

BRIEFING

Annual Governance Statement

Healthwatch England 2014/15



healthwatch

Responsibilities of the Committee

The Healthwatch England Committee comprises a Chair, appointed by the Secretary of State for Health, and 12 Committee Members appointed by the Chair after going through a formal appointments process. The Chair and Committee Members come from a variety of backgrounds, enabling Healthwatch England to draw on a wide range of experience relevant to the organisation. By statute up to 4 Committee Members may also be Chairs of a local Healthwatch organisation. The Committee sets the strategy of the organisation, provides scrutiny and oversight, and approves policies and procedures to ensure the organisation works effectively.

The Committee discharges its responsibilities through regular workshops, meetings and through Sub Committees and responds to ad-hoc matters as required. The Committee regularly reviews, and assesses, the information supplied with a view to satisfy itself regarding the standard and quality, but also to ensure that it is relevant and sufficient to inform the business of the Committee.

A public register of interests for Committee Members is held and may be accessed via the organisation's website at <http://www.healthwatch.co.uk/resource/declaration-interests-chair-and-committee>.

Healthwatch England Committee meetings are held on a quarterly basis and move regionally. In 2014/15, the Committee met in Liverpool, Nottingham, London and Brighton. All meetings are open to the public and are also live webcast, the webcast was accessed over 1000 times during meetings and watched over 1100 times afterwards on YouTube.

The Committee takes the opportunity to meet with local Healthwatch during the quarterly meetings and over the year met with over 130 people representing over 70 local Healthwatch. A full list of Committee Members and their individual attendance records at public Committee Meetings is detailed below.



Name	Role	Date appointed	End of term	Meetings attended (Maximum 4)
Anna Bradley	Chair	July 2012	March 2016	4
Jenny Baker OBE	Committee Member, Chair Healthwatch Bucks	May 2014	May 2018	4
Andrew Barnett	Committee Member	May 2014	May 2018	3
Pam Bradbury	Committee Member, Chair Healthwatch Dudley	May 2014	May 2018	4
John Carvel	Committee Member, Senior Independent Member	October 2012	October 2016	4
Paul Cuskin	Committee Member, Chair Healthwatch South Tyneside	May 2014	May 2018	1
Alun Davies MBE	Committee Member	October 2012	October 2016	4
Deborah Fowler	Committee Member, Chair Healthwatch Enfield	May 2014	May 2018	4
Michael Hughes	Committee Member	October 2012	October 2016	3
Christine Lenehan OBE	Committee Member	October 2012	May 2018	4
Jane Mordue	Committee Member	October 2012	October 2016	4
Liz Sayce OBE	Committee Member	May 2014	May 2018	3
Patrick Vernon OBE	Committee Member	October 2012	October 2015	4



The process for recruiting six replacement Committee Members was completed in May 2014, supported by an induction process with the Chair and the Senior Management Team during the year. The purpose of the induction was to provide a structured way of providing new Committee Members with the information and support needed to be confident and productive in the role. The induction included introduction to the strategy and business plan of the organisation as well as an overview of governance arrangements.

Committee Members have had their performance assessed by the Chair. The appraisal included a performance review of the 2014/15 financial year and key learning of the period. The review also covered perspectives especially about how the Committee is working as well as comments on individual achievements and objectives for the next period.

The Committee undertakes a review of its own effectiveness at least every two years; this was not scheduled for 2014/15.

The Committee reviewed the governance and assurance arrangements of the organisation during the year and steps were taken to ensure that there are policies, roles and groups which oversee governance processes. During 2014/15 the Committee approved:

- The formation of the Finance and General Purpose Sub Committee
- The formation of the People and Values Sub Committee
- The formation of the Senior Management Team Procurement Group
- The appointment of John Carvel as Senior Independent Member
- The appointment of the Head of Research and Intelligence as Caldicott Guardian
- The updated Whistleblowing policy
- The updated Conflicts of Interests policy

Governance framework

Assurance and information sharing is enabled through the following Sub Committees which have been established to allow the Committee and the Accountable Officer to discharge responsibilities and to ensure that internal controls are in place.



Audit and Risk Sub Committee

The Audit and Risk Sub Committee provides assurance on effective risk management, internal controls and governance to the Committee. It considers risk management, internal audit provision and the compilation of the organisation's Annual Governance Statement. Reports are submitted to quarterly Committee meetings. The Sub Committee meets at least four times as year and met six times during 2014/15 either by phone or in person.

Audit and Risk Sub Committee	Meetings attended (Maximum 6)
Jane Mordue (Chair)	6
John Carvel	5
Deborah Fowler*	3
Michael Hughes	5

*appointed May 2014

The Audit and Risk Sub Committee reviews the results of internal audit work. In 2014/15, the Head of Internal Audit at CQC provided a 'moderate' opinion in the case of Financial Management and Data Reconciliations. Healthwatch England has begun to address this by working closely with CQC finance colleagues to develop a reporting system which includes project codes, identifying and training additional staff to support the budget monitoring activity and formalising the service level agreement between CQC and Healthwatch England for support services.

A 'limited assurance' opinion was provided in the case of the Information Governance audit and lines of defence have been identified to develop an accountability and assurance framework between CQC and Healthwatch England, including an information strategy and information risk register. A Senior Information Risk Owner has been identified from the Senior Management Team.

The Audit and Risk Sub Committee discussed the proposed internal audit plan for 2015/16 and made recommendations for areas for further exploration to the Committee.



Approach to risk

The Committee reviews strategic risk annually. The Audit and Risk Sub Committee undertook discussions on the organisational approach to risk. Operational risks are identified quarterly by the Operational Managers Team and in turn by the Senior Management Team. This enables a review by lead officers and changes to each identified risk area to ensure an assessment of the possible impact and effective countermeasure. The aim of the organisation will be to continue to drive a confident yet controlled approach to achieve strategic priorities.

The current system of internal risk management gives assurance that risks are managed appropriately and mitigated against proportionately. Risks are formally managed at several different levels:

- Strategic Risk Register - captures the risks to the delivery of the strategy and business plan
- Operational Risk Register - captures team level risks to operational and functional delivery

The Committee discussed the approach and identified that the next stage of the process will be to define the organisational risk appetite which is reflective of the strategy including the organisation's priorities, business plans and stakeholder expectations.

Finance and General Purpose Sub Committee

The Healthwatch England Committee established its Finance and General Purpose Sub Committee in February 2015 to have oversight and provide assurance to them in regards to the financial integrity of Healthwatch England. By having oversight of financial management and business processes, this consists of overseeing the process of budget preparation, financial reporting and management, procurement and general administration. The Sub Committee meets at least four times a year and met once in shadow form during 2014/15. Reports are submitted to quarterly board meetings.



Finance and General Purpose Sub Committee	Meetings attended (Maximum 1)
Deborah Fowler (Chair)	1
Andrew Barnett	1
Liz Sayce	1

Deborah Fowler is the common member between the Audit and Risk Sub Committee and the Finance and General Purpose Sub Committee. There is annual joint planning between the Chairs of both Sub Committees.

People and Values Sub Committee

The role of the People and Values Sub Committee is to have oversight of the recruitment, retention and pay policies for the senior team and to act as a sounding board for other related people issues. The roles and duties of the Sub Committee include overseeing the recruitment and retention of the Senior Management Team and providing support to the Chief Executive in this aspect, overseeing overall policy relating to HR matters and providing assurance on how organisational values are being embedded. The Sub Committee was setup in February 2015 and meets twice a year.

People and Values Sub Committee
Christine Lenehan (Chair)
Jenny Baker
Anna Bradley
Patrick Vernon



Accountable Officer

The Chief Executive and Accountable Officer of Healthwatch England, is responsible for the management and control of the resources within the organisation as well as sustaining a system of internal control that supports compliance with the organisation's priorities.

In this role, the Chief Executive and Accountable Officer is supported by the Healthwatch England Senior Management Team, internal audit and Sub Committees, and makes recommendations to the Healthwatch England Committee on the matters highlighted in this statement in accordance with effective governance.

Relationship with Care Quality Commission (CQC)

Healthwatch England is a statutory committee of the CQC; Healthwatch England has its own budget, identity and speaks independently, unedited by the CQC. The Chair of Healthwatch England is a Board Member of the CQC and the Healthwatch England Committee reports to the CQC board on procurement decisions on a quarterly basis. The Chair of the Healthwatch England Audit and Risk Sub Committee is a member of the CQC Audit and Corporate Governance Committee.

The Accountable Officer and Chief Executive of Healthwatch England meets quarterly with the Accounting Officer and Chief Executive of the CQC to provide assurances on the effective governance, decision-making and financial management in Healthwatch England.

Financial performance and position 2014/15

Our Core funding allocation for the year was £3.532m. This was our funding from the Department of Health for 2014/15 to provide our staffing and activity costs. In addition, we received £625k of Programme Funding from the Department of Health to support time limited work that is specifically related to our programmes (this includes staff and activity costs) resulting in a final agreed budget of £4.157m. Both Core and Programme Funding sit within the Care Quality Commission's (CQC's) budget and are ring-fenced for Healthwatch England.

At the end of the financial year, Healthwatch England spent £4.363m which includes accommodation costs which were met by CQC. Therefore overall spend was £4.157m against the total budget of £4.157m.



The table below gives account of the investment made against the 2014/15 budget and Healthwatch England strategic priority areas:

Healthwatch England Expenditure 2014/15			
Core Funding			
	Non-pay	Pay	Total
The work that Healthwatch England and local Healthwatch have done to address current concerns in health and social care and includes our special inquiry on unsafe discharge from health and care settings	£82,593	£182,996	£265,589
The work that Healthwatch England and local Healthwatch have undertaken in getting services right for the future and included our work on complaints and primary care	£109,246	£481,186	£590,432
This was our work to develop the local Healthwatch network, helping to build capacity and providing support	£317,667	£1,141,609	£1,459,276
Our core business relates to ensuring the organisation is effective and efficient and includes development and delivery of our digital products, IT charges, staff recruitment and training, travel expenses, subscriptions, legal advice and our governance costs	£722,808	£493,833	£1,216,641
Programme Funding			
Programme Funding was for targeted work to build the capability of local Healthwatch identified as requiring additional support; and the provision of support to local Healthwatch to enable effective contribution to and engagement with the Better Care Fund and service reconfiguration.	£226,272	£398,728	£625,000
Total (Core and programme funding)	£1,458,586	£2,698,352	£4,156,938



The remuneration of the Healthwatch England Chair was £48k which included her role on the Care Quality Commission Board, her expenses of the year totalled £4,657. In addition to the Chair, there were 12 Committee Members who each received remuneration of £9,840 per year and appropriate expenses to undertake their work. During 2014/15 their expenses totalled £10,430. Expenses include accommodation, transport and subsistence costs related to engagement as part of Healthwatch England Committee responsibilities. Our Chief Executive's annual salary was £111,100 for 2014/15.

