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**NHS Golden Jubilee**

**Corporate Governance Annual Report**

**2022/2023**

May 2023

**NHS Golden Jubilee**

**Corporate Governance Annual Report 2022/2023**

1. Background
	1. The Blueprint for Good Governance – Second Edition (DL (2022)38) (the Blueprint) was published in November 2022 and emphasised the importance of good corporate governance to maintain high standards of clinical, staff and financial governance. The Blueprint supports a consistent, effective and transparent governance approach across NHS Scotland.
	2. NHS Golden Jubilee (NHS GJ) has implemented a number of developments to its governance framework to ensure good corporate governance principles are embedded throughout the organisation and undertakes continuous review and improvement of the system.
	3. This report outlines work conducted throughout 2022/2023 to augment and develop the corporate governance arrangements across NHS GJ.
2. Governance
	1. Throughout this past year, the Board continued to review its governance arrangements to ensure a more flexible approach was in place to reduce unnecessary demands on the management team and which protected the health and wellbeing of Board Members and staff involved in governance processes.
	2. The Board and Committees continued to meet regularly with a mixture of in person for Board meetings and a virtual format using MS Teams for the Committees.
	3. The Board’s approach to governance ensured:
* The organisation effectively responded to Covid-19 and discharged its governance responsibilities.
* Agile Governance arrangements could move in a flexible way if required.
* The organisation maximised the time available for management and operational staff to deal with the pandemic recovery.
* Staff Safety and Wellbeing
* NHS GJ added support and value to NHS Scotland
1. Board and Board Committees
	1. Corporate Governance is the term used to describe our overall control system. It details how we direct and control our functions that the Board is responsible for:
* Giving leadership and strategic direction
* Putting in place controls to safeguard public resources
* Supervising the overall management of its activities
* Reporting on management and performance.
	1. The Board has a framework of Board Committees actively engaged in delivering the corporate governance system. These are:
* Audit and Risk Committee
* Clinical Governance Committee
* Staff Governance and Person Centred Committee
* Finance and Performance Committee
* Strategic Portfolio Governance Committee
* Remuneration Committee

The Governance Committees support the Board by undertaking detailed developmental work on its behalf, providing clear recommendations for Board approval and adoption. This role also ensures the Board receives appropriate assurance that its agreed strategies and frameworks are being properly delivered.

The Corporate Governance Framework includes:

* Schedule of matters reserved to the Board
* Scheme of delegation
* Standing Financial Instructions
* Terms of Reference for Board Committees
* Risk Management Strategy
	1. The Board and Board Committees meetings took place every 2 months during 2022/2023 with the same meeting frequency continued into 2022/23 as detailed in the Board Business Programme detailed in Appendix 2.
	2. In addition there were a number of extraordinary meetings organised across the Board and Committees in 2022/2023. These were in relation to Replacement of Laboratory Management System, Cardiac Surgery Review and 2023-24 to 2024-25 Financial Plan.
	3. The allocation of Board Members to Committees was reviewed and full membership including details of the Chair of each Committee are noted in Appendix 1.
1. Non-Executive Directors and Board Development

**Non-Executive Directors**

* 1. NHSGJ Board currently includes ten Non-Executive Members, including the Board Chair.
	2. Board Members are required to adhere to the national NHS Code of Conduct for Board Members which is incorporated into the Board’s Standing Orders.
	3. Effective Board appraisal is a systematic assessment of how well the Board is performing in relation to its responsibilities and in contributing to the success of the organisation. Individual annual appraisals of the Board members to look at performance took place during 2022/23 along with completion of the statutory and mandatory training modules.
	4. In 2022/2023 there were changes within the year to the Board as follows:
		1. New Board Member

Steven Wallace was welcomed as a Non-Executive Director to the Board in November 2022 with an office term of four years to provide capital programme. This was identified as an area for the Board that requiring strengthening.

* + 1. Extension of Office Term

Rob Moore and Morag Brown office terms were extended on the Board to serve a further four years.

* + 1. Climate Emergency and Sustainable Development Champion

An existing Non-Executive Director, Callum Blackburn, was nominated as the Climate Emergency and Sustainable Development Champion for the Board in November 2022.

**Board Development**

* 1. In line with the Blueprint, NHSGJ recognised the place of the Board in achieving good governance. Securing high quality, effective and efficient organisational performance is dependent on the leadership skills of Board Members and the Executive Team.
	2. Board Development is a key priority and to support this a number of Board Seminars took place across the year. These interactive sessions focused on developing elements of the Board Strategy and embedding Non-Executive Director development throughout the Board calendar.

The Seminars included forums on Active Governance, Expansion Programme, Service Updates, Cyber Security, Counter Fraud, Diversity and Inclusion, NHS Scotland Academy and an Overview of the Health and Care (Staffing) Act. Further Seminars are planned across 2023/2024.

* 1. A programme of Executive and Non-Executive virtual departmental walk rounds were delivered. The virtual sessions allowed key interactions between the Board and operational delivery teams. Sessions this year have included Cardiac Physiology, Medical Physics, Corporate Objectives and NHS Scotland Academy. The further development of this engagement programme is a key part of the Board agendas going forward.
	2. A programme of Long Service Award presentations was commenced early 2023 to support the recognition of the commitment and loyalty of staff who have made their career in the NHS. Awards were given to staff who had career service between 10 and 40 years. The further development of this engagement programme is a key part of the Board agendas moving forward.
	3. It is important that Board Members are supported, developed and recognised as having the necessary skills and knowledge to effectively engage with different types of information, make information assessments for assurance purposes and thus demonstrate good governance. To support this piece of work, a tool to assist in conducting a self-assessment with the Board to inform Non-Executive Director recruitment, Board Development and Training and focus topics for Board Seminars and Workshops is expected to take place during 2023/24.
1. Executives to the Board
	1. NHSGJ Board currently includes three Executive Members: Chief Executive, Medical Director and Director of Finance.
	2. In 2022/2023 there were changes within the year to the Board Members as follows:

5.2.1 Chief Executive

Gordon James was welcomed as the interim Chief Executive in November 2022 and the permanent Chief Executive in January 2023.

5.2.2 Director of Finance

Michael Breen was welcomed as the new Director of Finance in October 2022.

1. Corporate Administration
	1. To ensure effective provision is in place to facilitate the corporate governance agenda and support Executive and Non-Executive Directors an appropriate Corporate Administration function is required.
	2. A review of the Corporate Administration function took place in 2022/2023 resulting in a restructure to improve and strengthen the secretariat and corporate administration resource.
	3. The Head of Corporate Governance and Board Secretary personnel changed during 2022/2023 but a seamless approach with the Board and Governance Committees timetable was maintained.

* 1. An interim Deputy Head of Corporate Services commenced in post in February 2023 to augment the structure and provide dedicated support to the Board and Committee framework.
	2. Appendix 3 details the new Corporate Administration structure.
1. Integrated Performance Report
	1. During the Financial Year 2019/2020 the Integrated Performance Report (IPR) was commissioned as the key high level corporate performance report for the year.
	2. The IPR brings together all elements of the Board family and providing a balanced scorecard report of performance to support the Governance Committees: Clinical Governance, Staff Governance and Person Centred and Finance and Performance.
	3. An annual review of the construction of the IPR will be carried out during 2023/24 to ensure the measures meet the requirements of the Board and its Governance Committees.
2. Corporate Governance Framework
	1. **Blueprint for Good Governance – Second Edition**

The Blueprint for Good Governance-Second Edition (DL (2022)38) was published in November 2022. The Blueprint emphasises the importance of good corporate governance and describes how its adoption will help NHS Boards to improve their corporate governance system. It will deliver a consistent, effective and transparent governance approach across NHS Scotland.

Following publication, the Board undertook a review of its Governance Committee structures relating to members, core attendees and those in attendance. Changes to the Committees were updated through the relevant Terms of Reference during March 2023.

As mentioned in Section 4.7 above, the Board will complete a self-assessment during 2023/2024 and the outcome from this self-assessment will be reported in next year’s annual governance update.

The Board will continue to review its performance against the Blueprint and any changes will be incorporated into the Corporate Governance Work Plan for 2023/2024.

* 1. **Active Governance**

An active approach to governance requires having the right mix of people and skills on the Board and the Standing Committees. Board Members have to focus on the right things, consider the right evidence and respond in the right way. Board Members must pay close attention to the delivery of the organisation’s purpose, aims and values and concentrate their efforts on achieving the Board’s longer term corporate aims and objectives. Board Members must also have an understanding of current and past delivery of services in order to hold the executive leadership to account for the performance of the organisation. Board Members always have to have regard to the wider strategic and policy context in which they operate.

To assist Board Members in anticipating and identifying the risks and opportunities which could have a significant impact on the delivery of their objectives, their relationships with their stakeholders and their reputation, NHS Boards need to operate within a governance system that ensures that the right issues are considered by the right people, the right information is reviewed in the right format at the right time and the right level of scrutiny produces the right challenge and the right reaction.

The Board has actively considered changes to its governance arrangements throughout 2022/2023 as we recovered from the pandemic.

* 1. **Work Plan 2023/24**

The Corporate Governance Work Plan 2023/2024 should be seen as evolving and flexible as it will have to respond to any changes in the corporate governance arrangements for NHS Golden Jubilee and any decisions that come from NHS Scotland and Scottish Government.

Appendix 4 outlines the proposed Work Plan for 2023/2024.

1. **Recommendations**

The Board are asked to note the Corporate Governance Annual Report 2022/2023.

Appendix 1

**Board Committee Membership**

**Table 1. Board Committee Membership**

|  |  |  |
| --- | --- | --- |
| **Non-Executive Director** | **BOARD COMMITTEES** | **ADDITIONAL COMMITTEE/GROUP****NON-EXECUTIVE MEMBERSHIP** |
| **Finance and Performance Committee** | **Staff Governance and Person Centred Committee** | **Clinical Governance Committee** | **Audit and Risk Committee** | **Strategic Portfolio Governance Committee** | **Endowments Sub-Committee** | **Volunteers Forum** |
| Callum Blackburn | Member | - | Member | - | - | Member | Member |
| Steven Wallace | - | Member  |  | Member | Member | - | - |
| Jane Christie-Flight | Member | Member | Member | Member | Member | Member | **Co-Chair** |
| Karen Kelly  | Member | Member | - | **Chair** | Member | - | - |
| Linda Semple | Member | - | Member | - | **Chair** | - | - |
| Marcella Boyle | - | **Chair** | - | - | Member | Member | **Co-Chair**  |
| Morag Brown | - | - | **Chair** | Member | Member | - | - |
| Rob Moore | - | Member | Member | - | - | **Chair**  | - |
| Stephen McAllister  | **Chair** | - | - | Member | Member | - | - |

Appendix 2 - **Board Business Programme**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | April | May | June | July | August | Sept | Oct | Nov | Dec | Jan | Feb | March |
| 1 |  | Hol |  |  |  |  |  |  |  | Hol |  |  |
| 2 |  |  |  |  |  |  |  | SGPCC |  | Hol |  |  |
| CGC |
| 3 |  |  |  | RemCom |  |  |  |  |  |  |  |  |
| 4 |  | SGPCC |  | FPC |  |  |  |  |  |  |  |  |
| SPGC | SPGC |
| 5 |  |  |  |  |  | FPC |  |  |  |  |  | SPGC |
| SGPCC |
| 6 |  |  |  | SGPCC |  |  |  |  |  |  |  |  |
| CGC |
| 7 | Hol |  |  |  |  | CGC |  | ARC |  |  |  | CGC |
| 8 |  | Hol |  |  |  |  |  |  | PF |  |  |  |
| 9 |  |  |  |  |  |  |  |  |  | SPGC |  |  |
| 10 | Hol |  |  |  |  |  |  |  |  | SGPCC |  |  |
| 11 |  | FPC |  |  |  |  |  |  |  | CGC |  |  |
| CGC | FPC |
| 12 |  |  |  |  |  | ARC | ESC |  |  |  |  | FPC |
| SGPCC |
| 13 |  |  |  |  |  |  | PF |  |  |  | ARC |  |
| 14 |  |  |  |  |  |  |  |  | Brd Sem |  |  | ARC |
| BoT |
| 15 |  |  | ESC |  |  |  |  |  |  |  |  |  |
| ARC |
| 16 |  |  | PF |  |  |  |  |  |  | ARC |  |  |
| 17 |  |  |  |  |  |  |  |  |  |  |  |  |
| 18 |  |  |  |  | PF |  |  |  |  |  |  |  |
| 19 | ARC |  |  |  |  |  |  |  |  |  |  |  |
| 20 |  |  |  |  |  |  |  |  |  |  | ESC |  |
| 21 |  |  |  |  |  |  |  |  |  |  |  |  |
| 22 |  |  |  |  |  |  |  |  |  |  | BrdSem |  |
| 23 |  |  |  |  |  |  |  | Board |  |  |  |  |
| 24 |  |  |  |  |  |  | SPGC |  |  |  |  |  |
| 25 |  |  |  | Board |  | Hol |  |  | Hol | Board |  |  |
| 26 |  |  |  |  |  |  | Brd Sem |  | Hol |  |  | BoT |
| 27 | Brd Sem |  |  |  |  |  |  |  |  |  |  |  |
| 28 | PF |  | Brd Pub |  |  | Board |  |  |  |  |  | Board |
| BoT |
| 29 |  |  |  |  | SPGC |  |  |  |  |  |  |  |
| 30 |  |  |  |  |  |  |  |  |  |  |  |  |
| 31 |  |  |  |  | Brd Sem |  | FPC |  |  |  |  |  |

Appendix 3

**Corporate Administration Structure**

**Head of Corporate Governance and Board Secretary**

**Corporate Administrator**

Senior Management

**Corporate Administrator**

Senior Management

**Corporate Administrator**

Governance Secretariat

**Corporate Administrator**

Director of Strategy, Planning and Performance

Director of Strategic Communications and Stakeholder Engagement

**Personal Assistant**

Chief Executive and Deputy Chief Executive Secretariate

**Corporate Administrator**

Director of Finance

Director of Operations

**Corporate Administrator**

Director of Workforce Employee Director

**Corporate Administrator**

Medical Director

Director of Nursing and AHPs

**Senior Corporate Administrator**

Governance Secretariat

**Deputy Head of Corporate Services**

Appendix 4

**Proposed Corporate Governance Work Plan 2023/2024**

| **Corporate Governance Function** | **Key Area** | **Agreed Action** | **Responsibility** | **Timescale** |
| --- | --- | --- | --- | --- |
| Holding to Account | Ensure all Members continue to have the opportunity to be involved and engaged in financial decision-making | Finance focussed Board Seminars to further understand Financial Management reports to the Board. Finance & Performance Committee will provide in-depth scrutiny. | Director of Finance | 31.03.24 |
| Assessing Risk | To discuss Risk Oversight:* Where are we now
* Assurance
* Existing Corporate Risks
* Risk Oversight
* Risk Appetite
 | A session on Risk Management will be built into the Induction programme for all new Board members and will be offered to existing members on an annual basis. | Head of Corporate Governance | 31.03.24 |
| Engaging Stakeholders | Ensure all Members are kept up to date on Communication and Engagement plans to give assurance on the wider engagement processes. | Members will receive routine updates on our Communication and Engagement Plan. Members will receive advisory notification of any planned events, any special communications, copies of literature etc., as required. | Head of Corporate Governance | 31.03.24 |
| Influencing Culture | Significant focus will been given to organisational culture during 2023/2024.  | The Board will welcome new Non-Executive Directors as required and will consider iMatter results within a Board session.  | Director of Strategy, Performance and Planning | 31.10.23 |
| Enablers – Skills, experience and diversity | Board development in relation to the quality of the induction and ongoing development programme for Board Members has been identified as an area which would benefit from ongoing review and development. | A review of the Board Induction pack will be reviewed and updated during 2023.To ensure a robust appraisal process is in place for Non-Executive Members. | Head of Corporate Governance | 31.10.23 |
| Enablers – Skills, experience and diversity | To further strengthen the Membership Team by recruiting to skill gaps. | Implementation of Board Self-Assessment during 2023/2024 | Head of Corporate Governance  | 31.10.23 |
| Enablers - Roles, Responsibilities & Accountabilities | To further strengthen the Board’s governance arrangements. | To present a paper to Board each time there is a change of Board Members on Committees, or annually if there are no changes. | Head of Corporate Governance | 31.03.24 |
| Enablers – Values, Relationships & Behaviours | Work will be undertaken with Board Members to reflect on what changes in approach and behaviours could be made, individually and collectively, to improve governance. | Further develop organisational awareness and information requirements of the Non-Executive Members of the Board to enable effective engagement.This will also include the annual approval of the Board Code of Conduct. | Head of Corporate Governance | 31.05.23 |
| Supports of Good Governance | Assurance Information Systems | Regular review of the Code of Corporate Governance | Head of Corporate Governance | 31.03.24 |
| Supports of Good Governance | Administration arrangements to support continuous improvement to the Board and Governance Committee Agendas and papers | Continuous review of current Board templates. To ensure writers of papers are clear on key messages, using the new governance template approach and ensure papers are of the highest quality and presented in a timely manner. Consider the Board agenda structure to ensure the flow of the agenda gives the right time for discussion of topics, ensuring a focus on governance. This is ensured by delivering an informed and robust Annual Work Plan for Board meetings.A review of all Board Standing Committees in respect of Terms of Reference, agenda content, minutes and actions. | Head of Corporate Governance | 30.06.23 |
| Engaging Stakeholders | Ensure all Members are kept up to date on Communication and Engagement plans to give assurance on the wider engagement processes. | The approach to delivering the Board’s Walk Round programme for 2023/24 will include in person and/or virtual visit to each department across NHS Golden Jubilee, wherein staff will be asked to join the Board to answer any questions and to celebrate their successes to date. | Head of Corporate Governance / Director of Strategic Communications and Stakeholder Engagement. | 31.05.23 |