Foundation Trust Staff Governor Study

A report commissioned by Foundation Trust Network and produced by the IPA

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About the author

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About the IPA

The IPA is a research and consultancy organisation that works with the public, private and third sector to develop new ways of working based on collaboration and trust that improve the well being of all employees and their experience of working life, and lead to more productive outcomes for the organisation.

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Executive Summary

Foundation Trust staff governors are on a development journey. The oldest trusts have only just reached their 5th anniversary, and are still working with their staff governors to understand how to make the role an effective mechanism for better governance.

The economic and political environment in which trusts operate is changing, affecting the lens through which governance is viewed. Trusts are aware that they, along with their governors, are likely to have to face considerable challenges in the coming years.

The freedoms trusts have to shape their governance arrangements means that there is evidence of variety and innovation. Although trusts face very similar challenges in making the most of their staff governors, their solutions are very different, and there is much practice to be shared and from which other trusts may benefit.

Although these are early days, there is evidence that staff governors are having an impact particularly where they can bring their understanding of the trust as a member of staff to bear, for example, through informing public and stakeholder governors, participating in nominations committees and governor working-groups. Staff governors are participating equally, and are fulfilling their statutory duties.

Going forward, trusts were clear where the potential of the governor role lay; in strengthening the accountability of the trust to its members, and thereby really fulfilling the ambitions of the foundation trust model. But there are a number of mechanisms that will need to be put in place in order to enable staff governors to fulfil that function.

This study revealed a number of obstacles that were preventing staff governors from achieving this broader governance role: Questions about representation and legitimacy; clarity of role; skills; and time. Trusts are beginning to address these issues and develop solutions, and much could be achieved by greater collaboration and communication between different trusts and their governors.

Contents

1.0	Introduction		1
	1.1	Methodology	1
	1.2	Background	1
	1.3	Context	2
2.0	Findings		3
	2.1	Challenges	3
		2.1.1 Legitimacy and representation	4
		2.1.2 Clarity of role	8
		2.1.3 Skills	12
		2.1.4 Time	13
	2.2	Impact	15
		2.2.1 Future impact	19
3.0	Analysis		21
4.0	Recommendations		24
	4.1	Communication	25
	4.2	Skills	25
	4.3	Time	26
	4.4	Clarity of role	27

1.0 Introduction; aims and objectives

The IPA was commissioned by the Foundation Trust Network (FTN) to undertake a piece of research to find out more about the functioning of the staff governor role within foundation trusts. The research aimed to establish:

- How staff governors were carrying out their statutory duties
- How the role had developed within trusts
- What challenges staff governors faced in carrying out their duties
- What innovative practice existed that could benefit other trusts
- What opportunities existed for development

1.1 Methodology

The research was conducted between July and October 2009 and consisted of a series of semi-structured phone and face to face interviews with chairs, chief executives, company secretaries and staff governors. While chairs, chief executives and company secretaries were interviewed individually, staff governors were often interviewed in pairs or small groups.

Documents, such as development plans, board of governor papers, promotional literature and handbooks were also gathered throughout the process.
The research was not intended to be comprehensive, but rather, provide an insight into the development and functioning of the staff governor role. Therefore, 8 trusts were selected for inclusion in the project. These were principally taken from the original cohort of foundation trusts, which this year reached their 5 year anniversary, in order to gather evidence from those trusts where governance arrangements had had time to bed it. The sample also included two mental health foundation trusts.

The trusts included in the sample ranged in size from 1,800 to 10,000 employees, and were based in a number of English regions, in both metropolitan and urban settings. Interim findings were presented to the Foundation Trust Network conference for feedback from trust leaders, and two workshops were run with company secretaries to get further feedback on emerging conclusions.

1.2 Background

The governors' statutory duties, as set out by the Health Services Act 2006, are clear and concise. Governors are required to:

- If necessary, chairing or attending relevant sub-committees;
- Appointing the non-executive directors, including the chair of the trust;
- Appointing the trust's auditors;

- Working with the board of directors to produce plans for the future development of the trust;
- Receiving, at a public meeting, copies of the trust's annual accounts, auditor's reports and annual reports; and
- If concerns about the performance of the management board cannot be resolved at a local level, informing the independent regulator for the NHS foundation trusts.

Monitor and the Department for Health in their guidance state that governors are also required to:

- Represent the interests of NHS Foundation Trust members and partner organisations in the local health economy in the governance of the NHS Foundation Trust;
- Regularly feeding back information about the trust, its vision and performance to the 'constituency' they represent;

However, a series of development days run by the FTN and the Foundation Trust Governors' Association revealed that there was a lack of clarity around how to carry out some of these duties effectively, and in particular, a lack of clarity around the staff governor role and how they were to carry out some of the duties and fulfil their accountability function.

All governors have the same statutory duties, but the differing nature of their member constituencies means that the way in which they carry them out vary. At the same time, some of the duties, such as feeding back information about the trust to the constituency and representing the members' interests, overlap with mechanisms already established within trusts, such as union representatives. In some trusts this has led to calls from staff governors for greater definition of the role.

1.3 Context

Throughout the period in which the research was conducted, two issues have turned attention onto the quality of the governance arrangements in foundation trusts.

Firstly, as many chairs and chief executives noted, the NHS is entering a period of substantial financial constraint, with very little real increase in spending for the foreseeable future. For many trusts, this already means finding efficiency savings which require operational change, and future savings are similarly likely to impact on staff, patients and services. Robust governance arrangements can help trusts make more informed decisions and also engage stakeholders in the decision making process and outcomes.

Secondly, and related to the issue above, the matter of accountability has come to the fore in discussions about the future of the NHS. In a period of political flux, those within

the foundation trust movement have begun to question how entrenched foundation trust autonomy is, and how resilient it will be to possible political pressure. As William Moyes, executive chair of the foundation trust regulator, Monitor said; "High quality performance and effective local accountability are the best protection against political interference." He went on to add:

> "The first job of the governors is to call the board to account in a variety of ways…If the governors are not capable of overseeing the board and calling it to account, as the legislation requires, the pressure on Ministers to step in and do the job for them will become hard to resist."[1]

For the chairs and chief executives in several of the longer established trusts, once well functioning governance arrangements were in place, their attention turned to the requirement to become accountable to their membership through their governors. As discussed elsewhere, local accountability has been seen in recent debates within the NHS both as a means of improving services by involving current and future services users, and as a way of bringing greater legitimacy to decision making by gaining the consent of local tax payers and potential service users.[2] Either way, creating the structures and processes necessary to 'bind a trust to its patients, staff and local stakeholders' as the recent consultation document published by Monitor describes, remained a particular challenge for many trusts.

These two issues have encouraged a renewed focus on foundation trust governance arrangements; whether governors have the support and guidance they need to carry out their responsibilities effectively, and whether the governance structures and relationships are robust enough to engage members and stakeholders effectively in change during more challenging times.

2.0 Findings

2.1 Challenges

The 8 trusts involved in the study were all at different points along the governance development journey. Their views on the role and value of the staff governors were often shaped by the strategic or organisational challenges the trust had faced since obtaining foundation trust status, and therefore the opportunities governors had had to contribute fully.

[1] W. Moyes, 'Leadership in challenging times', speech to the Foundation Trust Network conference, 8 September 2009

[2] R. Thorlby, R. Lewis & J. Dixon, 'Should Primary Care Trusts be made more locally accountable' Kings Fund discussion paper, (April, 2008)

The size of the trust also had a considerable impact on the way that the staff governors carried out their duties and the value the trust leadership felt they added. In smaller trusts where the leadership was likely to know personally many of the staff and any problems that were occurring, staff governors were less likely to fill this 'temperature checking' role. However, in larger trusts, often spread over more than one site, staff governors were a valued pair of eyes and ears, allowing trust leaders to better understand their workforce and services.

In the smaller trusts, staff governors were able to meet together to share views and discuss matters, but in larger, multi site trusts, governors found this more difficult. A challenge facing all staff governors was getting an overview of their constituency and their views, but again, this could prove even more difficult in large trusts.

In spite of this variety, there were a surprising number of common threads to the challenges staff governors reported in carrying out their role. These are set out in the following sections. But the discretion trusts have in establishing their own constitutions and mechanisms for supporting and developing governors, means that there is considerable variety in the solutions trusts have found. Examples of innovative solutions to the challenges are also included in the sections below.

2.1.1 Legitimacy and representation

Among the older group of trusts, the issue of representation and legitimacy had often been raised by staff governors or the leadership. Staff governors were aware of the responsibility to 'represent the interests of NHS foundation trust members…in the governance of the NHS foundation trust', but the meaning of representation in this context was felt to be less clear. How were governors to know their members' interests, and whether they were representing them fairly? Were staff governors representing their members, or representative of their members?

This matters considerably for the day to day functioning of the role. If staff governors were required to represent their members, there is an implied need for consultation, and the gathering of views to bring to the board of governors. If staff governors were merely representative *of* their members, as some trusts argued, then their views are, by virtue of being members of staff, representative. As one chair described the confusion:

> "What are the boundaries for staff governors? Am I a representative of the staff? Am I a delegate, am I my own person and I don't need to talk to anyone because I'm giving my own views and I'm a member of staff" Chair, Trust B

Almost every trust had a different understanding of the representative nature of the governor role. Trust C has put considerable work into defining and developing the governors, and the CEO usefully describes their understanding:

> "I think though it does mean the staff governors aren't really in a position to be the voice of the staff; they're role cannot be to lead the staff body in negotiation and consultation with the management because there are groups that already do that. I think staff governors then struggle with well, if that's not my role then what it is? And what I always try and encourage them to think about, which is a bit like the elected governors, is that their experience is really valuable; their personal insights are really valuable; so the test of the quality of their input is not based on how representative that view is among the staff, or how many people would vote for it, it's much more - are these useful ideas, do they take the organization forward, do they add to the debate. So it is the personal qualities of the individual that I think make the difference rather than necessarily the number of people that voted for them…
>
> "Do you represent the interests of the staff, or do you represent the opinions of the staff…My view is that staff governors can be very effective at representing and advocating for the interests of the staff, I don't think that is the same thing as representing in an objectively representative fashion the opinions and views of the staff, but that doesn't make it less valid."

Although this trust was clear that staff governors did not have a directly representative role, they did not deny the value of staff governors having links to their constituencies, and ways of communicating with them. As a consequence they were looking at ways to raise the profile of the governors, and staff governors in particular among the members. They viewed this as having benefits in terms of engaging the wider staff more fully in the organization, and providing another mechanism for staff to express their voice. So although they took a looser view of representation, the trust was still keen on establishing two-way communication between members and governors.

For many of the staff governors, establishing the nature of their representative function was important in giving legitimacy to their contribution in the board of governors meetings. Yet they fully recognised the practical limitations of the foundation trust structure on meaningful representation. This was summarised by the CEO of Trust A:

> "Can 5 individuals represent 2,800 staff? No. It is a big job, and they (staff governors) are less trained than trade union reps, and have full time roles."

Further problems arose when one or two members did come forward with a particular view. Because governors were often unclear of their representative role, it was difficult to know what responsibility they had to carry forward the view of that member. Without good two-way communication with the wider membership and an overview of the trust, it was difficult for governors to have an informed view of whether the individual member's view was reflective of a wider opinion. This was particularly true if

the staff governor was not able to get out and about and visit the various groupings in their constituency. This was described by one staff governor at Trust H:

> "We've had this conversation before…if you have one person that makes their voice heard, and 99.9 per cent of other members haven't made any voice heard, are you obligated to that member of the constituency or are they just a voice? These are just some of the things you struggle with as well."

This problem was felt to be particularly acute at the moment, when awareness of the staff governor role among the staff was low, and therefore engagement with them was minimal.

The size and structure of the trust and the staff governor constituencies conditions the representative relationship. Even within one trust, different staff governors had different feelings about the extent of their representation, depending on their networks to their constituency, the extent to which it was dispersed over more than one site, and whether it contains more than one professional grouping.

An example of this is Trust C. The staff governor representing nursing and midwifery reports that "I feel like we're representing our groups of staff, and feeding back." But her colleague, who represents a constituency called 'all other staff groups' disagrees. He points to the dispersal of his members and his inability to represent them through personal contact as a barrier to representation. He identifies the nursing and midwifery governor's contact through clinical forums and the organisation through professional bodies or unions as useful tools in ensuring governors can represent their members' interests.

Trust responses

Most of the trusts that took part in the study recognised the value of staff governors having more effective links with their members, but veered away from the idea that the staff governor role was to directly represent members. Several spoke of staff governors as being delegates, in a similar manner to MPs; elected by their constituents, there to represent their interests, but not expected to consult all constituents before taking a decision.

However, for staff governors to feel like their voice was legitimate, it was important that it was informed, and that they were confident that they fully understood the interests of the staff groups within the trust. Trusts are large organisations, and staff governor constituencies often cover several departments, professions and sites. Staff governors often struggled to get across the range of material and issues that were being discussed at board of governor meetings, and have an informed view on the issues that required the representation of staff interests. Better two-way communication with members was

important in giving staff governors the informed voice and organisational overview which improved the quality of their contribution. Where trusts had worked to facilitate this, leaders valued the staff governor input.

A better understanding of the relationship between staff governors and their members is likely to help governors gain confidence in their ability to mediate between views brought forward by members and other staff governors. Ultimately, as several chairs recognised, a trust's governors needed to act as a board, which entails acknowledging other stakeholder's interests, and reconciling them in the context of the long term interests of the trust.

Several of the more established trusts had identified that better two-way communication and a higher profile for staff governors was a way to fulfil the requirements for governors to represent members' interests in foundation trust governance, and feedback to them regularly. The following initiatives had been tried:

- Surgeries – staff governors had run surgeries for staff to bring issues forward. These had limited success, with few staff aware of the type of issues they should be raising with governors, resulting in low take up. At least one CEOs was reluctant to use surgeries in case they caused confusion with the union representative role
- Newsletters - These were by far the most popular form of communication. Governors were given profiles in members' magazines, listing contact details and a description of their role. Several trusts included reports from governors on governors' meetings, collated through the trust or membership office, in staff e-newsletters.
- Constituency email networks – Staff governors have created their own solutions to their perceived need to gather the views of their members. At least one group of staff governors have tried informal email consultations to allow the opportunity for members to feed into the chair and NED appraisal process.
- Piggybacking meetings – Staff governors, often with the support of the membership/trust office, had attended and spoken at departmental and clinical forums in order to raise their profile and reach a wider audience. This could depend on the initiative of the staff governor, but when put in place, gave governors a sense that they were aware of the issues facing staff beyond their immediate area.

Representation and legitimacy are challenges which are emerging along the trust development journey. For many newer trusts, these issues have yet to be raised and considered, and even the most proactive older trusts readily admit they have yet to develop satisfactory solutions.

It is likely that this area will come under further scrutiny if attention turns to questions of local accountability in foundation trusts. It is an area for further research and there is considerable scope for innovation.

2.1.2 Clarity of role

There was consensus among the trusts interviewed that getting more clarity on the role of the staff governor, among governors, members and the board of directors, was one of the biggest challenges. The representative nature of the role is one aspect of this, but there are several others.

Commonly raised, particularly by CEOs, was the need for clarity on the contrasts and similarities between the staff governor role and the trade union representative role. “It is difficult to know how this is different from trade union or professional body consultation.” Said one CEO.

This comparison was also picked up by staff governors, particularly in the early stages of their term when they were trying to work out their role, and were looking for similar models from which to learn. Although the staff governors interviewed reported very few staff approaching them with issues to take forward, the issues that were brought to them were often employment matters more suitable for a trade union representative, suggesting that staff did not distinguish between the two.

Although this study found little evidence of organisation by trade unions or professional bodies to populate staff governor roles, a high proportion of those who filled staff governor positions had previously held union or professional body roles. This created greater awareness of the need to differentiate between the two, and in more than one trust, leaders complained of staff governors, particularly among the first cohort, ‘acting like trade unionists’.

It was pointed out by one CEO that greater understanding of the staff governor and trade union roles, and their relationship to one another, could become increasingly important over the next few years. In a more constrained financial climate, trusts, and therefore boards of governors, could be facing difficult choices about service provision. Should job losses or job changes arise as a result, staff could well feel let down by the staff governors if they fail to understand the difference between governor and trade union responsibilities. How the relationship between unions and governors will develop in such a situation has yet to be seen.

Trusts acknowledged that both staff governors and trade unions were representing the interests of the staff, and that at times there would be overlap. But they saw an important difference between strategic issues, which governors should be concerned with, and employment issues, which trade unionists should engage with. In effect, that staff governors had a duty to act in the long term interests of the organisation, while

representing their members' interests, where as trade union representatives were focused on the more immediate interests of their members. "Staff governors can query – are we going in the right direction, are we considering the impact on the staff?" explained the chair of Trust A, "Other forums should be used for health and safety, management concerns etcetera… the council is more strategic; are we going in the right direction, is the culture right?"

Achieving that level of strategic discussion was not felt to be easy, and there was considerable variety in the success trusts had had in making progress on this front. The CEO of Trust D felt that governors (not just staff governors) "don't understand their challenging role, strategic management role, or accountability role". Most trusts acknowledged that staff governors were not yet able to raise strategic issues at the governor meetings, but were able to respond to a strategic agenda. Trust F found that organising a number of 'engagement groups' on strategic themes, run by governors and non-executive directors (NEDs), encouraged governors to focus their contributions on the strategic challenges facing the trust and their potential impact on the staff.

The chair at Trust B recognised that staff governors were becoming clearer over time on their contribution as governors. In a recent board of governors meeting staff governors pointed out that proposed changes would affect staff's pay and conditions, but did not lobby on this issue. He saw this as an example of an appropriate staff governor contribution.

From the staff governor perspective, many of those who took part in the study had found the lack of clarity frustrating, particularly in the early stages of their term. "I was getting a bit despondent really; thinking I was supposed to be doing something, but not knowing what it was" said one staff governor from Trust D. It should be emphasized that most staff governors were aware of their statutory duties, but were less confident on how to carry them out effectively. Becoming clearer on the role was empowering and enabled governors to take the initiative in governor activities.

A governor from Trust E made clear that her lack of clarity on the boundaries of the role made it difficult to exercise the independent scrutiny function she thought the trust required. This perhaps helps to explain in some cases why governors have yet to fully develop their scrutiny role. This was echoed by a governor from Trust H. She specifically linked a lack of clarity about the role to her lack of confidence as a governor. Although she felt she contributed to the governance of the trust, it was primarily through her professional knowledge of the subjects being discussed, rather than through the representation of members' interests:

> "As a staff governor I haven't really found my voice though, I know I'm a useful pair of hands, and I do my bit, but I'm not there representing my constituents in any way shape or form, so back to your question about what I would need to do my role better, it would be greater clarity on the role."

The final area for clarification was between the board of directors and board of governors, and in particular, the Non Executive Directors (NEDs). There was a sense in some trusts that NEDs were uncomfortable with the scrutiny role carried out by the governors, which they felt overlapped with their responsibilities. This tension was often brought to light when governors requested more information about the activities of the board of directors, in order to better scrutinize their performance. NEDs, however, felt that this was their role.

The comparison between the two roles, in part, arises out of the historical development of the NHS NED role first on hospital boards, and now foundation trust boards. Several features of the NED role on the old hospital boards are shared with the new foundation trust governors, while foundation trust NEDs are now more similar to the NED role found in commercial settings. In particular, foundation trust governors now provide the link to local communities, which NEDs once did.

Just as the staff governors looked to the staff representative role to help bring definition, chairs often drew comparisons between the NEDs and the governors:

> "It's a bit like what the NED role used to be before foundation trusts; they used to be the local representative and the role was described as a critical friend; supportive but at the same time critical and asking the questions why. And I hope the governors really take on that role in a very professional way." Chair, Trust H

Trust responses

There has been some impressive work by both trusts and governors to better define the role of the staff governor. In part, the challenge arises from the unique nature of the governance arrangements of foundation trusts, which have little precedent in the UK. Similar models from which trusts can learn have therefore been hard to find, and leaders and governors have had to undertake the difficult work of developing and defining the role for themselves.

This study deliberately focused on the longer established group of trusts, with the assumption that they would have had more time and opportunity to consider the staff governor role. Although it was certainly true that compared to the newer trusts in the sample, the older trusts were more likely to have begun to discuss the staff governor role, none thought that they had yet achieved absolute clarity.

However, a more important factor distinguishing those trusts where staff governors were more confident in their role, were the challenges those governors had faced during their term. From this small sample, it appeared that governors in trusts that had

undergone significant change, or faced a particular challenge, had had more opportunity to participate in scrutiny and decision making processes, and through this, explore their role.

In the process of gaining clarity and consensus on the role, several initiatives were reported to be particularly helpful:

- Governor to governor meetings – these meetings were not common in all trusts, but staff governors in particular found it helpful to have a forum in which they could openly explore and question their role. Governor only meetings in several trusts were scheduled before board of governor meetings, allowing governors to discuss and gain consensus on contributions before the public meeting.

- Mentoring – schemes to pair new staff governors with either NEDs or more experienced public governors helped to build confidence particularly in carrying out statutory duties.

- Working groups/sub groups – these enabled leaders to shape the strategic agenda, and encouraged governors to contribute at a strategic level.

- Staff governor only meetings – staff governors found these helpful in providing an opportunity to raise questions in a private setting and develop solutions together.

- Chair/CEO meetings – most trusts offered one on one meetings with the chair each year, allowing governors to discuss their progress and development. One trust, in recognition that the staff governor role was slightly different to other governor roles, held meetings with the chair, CEO and all staff governors quarterly, which staff governors found helpful.

- Peer to peer networks – regional governor networks or governor conferences provided by the AFTG, FTN or others helped staff governors share ideas with others and learn from best practice elsewhere.

- Handbooks and induction days – all trust in the study provided induction days. These often provided a useful grounding in the governor statutory responsibilities.

- Governance reviews/development days – among the longer established trusts, one had undertaking a review of the board of governors, led by the chair but involving governors in a discussion on the functioning of the board of governors and their roles within it as governors and staff governors.

Building peer-to-peer networks

A staff governor in a recently authorised foundation trust was struggling to understand her role and how to be effective as a governor. With the support of the company secretary, she got in touch with a number of foundation trust governors in the area.

The initial contact led to a meeting, hosted by one of the trusts, which allowed staff governors to share their experience, what they thought was successful and what challenges they faced.

As well as generating specific ideas for overcoming common problems, such as feedback to members, the meeting provided a networking opportunity, and resulted in an email group for staff governors to ask questions and support one another in their roles.

2.1.3 Skills

The skills required to be a staff governor in part depend on the definition of the role, and the level of commitment and engagement from governors. In most trusts leaders and governors felt that they did have adequate skills to do the role, with the exception of finance skills. However, there was an acknowledgement that the group of governors was a self-selecting group, and that is was likely that only those with appropriate skills would put themselves forward for the role. Trust leaders also recognised that if the role was to develop, particularly in improving the accountability of the trust to its members through the governors, then further skills may be required.

Few trusts had the resources in place to train governors in the basic skills they would require, for example, meeting behaviours, and therefore the people who come forward as candidates for governor posts have often gained those skills elsewhere. This could help to explain why many staff governors have previously held posts in unions or professional bodies, and received training and experience relevant to the governor role there.

Others governors gained the necessary skills through their job, which could explain the relatively high proportion of senior grade or management personnel in the staff governor sample of this study. In one trust where there was a specific constituency for service staff, there had been considerable difficulty filling the post. The CEO of that trust believed that the skills mismatch between many of the day to day roles of the staff in that constituency and the skills required to be a governor inhibited candidates from putting themselves forward.

Several leaders commented on the reluctance of governors to scrutinise the performance of the trust, particularly on areas such as hospital infection, and hold the board to account. It was difficult to ascertain from this sample study whether that arose from a skills deficit, perhaps in analysing performance reports, or a lack of confidence on the role of the governor in raising critical issues in a public setting.

Most of the governors interviewed identified finance skills, and the ability to read and scrutinise financial reports, as an area of weakness. It affected governors' confidence in their ability to hold the board of directors to account and appoint auditors. Many requested further training on this, and quality accounts, from the FTN.

Trust responses

Resource constraints did affect the support trusts could provide on skills training, but most leaders interviewed thought that if governors requested specific training, they would probably meet that request.

Trusts had developed a number of solutions:

Development consultant – one trust in the sample employed a consultant to support the development of all governors in conjunction with the company secretary. Governors were able to request specific support and training relevant to their role.

Mentoring – mentoring enabled staff governors to learn from others who had the skills they lacked.

Governor to governor meetings – although most staff governors did not feel they had sufficient finance skills, they were less concerned about this if they knew that others among the governors did. Governor only meetings allowed them to see which governors had finance skills, and take guidance from them.

Sub/working groups – where trusts ran joint executive/governor working groups, governors were able to develop skills, such as chairing, learning from more experienced colleagues.

2.1.4 Time

A lack of time was listed by governors as the primary constraint on being able to carry out their role effectively. All staff governors interviewed for this study felt that they would be able to achieve more in their role, especially in engaging members in their constituency, if they had more time.

The majority of chairs and chief executives recognised that time was particularly an issue for staff governors, and that combining their job with governor duties could be

difficult. Those in the longer established trusts who were at the stage of considering how the governors could more effectively provide an accountability link between members and the trust, acknowledged that without more time available, it would be difficult to expect more of staff governors.

Most of the governors interviewed participated in sub groups or working groups which met monthly or quarterly, and sometimes sat on more than one group. Board of governor meetings took place at least 4 times per year, often with ad hoc meetings to discuss the strategic plan or board to board meetings added in. Meetings took place during the day and evenings, varying from trust to trust.

The type of job staff governors carried out within the trust affected the extent to which they found time to be a problem in their role as governors. Clinical staff often had more difficulty protecting time, judging that clinical duties had to come first. The governor's level of seniority in their job also had a substantial impact on their autonomy, with senior clinicians or those within management roles finding it easier to alter their schedules to accommodate meetings. Again, it seems likely that this factor may well help to explain why the staff governors in the sample tended to hold more senior positions within the trust. As one staff governor described;

> "I don't think anyone below a staff nurse level could do this job – it's a lot of commitment. You need to have a lot of time for meetings and reading. Could a porter or cleaner or plumber afford to do this?"

Where less senior staff did take on governor roles, the support of their line manager was essential. Where line managers and colleagues did not recognise the importance of the staff governor role, and the commitments it entailed, staff governors could find it difficult to protect time.

Trust responses

On the whole, staff governors developed their own time management solutions with their line managers. Clinical staff on the whole arranged their shifts to accommodate meetings that might be held during working hours, but often struggled to attend meetings when unexpected clinical demands arose. Non clinical staff with a certain level of autonomy and control over their schedules were able to accommodate their governor duties within their working hours. The few less senior staff within this sample had made arrangements with their line managers, but were concerned about using too much of their working hours on governor duties and provoking resentment among their colleagues.

2.2 Impact

Governors have an impact on the governance of the trust through their statutory duties. But in many trusts, governors have undertaken a wide range of activities in order to meaningfully contribute to the strategic development of the trust, and increasingly to represent members' interests in the governance of the trust. In many cases, both governors and leaders have been keen to ensure that governor involvement is not just tokenistic or symbolic, and that governors feel that they have an important contribution to make. As one chair argued; "Why would you have a board of governors that you wouldn't want to work with, and wouldn't want to use?"

For some trusts, this has been a process of trial and experiment in getting the balance right. Where governors felt they did not have enough voice and influence, they sometimes asked for more information and involvement in the board of directors' activities. Alternative ways of involving governors often developed out of this, in a bid to maintain clarity between the function of the two boards, and giving governors sufficient information at the right time to allow them to feel they are able to assess the board's performance.

The issue of governors attending board of directors meetings is a contested one, and only one of the trusts included in this study felt it was appropriate to invite a governor to the board of directors' meeting, and then only as an observer. Another trust held quarterly away days for the board of directors, and invited up to five governors to participate in the session which focused on the strategy and annual plan. This was thought to be an effective way for governors to fulfil their remit to work with the board of directors on the strategic development of the trust. In most trusts, company secretaries and chairs focused on providing good information and creating meaningful opportunities for governors to participate.

The size of the board of governors was another factor affecting the ability of staff governors to impact and influence. The trusts participating in this study varied between 21 and 40 governors. The trusts with bigger boards frequently reported that it could be difficult to facilitate discussions among a group of that size. The result was that board of governor meetings took on a briefing format, with governors being provided with a range of information, but with little opportunity to discuss it or raise questions. Items for the agenda often had to be submitted two weeks in advance, requiring planning and coordination on the part of the staff governors. It often took time for staff governors to feel comfortable raising questions in this format.

In recognition of the limitation of that format, trusts had developed a range of solutions to allow more meaningful involvement and discussion. One of the trusts had amended its constitution to reduce the board substantially to a size that was capable of 'doing business'. A more common approach was to set up working groups, either entirely made up of governors, or governors and members of the board of directors to hold more

focused discussion on topics such as the annual plan, patient experience, membership and communication, audit, health check, nominations, remuneration, and AGM/open day planning. These groups were often chaired by governors, and reported back to the wider group of governors at board meetings to provide a more informed view and considered input.

Staff governors participated as much as other governors in these groups, although some were more reluctant to take on chairing roles due to time constraints. These smaller groups allowed governors who did not feel able or comfortable to speak in the board meetings to contribute. Staff governors often chose to join groups where they felt their experience could add value, so, for example, clinical staff might join the health check or patient experience group.

Chief executives in particular valued the input of staff governors on the appointments committee. The CEO of Trust A described the input of staff governors on this committee as "very influential". In her opinion staff governors were uniquely able to describe the kind of leaders the wider staff would value, which informed the decision of the committee. Trust E had gone further and involved staff governors in the selection process for senior appointments within the trust, taking part in the discussion groups that follow candidate presentations.

Although formal structures for governor involvement, such as board meetings and sub-committees made up the majority of the opportunities for governor influence, it was noticeable that where governors felt most assured of their influence, they often had informal access to the chair and chief executive, which both parties felt was helpful in understanding the role, the trust and staff issues. In Trust C, staff governors meet with the chair and chief executive on a quarterly basis. As a result, they have moved the relationship on to a more advanced stage, where staff governors raised questions in advance of meetings, giving leaders the chance to develop responses. This 'no surprises' behaviour is characteristic of partnership relationships:

> "I'd never raise awkward questions at a board meeting, it's unfair. The staff governors have knowledge beyond the other governors. It would be like two brothers fighting and one going to tell mother, when he should talk to the brother. Besides, the press are there. I just wouldn't do it – we're too mature…I'd get the answer before hand."

The chair of the trust reinforced this point, and described how he encouraged governors to raise issues in advance of meetings by giving them his contact details and encouraging them to get in touch if they have any questions.

It was widely observed that staff governors were highly valued by the public governors, and although fewer in number, managed to exercise their influence by informing the opinions of public governors. According to the CEO of Trust D, staff governors play a

crucial role in verifying the statements of the board of directors for the public governors, and countering some of the inaccurate perceptions of the public and stakeholder governors.

For staff governors, their colleagues on the board of governors and the organisational leaders, staff governors were most effective when they had a good overview of the organisation. The CEO of Trust B noted that without this "one can suffer from a level of uninformed interest". Achieving that level of overview could be difficult though, and governors identified time constraints, the structure of their job and a lack of personal or professional networks as factors limiting their ability to do this. However, where trusts had put work into supporting staff governors to improve their understanding of the organisation, they appreciated the results as the CEO of Trust F describes:

> "I think the staff governors themselves have worked hard to understand the whole organisation and not just the bit they do their day job within, and I value that, and we have worked hard to accommodate that and facilitate it. So I think what they're able to do now is to represent what the organisation is thinking, they're able to take the temperature of the organisation, they're able to feed an objective view into the council of governors, to seek clarification from me, and to challenge me…I value that."

Providing good information

Governors at Trust A were asked to approve the appointment of the auditors, but refused because they had not been provided with sufficient information, or involved early enough, to make an informed decision.

The governors then asked to be appointed to the audit committee, which the chair felt was inappropriate and instead arranged a reoccurring open meeting which brought together all the information on the audit and provided the opportunity for all governors to interrogate the information.

The governors were satisfied that they had sufficient information in enough time to ask questions, discuss, and make an informed decision.

Trust responses

As discussed above, the majority of trusts included in the study have put considerable work into ensuring that the governor role is meaningful, and adds to the governance of the trust. Most of the governors interviewed had carried out their statutory duties in their time as governor, but it was clear that many, if given the opportunity, were prepared to act in the spirit, rather than the letter of the duties, undertaking activities beyond a narrow reading of the role.

The following mechanisms were found to be helpful in enabling governors to participate fully as governors:

Board size – Trusts which had smaller boards of governors were able to use board meetings to hold more in depth discussions, and governors had an opportunity to participate and ask questions, which was valued.

Sub groups/working groups – where boards of governors remained large, governor sub groups, often focussed around strategic themes, were helpful in allowing staff governors to contribute to the work of the governors, and gain a more in-depth understanding. Staff governors can particularly add value where they have insight through their day job, or as a member of the body of staff.

Informal access – Formal governance mechanisms, such as board meetings, are important, but in organisations where staff governors had access to the leadership outside those meetings, they were often able to contribute on a wider range of issues, which was valued by the leadership.

Governor to governor meetings – Staff governors are a small group on the board of governors, but can have a larger impact through their insight into the trust which public governors value. Governor to governor meetings allow staff governors to share opinions with their colleagues, providing more detailed information on the operation of the trust 'as it really is'.

Ward rounds and departmental visits – Staff governors were particularly influential and valued when they were able to speak authoritatively on the trust as a whole. Visiting wards and departments other than their own on organised visits was useful in providing this overview, particularly in trusts that were based on more than one site.

Staff governor impact at Trust H – impartial leadership
Trust H was undergoing a reorganisation of the occupational therapists at one of their centres. The occupational therapists concerned asked the staff governor for their constituency to come and help oversee the process. The staff governor described what happened:

"The OTs came as a group and asked me to get involved. I then met the director, met the manager and talked to the staff who would be affected, because there would be posts lost. I talked to the director because I felt maybe there was undue pressure on the manager to make it happen without consultation. I supported everybody."

"I felt quite proud of that, it was a decent bit of work. The staff didn't get their own way, and neither did the manager. I think there was a meeting of minds which I think I helped to facilitate."

Although aware of the barriers that could limit the impact of governors, chairs, CEOs and staff governors mostly had a clear sense of how the role could develop in the future, improving governance and adding value to the trust.

For some, that meant moving from a position of seeing the governor role primarily in terms of the statutory duties, such as appointing the chair and auditors, to one which fulfilled the broader remit of improving accountability to the members of the trust. As one chair explained:

“Over the next period of time, what we need to do is to make sure governors are representing their constituents, that they are capturing their views and feeding them into the system. So ultimately, as an organisation, how do we become more accountable to the people we serve?”

This objective was echoed by other leaders, particularly among the more established trusts. “Governors are moving to the next stage of development” said one chair, “they’re asking; how are we reflecting patient’s experience? How are staff governors articulating the views of the staff, and how do we do that in an appropriate way? The next phase will be about how they focus on their stakeholder role.”

One or two groups of governors already had examples of where they could develop their role in holding the board to account, while articulating their members’ interests, but were aware that the mechanisms connecting them with their members were not yet in place. A particularly good example of this arose at Trust H. One staff governor describes a governors meeting that had just taken place where the process for the appointment of a NED sparked considerable debate, but in her view the matter of the patient survey results, which were also reported at the meeting, had more significant implications for staff, which staff governors needed to take a lead on:

“I think one of the things that was interesting at the last meeting, was the NED appointment attracted a huge amount of attention, but the patient survey, which arguably is the most important reason we’re all here, in terms of improving patient care, was all fine, even though it was a very controversial issue, and had major bearings and impacts on staff. You could argue that staffs’ performance, staffs’ communication skills, staffs’ interaction with patients was actually being criticised quite heavily. So that‘s an incredibly important area in a way, but there was…no drama. No one really had too much discussion about it, but critically there is no mechanism for us to take that back to our constituents, and say ‘hey, actually things are not where they need to be, and how do you feel about this? Do you think this represents how you look after patients? Is this what you’re seeing on the ground?’ There’s not really that two-way…”

This staff governor clearly saw the possibility of using the role to increase the voice of staff in key discussions on performance and the decisions that arose from them. By

feeding back to staff on the patient survey results and asking for their views, the staff governor becomes a means of engaging staff in the decisions that affect them, and potentially enhances their ownership of the results.

For many of the chairs and CEOs, engaging staff in the strategy of the organisation was a role they hoped staff governors would take on in the future, encouraging greater understanding, input, and ownership from staff. One chair had established a strategic engagement group, which included governors, as a means of encouraging them to focus on the strategic issues. He described the role he saw staff governors playing in that group in the future, and in the wider engagement of staff in the strategy:

"They (staff governors) need to be in the centre of our strategic engagement group. And staff need to be properly engaged with that. What staff get now is the strategic plan document. To have governors that can actually explain what is behind the words, or even what the words themselves mean, would be a big step forward."

Trusts saw the future impact of staff governors as being enhanced through closer links to the staff members, but at the same time they thought that governors needed to evolve to work more closely as board. "It seems to me that they should want to be a board, and they should want to be governing something." Said one CEO, "I'm not convinced that it's helpful to keep on differentiating between the different types of governor, I think it's useful to have different types of governor, so I think its useful to have people who bring different things to the table…but my personal view is that they are a board, and that once they are in the board room we shouldn't keep differentiating between them. So we get our staff governors involved in all areas of governor life."

In part, this development was seen to rest on governors being clearer on their role individually and as a body, but also on an acceptance of the importance of governors within the trusts. "Governors have to have a real sense that they are vital and pivotal, not just tokenistic", said one CEO.

Most trusts acknowledged that since acquiring foundation trust status, they had been operating in fairly favourable conditions. The impact of the governors had been somewhat conditioned by this, with, as one chair described it, governors simply having to decide where the money was to be spent. However, over the next 4 years trusts were expecting to enter a very different public spending climate, and anticipated that governors would have an important role to play.

"I think we've been very lucky up until now, since we became a foundation trust, we've been in a period of growth. I think the role of the staff governors is really going to come to the fore over the next 3 to 4 years when we really have to start making some hard decisions and difficult choices." CEO, Trust F

Another chair agreed that the consequences of lower levels of public spending would create a more prominent role for staff governors, and went on to describe how she thought they could play a role in helping the trust through a period of change:

"I think they will probably be tested in the forthcoming financial constraints, because although we'd hope to cope with part of the cuts through not replacing some staff when they move or retire, and we're not planning on making wholesale redundancies, undoubtedly there will be some difficult decisions to be made, driven by the commissioning process, and also by ourselves. So I think that you could see them as a good channel of communication with staff, couldn't you? Obviously they would be involved anyway in the decisions because we'd have to put them to the council of governors, and I would expect, and hope, that we could convince them that what we were doing was right, and that they could therefore communicate in a positive way with staff."

Another chair shares this view, both in terms of the emerging challenge and the role the governors will play in informing members.

"Between 2011 and 2014 the Health Service has got to save £20 billion. All trusts are already engaged in downturn exercises, so we're working on a 10 per cent cut over that period. What does that mean for us, what does that mean in terms of service provision, what does it mean in terms of increasing productivity? Clearly we're going to face some tough choices and I want to make sure our JCU as well as our staff governors are played into that…So I think that's going to be one of the biggest challenges going forward, because it's going to be tough, and if I was a member of staff I'd look to my staff governor to be heavily involved in that debate and discussion.

"We would hope, in the spirit of partnership, if they agree with what we all agree is the strategy ultimately, that they might take the message into the organisation and share it with their members, so they understand why some of the hard choices are having to be made."

3.0 Analysis

It would seem that there is a clear developmental pathway that foundation trusts and their governors are following, with different challenges arising along the way. It should be remembered that these governance arrangements are still very new, and that the political and economic context in which they are operating is changing rapidly, affecting the focus that governors and leaders will have in the short to medium term.

Although governors are carrying out their statutory duties, some trusts are still working to put in place the structures and process that ensure governors are truly holding the board to account, and that they are able to represent their members' interests in the

governance of the trust. For most of the trusts included in this study, governors and chairs were still debating where the primary focus of governors should lie; inwards to the board, or out to the members.

William Moyes, in his speech to the FTN conference made it clear that he thought that governor's primary focus should be on the board, but several chairs and chief executives interviewed in this study disagreed. These leaders understood that following the Mid Staffordshire incident, the regulator was looking at ways to prevent a reoccurrence, and in particular, ensure that governors were able to understand and scrutinise the performance of the board of directors. However, trust leaders were aware in the medium-term of the need to refocus accountability of trusts from the centre to local communities and stakeholders, and saw governors as the primary means of doing this. None were arguing that governors should not be aware of the need to scrutinise the board's performance, but that they should be holding the board to account by assessing the extent to which they were meeting the needs of the local community and stakeholders. This required governors to strengthen their understanding of their needs, before turning to the board. Leaders saw this way of holding the board to account as both more achievable for governors, and as a useful way of avoiding overlap between the accountability function of NEDs and governors.

The journey that governors are on might usefully be described as a ladder of participation. The skills of the governors, commitment of the trust to the governance arrangements and the understanding of the governor role all move the governor up the participation ladder. The diagram below illustrates the possible outcomes in the foundation trust context.

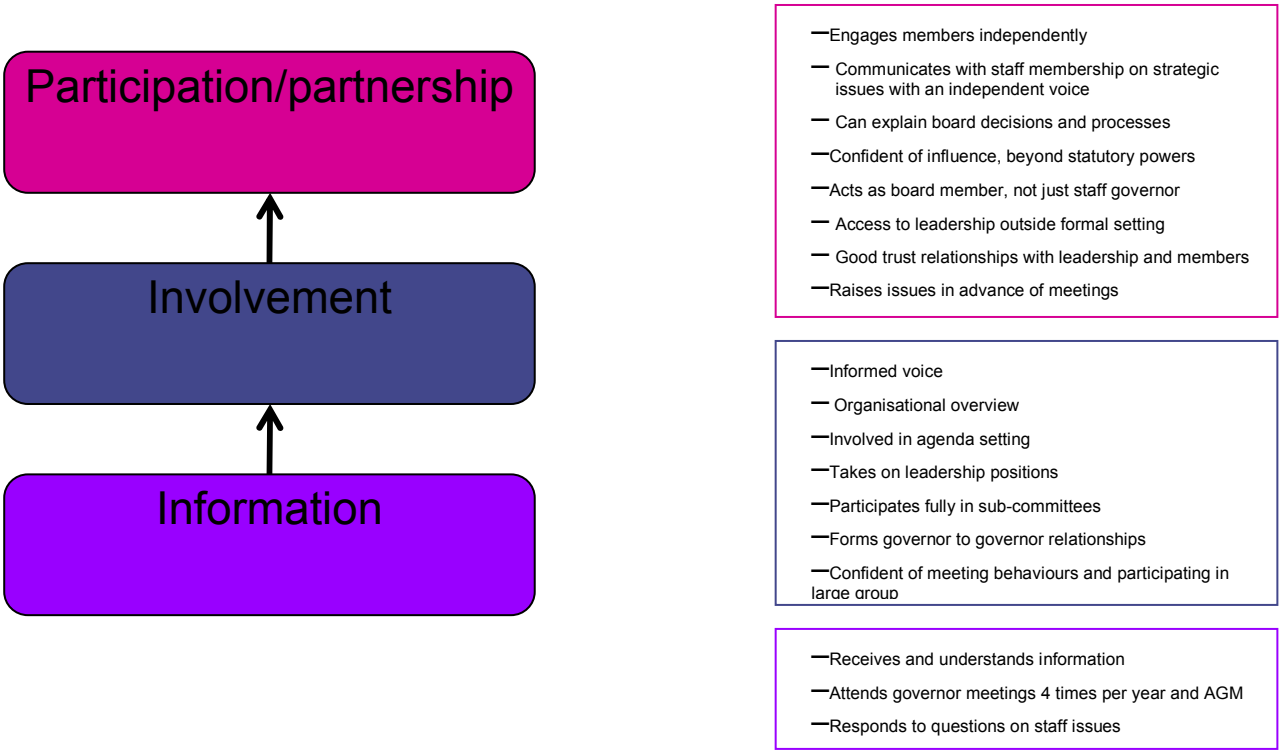

Fig. 1 Ladder of Participation

The column on the left of the diagram describes the different levels of participation, and is common in literature on involvement and participation. The column on the right describes what each level of involvement might look like for staff governors in foundation trusts. Each level builds on, and includes the skills and behaviours of the level below. All of the governors included in this study could be placed on the participation ladder, typically with governors in younger trusts operating at the 'information' level, and those at older trusts operating at the 'involvement' or sometimes 'partnership' level.

The challenges described in the previous section; representation and legitimacy, clarity of role, time and skills could all act to limit the participation of staff governors and the contribution they could make. In resolving or finding ways around these issues, trusts released staff governors' potential.

For the leadership of trusts, ensuring governance arrangements are functioning well is important in order to fulfil their obligations as a foundation trust. However, as was evident in this study, the governance arrangements are a unique feature of the foundation trust model, and in some trust are seen as an opportunity to effect cultural change and operate in a different manner. A greater sense of ownership on the part of the staff, as members, is viewed as a means of enhancing their contribution to the trust, driving innovation and service improvements.

This ambition was apparent in the early documents describing the operation of foundation trusts, which likened them to mutual or cooperative organisations in which corporate governance structures represented a different culture where the organisation was run for the benefit of the members and shaped through their partnership and participation.[3]

None of the trusts participating in this study believed they had perfected their governance arrangements, or that the staff governor role was operating as well as it could. But those who had worked in partnership with their governors to increase and make their participation more effective, believed that they were seeing the rewards.

Trusts acknowledged the value of the staff governors on the board of governors, particularly in bringing an independent view of the trust that public governors respected. Where staff governors had a good organisational overview, they were able to anticipate where changes might impact on staff and bring it to the attention of the board, thereby improving decision making. Staff governors are in a privileged position in terms of understanding what is going on inside the trust, and often have a deep insight into how services work and the problems that are arising. This puts them in a position of responsibility among the governors and where they are confident of their role, and have good relationships with the leadership, staff governors are valued for their ability to hold the leadership to account.

Already it is possible to see what benefits the development of staff governors in their role may bring. As trusts adjust to a period of reduced public spending, staff governors could play an important role in engaging staff in changes that may occur as a consequence, while also improving the quality of the decision making as that change occurs. Some trusts included in this study are already starting to think about how their governance arrangements relate to their employee engagement strategies, and pursuing this further may strengthen both. Finally, enhancing the links between staff governors and members, as with all governors, could improve accountability and fulfil the ambition of the foundation trust model to create services that truly are responsive to their stakeholders.

4.0 Recommendations

The following recommendations are made, primarily, to help resolve the common challenges facing staff governors and their trusts, as recorded in this study. But they are also made with the longer term view of developing the governance arrangements in place to support trusts' accountability relationships.

[3] NHS Foundation Trusts; A guide to developing HR arrangements, (Department of Health: Feb, 2006),

4.1 Communication

Wherever the balance of representation lies, the requirement for staff governors to be able to represent members' interests, and to feedback to the members about the trust's vision and strategy, suggests they need to be part of a two way communication loop. At present, the biggest barrier to staff governors' impact is the lack of awareness and understanding among the wider staff of the staff governor role. Raising the profile of the staff governor could bring rewards as staff understand that staff governors are able to influence and input into strategic decisions, and explain and communicate the organisational strategy to staff. Creating a better informed staff is likely to improve the input and feedback that staff governors receive from their members. During periods of change, this independent voice among the staff may help maintain levels of trust in the decision making process.

As discussed throughout the report, few expected staff governors to directly represent the views of the staff, but they do need to have an informed voice and a good organisational overview in order to govern effectively. Therefore, mechanisms to allow staff governors to connect with staff beyond their immediate place of work will be important.

To strengthen communication the following may help:

- Staff governor newsletters/ e-newsletters communicating on strategic issues to the staff, with direct email contact for responses. Seen to be an independent voice and from the staff governors. Must communicate not just on strategic outcomes, but on the decision making process to build trust among staff
- Concerted efforts to raise the profile of staff governors including; information on staff governors in all new staff induction packs, highly visible information displays throughout the trust, staff governors invited to present at departmental meetings, information and contact details on intranet, staff governor badges or uniform adjustments, joint CEO/chair and staff governor walkabouts. All information should include what governors do as well as who they are
- Staff governors to improve organisational overview through ward/service visits, attending departmental meetings, email feedback from staff

4.2 Skills

At present the skills governors employ in their role are primarily gained from their jobs or from training provided through unions or professional bodies. Because of the skills requirement for governors, the candidates are somewhat self-selecting. In the medium term trusts may want to consider whether it would be advantageous to widen the group of staff governors, encouraging those from non-managerial and less senior clinician roles to put themselves forward by offering skills training.

Even among those governors who have the basic skills to undertake the role, there is a sense that skills gaps remain. Financial skills training could be helpful, as could training on quality accounts. Given how quickly governors are required to assume responsibility, and the limits on time and resources, in some places providing staff governors with greater tools could be more practical. This particularly applies to the scrutiny aspect of the role.

- Staff governors to undertake skills audit at the beginning of their term to identify skills gaps and put in place development plan
- Trusts to consider providing basic training to widen the group of staff governors, for example, meeting behaviours, communication, report writing
- FTN/AFTG or trusts to provide optional training for staff governors on reading financial reports and quality accounts
- Staff governor tools to be developed. In particular, a list of strategic questions staff governors can use to better scrutinise the decision making process, improving the scrutiny process and the quality of content of communications back to members

4.3 Time

There is widespread recognition among governors and trust leaders that time is already a difficult issue for staff governors, and that any development of the role is likely to depend on some time provision. For trusts this will require a cost benefit analysis; weighing the impact of diminished clinical and non-clinical capacity against the benefits of wider staff governor engagement with members and input into decision making. Trusts will be aware that any time provisions made for staff governors will need to be seen as fair by the public and stakeholder governors. Government may need to look across the board at the time provision for governors of all categories.

- Trusts may consider protected time for staff governors, allocating a certain number of hours per week to be used by staff governors for governor meetings, member engagement and meeting preparation but should be aware that this will differentiate staff governors from other governors.
- Staff's contribution as governors to be taken into account and credited in the appraisal process, diminishing conflicts between career progression and staff governor participation
- Trusts to develop and distribute guidelines to line managers on managing and supporting staff governors in their role, reducing the responsibility of staff to negotiate their own time arrangements

4.4 Clarity of role

As has been emphasised throughout this report, the staff governor role, along with the other governor roles, is developing as trusts react to a changing political and economic environment and direction from the regulator. It is unlikely that the FTN or others will be able to provide a definitive description of the role, but strengthening peer to peer networks, access to sources of information and best practice will help staff governors better understand how to carry out their role effectively.

- FTN or other to develop web based staff governor information centre, with tools, case studies, lists of networks, research and discussion forum
- Trusts to include briefing on regional and national governor networks in induction days, and make provision for staff governors to attend
- Trusts to encourage regular governor to governor meetings
- Trusts to undertake periodic reviews of governor development and the operation of the board of governors, led by the chair, but involving all governors