on the BAF.</li> <li>• Key example as stepped change is external assurance on EPR programme, usual examples re EA, IA, CQC</li> <li>• Auditors (external and internal audit), CQC MH reports, commissioners, consultant re EPR, comments of partners in annual report etc.</li> <li>• reported through to board as part of AAA reports.</li> </ul>

## Theme 2 – Board Structure and Team Working

Ref	Statement	Strongly Agree	Agree	Disagree	Strongly Disagree	Cannot answer	Comments
2a	The Board is appropriately structured and has the right	4	9	1			<ul style="list-style-type: none"> <li>• I'd like to see more emphasis placed on diversifying Board membership in terms of lived experience.</li> </ul>

	balance of experience, knowledge and skills to fulfil its role						<ul style="list-style-type: none"> <li>• The Board has had the appropriate structure in place in 2023/24. There have been some new appointments in year. The Constitution was updated in 2023/24 to give more flex around board composition.</li> <li>• Board has historically been well structured but recent resignations on non-executive and executive side need to be replaced and bedded in.</li> <li>• Some challenge this year with turnover, experience and capacity, risks effectively considered, some mitigated and issues effectively managed.</li> <li>• Regularly reviewed including as part of recruitment.</li> </ul>
2b	The Board has structured its agenda appropriately	6	7	1			<ul style="list-style-type: none"> <li>• Agendas are very long</li> <li>• Board agendas are appropriately structured in my view starting with the patient/service user/carer or staff voice.</li> <li>• The agendas are structured appropriately and follow the work plans.</li> <li>• Need to consider how we can reduce the length of the meetings without losing focus on the areas we must cover as a board.</li> <li>• We start board meetings with a patient/service user/carer or staff story which sets the tone for the meeting.</li> <li>• The board strategy sessions have improved, become more strategic and are focussing on areas such as health inequalities.</li> </ul>
2c	The Board environment enables people to express their views and to challenge constructively	6	8				<ul style="list-style-type: none"> <li>• Somewhat, although I perceive this to be an area where further development would be beneficial.</li> <li>• The environment is generally fine. We have had some technical issues for those joining remotely. The Chair allows and enables all to contribute. Challenge is generally constructive.</li> <li>• Chair is very good at soliciting views and making time</li> </ul>

							<ul style="list-style-type: none"> <li>• Fed back some concern this year on individual behaviour not meeting the values of the organisation but its positive these conversations could be had and gave opportunity for learning and growth.</li> <li>• Active contributions and challenge from board members.</li> <li>• Each meeting has a section that allows for reflections on the meeting effectiveness. Board members contribute their views and reflections.</li> </ul>
2d	The Board hold their assurance providers (Board sub committees and report authors) to account for provision of appropriate assurances	6	8				<ul style="list-style-type: none"> <li>• Evidence in place through AAA reporting and discussions on these, and through Annual Board Assurance reports. In discussions the Chair asks individuals as well as committees for specific assurances where required.</li> <li>• There is evidence in the minutes of referral from the Board to the sub committees and vice versa on areas which require further focus.</li> </ul>
2e	Decisions and actions are implemented in line with the timescale set down	2	11	1			<ul style="list-style-type: none"> <li>• The action plan is robust and generally actions are delivered within timescales. We clearly outline on the action plan and in minutes when this is not the case and more work is required.</li> <li>• Fulwood and finance prove recurring difficulties.</li> <li>• At sub-committee level, the majority of high priority items are delivered in timescale, but lesser items can be delayed at tier 2 committees too frequently.</li> <li>• If there are delays in timescales to agreed actions, these need to be agreed in advance by the Chair and CE and then brought to the board (with explanations and mitigations etc).</li> <li>• Usually yes but not in all instances but board is made aware and asks for mitigations and assurance when there are delays.</li> </ul>

Ref	Statement	Strongly Agree	Agree	Disagree	Strongly Disagree	Cannot answer	Comments
3a	The quality of Board papers received allows committee/group members to perform their roles effectively	2	8	3	1		<ul style="list-style-type: none"> <li>• Papers are often still much too long and lack clarity in structure and emphasis.</li> <li>• Board papers are generally of a good/high quality and have been continuing to improve throughout the year.</li> <li>• Often too long but improving immensely.</li> <li>• On the whole a big improvement, but volume of paperwork is still too big and some still require improvement in exec summaries.</li> <li>• Generally, this is the case and I think we are getting better at feeding back when reports aren't what we expect.</li> <li>• The front sheet template need reviewing as there is a lot of repetition with the papers.</li> <li>• Still work to do in some cases with highlighting key issues on front sheet of some papers but this is improving.</li> <li>• Not always.</li> </ul>
3b	Board papers are shared in a timely way	2	12				<ul style="list-style-type: none"> <li>• The majority of board papers have been shared within the required timeframe there have been some papers such as EPR which have been circulated later to ensure the most up to date position is provided.</li> <li>• On the whole, yes, but not 100% of the time.</li> </ul>
3c	Meetings are quorate and managed appropriately	10	4				<ul style="list-style-type: none"> <li>• Our meetings have been quorate. There have been some instances where Board members have been on leave for Board meetings and dialled in remotely.</li> <li>• All board meetings are well attended and quorate.</li> </ul>
3d	Arrangements for delegation to board sub committees are managed effectively	8	6				<ul style="list-style-type: none"> <li>• We have good processes in place to capture cross referrals between board assurance committees and from board to the committees.</li> </ul>

							<ul style="list-style-type: none"> <li>• And increasing use of cross referrals.</li> </ul>
3e	Declarations of interests are appropriately captured and managed	9	5				<ul style="list-style-type: none"> <li>• We have updated declarations of interests in line with requirements. Strong position on the DOIs below Board level this financial year with far fewer outstanding by July.</li> <li>• Evidenced in the minutes.</li> </ul>
3f	The Board is fulfilling the requirements placed upon it in respect of the scheme of delegation appropriately	7	5	1		1	<ul style="list-style-type: none"> <li>• Not sure what this means.</li> <li>• There have been no issues of non-compliance in the year. The documents were updated as usual and in response to changes required and are in the process of being updated again to meet business needs.</li> <li>• This is evolving and being looked at with scrutiny to ensure this is the case always.</li> </ul>
3g	Members of the Board provide real and genuine challenge – they do not just seek clarification and/or reassurance	8	5	1			<ul style="list-style-type: none"> <li>• Generally challenge has been good and constructive.</li> <li>• I think this is still work in progress. I don't disagree but would have preferred a choice which reflected this between agree and disagree.</li> <li>• Real and genuine challenge from board members.</li> </ul>
3h	Debate is allowed to flow and conclusions reached without being cut short or stifled due to time constraints	8	5	1			<ul style="list-style-type: none"> <li>• Yes, although inevitably time constraints do impact on the approach taken to some items. Where felt important the Chair does allow additional time for specific items</li> <li>• The Chair enables discussions to have the time they need for priority issues.</li> <li>• Although sometimes papers at the end of the agenda get less airtime, so most important papers are prioritised.</li> <li>• Again – would have liked another choice. Sometimes there is not sufficient time whereas sometimes there absolutely is.</li> </ul>



3i	Each agenda item is “closed off” appropriately so that I am clear what the conclusion is; who is doing what, when and how	7	6	1			<ul style="list-style-type: none"> <li>• Actions are generally clear and captured in the action log.</li> <li>• We are progressing well to achieve this.</li> <li>• Evidenced in the minutes and actions log.</li> </ul>
3j	At the end of each meeting the Board discuss the outcomes and reflect on decisions made and what worked well, not so well and on any issues around unconscious bias	8	6				<ul style="list-style-type: none"> <li>• Reflections take place at the end of all meetings including any unconscious bias.</li> <li>• Not sure we reflect on decisions made but we are always given the opportunity to comment on the effectiveness of the meeting any unconscious bias.</li> <li>• Each meeting has a section that allows for reflections on the meeting effectiveness. Board members contribute their views and reflections.</li> <li>• We are getting better at this – as evidenced in the minutes.</li> </ul>
3k	The Council of Governors is provided with feedback/reports from the Board to support its understanding of the work the Board covers	10	2			2	<ul style="list-style-type: none"> <li>• A report is provided from Board to COG to each of their meetings. Briefings have been provided on specific topics and Exec Leads and relevant NEDs have led discussions at briefing sessions with the COG for example on issues such as the financial position.</li> <li>• There is a NED report to CoG after each board meeting.</li> <li>• NED chairs of committees present to CoG.</li> <li>• CoG development sessions and workshops held on areas such as finance, staff health and wellbeing etc.</li> </ul>
3l	There is a formal appraisal of the Board’s effectiveness each year	10	3			1	<ul style="list-style-type: none"> <li>• Reviews of effectiveness take place for the Board and its assurance committees annually.</li> </ul>

Theme 4 – Board Engagement

Ref	Statement	Strongly Agree	Agree	Disagree	Strongly Disagree	Cannot answer	Comments
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4a	The Board actively challenges management and other assurance providers during the year to gain a clear understanding of the findings; including through triangulation methods (such as the Board visits programme)	8	6				<ul style="list-style-type: none"> <li>The Board visits programme has continued and continues to be strengthened themes are reported back to Board.</li> <li>Board members often reference what they have seen and heard on visits, at service user/carers groups and from staff, governors, and partners etc.</li> </ul>
4b	The Board is clear about its role in relationship to other committees/groups	8	6				<ul style="list-style-type: none"> <li>This is clear in terms of roles and responsibilities in the TORs which are updated annually.</li> </ul>
4c	The Board receives clear and timely reports from reporting groups and is assured the board sub committees are fulfilling their roles effectively	7	7				<ul style="list-style-type: none"> <li>The majority of papers come through to Board in line with the board forward programmes. We receive AAA reports from assurance committees. The cross referral tracker is an excellent tool introduced in 2023/24.</li> <li>If the Board is not wholly assured it asks committees to undertake actions to improve information for assurance.</li> <li>Board receives AAA reports from its sub committees and annual reports which include the reviews of effectiveness.</li> <li>Many examples of board committees referring matters to each other.</li> <li>Chair attends each committee at least once a year to observe.</li> </ul>
4d	Board members can provide examples of where the Board has focused on improvements to the system of internal control as a result of assurance gaps identified	8	5			1	<ul style="list-style-type: none"> <li>e.g. fire safety.</li> <li>Not sure what this means.</li> <li>There is evidence of the Board challenging on, and asking for further assurance around, a number of issues evidenced in minutes and papers including for example control around finances and the Value Improvement Programme.</li> <li>The Board regularly reviews the BAF and corporate risk register to ensure gaps in controls and assurance are being overseen by assurance committees and executives.</li> </ul>

							<ul style="list-style-type: none"> <li>• Risk management.</li> <li>• Financial – CIPS, over establishment etc</li> </ul>
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Theme 5 - Board meeting Leadership (not to be completed by Chair)

Ref	Statement	Strongly Agree	Agree	Disagree	Strongly Disagree	Cannot answer	Comments
5a	The Board Chair has a positive impact on the performance of the committee	11	2				<ul style="list-style-type: none"> <li>• The Chair of the Board and COG is excellent and received outstanding feedback through their appraisal.</li> <li>• Sharon is an excellent chair. drives the agenda forward well and makes sure agreed actions are clear.</li> </ul>
5b	Board meetings are chaired effectively	11	2				<ul style="list-style-type: none"> <li>• Meetings are effectively chaired with flexibility used to ensure key matters have sufficient airtime.</li> <li>• Agendas very full sometimes.</li> </ul>
5c	The Board Chair is appropriately visible within the organisation and is considered approachable	11	2				<ul style="list-style-type: none"> <li>• Very visible chair across the Trust and extremely engaged with Governors and very visible and strong advocate in the System (through her leadership roles).</li> </ul>
5d	The Board Chair allows debate to flow freely and does not assert his/her own views too strongly	10	3				<ul style="list-style-type: none"> <li>• The Chair is flexible in ensuring key matters get sufficient discussion time.</li> <li>• Sharon almost always lets Board members contribute before she asks questions, but she will always come in at the end if she still has unanswered questions.</li> <li>• Good example in the case of Fulwood, where Chair has considerable property legal experience but did not offer opinion until all discussions had finished.</li> </ul>
5e	The Board Chair provides clear and concise information to the governing body on committee/group activities and gaps in control	11	1			1	<ul style="list-style-type: none"> <li>• The Chair has an excellent communication approach with the Governors in their formal meetings and through regular various drop ins and 1:1s.</li> </ul>

							<ul style="list-style-type: none"> <li>A comprehensive Board report is shared with Council of governors. This is always checked out with all NEDs before being issued.</li> </ul>
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Additional comments

<ul style="list-style-type: none"> <li>n/a</li> <li>The Board works effectively, there are good working relationships and the Trust values adhered to in the performance of its duties.</li> <li>This is now one of the most effective Boards I have been part of and I have significant experience of working at Board level. There is still work to do on the IPQR in terms of the analysis and prioritization of information presented to the Board but the processes supporting the Board and its assurance committees are sound and have improved over the past year. Board members in the main contribute across the Boards business and new and less experienced Board members are integrated quite well. There was a turnover of executive Board members during 2023/34 which I feel the Board weathered well.</li> <li>The Board has stood its own despite the numerous changes. This is credit to the Chief Exec and Chair who have worked tirelessly supported by Deborah and all of EMT.</li> <li>The Board has remained stable and focussed, functioned well and there has been good input, challenge, and support from members both NED and Exec.</li> </ul>
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