

CONFIDENTIAL

**Report of the Investigatory Sub-Committee
to the
Board of Management of the
Norfolk and Norwich Association for the
Blind**

March 2020

EXECUTIVE SUMMARY

FINAL DRAFT

Executive summary

Introduction, background and approach

This is the summary of the report from an investigation by a Sub-Committee of the Board of Management of the Norfolk and Norwich Association for the Blind (NNAB) into wide-ranging allegations and concerns detailed in a letter received by the charity dated 9 October 2019.

The Charity Commission was informed of the complaint by one of the Co-Chairs through a Serious Incident Report submitted on 10 October 2019.

The extensive and serious nature of the allegations and concerns raised clearly required investigation, a view underlined in the Charity Commission's initial response to the reported incident dated 17 October 2019. Following advice from Birketts solicitors the Board established a sub-committee to undertake this investigation.

The Investigatory Sub-Committee was tasked with reporting its findings and recommendations to the Board, which in turn would report a summary to the Charity Commission.

Overview of charity context

Established in 1805 the NNAB provides specialist support and care to people living with sight loss both in the community and within its own accommodation.

Society, and the sector in which the charity operates, is changing rapidly. The charity has faced many drivers of change including a challenging funding environment, changing needs of people with sight loss and opportunities provided by technology.

In September 2016 a Care Quality Commission (CQC) inspection found the charity's residential care home, Thomas Tawell House (TTH), required improvement. By the re-inspection in November 2017, a significant deterioration was found to have taken place and the home was rated inadequate and placed in special measures. As a result of this inadequate inspection and subsequent internal investigations, questions arose about how the charity was operating in other areas as well as TTH. Extensive remedial activity took place and at re-inspection in November 2018 TTH received an overall good rating from CQC.

Given the changing business environment and the undeniable need for continual improvement, since autumn 2018 the charity has embarked on a substantial restructuring including the creation of three directorates and the appointments of two Directors reporting to the Chief Executive.

Implementation of the changes has met considerable resistance from some individuals and teams. During the last two years several staff have left the organisation on less than amicable terms, some apparently remaining in touch with former colleagues. The transformation of the charity, including elements of its culture, remains work in progress.

Approach to the investigation

The letter of the 9 October 2019 was 22 pages long and an attached 'blueprint' of 118 questions for investigation was provided.

Many of these questions were very specific but raised wider questions regarding the effectiveness of governance, policies, systems and controls. It was felt that the questions provided essentially covered the narrative in the letter.

At its first meeting on 5 November 2019 the Sub-Committee agreed to structure its investigation based on the following key lines of enquiry (KLOEs):

- 1. Governance** – Are trustees well-informed and in control? Is the executive team held to account? Is best practice in governance followed?
- 2. Personnel (including culture)** – Is recruitment of staff and engagement of consultants appropriate? Is staff remuneration appropriate? Is performance management effective? Is staff retention a concern? How do staff/volunteers find the culture? Is there evidence of bullying or harassment?
- 3. Finance** – Are effective financial controls in place? Is there evidence of misspending?
- 4. Service delivery** – Is service delivery in line with agreed strategic priorities? Is service performance appropriately reported?
- 5. Whistleblowing, complaints and grievances** – Are policies and procedures effective? Are they followed in practice?
- 6. Safeguarding** – Is safeguarding effective? Have recommendations from the recent safeguarding audit been implemented? Have risks increased due to subsequent staffing changes at TTH, and if so, how have risks been mitigated?

The KLOEs were derived from the correspondent's questions. Some KLOEs have been subdivided and different aspects considered separately. Key questions for the investigation have been noted for each KLOE and subheading. The investigation has focused on answering these wider key questions and has not attempted to address every specific question suggested by the correspondent.

An extensive document review was undertaken, including board and committee minutes, key policies, records of complaints and grievances, staff appointments and leavers, executive recruitment and the engagement of consultants. Trustees completed a short questionnaire to obtain an overall opinion of governance. Interviews were undertaken with key personnel including the Co-Chairs and Treasurer, the CEO and the two Directors.

A wider staff and volunteers questionnaire was considered but it was concluded that ongoing assessment of engagement and wellbeing implemented by the executive team would be a better approach.

Findings and recommendations

Each KLOE and subheading is considered in turn. Under each subheading the mapped blueprint questions proposed by the correspondent in his original letter are listed, followed by the 'key question(s) for the investigation' agreed by the Sub-Committee. The evidence and other resources considered are noted, followed by findings and comments. Each subheading concludes with recommendations for the Board to consider.

In total approximately 70 recommendations are made.

Conclusions and next steps

The report's main conclusions, summary of recommendations and practical next steps are copied in full:

To be clear, whilst plenty can be improved further, no evidence of wrongdoing by any existing trustee or senior executive has been identified during this investigation.

The Sub-Committee wishes to emphasise that this report is not to be read as a criticism of the current leadership of the charity. Indeed, it has been evident through the extensive evidence reviewed just how much has improved since the CEO's appointment in late 2017. The CEO, joined more recently by the two Directors, have clearly worked exceedingly hard to embed essential policies and procedures and to attempt to transform the workforce.

Similarly, the commitment and hard work of fellow trustees has been evident, and in particular the charity's Co-Chairs and Treasurer who have all shown considerable dedication and resilience over the last two years.

As the recommendations make clear, there is much work still to do. Collectively, the trustees and senior executives must redouble improvement efforts and truly transform the charity to meet the needs of people living with sight loss in Norfolk.

For those named, the unpleasant and personal accusations in the correspondent's letter have caused considerable anxiety. Whilst this is acknowledged, the investigation, however unwelcome, has not been without its positives, including the opportunity to review records, ask challenging questions, improve understanding and identify improvements.

The recommendations in this report cover many of the activities of the charity. Some are straightforward to implement at little expense, and others are more challenging and will require investment of resources, particularly staff and trustee time.

Some recommendations are encompassed in others, particularly relating to the application of the Charity Governance Code.

A summary of the key recommendations and suggested next steps follows.

1. Fully apply the Charity Governance Code

The code provides an excellent framework for good governance and many of the recommendations in this report refer to it. The code's diagnostic tool should be used to assess current practice, drawing on these recommendations. The creation of a Charitable Incorporated Organisation (CIO) provides important context and will influence priorities.

Proposed action: Board to establish a 'governance code working group' to oversee this work and prioritise improvement actions.

Membership of this group should include **at least** two trustees, the CEO and the Director of Corporate Services. The group should meet monthly. An appropriate timescale for this work should be set (12-18 months). Board should receive updates at least quarterly.

2. Establish a delegations framework and ensure effective Board meetings

This must start with the Board. The decision to suspend Sub-Committees simplifies the current delegations. It is important that the delegations framework is kept up to date throughout the development of a CIO and any subsidiaries.

Clearly agreed terms of reference for any sub-groups are important. These should cover any delegated powers, membership and decision-making and reporting requirements.

This report includes several straightforward recommendations focused on improving the effectiveness of Board meetings including setting agendas, managing reports and recording and implementing decisions and actions. The CEO and Director of Business Development both identified the need for a 'Company Secretary'. It is understood this role was discussed and agreed by the Board in February 2020.

Proposed action: Board to engage a 'Company Secretary' or similar as soon as possible (April 2020) to facilitate effective Board meetings and promote good governance.

Proposed action: 'Company Secretary' to prepare a draft delegations framework for May 2020 Board with the involvement of key trustees and senior executives.

3. Ensure the safeguarding action plan is implemented

This important work is already in progress and must not be overlooked.

Proposed action: The Director of Corporate Services continues to lead the implementation of this action plan. The named safeguarding trustee is updated monthly, and progress is monitored by Board at least quarterly.

4. Tighten up policies and procedures

A number of recommendations relate to implementing and improving policies and procedures. A conflict of interest policy for trustees and senior staff is required. Policy

improvements were identified in the safeguarding audit and through other audits, reviews and management action. This work needs co-ordinating.

Proposed action: *The Director of Corporate Services to create and maintain a policy register/matrix that lists all the charity's policies along with approval dates, review dates and who approves the policy (e.g. Board, Committee, CEO). The Director works with the Company Secretary to ensure policies are available for approval when scheduled.*

5. Service delivery strategy, planning and quality

An overall service delivery strategy is needed to inform development plans. This strategy should be evidence-based and co-produced with people living with sight loss.

Proposed action: *Board to establish a 'services working group' to co-produce a service delivery strategy by October 2020, including guidance on a service delivery pathway and measures of service quality.*

Membership of this group should include a range of people living with sight loss, ideally including trustees, staff and service users. The group should be kept a manageable size. Once the strategy is approved, service delivery plans should be produced.

6. Reset the charity's culture

Continuing to develop the charity's culture is critical and will strongly influence its future success. The trustees and senior executives must all support this.

Proposed action: *The CEO to develop a rolling programme of engagement between trustees, senior executives and staff and volunteers that is linked to the charity's vision, values and strategy.*

7. Address the high staff turnover at TTH

Stabilising the care workforce at TTH is important. Work is ongoing but should be measured.

Proposed action: *The TTH Manager, working with the CEO and the Director of Corporate Services, to prepare a plan for reducing the turnover of staff at TTH. Suggested target of less than 50% in 2020-21 and less than 25% in 2020-22.*

8. Decide director-level recruitment priorities

The resignation of the Director of Business Development provides an opportunity to re-evaluate where resources are best spent over the next period. Appointing a Director of Care and Service Development may be a higher priority.

Proposed action: *CEO to prepare a summary paper and proposal to April 2020 Board regarding recruitment to fill gaps at director level, including any impact on budget.*