



Board reports that add value to your hospice

Good practice guide

This publication is part of Hospice UK's Governance Support Programme for hospice boards and trustees



CASS
BUSINESS SCHOOL
CITY, UNIVERSITY OF LONDON
— EST 1894 —

Contents

Foreword.....	3	7. Top tips	10
1. What is effective board reporting?.....	4	8. Resources	11
2. Key benefits of effective board reporting.....	4	Appendix 1: Sample contents for decision making report.....	12
3. Key principles/approach for three different types of report.....	5	Appendix 2: Comparing your performance to other hospices	13
3.1 Report/paper for decision	5	Appendix 3: Presentation of performance data	15
3.2 Progress, performance, control and compliance reports.....	6	Appendix 4: An example of a board calendar	16
3.3 Reports for learning, building knowledge and generating new thinking.....	6	Appendix 5: Board committee calendar	17
4. Hallmarks of an effective report.....	7	Appendix 6: Format for summarising committee discussions to the board	18
5. The role of sub-committees in effective reporting	8	Appendix 7: Chief executive report.....	18
6. Common types of report	9	Appendix 8: Clinical governance reports	20
6.1 Chief Executive regular report.....	9	Appendix 9: Financial reporting	24
6.2 Clinical governance reports.....	9		
6.3 Finance reports	9		

Cass CCE authors and contributors: Caroline Copeman, Rosalind Oakley and Alex Skales.

We are grateful to the team at the Centre for Charity Effectiveness, Cass Business School for their help in developing these guides, and to Heather Richardson of St Christopher's Hospice for her contribution to the guide on quality governance.

While great care has been taken to ensure the accuracy of information contained in this publication, it is necessarily of a general nature and Hospice UK cannot accept any legal responsibility for any errors or omissions that may occur. The publisher and author make no representation, express or implied, with regard to the accuracy of the information contained in this publication. The views expressed in this publication may not necessarily be those of Hospice UK. Specific advice should be sought from professional advisers for specific situations.

No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of Hospice UK.

© 2017 Hospice UK

Published by Hospice UK in January 2017.

Foreword

The need for good hospice governance is greater than ever. We know from our members that the challenges faced by hospice boards and leadership teams right across the UK are increasing in number and complexity. Alongside this, the complexity of the strategic decision making required of them is increasing too, along with the risk of negative impact if they make poor decisions.

In 2013, the Commission into the Future of Hospice Care identified rapid demographic change, changes in patterns of illness, increasing financial constraints, and uncertainty about future funding as just some of the challenges that are causing hospices to become more vulnerable.

The Commission said that such pressures are only likely to increase, and in the three years since its final report was published, this prediction has proved entirely accurate. Added to this, in recent years we have seen rising public concern and media scrutiny of charitable fundraising and the quality of charity governance.

The Commission gave a clear message that hospices must adapt now to become fit for the future. It urged hospices to make positive, informed decisions about how they operate and to find new ways of ensuring that hospice care can match future needs. Good governance and effective leadership are central to hospices' ability to respond to these many and varied challenges. Yet it can be hard for hospice trustees to know who to turn to for support and how to tell whether they are getting it right.

This good practice guide is one in a series produced by Hospice UK as part of our Governance Support Programme for hospice boards and trustees. The series covers:

- Appraisal of hospice boards and trustees
- Board involvement in hospice strategy and planning
- Board reports that add value to your hospice
- Developing a balanced scorecard for your hospice
- Developing a dashboard for your hospice
- Effective board meetings in your hospice
- Hospice board recruitment and selection
- Quality governance for your hospice

We are confident that, taken together, these good practice guides will be an extremely useful resource for all hospice trustees and senior staff.

Antonia Bunnin
Director of Hospice Support and Development
Hospice UK

1. What is effective board reporting?¹

Effective board reporting is about providing the board with information that is concise, relevant, reliable, timely, material and fit for purpose.

The various reports that the chief executive and senior management team present to the board, together with the agenda, provide the essential mechanisms for the board to exercise its strategic, fiduciary and leadership roles.

Each report or paper provided to the board should have a clear purpose. Together the various reports that come to the board enable it to:

- understand the external environment of the hospice and the needs of the hospice's diverse stakeholders
- be confident in setting strategic goals for the hospice and understand the progress being made towards them
- be confident that the hospice is well-run, compliant with necessary legislation and regulations, and that risks are appropriately managed
- be assured the board's decisions are carried out
- know that the hospice is effectively achieving the objects for which it was established.

2. Key benefits of effective board reporting

Effective reports facilitate transparency and accountability and enable board members to:

- get a strategic overview of how the hospice is performing:
 - » get advance warning of problem areas
 - » delve into key issues facing the hospice
- keep learning about the hospice, including what works well and how things could be improved
- constructively challenge and exchange knowledge with staff
- focus attention and time on the issues that matter most.

(1) This guide deals with internal reporting to the board, not external reporting by the board.

3. Key principles/approach for three different types of report

The key to a successful board report is to be clear about why it is being brought to the board. Understanding the purpose of the report is crucial to deciding what information is needed and how it should be presented. The exact purpose may vary, but most board reports fall into one of three broad categories, for which different approaches are appropriate:

- to enable the board to make a decision
- to report progress and performance to the board and to ensure control and compliance
- to learn, build knowledge and generate new thinking.

3.1 Report/paper for decision

These papers enable the board to set direction, or to set boundaries. They provide a framework to guide the work of the hospice.

Examples:

- Proposed budget
- Proposal for a new project
- Proposal for a new or amended policy or procedure
- Risk management process
- Strategy
- Vision
- Mission
- Values
- Terms of reference for committees

Key principles/approach to use:

- Contains sufficient information to make a decision.
- Considers alternatives and makes reasoned recommendations.
- Highlights risks.
- For big decisions it may be appropriate to have a series of reports brought to successive meetings, eg first report sets out issues and agrees principles; second report sets out options; third report sets out implementation and monitoring plan for preferred option.

Key questions for trustees

- Do we have sufficient information to make this decision? Are there important angles that have not been sufficiently considered?
- Are we confident that the people who have drafted the report have the necessary skills and knowledge? Do we need external specialist help?
- Do we understand the resource implications? What are the opportunities and risks? How will risks be managed?
- Is the approach consistent – eg with legal requirements; with our vision, values, strategy; with other decisions we have made; with user needs and wishes?
- Is it clear how progress will be monitored and reported? Or in the case of policies how we can be sure they are being followed?
- How will we document the decision making process and demonstrate transparency and compliance?

A possible format for decision making reports is in Appendix 1.

3.2 Progress, performance, control and compliance reports

These reports enable the board to assess performance.

Examples:

- Scorecard or dashboard
- Financial report
- Strategy progress report
- Project update
- Investment report
- Equal opportunities report
- Clinical report
- Risk management register
- Results of audits
- Survey results

Key principles:

- Compares what has happened with what was planned/forecast, or what has happened before.
- Provides trend data and compares with other organisations where possible.
- Uses a consistent format, preferably making use of graphs, and colour coding so that key information can be absorbed at a glance.
- Provides high level information – but also provides the opportunity to ‘drill down’ into the data if needed.
- Makes clear any limitations of data presented.
- Includes management comment on areas that are under or over-performing, and explains action being taken to address problem areas. Root cause and implications of underperformance are explained.

In addition to performance reporting the board will also want audits and verification – these provide an additional level of assurance that the information being reported is reliable. For example the board can agree policies and procedures, but how does the board know they are being followed?

Key questions for trustees

- Are we doing better or worse than planned?
- Do we understand the reasons for this?
- Has the management got a credible plan to deal with this?
- Do we need to commit more resource to ensure the staff have the support they need?
- Are our decisions being carried out?
- What potential improvements to performance can we see?
- How will these results affect our future direction?
- Are our controls effective?

Some sources of comparative data for hospices are provided in Appendix 2, and some suggestions on presenting data are provided in Appendix 3.

3.3 Reports for learning, building knowledge and generating new thinking

These reports enable the board to learn from experience and from others, and to generate ideas about future direction and how to be more effective.

Examples:

- Evaluation reports
- Benchmarking data
- Research reports
- Patient case studies
- Trends in volunteering/fundraising/outcomes monitoring
- Legislative update

Key principles:

- These reports are likely to come in a variety of formats and from different sources both internal and external, so the board might want an external expert or a team leader to present on a specific topic.
- Create opportunities for information to flow to and from board members so that the experience and expertise in the room is being used.

Key questions for trustees

- What are the implications for us and for our future strategic direction?
- How can we apply this learning?
- What new thinking could this generate?
- What knowledge isn't available that would be helpful for us to have for future decision making?
- How do we ensure staff get appropriate recognition for key achievements?

Three of the most common reports to the board – the chief executive's report, quality governance reports and financial reports – are explored in more detail in section 6.

4. Hallmarks of an effective report

An effective report:

- is clear about its purpose, in particular what trustees are being asked to consider, do, or decide
- contains sufficient information to fulfil the purpose, ie sufficient information to make a decision or to assess performance
- presents information so that it is concise and easy to absorb
- considers alternatives and highlights risks
- generates more questions than answers (in a good way, ie stimulates new thinking)

In contrast a poor report:

- is muddled about purpose
- provides incomplete, outdated, inaccurate, confusing or misleading information
- takes too long to compile and too long to read

- includes data and narrative but little analysis
- results in inconclusive discussion
- generates more questions than answers (in a bad way, ie it is hard to understand)
- provides inappropriate levels of detail, with the danger that trustees stray into operational matters that are more appropriately dealt with by staff.

It is a good idea to create a board calendar setting out a reporting schedule for key reports. In this way the board can be sure it covers all the main areas over an agreed period (eg 12 or 18 months). See Appendix 4 for an example. It's a good idea to create linked calendars for sub-committees too, see Appendix 5.

5. The role of sub-committees in effective reporting

Sub-committees have an important role to play in ensuring boards get the balance right between maintaining an overview of everything that goes on in the hospice and having enough time at meetings to debate and discuss the strategic governance issues. The sub-committee's role and performance in enabling this needs to be reviewed periodically by the board. A sub-committee's role in effective reporting (as permitted by the governing document) will include preparing recommendations to the board based on:

- commissioned research
- synthesis and analysis of implications of information they receive
- consideration of a range of options
- narrowing down options and/or making a recommendation (but keeping a decision making trail).

Reports/papers for decision are likely to have been worked on in more detail by the sub-committee in advance of being brought to the board. It would be usual for the sub-committee to be involved at an early stage in the development of a new initiative, and to keep the board informed of progress, deciding when and how the board gets more involved. A sub-committee may attach a cover sheet to such reports containing key messages and recommendations.

Progress, performance control and compliance reports are also likely to have been considered by the sub-committee while en route to the board. Often, the sub-committee will receive a more detailed and in-depth report on progress or performance than the board, and will agree what information will be sent forward to the board, attaching a summary note to the progress report. In all

cases it is important that the board has the ability to drill down into the detail as it decides is appropriate, and be provided with a decision trail if required.

Reports for learning, building knowledge and generating new thinking may originate at a sub-committee as they usually have an horizon scanning role, and will be seeking out opportunities to build board knowledge and interest in their area of responsibility. They will also encourage board debate and discussion of the key issues and to consider likely future events.

It is usual for the sub-committee to submit the minutes of its meetings to the board, and for there to be opportunity at the board meeting for trustees to discuss any items they wish to pursue that are not covered elsewhere on the agenda. One way for the sub-committee to keep the board focussed on the things that matter is to attach a summary sheet (see Appendix 6) to the minutes, detailing those areas it feels are most important. The purpose of this summary sheet is to:

- enrich the board's understanding
- enable them to drill down if they want to
- stimulate discussion about the right things
- assure the board that the hospice is well run, compliant and is managing risks in line with the risk policy.

6. Common types of report

In this section we look in-depth at three of the most common reports to the board and set out some pointers specific to these reports.

6.1 Chief executive regular report

Most boards have a regular report from their chief executive, but may not have clarified the purpose of the report and what information they actually need. Of course the style and format of chief executive reports will vary enormously.

Appendix 7 provides some pointers about its focus and what is and is not helpful to include. We suggest the role of the report is primarily about progress and performance reporting, and the building of knowledge and generation of new thinking. A routine report is rarely appropriate for decision making – this is usually better suited to a separate paper.

6.2 Quality governance reports

Reports that enable the board to pay proper attention to what is at the heart of a hospice's existence have to give insights into three critical elements:

- patient safety
- clinical effectiveness
- the patient experience.

Like other board reports, the suite of quality governance reports need to offer both a snapshot of what has happened in the previous period to enable progress checking and performance review, ensuring proper control and compliance, and pointers to areas of potential improvement and new approaches. Appendix 8 contains suggestions about the kind of information that could be included in these reports, and their purpose/how the reports might be used.

6.3 Finance reports

The board need to ensure the hospice's financial health and that internal controls are adequate. This is not just about oversight and stewardship. Financial reporting needs to be set within the organisation's vision and strategic objectives and to contribute to the organisation's longer term sustainability.

As with other areas of the hospice, board papers on finance tend to fall into three categories:

1. Decision making papers

These set the framework for allocation of resources and financial control. For example the board needs to agree – and update – appropriate policies and procedures such as financial controls, investment and reserves policies, and agree budgets.

2. Progress, performance, control and compliance reports

A range of different reports are needed by the board for it to know that proper accounting records are kept, assets are safeguarded and resources properly applied, and to enable the board to assess the effectiveness of the organisation's activities and the use of resources in meeting the agreed strategic goals. Key reports here include management accounts, the use of reserves, cashflow.

3. Learning, building knowledge and generating new thinking

Financial reports can also add value to the organisation by providing the financial framework for exploring options, developing new ideas and working assumptions and to plan for longer term sustainability

Appendix 9 contains suggestions about the range of different financial reports likely to be needed by the board and more information about their purpose.

7. Top tips

Invest time in improving reports to the board

Good reports provide the foundation for effective discussion, save time and can avoid unnecessary repetition or conflict.

Create a board calendar setting out a reporting schedule for key reports

In this way the board can be sure it covers all the main areas over an agreed period (eg 12 or 18 months).

Consider using a scorecard

This is a select set of indicators the board has identified as being key to success. They should include measures that help predict future performance as well as reporting on what has already been achieved. For more information on this see 'Developing a balanced scorecard for your hospice', which can be downloaded from the Hospice UK website: www.hospiceuk.org/governancepublications

For the Chair and chief executive

The task is to be clear about what kind of board conversation they want each report to generate.

Give feedback on reports coming to the board

Suggesting improvements and giving praise when a report is highly effective. Notice whether reports succeed in generating insightful discussion or are received passively.

Rapidly reacquaint trustees with key context

Provide a brief summary of previous discussions or decisions. Don't assume they will delve back into past papers for important information.

Ask effective questions

Some questions are more effective than others in generating constructive debate. Asking 'why' can put people on the defensive. It may be more productive to ask 'what if . . .?'

Focus on what is material

Summarise and concentrate on significant categories, variances and other changes. Present and discuss information in order of magnitude or importance.

8. Resources

Comparing your performance to other hospices

Hospice accounts

Hospice UK produces an annual 'Hospice accounts report'. This report can be used by hospice staff and trustees to benchmark their own hospice against others.

www.hospiceuk.org/what-we-offer/hospice-finance/benchmarking

Minimum Data Set (MDS) for Specialist Palliative Care Services

The National Council for Palliative Care works with Hospice UK and Public Health England to publish the national survey of patient activity data for specialist palliative care services in England, Wales and Northern Ireland each year.

www.ncpc.org.uk/mds

OACC outcome measures

Hospice UK is working in collaboration with the Cicely Saunders Institute at King's College London to promote widespread understanding and use of a shared set of palliative care outcome measures (OACC Outcome Assessment and Complexity Collaborative). Find out more about the OACC Palliative Care Outcome Measures Resources Pack and other resources available at:

www.kcl.ac.uk/lsm/research/divisions/cicelysaunders/research/studies/oacc/index.aspx

Patient feedback

There are a range of resources on the Hospice UK website relating to patient experience and feedback.

www.hospiceuk.org/what-we-offer/publications

Reading

Butler L. The nonprofit dashboard: using metrics to drive mission success. BoardSource, 2013.

Carver J. Boards that make a difference: a new design for leadership in nonprofit and public organizations (3rd ed). San Francisco: Jossey Bass, 2006.

Moon J. How to make an impact, influence, inform and impress with your reports, presentations and business documents. London: Pearson Hall, 2008.

Tufte ER. The visual display of quantitative information (2nd ed). Connecticut: Graphics Press, 2001.

Charity Commission resources:

Charity governance, finance and resilience: 15 questions trustees should ask
www.gov.uk/government/publications/charity-trustee-meetings-15-questions-you-should-ask

Charity reserves: building resilience (CC19)
www.gov.uk/government/publications/charities-and-reserves-cc19

Internal financial controls for charities (CC8)
www.gov.uk/government/publications/internal-financial-controls-for-charities-cc8

It's your decision: charity trustees and decision making (CC27)
www.gov.uk/government/publications/its-your-decision-charity-trustees-and-decision-making

Managing a charity's finances (CC12)
www.gov.uk/government/publications/managing-financial-difficulties-insolvency-in-charities-cc12

Managing charity assets and resources: an overview for trustees (CC25)
www.gov.uk/government/publications/managing-charity-assets-and-resources-cc25

Appendix 1: Sample contents for decision making report

1. Title of report
2. Summary
3. Author(s) and date
4. Purpose of the report including what is needed from trustees
5. Background/context
6. Issues

7. Implications:
 - a. Strategic
 - b. Financial
 - c. Risk management
8. Recommendations/options
9. Reporting back

Appendix 2: Comparing your performance to other hospices

Patient care data

Developing a patient care experience measure

Hospice UK is working with key national end of life care organisations, led by Professor Bee Wee, to develop a series of questions to capture patients' experience of care at end of life which can apply to care settings. The questions will be informed by national documents such as 'Ambitions for palliative and end of life care'² and will be piloted across a range of settings, including hospices. The key themes include:

- communication with care team and information offered
- social, practical and emotional needs addressed
- physical and psychosocial needs addressed, including access to medicines and equipment
- spiritual and religious support
- coordinated care
- centrality of people important to that person
- urgent care received.

Inpatient Unit Quality Metrics benchmarking project

In 2014, Hospice UK launched the Inpatient Unit Quality Metrics benchmarking project focusing on three core patient safety metrics: level of harm from falls, pressure ulcers and medication errors.

By 2016, 120 hospices participated in the project. Each hospice receives quarterly and summative annual reports of their results in relation to which category they belong to (one of five depending on bed numbers) and their position against the national average. As well as using this data to help them drive forward local improvement in care, many hospices find it useful data to share with their board and commissioning CCGs.

OACC outcome measures

Since 2014, Hospice UK has been collaborating with the Cicely Saunders Institute at King's College London to promote widespread understanding and use of a shared suite of palliative care outcome measures - the OACC (Outcome Assessment and Complexity Collaborative) outcome measures. Increasing numbers of hospices and other palliative care providers are using the OACC measures to measure, demonstrate and improve care for individual patients and families. Some are also starting to use the aggregated OACC data to inform service development, staffing and resource allocation, strategic decision making and conversations with commissioners.

Over time, our aim is to develop case-mix adjusted benchmarking to enable hospices to share their outcomes data and learn from each other. Find out more about OACC at: www.kcl.ac.uk/lsm/research/divisions/cicelysaunders/research/studies/oacc/index.aspx

(2) National Palliative and End of Life Care Partnership. Ambitions for palliative and end of life care: a national framework for local action 2015-2020. London: National Palliative and End of Life Care Partnership, 2015. Available from: <http://endoflifecareambitions.org.uk/>

Minimum Data Set (MDS)

The board may wish to compare the hospice's performance in part by using the Minimum Data Set (MDS) for Specialist Palliative Care Services in England, Wales and Northern Ireland. The data is collected annually by the National Council for Palliative Care, working with Hospice UK and Public Health England. More information and previous reports are available at: www.ncpc.org.uk/mds

Financial

Hospice accounts

Each year Hospice UK produces a 'Hospice accounts report', analysing financial information and trends from independent, charitable hospices based on their published accounts.

As part of this work Hospice UK produces a number of lists, ranking hospices by financial size in a number of different areas. The lists give a useful overview of the sizes of income, expenditure and profits to different hospices.

The report and accompanying lists can be found on the Hospice UK website: www.hospiceuk.org/what-we-offer/hospice-finance/benchmarking

Appendix 3: Presentation of performance data

Careful thought about how to present information can transform its usefulness³.

Use a consistent format

When a board becomes accustomed to seeing data in the same format over time, it is easier to spot trends, changes and problems that may cause concern.

Provide a comparison

To transform data into information, it is often useful to ask the question: compared to what? You can compare actual performance with target performance, or last year's, or with forecast or a chosen benchmark. You might want to display historical trend information so you can see whether the underlying performance is improving or declining.

Comparisons help put performance in perspective.

Use charts, diagrams and other graphics to bring your data to life

Line charts, colour coding, bar graphs, pie charts, and data maps can be very effective in conveying information and revealing meaningful trends and patterns⁴. Milestones reached or stages completed can be helpful for project reporting

Give a brief narrative

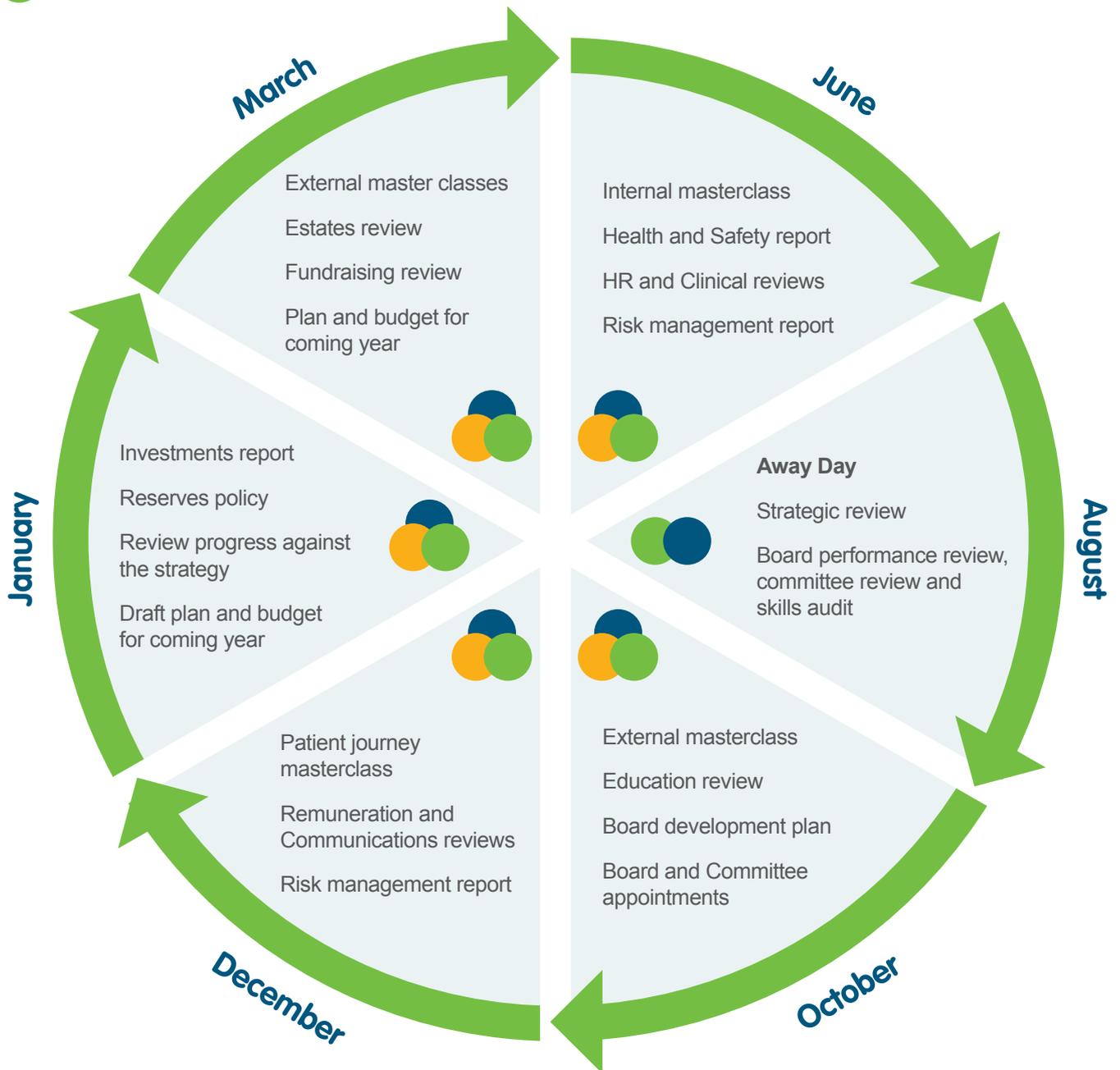
It is often useful to add a few words of description, identifying successes and areas of concern, and possible cause and effect relationships.

(3) These suggestions are drawn from 'Butler L. The nonprofit dashboard: using metrics to drive mission success. BoardSource, 2013'.

(4) For more information see 'Tufte ER. The visual display of quantitative information (2nd ed). Connecticut: Graphics Press, 2001'.

Appendix 4: An example of a board calendar

- Scorecard
- Committee reports
- Chief executive reports



Appendix 5: Board committee calendar

Here's a possible format for planning board committee agendas and how they fit with the main board – with some sample entries.

Month	Committee	Planned activities	Report to the board
Jan	Board		Agree financial policies to include: investments, reserves and pensions
Feb	Quality governance	Agree audit schedule Prepare quarterly report to board	
Feb	Finance	Agree budget assumptions and final version [Agree Audit plan]	
March	Board*		Agree final budget (Financial year end)
May	Quality governance	Prepare annual report to the board	
May	Finance	Review investment performance Property and estates valuation	
June	Board		Clinical governance annual report to the board Audit report to board Prepare trustees' report
July	Quality governance	Review of committee effectiveness and update terms of reference; Prepare quarterly report to board	
Aug	Finance	Review management letter and propose actions	
Aug	Board	Review and agree risk management policies and internal controls	Management letter to board Sign off 'report and accounts'
Oct	Quality governance	Prepare quarterly report to board	
Oct	Board		
Nov	Finance	Prepare annual report to the board	
Dec	Quality governance	Prepare quarterly report to board	
Dec	Board		

*A number of financial reports will be presented to the board on a quarterly basis. These are detailed in Appendix 8.

Appendix 6: Summarising committee discussions to the board

Summary from board sub-committee:

For board meeting date:

Date of sub-group meeting:

Key issues under discussion:

Information for the board attention:

Actions since last sub-committee meeting

Board decisions required:

Date of next meeting:

Author of summary:

Appendix 7: Chief executive report

Why is it important?

The chief executive's regular report provides good quality information to the board about progress and likely future performance – good and bad – on a timely basis so that board members can respond appropriately. It also has a role to play in sharing intelligence and insight with the board that may shape future strategy. This is more about stimulating dialogue about the hospice's direction and priorities.

The chief executive's regular report is a key way for the board to hold the chief executive to account. Good chief executive reports build understanding and confidence. Board members feel they get reliable and appropriate information and that there is honesty about challenges as well as successes. Chief executive reports should reflect what is important to trustees and not just what is important to the chief executive. At the same time the chief executive should feel able to share, feel supported and able to ask for advice when appropriate.

Common pitfalls in chief executive reports

- Random list of what the chief executive or staff team have been doing or who they have been meeting.
- Is focussed on past or current performance and fails to look forward.
- Selective rather than a balanced overview.
- Overly focused on good news while neglecting to comment on less positive areas.
- Duplicates areas included in other reports or provides conflicting information to that provided in other reports.
- Unrelated to strategic objectives.
- In passing suggests a change in policy, budget or strategy without adequate info or context on which to base such a decision.
- Lack of analysis: all data and no opinion or all opinion and no data.

Possible format

You may find it helpful to think of the chief executive report as falling into three parts:

a) Performance: giving an overview of performance and implications for future performance

b) Early alerts: giving early notice of emerging risks and opportunities

c) Insight and ideas: to stimulate strategic thinking and discussion.

Each of these parts is explored further in the table below.

Chief executive regular report – a possible structure

Section and purpose	Content	Questions for chief executive to consider
<p>Strategic performance report:</p> <p>Give an overview of performance and implications for future performance</p>	<p>A report of progress against agreed strategic objectives and or targets. It should follow the key principles of performance reporting set out in Section 3.2 of this guide.</p> <p>We recommend using a scorecard or dashboard⁵, but you may wish to adopt your own approach. This could be a set of standard headings drawn from the strategy or business plan. It should provide a quick overview for trustees. A narrative section should comment on areas that are off target, and what is being done to bring them back on target.</p> <p>The chief executive may wish to highlight outstanding performance by individuals and teams to help trustees ensure they give due recognition.</p>	<ul style="list-style-type: none"> • Am I giving the trustees a balanced view of what is going on in the hospice? • Have I struck an appropriate balance between good news and 'bad' news? • Which issues have or potentially have strategic importance – and should be 'foregrounded'. • What are the implications for future performance? • Is there not just data but analysis too? • Are there individuals or teams who deserve particular recognition?
<p>Early alerts (internal and external): giving early notice of emerging risks and opportunities</p>	<p>You may find it useful to have this section in which the chief executive can identify potential opportunities and risks at an early stage. It's worth including internal and external factors. Items that may feature here include staff matters, funding opportunities. This is a good place to raise issues that are not obvious from the performance reports.</p>	<ul style="list-style-type: none"> • What do I need to forewarn trustees of? How do I ensure 'no surprises'? • Are there potential problem areas where it would be helpful to have advice or a steer from the board? • Are there potential opportunities that it would be helpful for the board to be aware of, eg interest from a particular donor? News about our commissioners?
<p>Insights and ideas: To stimulate strategic thinking</p>	<p>This section provides an opportunity for the chief executive to share insights about, or questions prompted by recent events – internal or external. (For example what does this say about our culture, or is this an important trend for the future, could this be a new funding stream?)</p>	<ul style="list-style-type: none"> • Are there strategic issues here for trustees to think about? • Do trustees share my interpretation of this? Do I know whether they attach the same importance as I do?

(5) For more information see the good practice guides 'Developing a balanced scorecard for your hospice' and 'Developing a dashboard for your hospice' which are available on the Hospice UK website: www.hospiceuk.org/governancepublications

Appendix 8: Quality governance reports

Some suggestions about the format of a quarterly 'quality governance' report to the board can be found below:

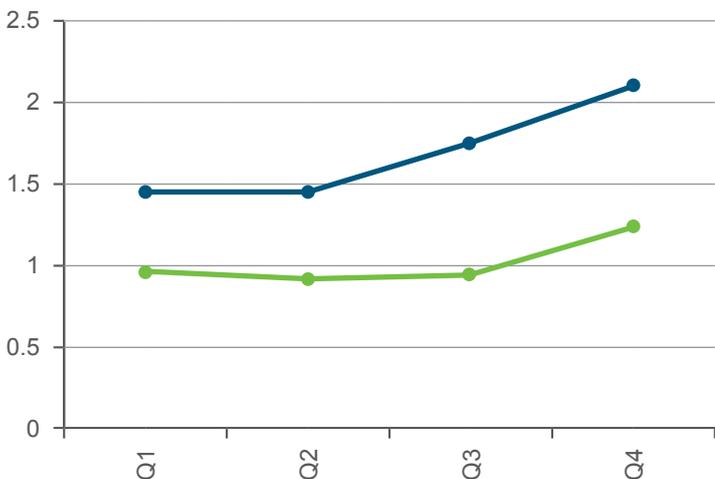
	How does the board assure itself that it has the right structures and processes in place?	How does the board assess ongoing improvement?	How does the board assess future work required?
Clinical effectiveness	<ul style="list-style-type: none"> Do we have the right standards/guidance in place to ensure we are effective in our care and are they up to date? Are these standards multi professional in nature and are they relevant across all our services? Are we collecting data on outcomes of care? How do staff and volunteers update their professional or role knowledge regarding the changing evidence base? 	<ul style="list-style-type: none"> What new national and local guidance/standards have been received, considered and incorporated into practice? How have we performed against relevant targets set in the quality improvement plan? 	<ul style="list-style-type: none"> How good is our performance in terms of outcomes of care compared to other similar organisations? What new skills or services are required to improve our outcomes? How research active are we and how do we improve on this?
Patient safety	<ul style="list-style-type: none"> Do we have the right standards relating to patient safety in place? Do we have a work plan in place to guide how we focus our efforts to maintain and improve patient safety? How comprehensive is our risk register in relation to patient safety? How closely aligned are our strategies/plans for risk management with perceived risks facing the organisation? Are we engaged in benchmarking our performance against other organisations? 	<ul style="list-style-type: none"> What activity to reinforce patient safety has taken place over the last quarter? To what degree have these activities improved our RAG rating or similar? What critical incidents have taken place and what is being done to learn from them? How have our risk management strategies changed as a result of what has happened; how should the risk register change? How have we performed against the targets set in the quality improvement plan? 	<ul style="list-style-type: none"> What (more) can we do to improve patient safety? What areas of patient safety do we need more information on? What new risks or risk mitigators do we need in place? What new alerts or early warning triggers do we need to have in place? How can our escalation and decision making processes be improved?

	How does the board assure itself that it has the right structures and processes in place?	How does the board assess ongoing improvement?	How does the board assess future work required?
Patient experience	<ul style="list-style-type: none"> • How do we define user satisfaction and how are we measuring it? • Are we collecting data that accurately confirms whether patient experience is truly of a high quality across all services? • Do we have mechanisms in place to hear from people who failed to access our services or who chose to leave them? • Are we considering complaints alongside compliments regarding the service? • Are we hearing from people who do not wish to make a formal complaint but could identify ways in which we could improve our services? 	<ul style="list-style-type: none"> • What activity has taken place to understand and build satisfaction in users over the last quarter? • What do our key user groups think about the hospice: quality of care, the services offered, how informed they are, their level of involvement and participation? • How have we performed against relevant targets? 	<ul style="list-style-type: none"> • What (more) can we do to improve user satisfaction with the hospice? • What unmet needs exist that we should meet? • What areas of user satisfaction do we need more information on in order to improve? • How do we compare with other hospices/nationally?

Quality governance report – sample quarterly report from quality governance sub-committee to board

Patient safety: serious and adverse key incident trend (rolling 12 months) – Example

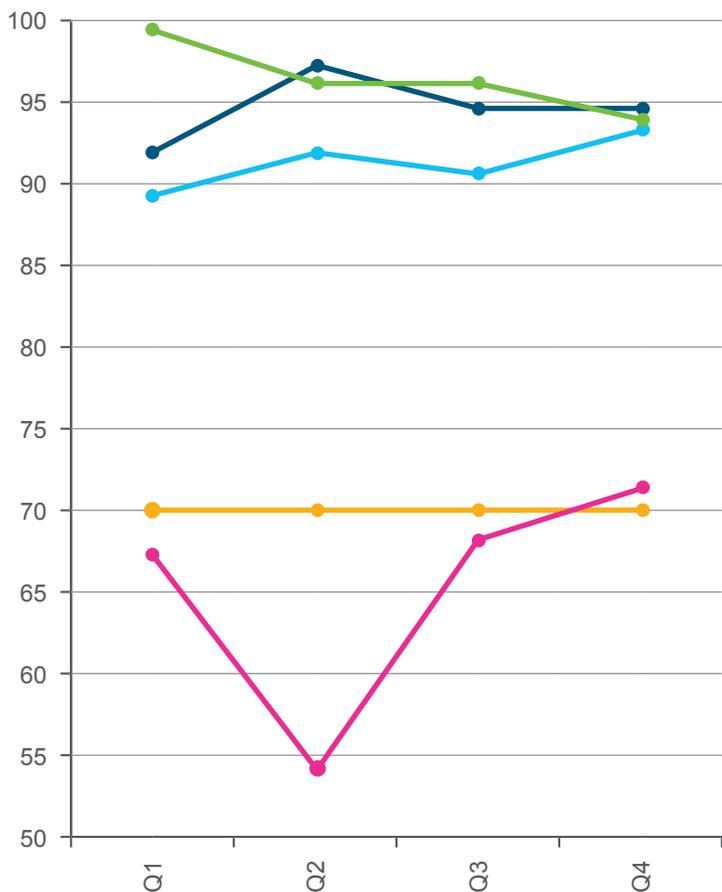
● Total incidents per bed
 ● Total medicine related incidents per bed



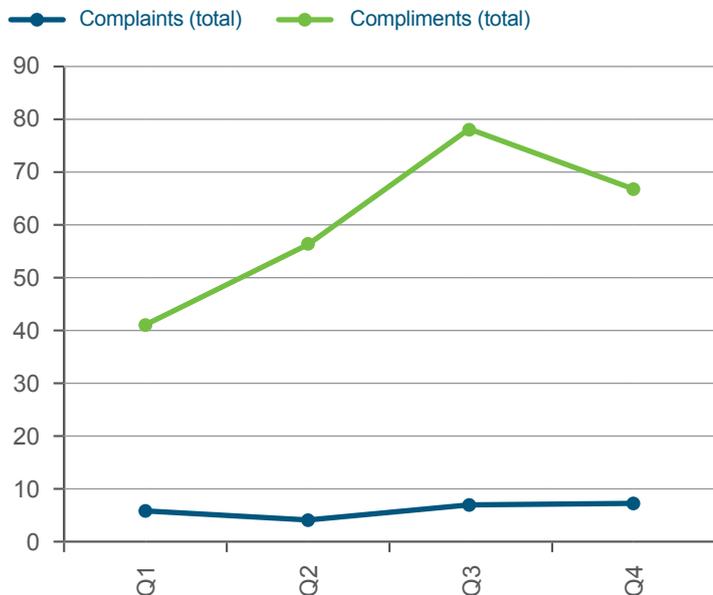
Total incidents per bed	
Total medicine related incidents per bed	
Commentary	

Patient experience: user satisfaction trend (rolling 12 months) – Example

● Patients reporting excellent or exceptional
 ● Carers/Family reporting excellent or exceptional
● Bereaved clients reporting excellent or exceptional
 ● Preferred place of care delivered
● Preferred place of care target



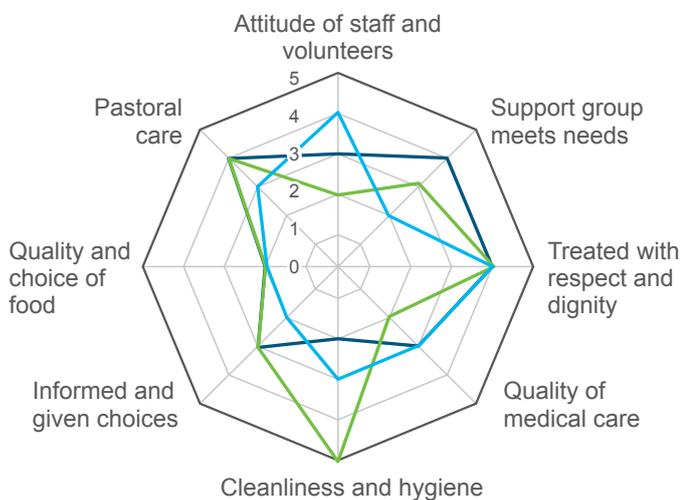
User satisfaction trend commentary	
------------------------------------	--



Detailed Complaints/ Compliments analysis	# last quarter	Resolution T# = (days taken to resolve) U = Upheld; P = Partially N = Not upheld	Themes emerging	RAG status
Complaints – verbal #				
Complaints – written #				
Compliments – verbal #				
Compliments – written #				
Commentary				

Latest patient and carer in snapshot survey as at December 2016 – Example

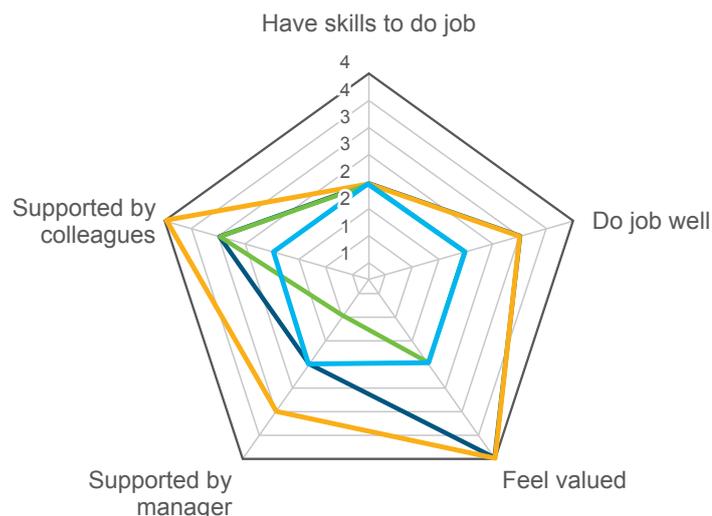
— Average carer
 — Average daycare
 — Average IPU



Commentary:	
-------------	--

Latest staff, volunteer and management satisfaction as at December 2016 – Example

—●— Patient care
 —●— Volunteers
 —●— Retail
 —●— Fundraising



Commentary:	
-------------	--

Appendix 9: Financial reporting

Like other areas of trustee responsibility, finance is a collective responsibility and should not sit with an individual board member. The purpose of the financial report is to enable trustees to come armed with the necessary knowledge to contribute to the debate and decision making.

Financial reports should present financial information which is consistent, transparent and can be read as a standalone report. This will help to build trust between the board and management team.

Key points

- The information should be as up to date as possible, presented in the context of the agreed strategic objectives of the organisation. It should help tell the story about the services you are delivering and how you do it.
- Try to give consistent material presented in a standard format for each reporting period
- Include an executive summary at the front which:
 - » summarises the report’s content and highlights key information
 - » draws the board member’s attention to certain points with an explanation as to why they need to consider these ahead of the board meeting
 - » contains a summary report of key performance indicators (perhaps using a traffic light system to signal items of particular importance)
- Non standing items should be at the back of the report where they can be reviewed in one go and not distract from the expected and regularly provided information
- Balance the level of detail to the information that the board needs and will use – aim to promote discussion while at the same time providing sufficient to aid understanding.

- Account for operations during the year by using the same accounting principles as those used to draw up the yearend statutory accounts. The board has an ongoing responsibility throughout the year, not simply at the yearend and will be reassured if they can read across from the cumulative management information to the statutory accounts without too many adjustments.

Additional reporting

One size reporting will not fit all hospices. Different stages of growth and development will require additional reporting.

Capital projects or new initiatives will call for specialised budgets.

At times of difficulty there will be a need for additional detail, frequency of reporting, regularly updated forecasts and monitoring of cashflow.

The Charity SORP puts increased emphasis on the reporting of outcomes and impact created. A good finance report will help trustee's understanding of how outcomes are being achieved and the organisation will be able to tell 'its story' to external stakeholders.

More information about the kind of information you might include can be found on page 26.

Some tips:

Try to put narrative on the same lines as summary figures to answer the 'so what' test.

Round your numbers to the nearest thousand or million; it helps readers to engage with information and makes for easier understanding.

Put negatives in brackets not with a minus sign which is easy to miss

Where data falls outside expected parameters consider reporting by exception.

Provide tables and visuals⁶ if helpful and put operational detail in an appendix if necessary.

(6) For some suggested approaches see 'Moon J. 'How to make an impact, influence, inform and impress with your reports, presentations and business documents. London: Pearson Hall, 2008'.

Key financial reports

In practice reporting to the board will include information on financial control, compliance and performance evaluation as one package. Some information will need to be presented more regularly than others and together the

papers will contribute to the complete planning, review and learn cycle. It is usually the finance director or the Chair of the finance sub-committee who will present the information. The table below suggests what information should be presented at the different intervals.

	Purpose of reporting
Annually reported	To ensure that the trustees can be publicly responsible for the adequacy of internal controls and for the fairness and accuracy of the annual report and accompanying financial statements.
A fully costed budget which is in line with the strategic plan's short term objectives	To form part of the system of control to safeguard the assets and apply resources properly for the objects of the charity. The budget will be agreed by the board and be reported against on a quarterly basis.
Report and [audited] accounts	To prepare and then sign off on the Trustees' Report and Financial Statements in accordance with applicable law and the United Kingdom Accounting Standards.
Issues raised in Auditor's Management letter	To enable any material weaknesses in the accounting and internal control systems identified during the audit to be resolved on a timely basis. To ensure all adjustments required to the accounts are fully understood and to agree their resolution and timing.
Internal controls policies	To comply with best practice and to safeguard the assets and the continued service delivery of the organisation. To review and set the control policies and ensure they are clearly linked to the internal and external risk environment.
Risk management assessment	To enable the board to determine the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. To enable the board to understand, evaluate and take action on their risks with a view to increasing the probability of their success and reducing the likelihood of failure.
Financial policies; to include reserves, investments and pensions	To comply with applicable law and to observe the principles and methods contained in the Charities SORP.
Investment performance and administration costs	To ensure the effective use of funds, that maximum ROI is being earned and to assess (and possibly benchmark) the level of investment management costs. To ensure that any fall in valuation will not impact significantly on the balance sheet (see below – property). To review any investment criteria and to amend as appropriate; for example, ethical investment criteria.
Pension / retirement benefits review	To enable the board to understand the financial implications of the pension and benefit plans.
Property and Estates valuation review	To provide a current valuation of property assets. This is particularly important in the current economic environment where a fall in property value, could in the worst case, result in a charity having an insolvent balance sheet.

	Purpose of reporting
Quarterly reported	To enable the trustees to be continually in touch with the finances, controls and risk management of the organisation so that they can discharge their stewardship and generative responsibilities.
Summary level management accounts (see template for suggested format) to include any project accounts	<p>To provide analysis and explanations of all significant variances together with information on options for remedial action / timescales in areas of concern.</p> <p>To ensure proper accounting records are maintained which can disclose with reasonable accuracy at any time, the financial position of the organisation.</p> <p>To ensure the budget is re-forecast at regular intervals if significant changes occur to the finances.</p>
A review of significant movements on restricted and unrestricted reserves	To ensure that reserves are being correctly accounted for and that the organisation has sufficient funds to enable medium term sustainability.
Trading subsidiary performance; profit and loss against budget and variances	To ensure that the trading performance is in line with agreed budget.
Comparative reports on other agreed benchmarks or specific service programmes	To measure against and compare with other organisations and assess the reasons for any differences.
An annual report on future financial scenarios will help sustainability	<p>This will assist the board to consider the opportunities and threats to the funding model and to know how they will adapt to future challenges. This might include analysis of:</p> <ul style="list-style-type: none"> • forecasts and trends in the sector • internal and external drivers of financial performance • options for future sustainability and the potential use of reserves



Professional Networks

Benchmarking Intelligence

Income ehospice Events

International Publications

Families Governance

Donate

National Charity Care Hospice

Advocacy Hospice Care Finance

Care Campaigns Voice Challenges

Patients Volunteering Grants Commission

Training Education Recruitment Policy

Palliative Care Conference Members Income

www.hospiceuk.org 020 7520 8200

 @hospiceuk  /hospiceuk

Hospice UK, Hospice House, 34 – 44 Britannia Street, London WC1X 9JG