

Local Healthwatch Governance:

a self-assessment toolkit
for local Healthwatch and
local Healthwatch
Commissioners

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Making an impact through good governance: a self-assessment checklist for local Healthwatch

‘Good governance is not just about procedural correctness. It is also about developing an organisational approach and style that enables a maximum contribution from board members and other relevant parties’¹

Two years on since their inception many Local Healthwatch (LHW) organisations are starting to make a genuine impact both in carrying out their broad statutory activities and contractual functions and in their role on their local Health and Wellbeing Boards. However there are signs that they are also facing some key challenges - many of which relate to governance structures and processes.

There is a wealth of guidance on good governance out there which LHW and commissioners can draw upon which we signpost to on page 10. This toolkit is not intended to replace any of that advice but sets out some key governance questions for LHW and local commissioners to think about in development discussions and in renegotiating contracts.

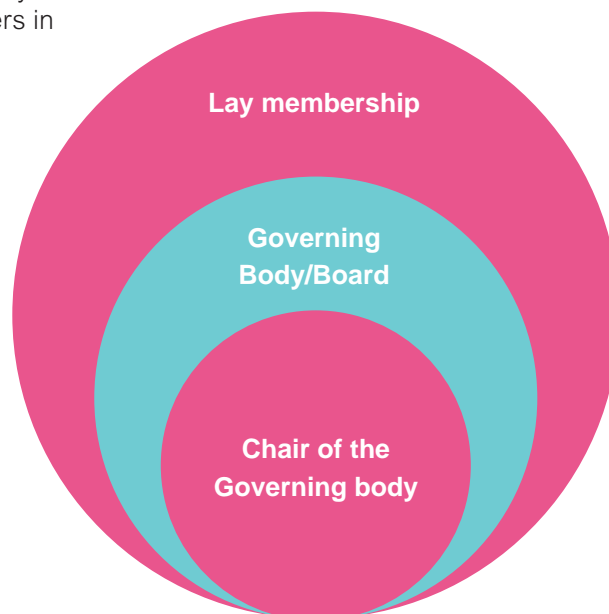
What are the essentials of LHW governance

LHW is:

- a Social Enterprise
- designed to involve lay people and volunteers in its governance.

LHW produces:

- an annual report
- audited accounts (good practice, not a requirement)
- a publicly available decision making procedure.



LHW acts:

- in an open and transparent way
- to meet in public to discuss 'activities'
- to conform to the Nolan Principles.

LHW takes account of:

- the general equality duty in the Equalities Act 2010 and must have due regard to the relevant statutory needs of their work
- safeguarding responsibilities when they have come into contact with vulnerable adults and children
- clear guidelines to raising concerns and an understanding of local safeguarding arrangements.

¹ LGA's 'Making an impact through good governance: a practical guide for health and wellbeing boards'.

What are the challenges to getting this right?

Ensuring the governance requirements are **'fit for purpose'** and **'proportionate'** to the nature and scale of LHW business.



Recognising LHW are funded by **'public money'** and must **'punch above their weight'** in representing the voice of local people so some additional expectations beyond statutory regulations might be legitimate.

There is a significant deal of **local flexibility and choice** over the form and structures LHW can take. This local flexibility is seen as an important factor.

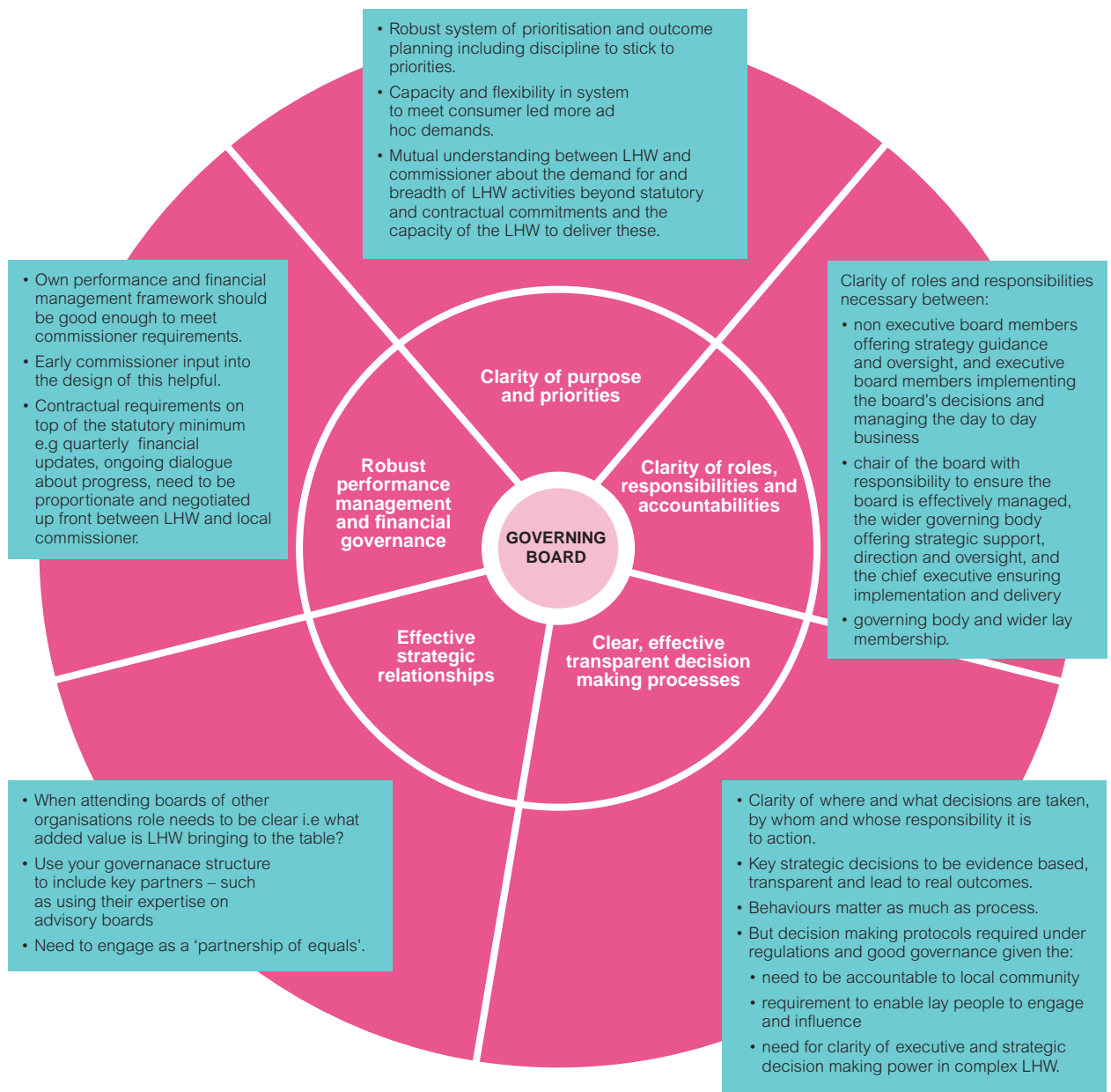


This has resulted in **many and varied models, some very complex**: the more complexity often the more the nature, role and responsibilities of the board lack clarity. An effective board lies at the core of strong governance.

One of the key challenges raised by both LHW and LHW commissioners is the clarity around roles and responsibilities when an organization is contracted to provide and support an LHW organisation. It is paramount that under these arrangements there is clarity between the LHW commissioner, the contracted organization, and the LHW board members on the governance arrangements highlighted in this tool.

What are the critical governance features?

There is no single right or wrong model of governance but there are essential good governance features including the role of the Board as governing body. These are illustrated below.



Is good practice evident in your own arrangements?

Both LHW and LHW commissioners have a role to play in ensuring effective LHW governance and this will be strengthened when they work together to establish this. With around one-third of LHW contracts to be renegotiated in 2015-16, it feels particularly timely for these LHW boards to review their governance arrangements together with local authority commissioners.

However it is not just those LHW with contracts up for renegotiation who should review arrangements. Using the essential

features identified on page 5, we have identified a number of questions which all LHW in conjunction with their local commissioners should ask themselves in order to decide whether a fuller stocktake of governance arrangements is necessary and what it should focus on. We set these out below.

This list is not exhaustive but we believe it does reflect the key issues which have emerged in recent debates. Any 'no' or 'don't know' answer merits further consideration and should be addressed. We signpost additional support and examples in the next section.

Questions for LHW and local Healthwatch commissioners

Question	Yes	No	Don't Know
Clarity of purpose and priorities			
Q1: Does your board have a shared understanding of what their priorities are and what the process for establishing and reviewing them is?			
Q2: Can your LHW board demonstrate how they have selected their priorities when under scrutiny?			
Q3: Have your priorities been evaluated and reviewed since your LHW was established? Are you confident that they reflect current local need and demand?			
Q4: Are you able to stick to delivering your agreed priorities without being frequently diverted to deliver additional activities?			
Q5: Does the board have a shared view as to whether the LHW seeks to generate income through providing services?			
Q6: Where appropriate has this shared view developed into an agreed strategy for income generation with a responsible board member for this activity?			
Q7: Has the board discussed its position on income generating activities with the local Healthwatch commissioner and reached a shared understanding?			

Clarity of roles, responsibilities and accountabilities			
Q8: Is there clarity between the role of the Chair and the chief executive officer or other senior management in conducting business?			
Q9: Is there a clear and evident division of strategic and managerial responsibilities and duties between the Chair, the board and executive managers in conducting business?			
Q10: Where some sharing of duties/responsibilities is deemed necessary, for e.g. in very small LHW to maximise resource, does this accord with an agreed process and a shared understanding?			
Q 11: If your LHW does not directly employ staff, is it clear how staff are accountable to the LHW board as well as to their direct employer?			
Clear, effective, transparent decision making processes			
Q12: Has the board agreed a process for taking strategic decisions and is this widely available to the public and external stakeholders?			
Q13: Is the role of both the board and the chair in the decision making process clear?			
Q14: Is it clear when to involve lay persons or volunteers in decisions and, equally, when not to? Does this process work well?			
Q15: Is there a shared understanding of what to do when there is a conflict or breach of procedure?			
Effective strategic relationships			
Q16: Is there clarity about the role and value added of board members and staff when representing LHW at external meetings or on external bodies?			
Q17: Do you work with strategic partners and external organisations in conducting your business? Does this process work well?			
Robust performance management and financial governance			
Q18: Does the board receive timely financial and performance reports?			
Q19: Is there frequent and regular dialogue with the local commissioner over financial and performance matters?			
Q20: Do you have an audit committee? If not, are you clear on your system of financial checks and balances and do you have relevant financial expertise on your board?			
Q21: Did you submit your annual report on time? Are you on course to submit it on time this year?			

Examples and resources

Below are some short examples of good practice from Local Healthwatch. This is not an exhaustive list and there is lots of good practice available: commissioners can discuss examples via Knowledge Hub and LHW can discuss via Yammer (contact Healthwatch England for details).

Clarity of roles, responsibilities and accountabilities

Healthwatch Wiltshire:

Healthwatch Wiltshire (HWW) is an independent Community Interest Company (CIC) and has a very clear division of responsibilities whereby the Board of the CIC sets out the strategy and vision for HWW and holds the CEO accountable for the delivery of this strategy. The Board is accountable to the local authority as the legal contract holder. They have found that having a CEO rather than executive chair has greatly supported clarity on roles and accountabilities. Contact Iain Kirby iain.kirby@wiltshire.gov.uk for further information.

Clear, effective, transparent decision making processes

Healthwatch West Sussex:

Healthwatch West Sussex uses a publicly available decision making matrix in order to decide on priorities. The matrix is used by management to clearly present items to the board for making the decisions. All decisions take into account:

- evidence
- impact
- inequalities
- alignment with current strategy
- whether the issue is being dealt with by other stakeholders
- the added value Healthwatch West Sussex could add by undertaking the work.

You can find further information on how this operates on the [Healthwatch West Sussex Website](#) or by contacting Sally Dartnell sally.dartnell@healthwatchwestsussex.co.uk.

Effective strategic relationships

Healthwatch Northamptonshire:

Healthwatch Northamptonshire has established an Advisory Council which connects to a number of advisory groups – ensuring that key stakeholders for specialist areas and members of the public are strategically involved in the governance of the organization. You can find further information on the [Healthwatch Northamptonshire website](#).

Healthwatch Northumberland:

Healthwatch Northumberland (HWN) works jointly with Northumbria Healthcare NHS Foundation Trust (as well as other partners such as Northumberland CCG) to deliver community engagement events, allowing both local residents and the Trust, as a strategic partner, to influence decision making of HWN.

Contact info@healthwatchnorthumberland.co.uk.

Robust financial governance

Healthwatch Brighton:

Healthwatch Brighton has a clear and publicly available set of policies and procedures for financial governance, including clear roles and responsibilities around financial sign-off thresholds, accountabilities and audit. You can find it on their [website](#) and contact Michelle Pooley michelle.pooley@brighton-hove.gov.uk.

Resources:

The Governance of Social Enterprises: Managing your Organization for Success

Establishing Local Healthwatch: Governance

For Love and Money: Governance and Social Enterprise

Determining the right legal structure for your social enterprise

Social Enterprise Works: New Company Checklist

Governance and Organisational Structures

The Hallmarks of an Effective Charity

Legislation affecting Local Healthwatch

Local Healthwatch Regulations



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