Appendix 1: Trust Fund Committee Effectiveness Review

Part One: Membership, objectivity and understanding

The chair and Committee members should have a solid understanding of the objectives and priorities of the organisation.

This part covered two sections:

    1.1   **Membership and objectivity:** The questions examined the Committee's need to be sufficiently resourced in terms of individuals and experience, and the pivotal role of the Committee chair in leading the Committee to successful outcomes, whilst recognising the wider membership needs to bring a breadth of skills and experience.

    1.2   **Making the most of your time:** This section reviewed the regularity, timing and duration of meetings which are critical to the Committee being able to exercise its responsibilities effectively throughout the year. Strong agenda planning and management by the chair is vital to ensuring the Committee devotes the right amount of time to issues competing for priority.

Part one scored well overall. Members were generally in agreement that the membership, independence and objectivity of the committee is working well.
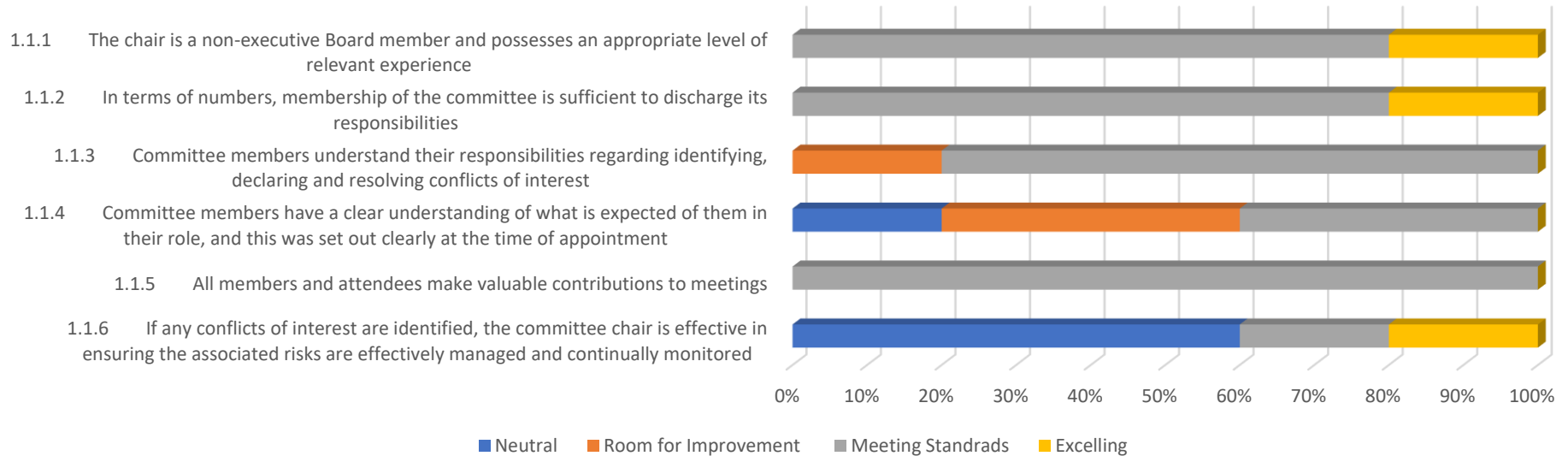
The following areas were singled out as generally requiring improvement:
- 1.1.4: 60% of committee members scored either neutral (20%) or requires improvement 40%) that committee members have a clear understanding of their role and this is set out clearly at the time of appointment. Furthermore, 80% of committee members were either neutral or felt that the committee requires improvement on being clear about the type of skills and experience being sought for a new member and the committee chair being involved in the appointment process (1.2.9).
- 60% of committee members felt that the committee's forward plan requires improvement so that the committee can consider issues at the right time and at the right level of detail (1.2.10).

Even though all members agree that meetings are well aligned with the assurance cycle, a committee member felt that the Committee needs to establish its own schedule that suits the timing of its own work, rather than design this around the NHSBT Board.

A summary of the results for these sections and comments provided are shown below:
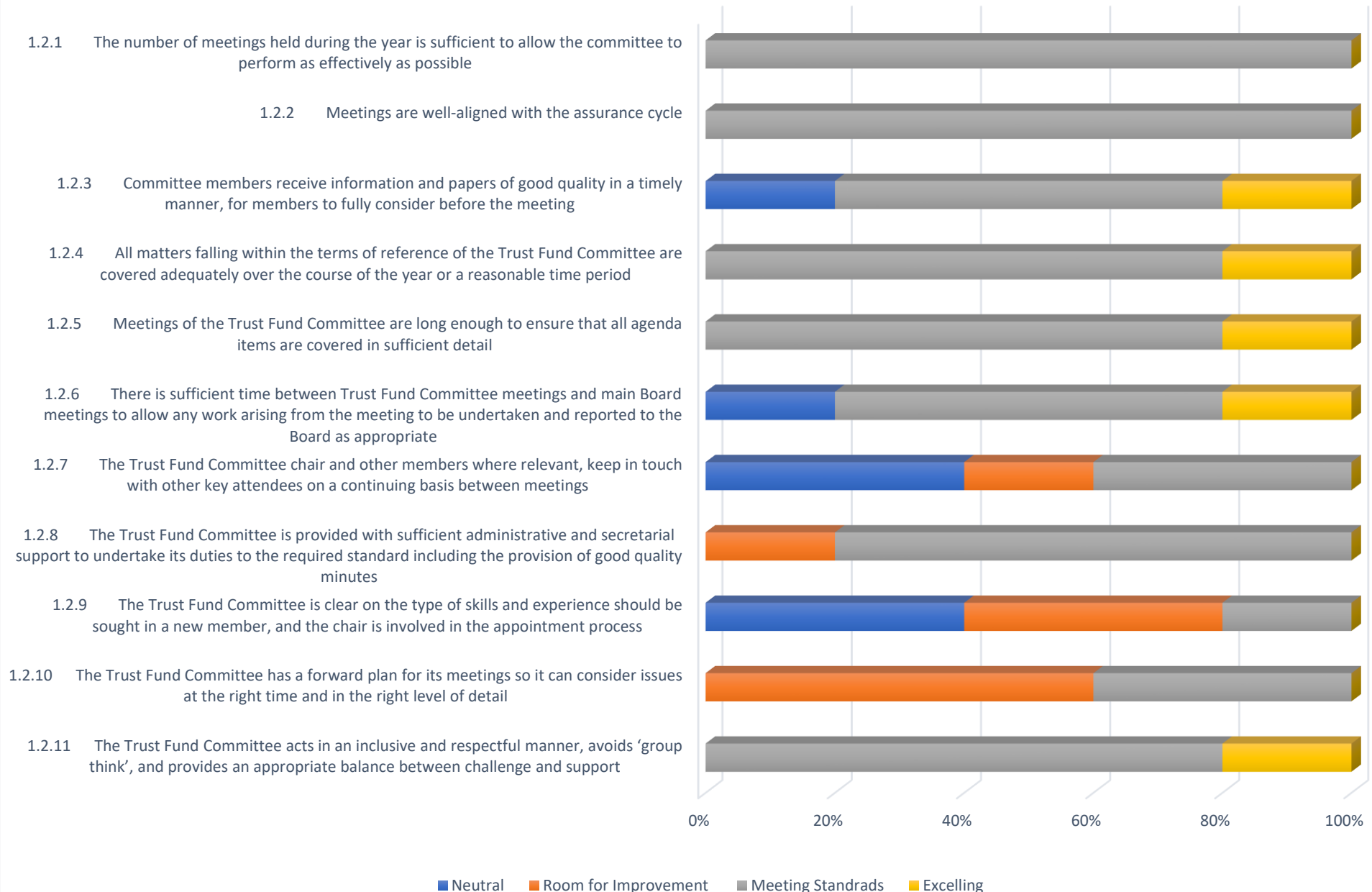
1.1 Membership, Independence and Objectivity

1.1.1	The chair is a non-executive Board member and possesses an appropriate level of relevant experience
1.1.2	In terms of numbers, membership of the committee is sufficient to discharge its responsibilities
1.1.3	Committee members understand their responsibilities regarding identifying, declaring and resolving conflicts of interest
1.1.4	Committee members have a clear understanding of what is expected of them in their role, and this was set out clearly at the time of appointment
1.1.5	All members and attendees make valuable contributions to meetings
1.1.6	If any conflicts of interest are identified, the committee chair is effective in ensuring the associated risks are effectively managed and continually monitored

Legend: ■ Neutral ■ Room for Improvement ■ Meeting Standrads ■ Excelling

The comments provided under 1.1 are as follows:

- The ratings throughout this assessment reflect the size and role of the Trust Fund, and specifically that it secures and allocates very limited resources. Within this context the scale of support process is proportionate to the amount of resources being spent.

- Not sighted on 1.1.4, so unable to comment. No conflicts of interest have been identified, so unable to comment on 1.1.6.

- Since I've been in regular attendance there has been no conflicts interests declared so I cannot comment on the effectiveness of the chair in this instance. The NEDS and the secretary in the committee have also changed so there has been an interesting change of dynamic and energy, which has in my opinion been a good change.

1.2 Making the most of your time

1.2.1 The number of meetings held during the year is sufficient to allow the committee to perform as effectively as possible

1.2.2 Meetings are well-aligned with the assurance cycle

1.2.3 Committee members receive information and papers of good quality in a timely manner, for members to fully consider before the meeting

1.2.4 All matters falling within the terms of reference of the Trust Fund Committee are covered adequately over the course of the year or a reasonable time period

1.2.5 Meetings of the Trust Fund Committee are long enough to ensure that all agenda items are covered in sufficient detail

1.2.6 There is sufficient time between Trust Fund Committee meetings and main Board meetings to allow any work arising from the meeting to be undertaken and reported to the Board as appropriate

1.2.7 The Trust Fund Committee chair and other members where relevant, keep in touch with other key attendees on a continuing basis between meetings

1.2.8 The Trust Fund Committee is provided with sufficient administrative and secretarial support to undertake its duties to the required standard including the provision of good quality minutes

1.2.9 The Trust Fund Committee is clear on the type of skills and experience should be sought in a new member, and the chair is involved in the appointment process

1.2.10 The Trust Fund Committee has a forward plan for its meetings so it can consider issues at the right time and in the right level of detail

1.2.11 The Trust Fund Committee acts in an inclusive and respectful manner, avoids 'group think', and provides an appropriate balance between challenge and support

Legend: ■ Neutral ■ Room for Improvement ■ Meeting Standrads ■ Excelling

The comments provided under 1.2 are as follows:

- Not sighted on 1.2.9, so unable to comment. 1.2.6, think the Trust Fund Committee needs to establish its own schedule that suits the timing of its own work, rather than design this around the NHSBT Board.
- Point 1.2.3 - I feel like I cannot comment as I am involved in producing the papers.

- As the Trust Fund Committee meeting is now under the care of the Company Secretary team it seems to be a bit more joined up and expectations for a secretary support is now in line with the board meetings which has been a good move.

Part Two: Skills and experience

It is important that the Committee has a strategy to know where to upskill and build expertise. This will allow the Committee to effectively deal with risks and challenges as they emerge.

This part covered two sections:

   2.1 **Range of skills:** This section examined the committee's range of skills that enables it to provide assurance to the Board and where there are gaps.

   2.2 **Training and development:** In addition, how effective is the committee members' induction programme, programme of engagement and addressing training and development needs.

Part two scored the least overall.
60% of committee members felt the committee requires improvement for proactively identifying which skills it requires to discharge its responsibilities most effectively. All committee members either scored neutral or requires improvement for the committee documenting and mapping the skills of its members so it can identify areas of strength and any skills gaps.

At least 40% of committee members were neutral for every question under 2.2- training and development, with the remaining scoring mainly requires improvement, except for the culture of learning and personal development within the committee, for which 60% felt that it was meeting the standard.

On the positive side, 60% felt that the committee benefits from a good mix of non-technical skills.

Range of skills and training and development are areas that will need to be explored further.

A summary of the results for these sections and comments provided are shown below:

2.1 Range of Skills

2.1.1   The Trust Fund Committee proactively identifies which skills it requires to discharge its responsibilities most effectively

2.1.2   The required skill sets for the Trust Fund Committee are reviewed at regular intervals

2.1.3   Diversity: The Trust Fund Committee draws on a sufficiently diverse membership, containing a variety of demographic attributes and characteristics

2.1.4   At least one member of the Trust Fund Committee has relevant financial experience sufficient to allow them to challenge appropriately

2.1.5   The Trust Fund Committee documents and maps the skills of its members so it can identify areas of strength and any skills gaps
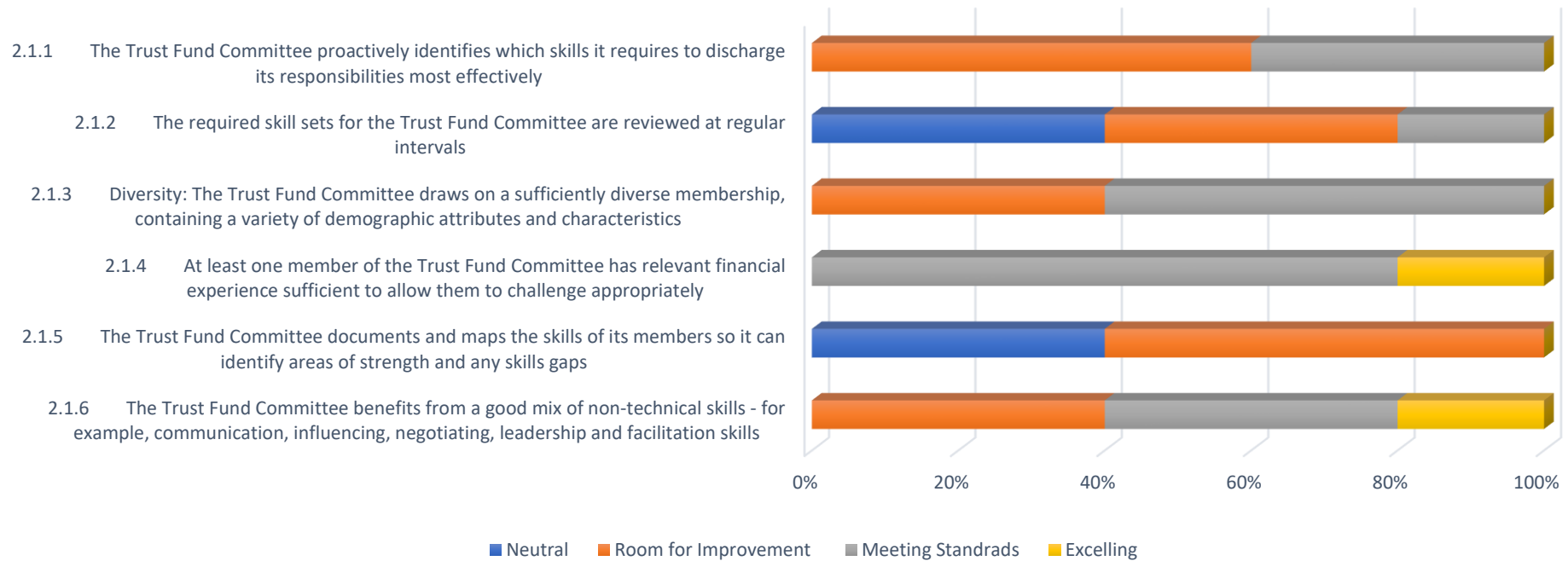
2.1.6   The Trust Fund Committee benefits from a good mix of non-technical skills - for example, communication, influencing, negotiating, leadership and facilitation skills

Legend: ■ Neutral ■ Room for Improvement ■ Meeting Standrads ■ Excelling
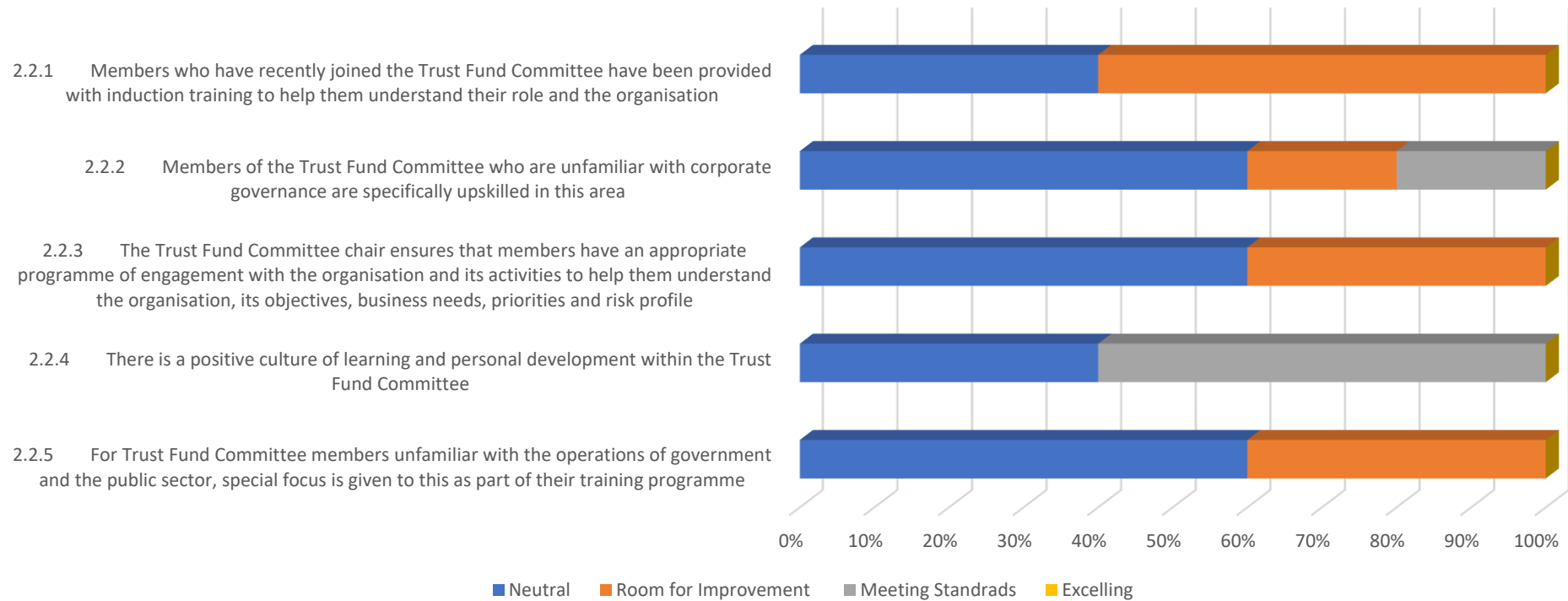
The comments made under 2.1 are as follows:

- As I am a regular attendee, I am at arm's length, so I am neutral to many of the points raised above. I have however answered them where I feel like I can give an opinion.

- Not sighted on 2.1.5, so unable to comment.

2.2 Training and Development

2.2.1   Members who have recently joined the Trust Fund Committee have been provided with induction training to help them understand their role and the organisation

2.2.2   Members of the Trust Fund Committee who are unfamiliar with corporate governance are specifically upskilled in this area

2.2.3   The Trust Fund Committee chair ensures that members have an appropriate programme of engagement with the organisation and its activities to help them understand the organisation, its objectives, business needs, priorities and risk profile

2.2.4   There is a positive culture of learning and personal development within the Trust Fund Committee

2.2.5   For Trust Fund Committee members unfamiliar with the operations of government and the public sector, special focus is given to this as part of their training programme

Legend: ■ Neutral ■ Room for Improvement ■ Meeting Standrads ■ Excelling

X-axis: 0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

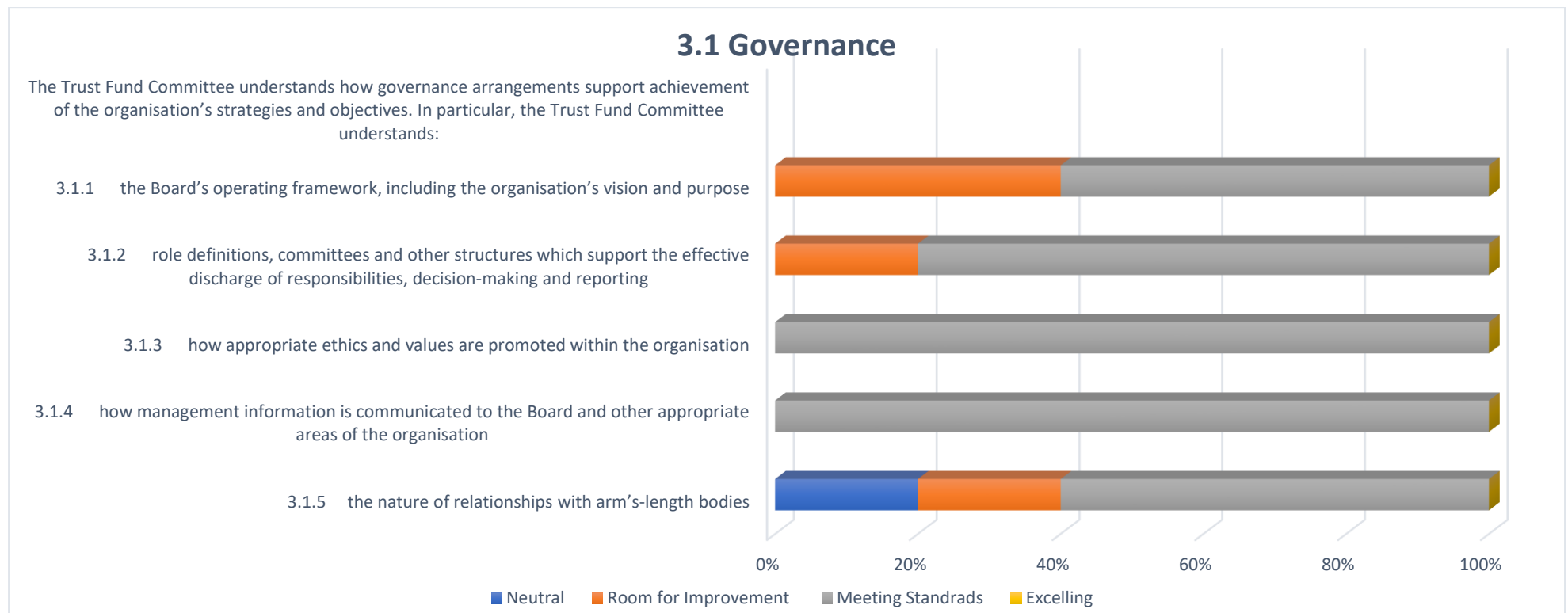The comments made under 2.2 are as follows:

- As I am a regular attendee, I am at arm's length, so I am neutral to many of the points raised above.

- Not able to comment on 2.2.2 – 2.2.5.

Part Three: Roles and responsibilities

Good governance is vital to the success of the organisation. This section examined governance – the committee's understanding of how governance arrangements support achievement of the organisation's strategic objectives is vital.

This section scored very well, reflecting the committee's understanding of how governance arrangements support achievement of the organisation's strategies and objectives. The two main areas requiring some form of improvement are: an understanding of the board's operating framework and the nature of relationships with arm's length bodies.

A summary of the results for this section and comments provided are shown below:

3.1 Governance

The Trust Fund Committee understands how governance arrangements support achievement of the organisation's strategies and objectives. In particular, the Trust Fund Committee understands:

3.1.1   the Board's operating framework, including the organisation's vision and purpose

3.1.2   role definitions, committees and other structures which support the effective discharge of responsibilities, decision-making and reporting

3.1.3   how appropriate ethics and values are promoted within the organisation

3.1.4   how management information is communicated to the Board and other appropriate areas of the organisation

3.1.5   the nature of relationships with arm's-length bodies

■ Neutral   ■ Room for Improvement   ■ Meeting Standrads   ■ Excelling

The following comment was provided under 3.1.

Although I'm not close to the governance of the board what I have seen all points above are meeting the standards.
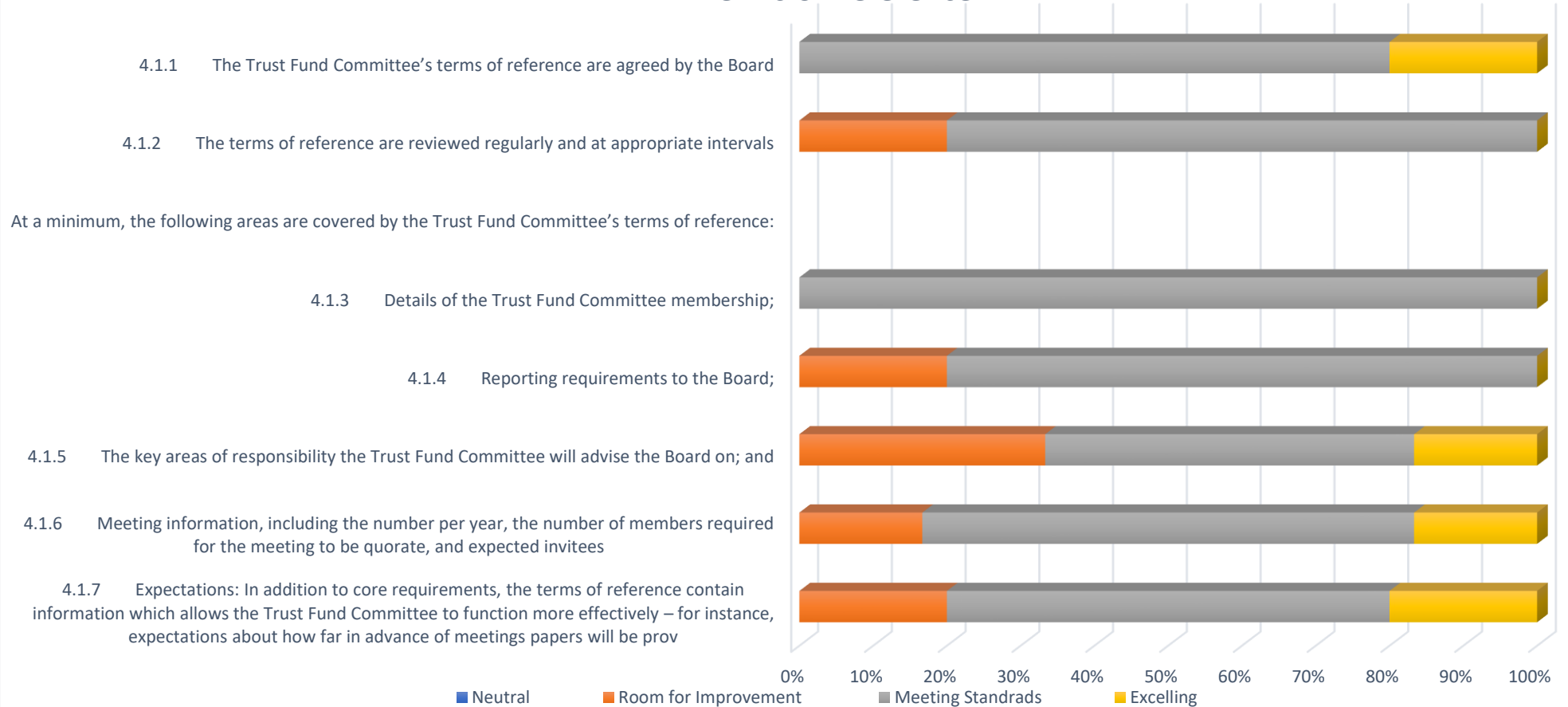
Part Four: Scope

It is important that the Committee fully understands the scope of its work, and that this is set out clearly in its terms of reference. Being clear on expectations and accountabilities will ensure that the Committee focuses its time and resources on its core requirements.

As earlier noted, the committee's terms of reference were recently revised and approved by the board. With the exception of a small percentage scoring requires improvement for a few areas, committee members were in agreement that the committee was either meeting standards or excelling in this section.

A summary of the results for this section and comments provided are shown below:

4.1 Terms of Reference

4.1.1 The Trust Fund Committee's terms of reference are agreed by the Board

4.1.2 The terms of reference are reviewed regularly and at appropriate intervals

At a minimum, the following areas are covered by the Trust Fund Committee's terms of reference:

4.1.3 Details of the Trust Fund Committee membership;

4.1.4 Reporting requirements to the Board;

4.1.5 The key areas of responsibility the Trust Fund Committee will advise the Board on; and

4.1.6 Meeting information, including the number per year, the number of members required for the meeting to be quorate, and expected invitees

4.1.7 Expectations: In addition to core requirements, the terms of reference contain information which allows the Trust Fund Committee to function more effectively – for instance, expectations about how far in advance of meetings papers will be prov

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

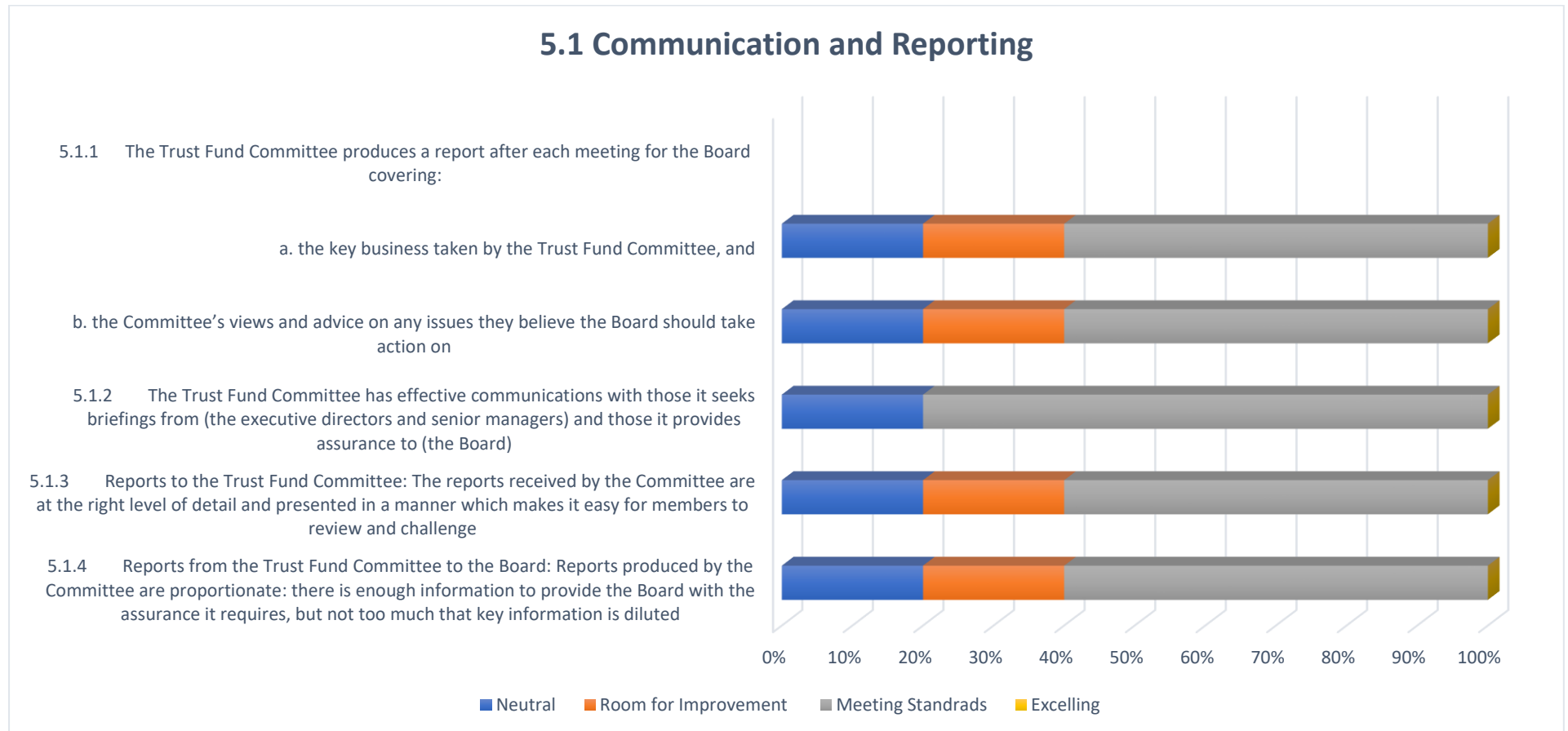■ Neutral ■ Room for Improvement ■ Meeting Standrads ■ Excelling

The comments provided under 4.1 are as follows:

- ToR do not include details of expected attendees or how far in advance meeting papers will be issued.
- In my opinion all of the points above are met.

Part Five: Communication and reporting

It is important that the Committee has clear lines of communication with the Board and other key stakeholders. This section examined the committee's reporting expectations and requirements.

There was consensus that communication and reporting to the board and from other stakeholders are effective.

5.1 Communication and Reporting

Categories (top to bottom):
- 5.1.1 The Trust Fund Committee produces a report after each meeting for the Board covering:
- a. the key business taken by the Trust Fund Committee, and
- b. the Committee's views and advice on any issues they believe the Board should take action on
- 5.1.2 The Trust Fund Committee has effective communications with those it seeks briefings from (the executive directors and senior managers) and those it provides assurance to (the Board)
- 5.1.3 Reports to the Trust Fund Committee: The reports received by the Committee are at the right level of detail and presented in a manner which makes it easy for members to review and challenge
- 5.1.4 Reports from the Trust Fund Committee to the Board: Reports produced by the Committee are proportionate: there is enough information to provide the Board with the assurance it requires, but not too much that key information is diluted

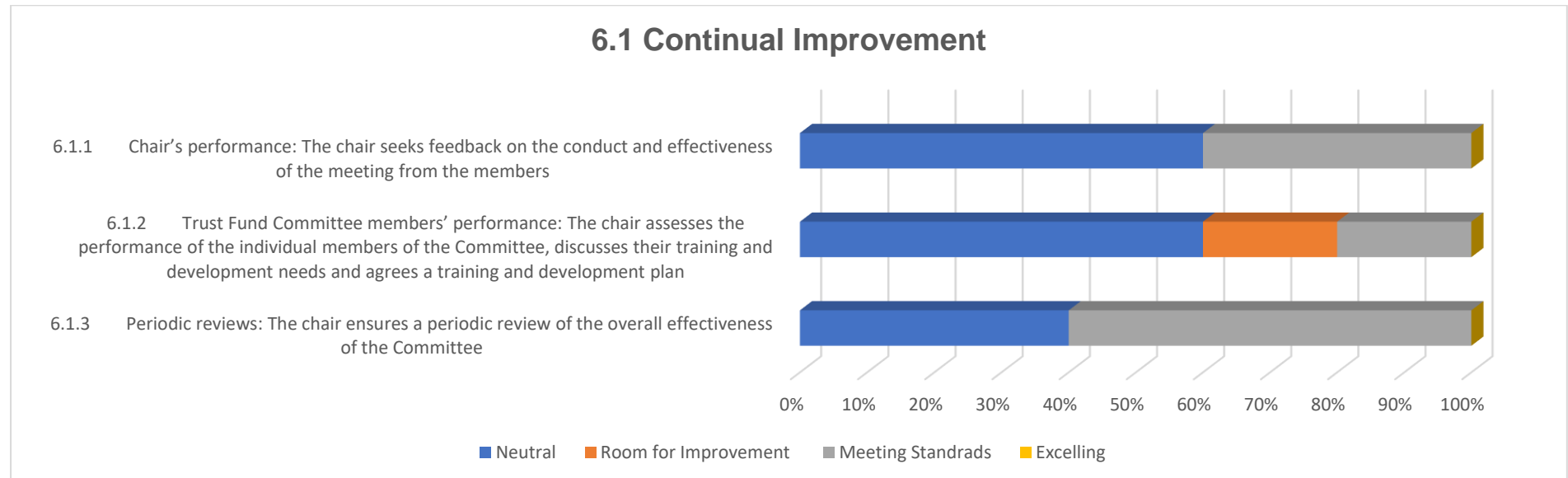Legend: ■ Neutral ■ Room for Improvement ■ Meeting Standrads ■ Excelling

The comments provided under 5.1 are as follows:

- As I am a regular attendee of the meeting and have no involvement beyond this (e.g., reporting to the board) I am unsure if any reports are produced any the committee that feed through to the board.
- Point 5.1.3 - I feel like I cannot comment as I am involved in producing the papers.

Part Six: Continual improvement

It is important that the Committee adopts a positive attitude to learning and development, regularly appraises its performance and is open to feedback from others.

Close to 60% of members gave a neutral assessment regarding the chair seeking feedback on the conduct and effectiveness of meetings from members, and the chair assessing members' performance, training and development needs. An additional 20% indicated that the latter area needs improvement.

6.1 Continual Improvement

- 6.1.1 Chair's performance: The chair seeks feedback on the conduct and effectiveness of the meeting from the members
- 6.1.2 Trust Fund Committee members' performance: The chair assesses the performance of the individual members of the Committee, discusses their training and development needs and agrees a training and development plan
- 6.1.3 Periodic reviews: The chair ensures a periodic review of the overall effectiveness of the Committee

Legend: ■ Neutral ■ Room for Improvement ■ Meeting Standrads ■ Excelling

The comments provided under 6.1 are as follows:

- Not sighted on 6.1.2, so unable to comment.

- As I am a regular attendee and not part of the board, I feel I cannot comment on the above points.

- Overall,
  1. only 2 meetings so difficult to assess how effective.
  2. Committee funds are very small, so governance needs to be light touch.