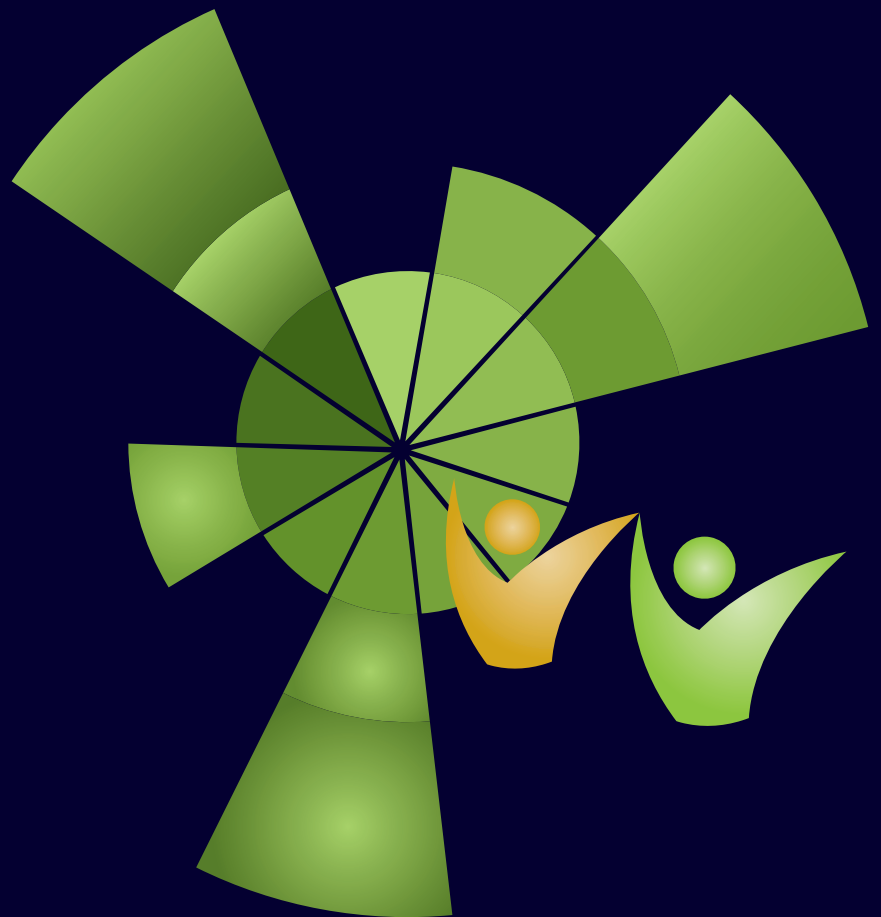


In partnership with



Good Governance Handbook Summary



January 2015

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January 2015

ISBN NO 978-1-907561-04-7

GGI and HQIP would like to thank Liz Butler, chairman of Lewisham & Greenwich NHS Trust, Nicola King, head of commissioning skills at NHS England, and Claire Campbell, director of governance at George Eliot Hospital NHS Trust for their contributions.

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Design: Pad Creative www.padcreative.co.uk

Good Governance Handbook Summary

What is this guide and who is it for?

The new Good Governance Handbook (GGH) has been redrafted to reflect the changes in architecture in the NHS in England, the Health and Social Care Bill¹, the lessons from Mid Staffs² and Keogh Reviews³ and the enhanced focus on well led organisations. The handbook is focused on the developing role of clinicians in management and resource allocation and should help existing and aspirant clinical, nurse and medical directors as well as those who support and challenge them to understand and apply good governance in a challenging environment.

To work, good governance must be embedded in systems and behaviours throughout the organisation operating a strict rule of subsidiarity i.e. delegate as close to the action as possible. To support this we have provided GGI matrix tools at the three levels of the board, division and department. GGH can be read in parallel with the 2012 edition, the accompanying HQIP/GGI guide on clinical audit,⁴ the HQIP guide on Quality improvement methodologies⁵ and the recent set of governance

tools prepared by GGI for Clinical Commissioning Groups (CCGs) and sponsored by NHS England. All of the material, including the main guide, is freely available on HQIP and GGI websites in plain format for use in your briefing documents. We only ask that you acknowledge the sources.

We have attempted to support the concept of subsidiarity, which implies the pushing down of control and responsibility, as near to the coalface as possible. We have taken 10 themes that illuminate different aspects of good governance, and the main handbook takes each of these in turn and discusses them in more detail. We have described for each of these themes the practical application of each principle at board/governing body, division and department level within a healthcare organisation. To help flesh this out further, we have included example assurance questions, listed in this summary, for each of the themes that might be asked, and an accompanying *good* and *weak* answer to these. This follows the model used in other GGI support materials such as the series of Board Assurance Prompts (BAPs).⁶

1. www.legislation.gov.uk/ukpga/2012/7/contents/enacted Health and Social Care Act, 2012

2. The Mid Staffordshire NHS Foundation Trust Public Inquiry – Chaired by Robert Francis QC., 2013 & Keogh, B., 2013, *Review into the quality of care and treatment by 14 hospital trusts in England: Overview Report*

3. Keogh, B., 2013, *Review into the quality of care and treatment provided by 14 hospital trusts in England*

4. Bullivant, J. et al (2015) *Clinical audit: a guide for NHS boards and partners*

5. www.hqip.org.uk

6. www.good-governance.org.uk/board-assurance-prompts-key-questions-to-ask-when-scrutinising-governance-between-organisations/

Figure 1. The 10 governance themes



Principles of governance

The 2012 GGH identified a series of principles for good governance:

- 1) Entity
- 2) Accountability
- 3) Stakeholders
- 4) Governance and management
- 5) The board and constructive challenge
- 6) Delegation and reservation
- 7) Openness and transparency
- 8) Board supports
- 9) Knowing the organisation and the market

Each of these reflect Alpa's⁷ premise that principles should be of fundamental value; understood by users as the essential characteristics of the system and reflect the system's designed purpose. In this edition of the handbook we offer an additional principle that we feel helps distinguish good governance: competence.

These principles will help those boards and those developing governance systems to decide what is most appropriate for the specific needs of their organisation. Boards and governing bodies can add value to their organisation's mission and materially help communities have better health and social care services available to them. This will not happen without a clear understanding of how good governance works, the principles upon which it works and the thoughtful application of these to the local situation. In particular, clinicians in board positions have a significant role to play to help all those on boards and governing bodies extend the governance discipline around the healthcare process and ensure safe, effective and relevant services are maintained, indeed developed, for generations of NHS customers over the coming decades.

7. Alpa, Guido *General Principles of Law*, Annual Survey of International & Comparative Law: Vol. 1: Iss. 1, Article 2 1994

Assurance questions, with possible answers

Board level

	Example assurance question	Unacceptable answer	Acceptable answer
1	Do we ensure clarity about the purpose, roles and desired behaviours of our board?	Our board/governing body members understand this. We have used the various templates available to organise how our board operates and have appointed experienced individuals who know what to do	Our governance procedures and activities are focused on outcomes and the quality of care we provide. Good governance is of concern to everyone in our team, with the board providing strong support and assurance to our stakeholders
2	Does our board understand and apply each of the principles of good governance in its day-to-day workings?	Our constitution lays out how our board/governing body is organised and operates. In developing this we were careful to stick to the national guidance as exactly as possible, and then our lawyers reviewed this before we adopted it. Each year we have a clean bill of health from our auditors	We found thinking about the added value that effective governance should bring, stretched us considerably, it has taken several attempts to get structure right for us
3	Does our board ensure strong leadership and a clear strategic direction developed with input from all team members within the organisation?	We are very satisfied with our board/governing body team and we are all leaders. We have appraisal and personal development planning systems in place, and are clear about who is in charge of what. Our Chair is well-known in the organisation and contributes to the staff newsletter	As we have progressed as an organisation we have needed to change our thinking about our role in the organisation's leadership. We are now at the stage where we work to set and reinforce the organisation's culture, and are thinking about what skills we will be needing over the coming years and how we succession plan for these. We have heavily involved our remuneration and appointments committee in developing this thinking
4	Does our board have effective external relationships with stakeholders, patients and the community?	The board engages with other organisations where necessary. We also need to remember that individual departments engage with our patients every day. We observe the required standards for consultation when we make service change. Our senior team is always available to meet with other local health and social care providers and commissioners	We have put a lot of effort into this, and start from trying to understand what our partners, patients and local communities want from us. We have initiated various forums for doing this, and from time-to-time undertake an independent stakeholder review. We have created opportunities for the local media to come and see our services and do our best to help them when they attend board/governing body meetings. When we have had bad news stories we have invited the media in to brief them as far as we are able to. We have developed systems for ensuring we gain stakeholder involvement in key decision making such as service reconfiguration
5	Does our board have effective internal relationships with members, service users and staff?	We publish the names of board members on our website and advertise board meetings in the same way, and staff are welcome to attend board meetings as are members of the public. Other opportunities include the AGM	The strong visibility of our board underpins our view that good governance is everybody's business. Our staff are confident that our governance mechanisms are reliable and add value to their everyday work

	Example assurance question	Unacceptable answer	Acceptable answer
6	Is the public reporting of our governance transparent?	We engage with GPs, Healthwatch and the public to the extent we need to. We manage patient feedback well. The auditors always sign off our annual governance statement	We ensure the organisation engages with GPs, Healthwatch and the public because effective, meaningful communication is at the heart of how we work. We have built on the formal means of reporting our work, such as our annual report, by thinking about the effect the organisation has on the local community, staff and the general health and wellbeing of the local population. We have been making efforts to consider how we impact on the local community as a significant employer and our environmental footprint. We have been making efforts to engage with the Health and Wellbeing Board to work through how we holistically describe what we do beyond the externally reported performance measures – for example, our contribution to research and development Our risk management reporting systems enable us to ensure that patients are always informed of clinical incidents concerning their care including near misses
7	Does our board ensure that we have systems and structures in place that guarantee quality and safety across boundaries within and beyond the organisation?	Our quality improvement programme is focused on the annual routine clinical audit as set out in national guidelines. Our main concern is quality within our own organisation and that is where we focus our efforts. We have a quality committee that monitors quality and patient safety on behalf of the board	We have clear risk management and mitigations procedures in place using Monitor's Risk Assessment Framework. We are implementing our Sign Up to Safety improvement plan. Quality improvement is ensured by cross-departmental and cross-organisational use of information, and a well-established clinically led clinical audit and quality improvement programme Training in relevant quality improvement methods are available to staff throughout the organisation The board knows how to get assurance for the quality of clinical performance, and is confident that our management understands this at the level of each department/ward
8	Are agreed outcomes reviewed and critically assessed regularly?	Processes rather than outcomes are what we are able to engage with. We measure performance against contract, and as part of overall performance management. We have not been told that our outcomes are of concern	This has been very hard to do indeed, but we have been working with the commissioners and other local providers to try and see how outcomes for groups of patients are improving. We have tried to ensure that we look at outcomes that are harder to measure as well as those where measurement is straight forward, and we have joined a formal benchmarking service to compare our outcomes with those of others. Our board is well-informed about areas where we are an outlier
9	Does our risk system tell us when we have compliance issues?	We have all the usual policies and procedures for risk and compliance. The board sees the high-level risks on the risk register and our board/company secretary keeps an assurance framework. Our governance team looks after our CQC compliance	Our risk system includes the explicit consideration of compliances as an important element of managing the organisation. We do not equate achieving compliances with our own quality assurance. It is the management's role to ensure compliances are in place, and as part of our overall governance assurance process we test this through various means. Risks to breaches of compliances are well-represented within the risk system, and managed appropriately
10	Does our board ensure organisational effectiveness and added value?	We have an annual cycle of business that includes a timetable of all the things we are asked to do, such as approve the accounts and confirm our CQC registration. Our governance system protects us from risks, and keeps us safe	Each year we look back at the last twelve months and try to honestly appraise how we have added value to the organisation. We plan what we intend to achieve in the coming year. With the BAF, we use this discussion to help us organise our annual cycle of business as well as any changes to our board/governing body working methods. We carry out SWOT analysis ⁸ as part of our decision making process for new ideas

8. SWOT Analysis – Humphrey, A., 2005

Assurance questions, with possible answers

Division level

	Themes	Unacceptable answer	Acceptable answer
1	Do we ensure clarity about the purpose, roles and desired behaviours of our division?	An organogram describes how our divisions are organised and who does what. There is a committee structure chart that shows all this too	We spend time on discussing organisational purpose, and regularly test this out with staff through surveys and discussion groups. We understand that good governance needs working at and there are different roles team members need to play to ensure that good governance is embedded. We find constructive challenge hard at times, but it does lead to us making better decisions and being more certain about assuring ourselves around quality and safety
2	Does our division apply each of the principles of good governance in its day-to-day workings?	Our structure and reporting were set some time ago and seem to work very well. We are pretty similar to other organisations and our way of working seems to deliver what we need. The regular governance meetings we have are prescribed for us by the central team	It has been very interesting to look through the principles of good governance and see where they apply at our level. Understanding what our board is trying to do has helped us craft how we run our own governance and quality meetings. For example, we try and use the principle of constructive challenge to test our reports so that we are sure what we say is robust
3	Does the management of our division provide strong leadership and clear strategic direction?	The strategic direction of our division is largely determined by the board, and our management follows the board's lead in most decisions. Much of this is also stipulated in our contracts. We have some strong characters in our team who exert more informal leadership	The management of our division provides clear leadership to complement the board's strategic direction with clear guidance specific to our division. We uphold the subsidiarity principle where possible and push decisions down to as near the coalface as possible. This means that mistakes are sometimes made but we try and learn from these and do things better the next time
4	Does our division have effective external relationships with stakeholders, patients and the community?	This is more a responsibility of the central team than of our division. We look at the friends and family test results and discuss issues if they arise, but our focus is on delivering a good service within the division	We have a comprehensive system for data sharing in place, and transparently share information with the community and other NHS organisations. Our well-established procedures ensure close collaboration with commissioners, patients, carers and third sector organisations when a patient is discharged into the community. The division engages regularly with patients and community representatives
5	Does our division have effective internal relationships with members, service users and staff?	The management of the division doesn't specifically engage with junior staff members as these tend to be transient. We hold cascade meetings as they are needed and contribute to the general staff newsletter	The strong visibility of our board underpins our proactive staff governance that encourages ambition and engagement at all levels. Our division takes a proactive role in ensuring effective communication between the different levels of our organisation and involving all members of staff as well as members and service users in these processes. There are a number of patient groups that regularly meet that are relevant to our work in this division, and we do our best to offer them practical support and help. This means that sometimes staff go along to help answer questions or explain changes, and we can usually find a room for them to meet in. At our regular clinical governance meetings we look at patient reported outcome measures

	Themes	Unacceptable answer	Acceptable answer
6	Is the governance of our division and public reporting transparent?	We follow the organisation's policies for transparency and ensure all staff record conflicts of interest. Research interests and funding is recorded and we share this if asked	We have held various seminars with staff to discuss how the duty of candour affects us, and what we need to be doing. This has led to some interesting discussions, including how we provide advice for the commissioners around service models. We also spend time with our staff working through how to approach patients and carers where there has been a patient safety incident or a near miss
7	Does our division/directorate ensure that our systems and structures guarantee quality and safety across boundaries within and beyond the organisation?	The organisation has a quality strategy and risk management process that we contribute to through the prescribed divisional reporting templates. Our clinical governance meetings have standard agendas to cover the range of clinical governance activities such as audit activity, numbers of complaints and how quickly we deal with them and incident reporting numbers	We have been building on getting the quality reports right through a greater focus on asking <i>why?</i> to where we have both good results and bad. We have been focusing on completing the audit cycle wherever there has been audit activity, and as well as the suite of national audits, we have been working on ensuring that locally determined audits have a clear rationale and that their findings lead to service improvement. Where useful, we share the results with local GPs and others
8	Are agreed outcomes reviewed and critically assessed regularly?	Outcomes are of concern to the commissioners, and we focus on running a tight ship and delivering the activity that is required of us. We provide management with the quality data they ask for	The quality of outcomes is internally and externally assured. KPIs at ward-level are used intelligently. Safe staffing is a key priority to guarantee high quality care at all times
9	Does our risk system tell us when we have compliance issues?	Compliance standards are the bedrock of our quality system, and the standards form the focus for our quality assurance work. Risk registers that follow the standard format are very much part of our compliance system	To ensure that compliances are embedded, our division puts effort into ensuring that all staff understand the various compliance requirements and know how to raise concerns where they feel there may be a potential breach. We have included potential compliance breaches as reportable incidents, and ensure that staff who do raise issues receive feedback. As part of our on-going clinical governance activity, we regularly reinforce and test compliances. However, our quality management is not led by the external compliance requirements. Our quality system is based on what we believe is important for the patients we care for
10	Does our division ensure organisational effectiveness and added value?	Our governance activity is largely centrally prescribed or required by regulators and we diligently ensure that we cover the ground we are asked to. Our central governance team is happy with how we conduct our affairs	Time spent on management is time away from patient care, but good patient care depends on us managing our affairs well. Clinical governance is critical to us managing an effective and safe service, and so we try and evaluate how effective our time spent on clinical governance is, what information we find the most useful, and what impact all this has on the care of our patients and ensuring the effectiveness of our organisation

Assurance questions, with possible answers

Department level

	Themes	Unacceptable answer	Acceptable answer
1	Do we ensure clarity about the purpose, roles and desired behaviours of our department?	The operational plan spells out what is expected of us each year. Our performance reports reinforce these expectations and tell us when we are going off track	Working at our level, it is hard to lift our minds out of operational delivery and think what the overall purpose of the organisation is, but we nevertheless try and do this each year. This has proved useful as it helps us understand how we fit in to the overall mission of the organisation as well as appreciate what others are doing too
2	Does our department apply each of the principles of good governance in its day-to-day workings?	These principles do not really apply at our level	It is helpful to understand how we fit into the wider scheme of things, for example, when the non-executive directors visit the service areas. We no longer treat these like Royal visits, we actively encourage staff to speak up if they have concerns or plaudits
3	Does the management of our department provide strong leadership and clear strategic direction?	The management of our department is set by senior management, and we deliver what is asked of us	Board/governing body members are largely known to us, and we meet them at staff events and on their service visits. This organisation has a clear way of doing things and we know what we are doing and what our pressures are. This organisation is one where we trust those in charge to be doing their best
4	Does our department have effective external relationships with stakeholders, patients and the community?	The organisation has a PALS and patient and public team who undertake this	We think about this often, and over the years have tried various ways of listening to our patients and their carers. We have held open days, organised visits, gone along and talked at community groups and have various forms of patient information which we regularly update and test with patients and ensure that we respond to feedback so that patients know what has improved because of their input. It seems we can never do enough in this area but we certainly make the effort
5	Does our department have effective internal relationships with members, service users and staff?	The department focuses on internal communication with staff and patients. We rely on the division management to communicate issues raised by members of staff or service users to the board where necessary	Communication matters to us. Staff are encouraged to attend regular meetings where we talk about how the department is managed and the broader issues affecting the organisation. This is a challenge because of our shift work system and we have needed to be creative in terms of making sure that all team members get a chance to join in

	Themes	Unacceptable answer	Acceptable answer
6	Is the governance of our department and public reporting transparent?	This issue doesn't affect staff working at our level much. There are policies we need to follow and we are always clear and straightforward with patients when they ask	At department level we have the opportunity to engage with the local GPs in a way that other tiers of the organisation do not, and we take every opportunity to share with them our issues and developments. We have made efforts to be as open as possible where problems occur, such as when an individual patient is involved with an incident or near miss. We feel this materially supports good patient care and builds trust
7	Does our department ensure that our systems and structures guarantee quality and safety across boundaries within and beyond the organisation?	Our quality improvement programme focuses on the annual clinical audit overseen by the division. An action plan is produced at the end of it to complete the audit process	Our focus has been on building the skills to change services as a result of insight we have been gaining through systematic measurement of quality, such as the clinical audit and quality improvement programme and feedback from patients. We have been sharing these details with other departments and trying to learn from what they are doing as well. We are working on a session with local GPs to discuss concerns across the boundary of care
8	Are agreed outcomes reviewed and critically assessed regularly?	Our KPIs focus on processes and outputs	We have been working with both the division and the central function to help develop a better view about outcomes. We try our best to make sure that at least one team member is able to attend important national meetings where outcomes for our type of service are discussed, and find ways for them to share in any new knowledge
9	Does our risk system tell us when we have compliance issues?	We have various templates to complete around CQC compliance and one of the administrative team sees to that. We keep details of the paperwork to support our compliances carefully filed away	We have an active part in supporting the divisional awareness –raising around compliances and readiness for CQC inspections. We encourage all team members to speak up if they have concerns rather than wait for an inspection. We have been finding out how one can become a CQC inspector as the process sounds interesting and an opportunity to learn about other organisations
10	Does our department ensure organisational effectiveness and added value?	We contribute to the clinical governance programme of the division. We always manage to fill in the required templates and reports on time so we are confident we are doing a good job. Everyone seems happy with what we do	Our organisation is one where we are given the responsibility to ensure that our knowledge of our service and speciality helps us set the clinical governance expectations. We are actively encouraged to comment on the clinical governance programmes of other departments



The Good Governance Handbook main guide and further information is available at: www.hqip.org.uk and www.good-governance.org.uk
ISBN NO 978-1-907561-04-7

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Registered Charity Number: 1127049

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January 2015