

People Committee

Title and Constitution of Committee

The People Committee is established by the Board of NHSBT as a non-executive committee of the Board with powers and responsibilities delegated to it within the NHSBT Scheme of Delegation and Terms of Reference.

Purpose of the Committee and period covered by the report.

The purpose of the Committee is to support the Board in its responsibility to discharge its regulatory duties in respect of employee relations matters, to provide assurance on the board composition and organisational climate as measured through the Our Voice Survey, and to approve recommendations for external recognition. The Committee fulfils the role of the Remuneration and Terms of Service Committee described in EL (94)40 of the Code of Conduct and Accountability 2004. This Annual Report covers the period from 1 April 2023 to 31 March 2024.

Committee membership

The Committee comprises of three NEDs, two Associate NEDs and two Non-Executive Members.

The Chief Executive and Chief People Officer will normally attend the meetings and other NHSBT Directors may be invited by the Chair of the Committee. The Chief People Officer is the lead Executive. Other Executive Directors and management staff are invited to attend meetings to present on specific areas of operations that are within their area of responsibility. The Committee was chaired by Peter Wyman (NHSBT Chair) until September 2023. One of the NED's terms expired in February 2024 and a new NED was appointed in March 2024. The Committee now has professionals with Governance, and HR experience within its ranks.

Frequency of meetings and attendance

The Committee met four times in the past year and attendance was as follows:

Names	Title	Total attendance/possible attendance
Peter Wyman	Chair NHSBT	3/4
Caroline Serfass	Non-Executive Director	3/4
Jo Farrar	Chief Executive Officer	3/4
Deb McKenzie	Chief People Officer	3/4
Stephanie Itimi	Associate Non-Executive Director	3/3
Bella Vuillermoz	Associate Non-Executive Director	3/3
Phil Huggon	Non-Executive Director	1/4

During the year additional Executives Directors and management staff that attended the meeting when invited includes:

- a. Wendy Clark
- b. Brad Parker
- c. Anthony Clarkson
- d. Paul O'Brien
- e. Phil Tanner
- f. Christopher Noakes
- g. Richard Rackham

Business conducted by the Committee.

- **Board Assurance Framework: BAF 07 and 08 Review**

A number of external and internal issues were reviewed. Risk P07 (Staff Capability, Capacity, Recruitment and Retention) was reviewed and scored at 12 down from 16, while risk P08 (Leaders and Manager's lack of skills and capability) remained at 16. A deep dive on the two risks had been transferred from the Audit Risk and Governance Committee (ARGC) to the People Committee to challenge whether the controls and actions were sufficient to move to the target risk score and report back to ARGC. The Committee approved the downgrading the risk score for risk P07 from 16 (4*4) to 12(4*3) due to the progress made in the recruitment and attrition.

- **Review of the Fit and Proper Persons Regulations (FPPR) Policy**

Following a number of high-profile employment tribunals and the Lucy Letby case, NHS England (NHSE) with the CQC refreshed the fit and proper persons requirements to avoid a repeat of the risk that some people speak up and are not listened to, with particular concern about executive directors (ED) and the boards.

The main changes were around recruitment and levels of assurance received from other NHS organisations for both EDs and NEDs who have served in other NHS organisations about the work they have done and any process they have been involved with that would suggest there are grievances or concerns about their behaviour. It changes the way references are taken from an individual coming from another NHS organisation. It also places a requirement that by the 30 September 2023, any NED and ED leaving the organisation would have their references written and on their file. Directors would have the right to challenge the reference if they are concerned.

The committee reviewed the policy and subject to adding a paragraph that accountability for ensuring that the NHSBT chair meet the FPPT assessment criteria resides with the DHSC, recommended the policy to the Board for approval.

- **Workforce Race Equality Standard, Workforce Disability Equality Standard and Gender Pay Gap**

The Committee reviewed the first single NHSBT Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES) and Gender Pay report, which merged the three sets of data.

There were improvements noted in the metrics such as the representation of BME staff across the organisation, proportion of black minority ethnic (BME) staff Band 8a and above, and the number of disabled people declaring their disability status. The gender pay gap had a significantly better percentage representation than the NHS average. The Committee endorsed the six priority areas of focus and the WRES, WDES and Gender Pay Gap report was recommended to the board for approval.

- **Forward Together Plan and Programme.**

The programme was set up in April 2023 as a two-year (minimum) initiative to accelerate NHSBT's response to key inclusion challenges. A Programme Director post was recruited to.

An Anti-Racism Framework (ARF) workshops was initiated, and feedback had been positive. The feedback from the workshops would be fed into the ARF and would continue to shape it. In addition, inputs from the organisation including via questionnaires would be gathered. The other workstreams noted were inclusive recruitment, bridging the anti-racism knowledge gap through developing range of tools to enlighten staff about anti-racism and inclusion, the WinLab workstream looking at the recruitment panel to ensure better practice in the organisation's recruitment and Kickstart how new staff could be set up early in their career.

- **ESM Remuneration**

The People Committee acts as a Remuneration Committee for all Senior/Executive Directors in accordance with DHSC guidance. Specifically, following the publication of the 2023 ESM Pay award by DHSC, the People Committee considered and made decisions (including eligibility criteria) on the 3 following elements:

- Basic pay award
- Non-consolidated performance related payments (NCRP) – considering recommendations from the CEO and Deputy CEO regarding performance reviews and determining the allocation of NCRPs to NHSBT’s highest performers.
- Use of limited additional funds to address pay anomalies.

In June 2023, the remuneration content in the Annual Report and Account was noted.

- **Organisational Change**

The People Committee have had oversight and approval of all redundancy cases, that arise as a result organisational change programmes, where there is a need for external approvals to be obtained.

- **Received the Freedom To Speak Up (FTSU) Annual Report and Reviewed the FTSU Policy**

The Freedom To Speak Up (FTSU) annual report was presented in February 2024 and the Committee noted the recommendations. There was a requirement for NHS organisations to revisit their FTSU policy. A new model policy that was accessible and clearer about the difference between speak up and whistleblowing had been introduced by NHSE. The Policy was presented for review in September 2023, and was recommended to the Board for approval.

- **Development of a People Plan**

An NHSBT People Plan was developed, to provide a strategic framework for all of NHSBT’s people work, in collaboration with staff. The aim is to simplify and strengthen NHSBT’s offer to staff; improve line of sight between NHSBT Strategy and investment in people and culture; and enable the development of a robust multi-year implementation roadmap against organisation’s People Priority. The Plan presented the case for change, current activity and gaps against three themes: Join, Stay and Thrive. The Plan have been reviewed and presented to the board for approval.

- **Mandatory Training Sub-committee**

The Committee received an annual report from the Mandatory Training Sub-committee in December 2023.

- **Our Voice Review of Progress Against Plan**

The plan was to focus on areas that could make the biggest difference with a suite of intervention to address the issues, aligning with existing programmes (WRES, WDES, Forward Together and Resolution framework) instead of creating another action plan.

- **Update on GIAA EDI Audit**

The GIAA EDI Audit action plan is being regularly monitored and reviewed by the Central D&I Team and the Risk Management Team with relevant action leads. A status update report is shared with the Executive Team. The GIAA have recently undergone a change in personnel which has impacted on their timeframes for reviewing evidence and therefore signing actions off as complete. A report was taken to the NHSBT People Committee on 1 February 2024 where the management response was discussed. The latest status update report was generated on 17 April 2024. Where actions are overdue further evidence has been required and action is being undertaken to address this. An update will be taken to the People Committee in July 2024.

Gaps identified in assurance.

- **Senior Level Capability**
No approach to succession planning capturing the executive team and senior leadership team.
- **To be responsible for determining which Executive Directors are members of the NHSBT Board.** This was partially met.
- **Approval of recommendations for external recognition for NHSBT employees**
The Committee did not receive any report during the year under review to provide assurance on the process and approval of Clinical Excellence Awards.
- **Equality, Diversity & Inclusion Compliance**
The ARGC did not receive a report on EDI compliance in respect of legal and regulatory obligations during the year under review.
- **Mandatory Training Subcommittee:** This was partially met.

Terms of Reference

The ToR was reviewed at the February meeting, the updated version has been circulated by mail to members of the Committee. The following changes were made:

- People Strategy and related programmes and KPIs should be added.
- The difference between the Associate Non-Executive Directors (ANED) and Non-Executive Directors (NED) in relation to their voting rights should be clearly stated; and
- Paragraph 3.1.7 to be reviewed for consistency with the Pay Committee ToRs and the Scheme of Delegation.

It was agreed that the Committee would recommend the ToR at the March 2024 board for approval. The ToR is reviewed annually.

Effectiveness review

An annual Committee self-assessment was completed by the members of the Committee and regular attendees in February 2024, and actions are being collated and agreed in due course. The Committee would finalise the Action plan at the next meeting in July.

Assurance statement to the Board

The Committee is satisfied that it has discharged its responsibilities in respect of employee relations matters, to provide assurance on the board composition and organisational climate, and to approve recommendations for external recognition.

Caroline Serfass
13 May 2024