Surrey and Sussex NHS
Healthcare NHS Trust

Rules of Procedure

Board of Directors Integrated Governance Systems

VERSION 9.0: November 2014

NEXT REVIEW DATE: November 2015

Putting people first
Delivering excellent, accessible healthcare

Acknowledgements

Surrey and Sussex Healthcare NHS Trust acknowledges the advice and assistance of Brighton and Sussex University Hospitals NHS Trust and the copyright expressed by them over their Rules of Procedure, on which this document is based.

Disclaimer

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About Surrey and Sussex Healthcare

What we do

Surrey and Sussex Healthcare NHS Trust (SaSH) provides a comprehensive range of emergency and non-emergency services to the residents of East Surrey, north-east West Sussex, and south Croydon, including the major towns of Crawley, Horsham, Reigate and Redhill. Our proximity to the M25 and M23 motorways and Gatwick Airport means that we also treat many patients from outside the area and from overseas.

At East Surrey Hospital (ESH), in Redhill, we provide acute and complex general hospital services. We also provide out-patient, diagnostic and less complex, planned services at Caterham Dene Hospitals and Oxted Health Centre in Surrey, and at Crawley and Horsham Hospitals in West Sussex. The Trust is a designated trauma unit.

SaSH is an associated university hospital of Brighton and Sussex Medical School and has established partnerships with Royal Surrey County Hospital and Guy's & St Thomas' NHS Foundation Trust to provide specialist services at ESH.

We work in close partnership with our local GPs and commissioners to ensure that local health services are provided and improved in ways which best meet the needs of our patients and their families.

Foundation trust status

SASH is on the journey become an NHS Foundation Trust by 2014/15.

Our Values – what Surrey and Sussex Healthcare NHS Trust stands for:

Dignity & Respect: we value each person as an individual and will challenge disrespectful and inappropriate behaviour

One Team: we work together and have a 'can do' approach to all that we do recognising that we all add value with equal worth

Compassion: we respond with humanity and kindness and search for things we can do, however small; we do not wait to be asked, because we care

Safety & Quality: we take responsibility for our actions, decisions and behaviours in delivering safe, high quality care

Chapter One Introduction

1.1 Good governance provides the key to effective leadership, meaningful challenge and real accountability. Effective governance is not about process; rather it is about successful leadership and living the values of the organisation.

1.2 Corporate governance is the system by which companies and other Board-led organisations, including hospitals, are directed and controlled. Good governance provides ambitious, effective but prudent direction that helps to deliver success over time. It is the business of the Board of Directors and is separate from day-to-day operational management, which is the responsibility of executives and the management structure they lead. Corporate governance is 'what the Board does' and is therefore the business of every trust.

1.3 These Rules of Procedure describe the corporate governance arrangements within Surrey and Sussex Healthcare NHS Trust (SASH). They should be read in conjunction with the Trust's Standing Orders, Standing Financial Instructions and Scheme of Delegation, which describe in detail the roles, responsibilities and procedural requirements of the Board of Directors. These Rules of Procedure should also be read in conjunction with the SASH Policy for the Management and Development Procedural Documents.

1.4 The Board of Directors is responsible for providing effective and proactive leadership of the Trust within a framework of processes, procedures and controls which enable risk to be assessed and managed. The Board of Directors shall report upon this system of internal control in the Trust's annual report. The Board of Directors retains responsibility for delivering effective corporate governance but may delegate certain decisions to Board Committees or establish Committees to provide advice and guidance in this regard.

1.5 In these Rules of Procedure, words importing the masculine gender only shall include the feminine gender; words importing the singular shall import the plural and vice-versa. References to any statutory body shall be deemed to include any successor body or bodies which may from time to time assume all or substantially all of the functions of that original statutory body. References to any mandatory guidance issued by Monitor – Independent Regulator of NHS Foundation Trusts ("Monitor") shall be construed to include a reference to the same as it may have been, or may from time to time be, amended, modified, consolidated or replaced.

1.6 These Rules of Procedure will be reviewed annually or earlier as necessary to reflect any changes as the trust revises policies and progress through its journey towards Foundation Trust status.

1.7 A separate version of this document will be developed to comply with Monitor's requirements and will come to use once FT status has been achieved.

Chapter Two Governing Our Business and Services

2.1 Overview

The Rules of Procedure sets out the Board of Director's integrated governance systems at Surrey and Sussex Healthcare NHS Trust (SASH). This system supports the Board of Directors at its Trust Board meetings to fulfil its legal duties in relation to quality of services and financial management.

It further ensures that the Board of Directors has appropriate and timely information from the Chief Executive Officer (CEO) as the accountable person, that the management systems in place are delivering the Board of Director's strategy whilst ensuring quality in all trust services is achieved within the finances available.

2.2 Summary

The Board of Directors governs the Trust business including the delivery of the strategies it sets by seeking assurance that the managerial systems the Chief Executive Officer has in place deliver the desired outcomes and enable effective and timely reporting of significant issues that threaten its objectives.

The CEO has aligned his accountability framework and decision making authorities to the line management structures in place that deliver the day to day business. The alignment around the line management structures provides all staff and the Board of Directors with a simple and well understood way of communicating the Board's objectives into day to day business and receiving feedback on how it is achieved.

By this he has ensured that those with the authority can exercise it and have clear escalation processes if they are unable to do so. The escalation processes lead to individual directors and the Executive Committee on the way to the CEO as the accountable officer.

It further allows staff to see where they fit in the overall strategy and how their personal objectives support the Trust to deliver its objectives.

2.3 Board of Directors Committees

The Board of Directors has authorised a number of committees to scrutinise aspects of the Trust's business relating to safety and quality of services, finance and workforce (including business planning). These are in addition to the Audit and Assurance, Nomination and Remuneration and Charitable Funds Committees.

Each committee supports the Board of Directors in relation to its duties in seeking assurance about all aspects of the Trust's business and providing sufficient capacity and focus to ensure appropriate scrutiny. Chaired by a Non-Executive Director with a membership that includes the CEO (with the exception of Nomination and Remuneration and Charitable Funds) the

committees review, scrutinise and challenge the information they receive and allow the Board of Directors to be assured that the managerial processes are delivering outcomes to the required standards.

The terms of reference of each committee sets out the remit of responsibility delegated by the Board of Directors. This in turn sets out the information requirements of the committee, how it should interact with the information it receives and use this to reach a conclusion about assurance.

Where assurance cannot be robustly established the Chair of the Committee reports this to the Board of Directors. The Board of Directors receives a report from each Chair at every public board meeting. On receiving a report that identifies a lack of assurance in relation to an aspect of the business the Board of Directors can either hold the CEO to account (managerial aspects) or seek independent assurance commissioned by the Board of Directors or by referring the matter to its Audit and Assurance Committee.

2.4 The Chief Executive Officer

The Chief Executive Officer is accountable for the managerial delivery of the entirety of the Trust's business and has personal responsibility as set out in the Accountable Officer Memorandum for safeguarding public funds. To enable the Board of Directors to fulfil their statutory duties in relation to quality of services, financial management and internal control he reports on managerial performance (quality, operational and financial) in the reports received from the Executive Committees (described below).

The Board of Directors recognises that whilst the CEO remains the accountable officer, he has delegated day to day responsibility for managing the delivery of aspects of the business to his executive directors. The Board of Directors therefore receives reports in the relevant director's name to ensure it has sufficient breadth and depth of information to conduct its business. However, the Board is aware that it is the CEO that is being held to account at all times for the Trust's performance across all aspects of its business.

At all levels in the Trust below Board of Directors committee level, the CEO has managerial systems in place to deliver the business. The Board of Directors governs by measuring the effectiveness of these managerial systems in delivering the required outcomes and addressing adverse performance in any area.

The Chief Executive leads the Executive Team who are responsible for linking the strategic direction with operational delivery and for ensuring coordination of all functions of the Trust. Meeting on a weekly basis membership includes all executive directors and clinical chiefs of service. The Executive Team reports to the Trust Board through the Chief Executive Officer.

2.5 The Executive Committee

The Executive Committee is a senior managerial decision making group in the Trust. Its membership comprises the entire executive director team and the clinical divisions managerial teams. It has at least 50% clinical membership to ensure effective clinical leadership and decision making.

The Chief Executive Officer has directed that the Executive Committee meets weekly to consider, on a rolling basis, managerial delivery of the Board of Directors' strategy, quality of services provided and the effectiveness of risk management, the delivery and management of all performance and the management of each clinical division. The Executive Committee has specific terms of reference for each meeting to enable it to deliver its duties.

The members attend all Executive Committee meetings across each month enabling them to be informed on the inter relationship between quality, operational and financial performance and strategy. This enables:

- effective trust wide decisions to be made to progress and action delivery of the Board of Directors' objectives;
- each corporate directorate and clinical division to identify any impact of proposed decisions on its ability to deliver its services;
- resolution of issues that any corporate directorate or clinical division does not have the authority to resolve on its own;
- management of risk that is outside the authority of any individual corporate directorate or clinical division to control;
- effective allocation of limited resources;
- clinical divisions to be held to account by the CEO for their performance, quality of services and financial management;
- corporate directorates are held to account by the CEO for their performance and delivery of their services.

The Executive Committee is supported to make informed decisions by both holding the corporate directorates to account and by receiving independent information from its authorised management committees and groups.

2.6 Committees and Groups

The Executive Committee is responsible for ensuring that it is enabled to take effective decisions in relation to its focus (strategy, quality and risk or performance) as it has authorised an infrastructure of groups reporting to it that provides the expert trust wide view of an aspect of the service relevant to its terms of reference. (e.g. IPCAS).

The authorised managerial groups are focused on providing expertise in an aspect of business, co-ordinating the trust wide approach especially in relation to improving systems, quality, safety and performance. These groups are either task and finish groups or advisory groups. They are

not accountable for delivering trust performance of any required standard as this remains a line management accountability of day to day service delivery.

2.7 Corporate Directorates

Each corporate directorate is led by an executive director. Each executive director has delegated responsibility from the CEO for delivery of his portfolio of business. Whilst the ultimate accountability remains with the CEO and he holds each executive director accountable for delivering his portfolio of business. This enables the CEO to be held to account by the Board of Directors.

The corporate directorates of Chief Finance Officer, Director of Corporate Affairs, Director of Informatics and Facilities and Director of Human Resources all have their staff predominantly within their directorate. They have a line management structure within their directorate to enable their delivery of the trust wide function to be held to account. Their staff are primarily focused on supporting the CEO and the clinical divisions to manage aspects of their business that require expert input. The majority of their customers are internal.

The corporate directorates of the Chief Nurse, Medical Director and Chief Operating Officer predominantly have their staff within the clinical divisions. The effective delivery of their portfolios is primarily measured through the performance of the clinical divisions in relation to their services and trust's aggregate performance.

The executive directors hold the relevant staff to account and manage delivery of their portfolio through their line management structures both within corporate directorates and clinical divisions.

The Executive Committee receives reports and information on the performance of all the corporate directorates at its relevant meeting at a trust wide level. The Executive Committee for performance is the only meeting where both the trust wide performance and the individual clinical division performance are managed.

The executive directors are the single point of accountability for each corporate directorate.

2.8 Clinical Divisions

There are five clinical divisions with each one being led by a Chiefs of Service. The Chief of the Division has single point of accountability for all aspects of divisional performance: quality, operational, financial and workforce to the relevant executive director. The CEO has required that the Chief must be a clinician to enable clinical leadership and to ensure that they can be held accountable for quality of services.

The Chief of Service is accountable for ensuring that the clinical division has an internal infrastructure that reflects the business of the division and supports it to meet its duties. These duties relate to but are not exhaustive; quality and safety of services, management of risk, delivery of performance standards, management of financial resources and effective management of the workforce to meet required standards of competence to provide a positive

patient experience. This includes authorised division wide groups which provide expertise on aspects of the divisions business.

The Chiefs of Service are supported by an Assistant Director of the Division and, where relevant, a Divisional Chief Nurse/ Midwife. These persons are senior accountable professionals within the Division for their staff group and areas of responsibility. They support the Chief of the Service and are held to account by the Chief for their portfolio of responsibilities within the Division. Together they form the divisional management team.

The Divisional management team in addition to holding accountability for their respective divisional portfolios also holds accountability for their respective professional groups. The Chief of Service is accountable for medical staff standards, the Divisional Chief Nurse for nursing professional standards and the Assistant Director for the non-clinical staff.

Each of the Divisions has its own Divisional Governance Committees which has weekly meetings on a rolling agenda that mirrors the Trust Executive Committee agendas for strategy, quality and risk, performance and business. There are terms of reference for each of the Divisional Governance Committees. Some members of the divisional management teams are members of both the Divisional Governance Committee and the Trust Executive Committee. This enables timely divisional input into the trust wide decision making at the Trust Executive Committee level.

The Divisional Governance Committee are responsible, under the Chair of the Chief of Service, for ensuring that each clinical specialty is delivering on its quality, performance, workforce and financial management duties. It holds the clinical leads for each specialty to account for their performance and action to address any adverse performance. The Divisional Governance Committee is the most senior decision making body in the Division and takes decisions that cannot be authorised within a single specialty.

Each of the Divisions is made up of a number of clinical specialties. In each clinical specialty, as relevant, there is a Clinical Lead (medical), a Matron (nursing) and a Service Manager / Head of Department who are ultimately managerially and/ or professionally responsible to the Chief of Service. These individuals may be responsible for more than one clinical specialty.

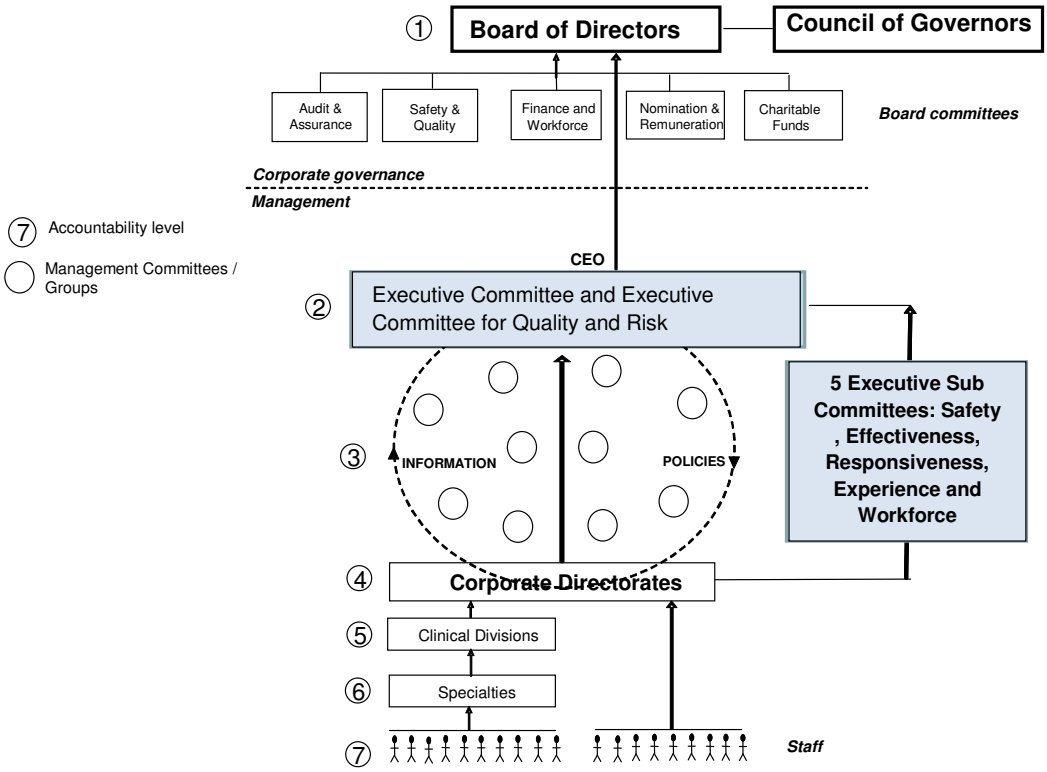
2.9 Staff

All staff have job descriptions that explain their responsibilities and accountabilities in relation to their roles. In addition to this staff in professional groups have additional standards and accountabilities set by their relevant professional body.

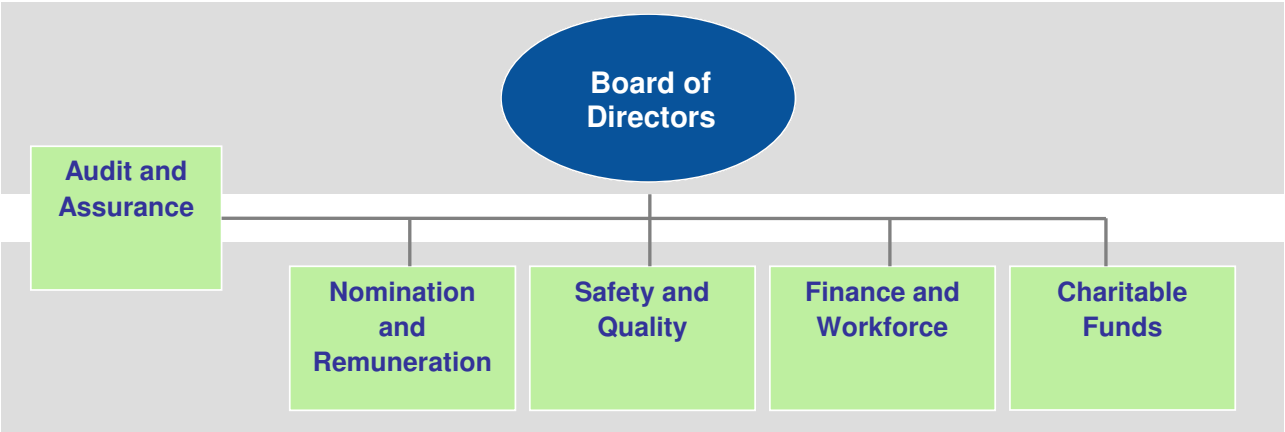
Staff are organised within the division in corporate directorates with some staff also being in clinical divisions. All staff has line managers to whom they are responsible to and who are accountable for working with each member of staff to assess their personal performance, developmental needs and impact on service users. Staff at all levels in the organisation should work within a framework of Trust policies which sets out expectations in respect of relevant trust processes.

2.10 Governance Structure

SASH Corporate Governance Structure / Accountability Framework



Chapter Three Board of Directors



3.1 Summary purpose

The Board of Directors provides proactive leadership of the Trust towards achievement of corporate objectives and oversight of the framework of sound internal controls, risk management and governance in place to support their achievement.

The Board of Directors is responsible for:

1. setting the Trust's strategic aims;
2. setting the Trust's values, standards and culture;
3. the safety and quality of services;
4. holding the organisation to account for the delivery of the strategy and through seeking assurance that systems of internal control are robust and reliable;
5. ensuring that the necessary financial, human and physical resources are in place to enable the Trust to meet its priorities and objectives and periodically reviewing management performance; and
6. ensuring that the Trust complies with these Rules of Procedure, Standing Orders, Standing Financial Instructions, Scheme of Delegation and statutory obligations at all times.

3.2 Self-regulation

3.2.1 The Board of Directors is responsible for implementing an effective system of assurance to support self-regulation.

3.2.2 The Chairman of the Board of Directors shall ensure that it monitors the performance of the Trust in an effective way and satisfies itself that appropriate action is taken to remedy problems as they arise. The Board of Directors must be satisfied with the assurance processes in place which support the preparation of accurate self-certification. The Board of Directors is responsible for establishing the outcomes required by the Trust to achieve the desired risk ratings and implementing processes to track progress and implementation.

3.3 Membership of the Board of Directors

3.3.1 Currently the Board of Directors comprises:

(i) A non-executive Chairman with a second and casting vote if necessary;
(ii) Five non-executive Directors plus one Designate
(iii) The Chief Executive and Accountable Officer;
(iv) Chief Finance Officer
(v) Medical Director
(vi) Chief Nurse
(vii) Chief Operating Officer
(viii) Director of Corporate Affairs & Company Secretary (Non-voting)

3.3.2 The Board of Directors shall appoint one of the independent non-executive directors to be the Senior Independent Director (SID). The SID shall be available to employees if they have concerns which contact through the normal channels of Chairman, Chief Executive or Chief Finance Officer has failed to resolve or for which such contact is inappropriate. The Deputy Chairman has been nominated as the SID.

3.3.3 Other senior employees may be required to attend the Board of Directors for individual agenda items as the Board of Directors considers appropriate.

3.4 Roles and Responsibilities

3.4.1 Role of the Chairman

As leader of the Board, the Chair has the overarching responsibility for ensuring that under his guidance the organisation meets its planned objectives for service delivery and clinical governance and has a clear understanding of its culture and values.

The Chair will ensure that the Board establishes a proper communication strategy to keep all its stakeholders informed. Some of the communications which need to be established are to staff and their Trade Unions; to the local community; to reference groups established to obtain the views of patients, service users and carers; the local media; to elected representatives, including MPs and local councillors; to overview and scrutinise committees; the voluntary sector; and the wider health and social care community.

The Board can only be effective if it is well informed. The Chair will facilitate the proper flow of information between executives and non-executives; between the Board and other partners in the health economy; and between the Department of Health (DoH) and the Board when new policies and priorities need to be disseminated.

Non-executives will also need regular updates on the results and outcomes of strategies to keep them abreast of the organisation's performance. The Chair will ensure that this information is timely and sufficiently comprehensive, but without including unnecessary operational detail that the Board does not need.

3.4.2 Role of the Non-Executive Directors

Non-executive directors on NHS Boards share responsibility with the other directors for the success of the organisation and the duties of the Board. To add most value, the non-executive's duties should not extend into operational matters.

Accountability
Non-executive directors are appointed by the NHS Trust Development Authority Appointments Committee on behalf of the local community. They therefore have a responsibility to ensure the Board acts in the best interests of the public and is fully accountable to the public for the services provided by the organisation and the public funds it uses.

Strategy
Non-executive directors should constructively challenge and contribute to the development of strategy.

Performance
Non-executive directors should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.

Risk
Non-executive directors should satisfy themselves that financial information is accurate and that financial controls and systems of risk management are robust and defensible.

People
Non-executive directors are responsible for determining appropriate levels of remuneration of executive directors and have a prime role in appointing, and where necessary removing, senior management and in succession planning.

3.4.3 Role of the Chief Executive

The Chief Executive has the responsibility for ensuring that the Board is empowered to govern the organisation and that the objectives it sets are accomplished through effective and properly controlled executive action.

The NHS Leadership Academy's Induction Guide for Chief Executives sets out the main roles and responsibilities as:

Leadership
The Chief Executive helps create the vision for the Board and the organisation to modernise and improve services and has the skill to communicate this vision to others and the ability to empower them to deliver the organisation's agenda.

Delivery planning
The Chief Executive has the duty to ensure that the Board has sufficient information to agree a Local Delivery Plan or Service Level Agreements that meet the NHS Plan and other priorities and is based on realistic estimates of physical, workforce, financial capacity and patient and public involvement.

Performance management

The Chief Executive is responsible for ensuring that the Board's plans and objectives are implemented and that progress towards implementation is regularly reported to the Board using accurate systems of measurement and data management. The Chief Executive also agrees the objectives of the senior executive team and reviews their performance.

Governance
The Chief Executive is responsible for ensuring that the systems on which the Board relies to govern the organisation are effective. This will enable the Chief Executive to sign the Statement on Internal Control on behalf of the Board, to state that the systems of governance, including financial governance and risk management, are properly controlled.

Accountability
The Chief Executive is accountable to the Board for meeting their objectives and, as Accountable Officer, to the Chief Executive of the NHS for the performance of the organisation.

3.4.4 Relationship between the Board and the Chief Executive

This relationship is complex and many facetted but can be summarised as follows:

What the Chief Executive does for the Board
- Helps create the vision
- Provides information and expertise
- Provides operational leadership
- Provides effective control systems
- Delivers against operational objectives
- Delivers the modernisation and change agenda

What the Board does for the Chief Executive
- Challenges and hones vision into high level strategic objectives
- Supports the management of the organisation
- Sets demanding but realisable operational objectives
- Challenges and thereby reinforces the effectiveness of control systems
- Supports the Chief Executive in making changes and taking risks by corporately agreeing plans and strategies and taking corporate responsibility for outcomes
- Establishes a forward thinking, modernising and patient-focused culture for the organisation

3.5 Chairman and Chief Executive: Division of responsibility

No	Chairman of the Board of Directors	Chief Executive
1	The Chairman is not responsible for executive matters.	The Chief Executive is responsible for executive matters. All members of the management structure report either directly of indirectly to him.
2	The chairman's principal responsibility is the effective running of the Board of Directors, and, on its establishment, the Board of Governors	The Chief Executive's principal responsibility is leading the Trust.
3	The Chairman is responsible for ensuring that the Board of Directors as a whole plays a full and constructive part in the development and determination of the Trust's strategy and overall objectives.	The Chief Executive is responsible for developing and implementing the Trust strategy and communicating this to both internal and external stakeholders.
4	The Chairman is the guardian of the decision making process of the Board of Directors.	The Chief Executive is responsible for implementing the decisions of the Board of Directors and its Committees.
5	The Chairman is responsible for the general leadership of the Board of Directors.	The Chief Executive is responsible for the provision of information and support to the Board of Directors.
6	The Chairman is responsible for ensuring the agenda of the Board of Directors takes full account of the important issues facing the Trust and the concerns of all Board members. There shall be an emphasis on strategic, rather than routine issues.	The Chief Executive is responsible for ensuring that he maintains a dialogue with the Chairman on the important strategic issues facing the Trust and agreeing with the Chairman an agenda for the Board of Directors which reflects these.
7	Ensuring, (on the advice of the Board Secretary where appropriate, should one be in post), compliance with the Board of Directors' approved procedures, including the schedule of matters reserved to the Board of Directors for its decision and each Committee's terms of reference.	Ensuring, in consideration with the Chairman (and the Board Secretary as appropriate) that the Executive Committee complies with the Trust's approved procedures, including the schedule of matters reserved to the Board of Directors for its decision and each Committee's terms of reference.

No	Chairman of the Board of Directors	Chief Executive
8	Arranging informal meetings as required of the directors, including meetings of the non-executive directors at which the executive directors are not present, to ensure that sufficient time and consideration is given to complex, contentious or sensitive issues.	Ensuring that the Chairman is alerted to forthcoming complex, contentious or sensitive issues which significantly affect the Trust of which he might not otherwise be aware.
9	Proposing to the Board of Directors, in consultation with the Chief Executive, (Board Secretary) and Committee Chairmen as appropriate: • A schedule of matters reserved to the Board of Directors for its decision; and • Terms of reference for each Board Committee and other Board of Director policies and procedures.	Providing input to the Chairman (and the Board Secretary) on appropriate changes to the schedule of matters reserved to the Board of Directors and Committee terms of reference.
10	Proposing the membership of the Board Committees and their Chairman for approval by the Board of Directors.	If so appointed, serving on any Committee of the Board of Directors.
11	Taking the lead in providing a properly constructed induction programme for new directors.	Contributing to the induction programme for new directors and ensuring that appropriate management time is made available for this.
12	Taking the lead in identifying and seeking to continually update the skills and knowledge both of individuals and the Board of Directors as a whole and meeting ongoing development needs.	Ensuring that the development needs of the executive directors and other senior management reporting to CEO are identified and met.
13	Ensuring that the performance of the Board of Directors as a whole, its Committees, and individual non-executive members of both are periodically assessed.	Ensuring that the performance reviews are carried out at least once a year for each of the executive directors. Providing input to the wider evaluation process of the Board of Directors.

3.6 Unitary Board

All members of the Board of Directors have joint responsibility for every decision of the Board regardless of their individual skills or status. This does not affect the particular responsibilities of the Chief Executive as the Trust's Accountable Officer. All directors, executive and non-executive, have a responsibility to constructively challenge the decisions of the Board of Directors and help develop proposals on priorities, risk mitigation, values, standards and strategy.

3.7 Meetings of the Board of Directors

3.7.1 The Board of Directors shall meet at least ten times a year (including Board Seminars). The meeting shall be held in the last week of each month[1] (except December, when the meeting shall be in the second week) in order to ensure timely consideration of performance and financial information relating to the previous month. The meeting shall occur following the completion of the Board Committee meetings taking place that month (Audit and Assurance Committee, Safety and Quality Committee and Finance and Workforce Committee as programmed) to ensure that any matters that the Chairmen of these Committees believe need to be considered by the Board of Directors are done so on a timely basis.

3.7.2 The Board of Directors shall meet in public at least 6 times a year. It reserves the right to exclude members of the press and public to consider confidential business, publicity on which would be prejudicial to the public interest (as defined in the Public Meetings Act 1960). When exercising this provision, the Chairman presiding at the meeting shall summarise the nature of the business to be considered in closed session.

3.7.3 No business shall be transacted at a meeting unless a quorum is present, which requires at least one third of the total number of the Board of Directors to be in attendance including not less than one non-executive director and one voting executive director.

3.7.4 The Chairman may, if necessary, exclude any member of the press or public from a meeting if they are interfering with or preventing the proper conduct of a meeting by exercising the relevant power in the Public Meetings Act 1960.

3.8 Standing agenda of the Board of Directors

The agenda of the Board of Directors shall be risk-focused and driven by the Assurance Framework. Key items include:

- annual approval of strategic plan and budget;
- annual approval of financial accounts;
- annual approval of quality accounts;
- review of Assurance Framework;

[1] *To note – for 2011 Board meeting dates have already been set and therefore may not be in the last week of the month.*

- review of effectiveness of Board, Directors and Committees of the Board of Directors;
- performance and finance report demonstrating performance against strategic objectives;
- most recent minutes from each Committee of the Board of Directors; and safety and quality indicators.

3.9 SASH Code of Conduct

3.9.1 All members of the Board of Directors shall comply with the SASH Code of Conduct set out as Appendix 1 to these Rules of Procedure.

3.9.2 All members shall participate fully in the Board of Directors' development programme. Where a session is missed, arrangements shall be made to ensure skill and knowledge gaps are addressed.

3.10 Administration

3.10.1 Agenda for all meetings shall be reviewed by the Chairman of the Board of Directors and shared with members ten working days ahead of each meeting.

3.10.2 Papers for all meetings shall be made available no later than five working days in advance of each meeting. Papers shall be prepared in accordance with the Board and Committee paper template available on the Trust's intranet.

3.10.3 Papers shall only be tabled at meetings in exceptional circumstances and by agreement with the Chairman presiding at the meeting.

3.11 Decision Making

3.11.1 The rules below shall apply to meetings of the Board of Directors.

3.11.2 Decisions shall normally be made by agreement following full and open debate rather than by means of a formal vote. Failing agreement, decisions shall be reached by means of a vote when:

(i) the Chairman presiding at the meeting feels that there is a body of opinion among members of the Board of Directors present at the meeting who disagree with a proposal or have expressed reservations about it; or

(ii) when a member of the Board of Directors who is present requests a vote to be taken; or

(iii) if the Chairman presiding at the meeting considers that a vote shall be taken.

3.11.3 Where a decision requires to be voted upon it shall be determined by a majority of the votes of the members of the Board of Directors present and voting on the question. The Chairman presiding at the meeting shall declare whether or not a resolution has been carried or otherwise.

3.11.4 In the case of an equality of votes, the Chairman of the Board of Directors, or, in his absence, the member presiding, shall have a second and casting vote.

3.11.5 The minutes of the meeting shall record only the numerical results of a vote, showing the numbers for and against the proposal and noting any abstentions. The minutes shall be conclusive evidence of the outcome. Votes shall not normally be

attributed to any individual member of the Board of Directors, but any member may require that their particular vote be recorded provided that he asks the Chairman presiding immediately after the item is concluded.

3.11.6 The Board of Directors may defer a decision on an agenda item so that it can be provided with additional information or for any other reason. The decision to defer, together with the reasons for doing so, shall be recorded in the minutes.

3.11.7 A senior employee who has been formally appointed to act-up for an executive director during a period of incapacity or to temporarily fill an executive director vacancy shall be entitled to exercise the corresponding voting rights.

3.11.8 A senior employee attending the Board of Directors to represent an executive director during a period of incapacity or temporary absence but who does not have formal acting-up status in accordance with paragraph 2.10.7 above shall not exercise the corresponding voting rights. Such a senior employee's status when attending a meeting of the Board of Directors shall be recorded by the Secretary in the minutes of the meeting.

3.12 Minutes of meetings

3.12.1 The nominated Secretary shall record the minutes of every meeting.

3.12.2 The Secretary shall submit the draft minutes to the Board of Directors in advance of its next meeting for agreement, confirmation or otherwise.

3.12.3 The record of the minutes shall include:

(i) the names of:

(a) every member present at the meeting;

(b) any other person present; and

(c) any apologies tendered by an absent member;

(ii) the withdrawal from a meeting of any member on account of a conflict of interest; and

(iii) any declaration of interest.

3.12.4 Minutes shall record key points of discussion. They shall not, however, attribute comments to specific members unless this is specifically required by the Chairman presiding at the meeting. Where personnel, finance or other restricted matters are discussed, the minutes shall describe the substance of the discussion in general terms.

3.13 Key Performance Indicators reviewed

3.13.1 The Board of Directors shall agree key performance indicators (KPIs) which relate to strategic objectives so that they can monitor the risk of not achieving them as part of the annual business planning process. KPIs shall be reviewed on at least an annual basis to ensure their ongoing relevance.

3.13.2 A report which details performance against the KPIs shall be received at each meeting of the Board of Directors.

3.14 Assessment of Board effectiveness

The Board of Directors is responsible for ensuring the effectiveness of the Trust's corporate governance arrangements. The Board of Directors shall ensure a process of self-assessment is undertaken annually which considers the effectiveness of the arrangements in place and the overall contribution of the Committees to achievement of the Trust's strategic objectives. This shall include the following actions:

(i) assessment of Board effectiveness;

(ii) review of assessment of Audit and Assurance Committee effectiveness;

(iii) review of the Audit and Assurance Committee's annual report;

(iv) review of the Safety and Quality Committee's annual report;

(v) review of the Nomination and Remuneration Committee's annual report;

(vi) review of the Finance and Workforce Committee's annual report; and

(vii) review of the Charitable Funds' Annual Report.

3.15 Board Development programme

A programme will be developed for the Board of Directors which ensures that the appropriate level of skill and knowledge training is provided to allow the members of the Board of Directors to fulfil their duties. This development programme shall be reviewed annually and reflect feedback from the assessment process summarised above.

Development however should continue outside of any formal programme, as part of individual's personal development plan and through a number of other opportunities including learning at Board Seminars.

Board of Directors: Terms of Reference

1. Constitution/Purpose

The Board is responsible for setting strategy and monitoring performance, ensuring that the Trust meets its statutory and regulatory duties and effectively manages risks through the Trust's Assurance Framework and Risk Register.

The Board exercises all the powers of the Trust. These powers can be delegated to a committee of Directors or to an Executive Director.

2. Membership, Chairmanship and Quorum

(a) Membership

A non-executive Chairman with a second and casting vote if necessary;
Five non-executive Directors and one Designate
The Chief Executive and Accountable Officer;
Chief Finance Officer
Medical Director Officer
Chief Nurse
Chief Operating Officer
Director of Corporate Affairs & Company Secretary (non-voting)

(b) Chairmanship

The Board shall be chaired by the Trust's Chairman.

(c) Quorum

A quorum shall be one third of the membership, including at least one voting Executive Director and two Non-executive Directors.

3. Frequency of meetings, attendance and monitoring of attendance

(a) Frequency of meetings

Meetings shall be held at least ten times per year and members must attend at least 70 per cent of all meetings but should aim to attend all scheduled meetings.

(b) Attendance

If a member fails to attend two consecutive meetings the Chairman will speak to the individual.

(c) Monitoring attendance

The Director of Corporate Affairs & Company Secretary shall submit a report to the Committee about attendance on an annual basis.

(d) Voting

Voting members of the Board are listed above. In the event of tied vote, the Chairman will have a casting vote.

4. Duties

The Board is responsible for:

- Ensuring the Trust operates within its statutory and regulatory duties.
- Setting strategic direction, by defining objectives and agreeing plans to achieve them.
- Ensuring that service plans and quality plans reflect the needs of the communities that it serves.
- Monitoring the delivery of planned objectives and ensuring that appropriate correction action is identified and implemented when necessary.
- Ensuring the Trust's financial viability is monitored through the establishment of effective financial stewardship.
- Establishing frameworks which ensure high standards of personal behaviour are implemented and monitored in the conduct of the Trust's business.

5. Committees of the Board

- There are five formal sub-committees of the Board:
    - Audit and Assurance Committee
    - Nomination and Remuneration Committee
    - Safety and Quality Committee
    - Finance and Workforce Committee
    - Charitable Funds Committee

- The Audit and Assurance Committee is constituted to provide the Board of Directors with an independent and objective review of its system of internal control.
- The Nominations and Remuneration Committee has delegated board responsibility for agreeing and setting the remuneration of the executive team.
- The Charitable Funds Committee acts independently of the Trust's Board but shall report to the Trust's Board for information and therefore has delegated responsibility for the Trust' charitable funds.
- The Finance and Workforce Committee has delegated responsibility within any budgetary restrains imposed by the Board of Directors, to appoint external professional advisors, and to commission or purchase any relevant reports, surveys or information which it deems to be necessary. Approve the initiation of projects greater than £1m

- The Safety and Quality Committee has delegated authority to ensure the ongoing development and delivery of the Trust's Safety and Quality Strategy and that this drives the Trust's overall strategy.

6. Terms of Reference

The Terms of Reference of the Trust Board shall be reviewed by the Board of Directors annually.

Trust Board of Directors: Meeting Timetable

The expected timetable of the Trust Board is set out below:

Trust Board	All meetings	Quarterly	Bi-annually	Annually
General Business				
1. Declaration of Interests	✓			
2. Reports from Board Committees	✓			
3. Annual reports from Board Committees				✓
4. Committee and Board Attendance report				✓
5. Clinical Presentation & Patient Story	✓			
Strategy		✓		
6. Annual Plan				
7. Foundation Trust update	✓			
8. Updated Estates Strategy				✓
9. Updated IT Strategy				✓
10. Updated HR & OD Strategy				✓
11. Board Succession planning				✓
12. Corporate Objectives				✓
13. Trust annual report				✓
14. Business Planning workshop				✓
Safety & Quality				
15. Staff Survey Results				✓
16. Patient Survey Results				✓
17. Health and Safety report				✓
18. Quality Account				✓
19. Security Management report				✓
20. Emergency Planning report				✓
Performance				
21. Integrated performance & quality report (IPQR)	✓			
Finance				
22. Approval of annual accounts				✓
23. Sign-off annual budget				✓
24. Sign-off annual capital plan				✓
25. Auditors annual report				✓
26. Finance report (part of IPQR)	✓			
27. Capital report (part of IPQR)	✓			
28. Review of SOs and SFIs			✓	

Trust Board	All meetings	Quarterly	Bi-annually	Annually
Risk and Regulatory				
29. Assurance Framework & Significant Risk Register	✓			
30. Assurance Framework updated with new objectives				✓
31. IG annual report				✓
32. Registration update	✓			
33. Equality and Diversity report				✓

Board of Directors: Standing Agenda

1 General Business

Chairman's welcome and apologies for absence
Declaration of interests
Minutes of previous meeting and Actions
Minutes and Reports from Board Committees
Chief Executive's Report

2 Safety, Quality & Patient Experience

Clinical Presentation & Patient Story
Safety & Quality Committee Chair Report
Chief Nurse and Medical Directors Report

3 Strategy

Update on strategic issues

4 Operational Performance

Integrated Performance & Quality Report
Operational & Quality Performance Indicators
Workforce Performance Indicators
Finance Indicators

5 Risk & Regulatory

Assurance Framework and Risk Register
Regulatory update (e.g. CQC Risk Profile)

6 Update from Committee Chairs

7 General

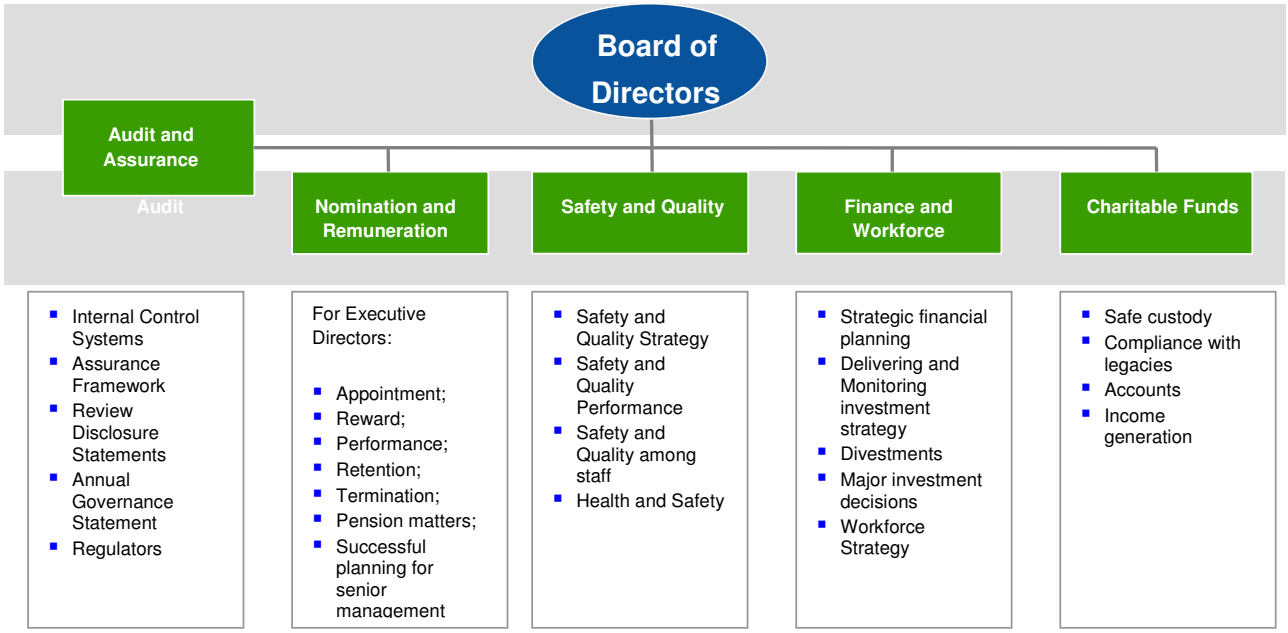
Opportunity for members of the public to ask questions
Any other business
Date of next meeting

In addition, the Board of Directors shall consider succession planning at one of its meetings during any given financial year.

Chapter Four Committees of the Board of Directors

4.1 Key duties of Board Committees and reporting timetable

The diagram below summarises the main duties of the Committees of the SASH Board of Directors:



Board Committees shall meet prior to the Board of Directors so that the Chairmen of the Committees have an opportunity to report matters that the whole Board needs to be aware of and take action upon. Minutes of Board Committees shall be circulated to the Board of Directors for information and any discussion as soon as they have been approved in draft by the Chairman of the relevant Committee.

4.2 Reporting arrangements

The inter-relationships between the Committees and the Board of Directors and the reporting responsibilities of the former to the Board of Directors is shown below:

	Board of Directors	Audit and Assurance Committee	Nomination and Remuneration Committee	Safety and Quality Committee	Finance & Workforce Committee
Receives papers from:	■ Executive directors ■ External professional advisors (as appointed by the Board from time- ■ to-time) ■ Board Sub-committees	■ Executive directors ■ Internal Audit ■ External Audit ■ Local Counter Fraud Service ■ Board Sub-committees	■ Director Human Resources ■ External advisors	■ Divisional Safety and Quality Committees ■ Executive Directors ■ Periodic Reports from Committees of Executive Committee with respect to safety and quality	■ Executive directors ■ Senior Finance Team ■ Budget holders
Receives minutes from:	■ Audit and Assurance Committee ■ Safety and Quality Committee ■ Finance and Workforce Committee ■ Nomination and Remuneration Committee ■ Charitable Funds Committee	■ N/a	■ N/a	■ Executive Committee Quality & Risk ■ Patient Experience Committee	■ N/a
Submits minutes to:	■ Board of Governors (on establishment)	■ Board of Directors	■ Board of Directors	■ Board of Directors	■ Board of Directors
Submits annual reports to:	■ On achieving FT status, Monitor and Parliament	■ Board of Directors	■ Board of Directors	■ Board of Directors	■ Board of Directors

4.3 Principles of Committees

4.3.1 Good governance is built upon effective engagement of Board and Committee members. To ensure that the framework set out in these Rules of Procedure operates effectively, it is important that performance against key performance indicators is measured and forms part of any self-assessment process. The standards with which all Board Committee members shall comply to ensure good governance are set out below.

4.4 Conduct

All Committee members shall comply with the Code of Conduct set out as Appendix 1 to these Rules of Procedure.

4.5 Attendance

4.5.1 The definition of a quorum shall be defined in the relevant terms of reference of each Committee. Business cannot be transacted in the absence of a quorum.

4.5.2 To ensure that good governance practices operate effectively and Committees make a positive contribution to delivery of corporate objectives, meetings where planned attendance would lead to there not being a quorum shall be reviewed and rescheduled as appropriate to minimise delays in decision making.

4.5.3 All non-executive directors are expected to serve on a minimum of one Committee.

4.5.4 Committee members shall attend at least two-thirds of the total number of meetings in any given twelve month period. Attendance rates shall be recorded by the Secretary of each Committee and published in the Trust's annual report. Any issues concerning poor attendance shall be considered by the Chairman of the relevant Committee in consultation with the Chairman of the Board of Directors and acted on as appropriate.

4.5.5 All non-executive directors have a right of attendance of Committees of the Board of Directors. The Chairman shall not normally exercise this right of attendance in respect of the Audit and Assurance Committee.

4.6 Appointment to Committees

4.6.1 All non-executive directors shall be submitted for re-appointment or re-election at regular intervals.

4.6.2 Any term beyond six years (for example two three-year terms) shall be subject to a particularly rigorous review and shall take into account the need for progressive refreshing of a Committee.

4.7 Administration

4.7.1 Agenda for all meetings shall be reviewed by the Chairman of the Committee and shared with members ten working days ahead of each meeting unless a variation is stipulated in the Committee's terms of reference.

4.7.2 Papers for all meetings shall be made available no later than five working days in advance of each meeting unless a variation to this is stipulated in the Committee's

terms of reference. Papers shall be prepared in accordance with the Board and Committee paper template.

4.7.3 Papers shall only be tabled at meetings in exceptional circumstances and by agreement with the Chairman of the Committee.

4.7.4 The agenda of the meeting shall be reviewed to ensure that only tasks defined within the Committee terms of reference are included.

4.7.5 All Committee members shall undertake defined self-assessment procedures at least annually.

4.8 Decision making

4.8.1 The rules below in relation to decision making shall apply to Board Committees unless otherwise stated within their terms of reference.

4.8.2 Decisions shall normally be made by agreement following full and open debate rather than by means of a formal vote. Failing agreement, decisions shall be reached by means of a vote when:

(i) the Chairman presiding at the meeting feels that there is a body of opinion among members of the Committee present at the meeting who disagree with a proposal or have expressed reservations about it; or

(ii) when a member of the Committee who is present requests a vote to be taken; or

(iii) if the Chairman presiding at the meeting considers that a vote shall be taken.

4.8.2 Where a decision requires to be voted upon it shall be determined by a majority of the votes of the members of the Committee and voting on the question. The Chairman presiding at the meeting shall declare whether or not a resolution has been carried or otherwise.

4.8.3 In the case of an equality of votes, the Chairman of the Committee, or, in his absence, the member presiding, shall have a second and casting vote.

4.8.4 The minutes of the meeting shall record only the numerical results of a vote, showing the numbers for and against the proposal and noting any abstentions. The minutes shall be conclusive evidence of the outcome. Votes shall not normally be attributed to any individual Committee member, but any member may require that their particular vote be recorded provided that he asks the Chairman presiding immediately after the item is concluded.

4.8.5 A Committee may defer a decision on an agenda item so that it can be provided with additional information or for any other reason. The decision to defer, together with the reasons for doing so, shall be recorded in the minutes.

4.8.6 A senior employee who has been formally appointed to act-up for an executive director during a period of incapacity or temporarily fill an executive director vacancy shall be entitled to exercise the corresponding voting rights at a Committee.

4.8.7 A senior employee attending a Board Committee to represent an executive director during a period of incapacity or temporary absence but who does not have formal acting-up status in accordance with paragraph 3.8.6 above shall not exercise the corresponding voting rights. Such a senior employee's status when attending a

meeting of a Board Committee shall be recorded by the Secretary in the minutes of the meeting.

4.9 Minutes of meetings

4.9.1 The nominated Secretary shall record the minutes of every meeting.

4.9.2 The Secretary shall submit the draft minutes to the Committee in advance of its next meeting for agreement, confirmation or otherwise.

4.9.3 The record of the minutes shall include:

(i) the names of:

(a) every member present at the meeting;

(b) any other person present; and

(c) any apologies tendered by an absent member;

(ii) the withdrawal from a meeting of any member on account of a conflict of interest; and

(iii) any declaration of interest.

4.9.4 Minutes shall record key points of discussion. They shall not however attribute comments to specific members unless this is specifically required by the Chairman presiding at the meeting. Where personnel, finance or other restricted matters are discussed, the minutes shall describe the substance of the discussion in general terms.

4.10 Assessment of effectiveness

4.10.1 In order to ensure that they are delivering a positive contribution to the overall governance of the Trust, each Committee shall prepare an annual report to the Board of Directors. This report shall:

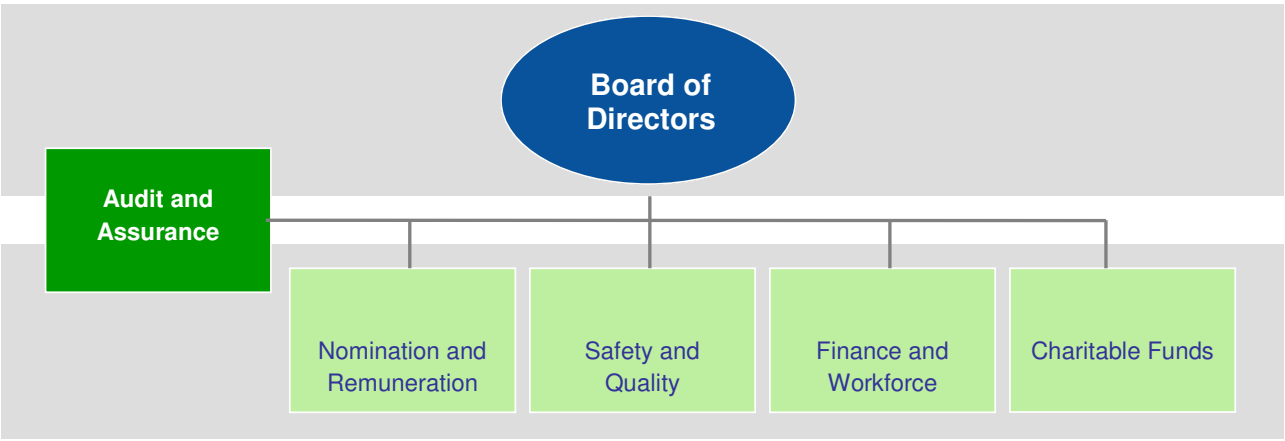
(i) summarise the programme of work conducted each year;

(ii) confirm compliance with the Committee's terms of reference; and

(iii) detail the positive contribution the Committee has made to the governance of the Trust and its contribution to the achievement of the Trust's strategic objectives.

4.10.2 The Chairman of each Committee shall present this report to the Board of Directors.

Chapter Five Audit and Assurance Committee



Conclude the adequacy of:

- Internal Control Systems;
- Assurance Framework;
- Review Disclosure statements;
- Annual Governance Statement;
- Regulators.

5.1 Summary purpose and authority

5.1.1 In line with the requirements of *The NHS Audit and Assurance Committee Handbook* and the *NHS Codes of Conduct* and *NHS Code of Accountability*, which are consistent with Monitor's *NHS Foundation Trust Code of Governance,* an Audit and Assurance Committee is constituted to provide the Board of Directors with an independent and objective review of its system of internal control, financial information, system of internal control and compliance with laws, guidance and regulations governing the NHS.

5.1.2 The primary role of the Audit and Assurance Committee is to conclude upon the adequacy and effective operation of the Trust's overall internal control system. It is the role of the executive to implement a sound system of internal control agreed by the Board of Directors. The Audit and Assurance Committee provides independent monitoring and scrutiny of the processes implemented in relation to governance, risk and internal control. The Committee shall also review and challenge the Trust's Information Assurance Framework to ensure that there are appropriate controls in relation to data quality.

5.1.3 The Audit and Assurance Committee's work shall focus on the framework of risks, controls and related assurances that underpin the delivery of the Trust's objectives. The Audit and Assurance Committee is a crucial function in reviewing the Trust's external reporting disclosures in relation to finance and internal control, including the annual report and accounts, Annual Governance Statement and required declarations. At least one of its members must have recent and relevant financial experience.

5.1.4 Members of the Audit and Assurance Committee shall be independent non-executive directors who are financially literate and have the personal and professional characteristics necessary to be effective.

5.1.5 The Audit and Assurance Committee shall be informed, vigilant and effective overseers of the financial reporting process. To do this, Audit and Assurance Committee members must be prepared to invest the time necessary to understand why accounting policies were chosen, how they were applied, and whether the end result fairly represents the Trust's actual status. This means that they need to understand the substance of complex transactions and determine that the financial statements reflect fairly their understanding.

5.2 External Auditor

As an NHS Trust, the External Auditor is appointed by the Audit Commission and paid for by the Trust. The Audit and Assurance Committee shall ensure a cost-efficient service. If there are any problems relating to the service provided by the External Auditor, then this shall be raised with the External Auditor and referred on to the Audit Commission if the issue cannot be resolved.

5.3 Assessment of effectiveness

In order to ensure that it is delivering a positive contribution to the overall governance of the Trust, the Audit and Assurance Committee shall undertake a number of effectiveness reviews each year.

5.4 Annual Report to the Board of Directors

5.4.1 The Audit and Assurance Committee shall produce an annual report to the Board of Directors which details the programme of work conducted each year, adherence to the Committee's terms of reference, and details of the positive contribution the Audit and Assurance Committee has made to the governance of the Trust.

5.4.2 The Audit and Assurance Committee Chairman shall present this report to the Board of Directors.

5.5 Review of Audit and Assurance Committee effectiveness

5.5.1 The Audit and Assurance Committee shall complete an assessment of its effectiveness on an annual basis. A full evaluation shall be performed every three years. In intervening years, a shorter evaluation shall be performed.

5.5.2 In addition, members of the Board of Directors who are not members of the Audit and Assurance Committee shall also assess the effectiveness of the Audit and Assurance Committee.

5.6 Review of Internal Audit effectiveness

5.6.1 The Audit and Assurance Committee shall complete the Audit and Assurance Committee Institute's *Assessment of Internal Audit* toolkit annually to confirm compliance with best practice. A copy of the toolkit that has been completed by management shall be submitted to assist in this process.

5.6.2 The Audit and Assurance Committee shall receive an annual report from the Head of Internal Audit which reports compliance with Internal Audit KPIs.

5.7 Review of External Audit effectiveness

The Audit and Assurance Committee shall complete the Audit and Assurance Committee Institute's *Assessment of External Audit* toolkit annually to confirm compliance with best practice.

Audit and Assurance Committee: Terms of Reference

1. Introduction

1.1 These terms of reference build on the work of the Cadbury Committee, Greenbury Reports and the reports by Smith, Higgs and Turnbull (reference "Combined Code – Principles of Good Governance and Code of Best Practice") and subsequent guidance and best practice in the private and public sector. They reflect the particular nature of audit committees in the NHS and the growing role of the committee in developing integrated governance arrangements and providing assurance that bodies are well managed across the whole range of their activities.

2. Constitution

2.1 The Board hereby resolves to establish a committee of the Board to be known as the Audit and Assurance Committee (The Committee).

2.2 The Committee is a non-executive committee of the Board and has no executive powers, other than those specifically delegated in these terms of reference.

3. Membership

3.1 The Committee shall be appointed by the Board from the non-executive directors of the Trust and shall consist of not less than three members.

3.2 A quorum shall be two members.

3.3 The Board will appoint one of the members *to be* Chair of the Committee.

3.4 The Chairman of the organisation shall not be a member of the Committee.

4. Attendance

4.1 The Chief Finance Officer, and the Director of Corporate Affairs and appropriate internal and external Audit representatives shall normally attend meetings. However, at least once a year the Committee should meet privately with the external and internal auditors.

4.2 The Committee shall request the attendance of the Executive Directors when discussing risk or requiring assurance in relation to their areas of responsibilities.

4.3 As Accountable Officer, the Chief Executive has an open invitation to attend each Board sub-committee

4.4 The Corporate Governance Manager, shall be the secretary to the Committee and shall attend to take minutes of the meeting and provide appropriate support to the Chairman and committee members.

5. Frequency

5.1 Meetings shall be held not less than five times a year and normally will take place every two months.

5.2 The External Auditor or Head of Internal Audit or Counter Fraud may request of the Chair a meeting is held if they consider that one is necessary.

6. Authority

6.1 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

6.2 The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of persons external to the Trust with relevant experience and expertise if it considers this necessary.

7. Duties

The duties of the Committee can be categorised as follows:

7.1 Governance, Risk Management and Internal Control

7.1.1 The Committee shall review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), which supports the achievement of the organisation's objectives. In particular, the Committee will review the adequacy of:

- all risk and control related disclosure statements (in particular the Annual Governance Statement and declarations of compliance with the Care Quality Commission (CQC) regulations, together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board
- the underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements
- the policies for ensuring compliance with relevant Care Quality Commission regulatory frameworks, legal and code of conduct requirements
- the policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions
- clinical governance, patient safety and clinical risk using clinical audit and other assurance routes.

7.1.2 In carrying out this work the Committee will primarily utilise the work of internal audit, external audit and other assurance functions (for example the Trust's clinical audit function) to ensure review is external, but will not be limited to these. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.

7.1.3 In relation to the Board Assurance Framework the committee will use this to guide its work and will provide assurance that the controls and actions taken to address any gaps are robust and support the delivery of corporate objectives.

7.2 Internal Audit

The Committee shall ensure there is an effective internal audit function established by management, which provides appropriate independent assurance to the Audit Committee, Chief Executive and Board and meets mandatory NHS Internal Audit Standards. This will be achieved by:

- consideration of the provision of the internal audit service and the cost of audit
- review and approval of the internal audit strategy, operational plan and the more detailed programme of work, ensuring this is consistent with the audit needs of the organisation as identified in its approved assurance framework
- consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the internal and external auditors to optimise audit resources
- ensuring the internal audit function is adequately resourced
- annual review of the effectiveness of internal audit (through external audit and performance against its workplan and performance indicators).

7.3 External Audit

The Committee shall review the work and findings of the External Auditor appointed by the Audit Commission and consider the implications and management's responses to their work. This will be achieved by:

- consideration of the appointment and performance of the External Auditor, as far as the Audit Commission's rules permit
- discussion and agreement with the External Auditor, before the audit commences, of the nature and scope of the audit as set out in the annual plan, and ensure coordination, as appropriate, with other external auditors in the local health economy
- discussion with the External Auditors of their evaluation of local audit risks and assessment of the Trust and its associated impact on the audit fee
- review all External Audit reports, including agreement of the annual audit letter before submission to the Board and any work carried outside the annual audit plan, together with the appropriateness of management responses

7.4 Other Assurance Functions

7.4.1 The Committee shall review the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications to the governance of the organisation. These will include, but will not be limited to, any reviews by Department of Health Arms Length Bodies or Regulators/Inspectors (e.g. CQC, NHS Litigation Authority, etc.), professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges, accreditation bodies, etc.), reports by the Trust's local counter fraud specialist.

7.4.2 In addition, the Committee will review the work and function of other committees, working groups and senior responsible officers within the organisation, whose work can provide relevant assurance to the Committee's own scope of work.

7.4.3 In reviewing work of around clinical risk management, the Committee will wish to satisfy itself on the assurance that can be gained from the clinical audit function and outcome measures from the Trusts clinical benchmarking systems.

8. Management

The Committee shall request and review reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control. They may also request specific reports from individual functions within the organisation (e.g. clinical audit) as appropriate.

9. Financial Reporting

9.1 The Committee shall review the annual report and financial statements before submission to the Board, focusing particularly on:

- the wording in the Annual Governance Statement and other disclosures relevant to the terms of reference of the Committee
- changes in, and compliance with, accounting policies and practices
- unadjusted mis-statements in the financial statements
- major judgmental areas
- significant adjustments resulting from the audit

9.2 The Committee should also ensure (through management reporting, internal and external audit reporting) the systems for financial reporting to the Board, including those of budgetary control, are effective and that reporting provides complete and accurate information about the Trust's financial position.

10. Reporting

10.1 The minutes of the Committee meetings shall be formally recorded by the Trust Secretary and submitted to the Board. The Chair of the Committee shall draw to the attention of the Board any issues that require disclosure to the full Board, or require executive action.

10.2 The Committee will report to the Board annually on its work in support of the Statement on Internal Control, specifically commenting on the fitness for purpose of the assurance framework, the completeness and embedding of risk management in the organisation, the integration of governance arrangements and the appropriateness of the self-assessment of provider compliance with CQC regulations.

11. Other Matters

The Secretary to the Committee, whose duties in this respect will include the following, shall support the Committee administratively:

- Agreement of agenda with Chairman and attendees and collation of papers

- Organising the attendance of appropriate persons to meetings (other than those who would usually attend)
- Taking the minutes and keeping a record of matters arising and issues/ actions to be carried forward
- Advising the Committee on pertinent matters

Audit and Assurance Committee: Standing Agenda

1	**General Business**
	Apologies
	Declaration of interests
	Minutes of previous meeting
	Agreed actions tracker
2	**Risk Management**
	Board Assurance Framework
	Risk Management Systems
3	**Internal Control Systems**
	Review annual governance statement
	Review internal controls
	Note business of other committees
4	**Specific Duties**
	Review annual accounts
	Reviews losses waivers and special payments
5.	**Independent Assurance**
	Receive and approve annual internal audit plan and updates
	Receive and approve annual external audit plan and updates
	Receive and approve other sources of external assurance (Counter Fraud)
6	**Specific Duties**
	Review of other reports and policies as appropriate (e.g. changes to standing orders)
	Review of audited annual accounts and financial statements
	Review changes to standing financial instructions and changes to accounting policies

Audit and Assurance Committee: Meeting Timetable

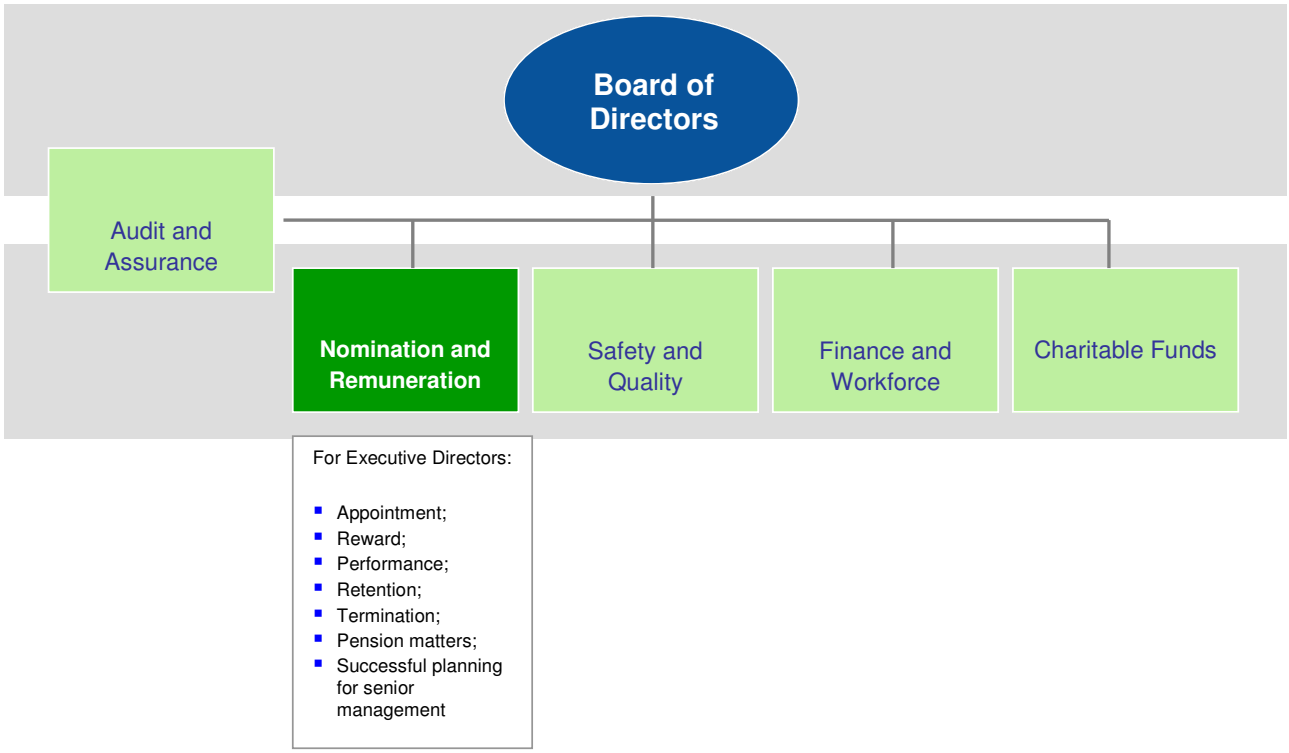
The meetings shall occur at regular intervals throughout the year and shall receive reports in a sequence that allows the Committee to review annual reports with foresight of other relevant assurance reports. The expected timetable of the Committee is set out below:

Audit and Assurance Committee Timetable

	March	May	July	Sept	Nov	
1. Plan how to discharge Audit Committee duties						✓
2. Self-assess Committee's effectiveness				✓		
3. Review Committee's terms of reference			✓			
4. Produce annual Audit Committee report			✓			
5. Private discussions with internal and external audit	✓	✓	✓	✓	✓	✓
Risk Management						
6. Review the Board Assurance Framework in Full					✓	
7. Review the Assurance Framework in sections		✓	✓	✓		✓
8. Review the risk management system in full					✓	
9. Receive the Significant Risk Register		✓	✓	✓		✓
Internal Control Systems						
10. Note business of other committees and review inter-relationships	✓			✓		
11. Review draft Statement on Internal Control	✓					✓
12. Review Internal Controls and work plan			✓			
13. Review risks and controls around financial and asset management		✓				
14. Review risks and controls around information governance and data quality			✓			
15. Review risks and controls around corporate and legal objectives				✓		
16. Review risks and controls around clinical governance					✓	

17. Review risks and controls around patient experience						✓
18. Review risks and controls around workforce	✓					
Specific Duties						
19. Review of other reports and policies as appropriate – for example, changes to standing orders	✓			✓		
20. Review of audited annual accounts and financial statements	✓	✓				
21. Review changes to standing financial instructions and changes to accounting policies	✓		✓		✓	
22. Review of losses and special payments	✓			✓		
Independent Assurance						
23. Receive sources of assurance of external assurance		✓	✓	✓		✓
24. Review and approve annual internal audit plan		✓	✓			
25. Review and approve internal audit terms of reference						✓
26. Review the effectiveness of internal audit				✓		
27. Review internal audit progress reports		✓	✓	✓	✓	✓
28. Receive annual internal audit report and associated opinions	✓					✓
29. Agree external audit plans and fees					✓	✓
30. Review the effectiveness of external audit			✓			
31. Review external audit progress reports	✓	✓	✓	✓	✓	✓
32. Receive the External Auditor's report to those charged with governance		✓				
33. Receive the External Auditor's annual audit letter		✓				
34. Review and approve annual counter fraud plan						✓
35. Review counter fraud progress reports	✓	✓	✓	✓	✓	
36. Review the organisation's assessment against CFSMS qualitative assessments					✓	
37. Review the effectiveness of the Local Counter Fraud Specialist				✓		
38. Receive counter fraud annual report to AAC					✓	

Chapter Six Nomination & Remuneration Committee



6. Summary purpose and authority

6.1 The Nomination and Remuneration Committee's role is to appoint and, if necessary, dismiss the executive directors, establish and monitor the level and structure of total reward for executive directors, ensuring transparency, fairness and consistency. The Committee shall receive reports from the Chairman of the Board of Directors on the annual appraisal of the Chief Executive, and from the Chief Executive on the annual appraisals of executive directors, as part of determining their remuneration.

6.2 Levels of remuneration shall be sufficient to attract, retain and motivate executive directors of the quality and with the skills and experience required to lead the Trust successfully, but no more than is necessary for this purpose.

6.3 There shall be a formal and transparent procedure for developing policy on executive remuneration and for setting the remuneration packages of individual directors. No executive director shall be involved in deciding their own remuneration.

6.4 The Committee shall develop and implement an effective succession plan to identify and develop internal personnel to fill key senior management posts as part of ensuring the availability of experienced and skilled employees when posts become available. For executive directors other than the Chief Executive, the Committee shall take advice from the Chief Executive.

6.5 The terms of reference reflect the statutory requirements that apply to NHS Trusts. On authorisation as an NHS foundation trust, the Trust shall establish separate Nomination and Remuneration Committees, the terms of reference for which shall be prepared in advance of authorisation.

Nomination and Remuneration Committee: Terms of Reference

1. Constitution

The Board hereby resolves to establish a Committee of the Board to be known as the Nomination and Remuneration Committee (The Committee).

2. Membership

The Committee comprises:

- The Board Chair
- All Non-Executive Directors

As Accountable Officer, the Chief Executive has an open invitation to attend each Board sub-committee.

Executive Directors, will be invited to attend the Committee in an advisory capacity but will withdraw when a matter concerning his/her remuneration package or other matter of individual confidentiality is being discussed or documented.

The Director of Human Resources will also attend the Committee as adviser.

The Director of Human Resources will be responsible for minuting the Meetings.

3. Quorum

No business shall be transacted at a meeting unless the Chair of the Board or Deputy Chair and two Non-Executive Directors are present for the whole meeting.

4. Frequency

The Committee will meet as required by the Chair of the Board and at least twice per year.

5. Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. In particular it may:

- Seek advice from whatever source it deems to be appropriate.
- Authorise the Chief Executive and HR Director to implement remuneration packages approved by the Committee, providing the sums are within the delegated powers in the Standing Orders and Standing Financial Instructions.

6. Duties

The main functions of the Committee are:

- To advise the Board about performance, development, succession planning and appropriate remuneration and terms of service for the Chief Executive and all Executive Directors, guided by NHS policy and best practice. Advice to the Board on remuneration includes all aspects of salary as well as arrangements for termination of employment and other contractual terms.

- To make such recommendations to the Board on the succession planning and on the remuneration, allowances and terms of service of the Chief Executive and, on the advice of the Chief Executive, the Executive Directors, to ensure that they are fairly motivated and rewarded for their individual contribution to the organisation – having proper regard to the organisation's circumstances and performance and to the provision of national arrangements.

- To monitor and evaluate the performance and development of the Chief Executive and, on the advice of the Chief Executive, the Executive Directors.

- To advise the Board and oversee appropriate contractual arrangements for the Chief Executive and Executive Directors including the proper calculation and scrutiny of termination payments taking account of such national guidance as appropriate.

- The Chief Executive is responsible for ensuring that the Director of Human Resources brings forward the necessary information in a timely manner to enable the Committee to discharge its functions and takes appropriate follow-up action.

7. Reporting

Formal minutes will be recorded of each meeting of the Committee and will be distributed to those present at meetings. All recipients will hold minutes securely and Auditors may access the official Minute Book held by the Secretary with the prior approval of the Chair of the Board.

The Committee will report in writing to the Board at least once annually the basis for its decisions and recommendations.

8. Review Date

The Terms of Reference of the Committee will be reviewed annually.

Nomination and Remuneration Committee: Standing Agenda

1 General Business

Apologies

Declaration of interests

Minutes of previous meeting

Agreed actions tracker

2 Executive Director Pay structure

Review structure of reward

Assess performance

Review benchmarks

Consider, and if appropriate, approve any changes

3 Nominations & Terminations

Selection / termination process

Succession planning

4 General

Issues to report to the Board of Directors

Date of next meeting

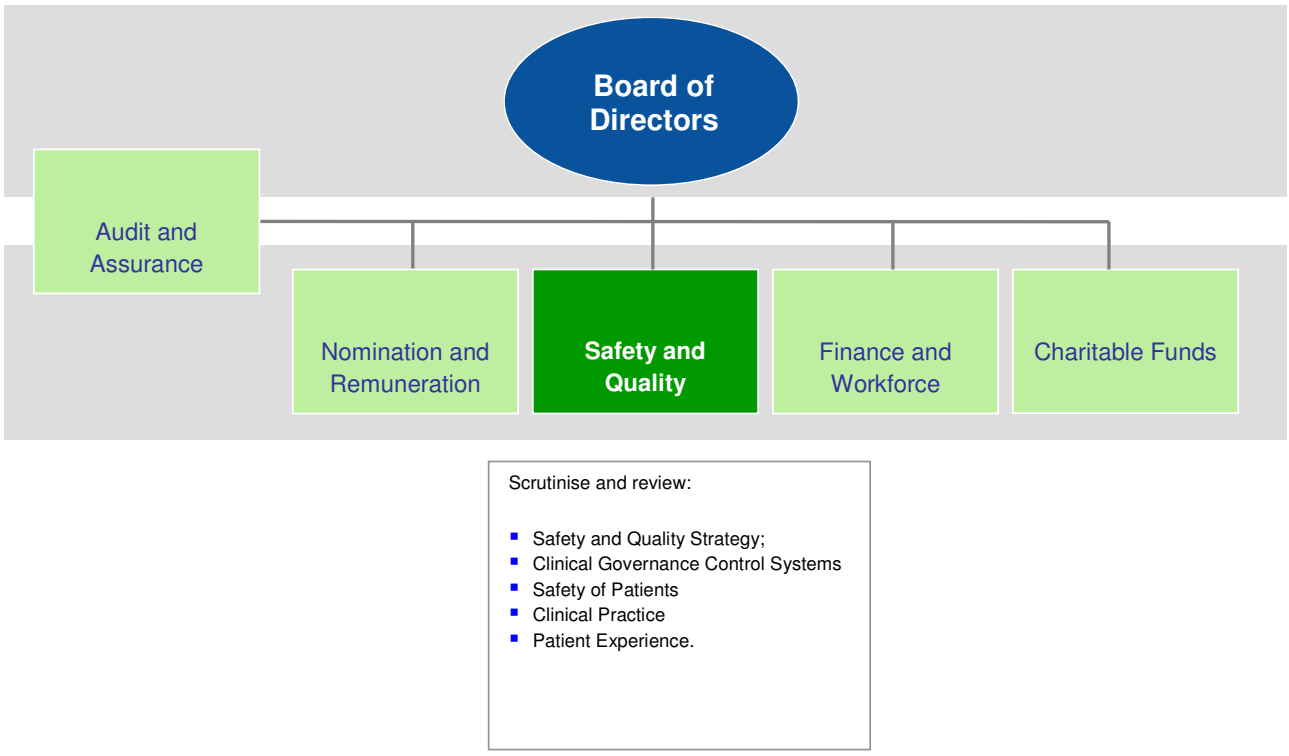
Any other business

Nomination and Remuneration Committee: Meeting Timetable

The Committee shall meet at least four times during the year and at other times when the Chairman of the Committee shall require and shall be ordered whenever there is an appointment or termination of an executive director.

Nominations and Remuneration Committee	May	Sept	Nov	March
Prepare an annual report to the Board of Directors				√
Update on Executives objectives		√		
Update from CEO on Executive Objectives/Performance highlighting any issues/concerns			√	
Evaluation of performance and remuneration proposals	√			

Chapter Seven Safety and Quality Committee



7.1 Purpose and authority

7.1.1 The second and final Francis Report, published February 2013, highlighted that the fundamental responsibility of providing safe care sits with the Trust Board, providing patient-centred healthcare leadership and that Boards will be held to account. Openness, transparency and candour is required throughout the system to ensure the right information is received and acted on appropriately by all those with responsibility to provide high quality, safe care. Accurate, relevant and useful information should be easily available to patients.

7.1.2 The Trust's arrangements for seeking assurance reflect the trust-wide responsibility for greater quality in healthcare, with specific focus on safety, effectiveness and patient experience. This assurance responsibility is shared with the Executive Committee for Quality and Risk, the Safety and Quality Committee and the Board. This ensures wider ownership, clearer accountability and greater visibility of assurance of the Trust's clinical governance by all Board members, Senior Clinicians and Management.

7.1.3 Furthermore, in order for the Audit and Assurance Committee to execute its responsibilities to review and audit control systems across the organisation, SQC will seek assurance of the clinical governance controls systems.

7.1.4 As SQC plans to meet monthly, it will seek assurance that these systems have been adequately reviewed in the monthly EC which means that EC and SQC need to agree on areas of assurance for each clinical control system. In turn, AAC will require SQC to report on whether or not it was assured from the reports or other evidence-based assurances it receives.

7.1.5 The duties of the Safety and Quality Committee will be to review the performance of EC in executing its assurance responsibilities and to demand more detailed investigation where assurance does not meet expectations. It will also provide a forum for greater discussion on trust-wide implications of lessons learnt and more in depth debate on the key issues.

7.1.6. Both the EC and the Board can refer themes to the SQC for a more detailed discussion of any issues and a more detailed review of assurance.

7.2 Quality accounts

7.2.1 Quality accounts have been introduced to increase accountability to the public for quality. This requires Boards of Directors to provide a clear narrative explaining the quality of care they offer and how they seek to improve, taking account of the views of the local community. The Committee's work plan and standing agenda shall be designed to ensure that the Board of Directors have adequate assurance over the data being reported.

7.2.2 As an applicant for NHS foundation trust status, SASH shall prepare its quality account in line with Monitor's annual reporting guidance. This shall include a set of Board statements of assurance on the accuracy of reporting quality standards and targets. The Committee shall provide the Board of Directors with these assurances as part of its standing agenda.

7.2.3 The committee's duties are designed to ensure there is ongoing assurance of delivery of the required standards for the legislated, mandatory aspects of the quality account including

- Review of services
- Participation in clinical audits
- Reviewing Reports of national and local Clinical Audits
- Information Governance including toolkit attainment
- Participation in clinical Research
- Use of the CQUIN payment framework
- Statements from the regulator
- Data quality including clinical coding error rate

Safety and Quality Committee: Terms of Reference

1. Background

The Safety and Quality Committee ("the Committee") is constituted as a standing committee of the Board of Directors. These terms of reference can only be amended by the Board of Directors.

The purpose of the Committee is to assist the Board of Directors in executing their responsibility for seeking and monitoring assurance around safety, quality and patient experience. .

2. Authority

The Board of Directors has delegated to the Committee the authority to deal with the matters set out in paragraph 6 below.

The Committee is authorised by the Board of Directors to seek any information it requires from any employee of the Trust in order to perform its duties.

3. Membership and Attendance

The members of the Committee shall be:

(i) three non-executive directors appointed by the Board of Directors;

(ii) Medical Director or Deputy;

(iii) Chief Nurse or Deputy;

(iv) Chief Operating Officer or Deputy

(v) Chief Financial Officer or Deputy.

Members of the Board of Directors not specified in paragraph 3.1 above shall have the right of attendance. The Secretary shall circulate minutes of meetings of the Safety and Quality Committee to all members of the Board of Directors with Board papers.

The Chairman of the Committee shall be a non-executive director appointed by the Board of Directors.

As Accountable Officer, the Chief Executive has an open invitation to attend each Board sub-committee.

The following individuals are required to attend part or all of the meetings as required by the Chairman of the Committee but shall have no voting rights:

(i) Chiefs of Service;

(ii) Divisional Chief Nurses

(iii) Risk and Patient Safety Lead ;

(iv) Director of Informatics, Estates and Facilities – *by invitation only when required;*

(v) Director of Corporate Affairs - *by invitation only when required;*

(vi) Clinical Governance Compliance Manager

(vii) Any other clinicians, nursing and midwifery staff and allied health professionals as appropriate to the business of the meeting concerned; and

(viii) Accountable Officer for Controlled Drugs (*by invitation only when required);*

4. Quorum

The quorum necessary for the transaction of business shall be five members, which shall include two non-executive directors, the Medical Director or Chief Nurse, two Chiefs of Service or their deputies and two Divisional Nurses.

A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

In the absence of the Committee Chairman and/or an appointed Deputy, the remaining non-executive members present shall elect one of themselves to chair the meeting.

Where a Committee meeting:

(i) is not quorate under paragraph 4.1 within one half hour from the time appointed for the meeting; or

(ii) becomes inquorate during the course of the meeting,

the Committee members present may determine to adjourn the meeting to such time, place and date as may be determined by the members present.

5. Meetings

The Committee shall meet monthly for two hours and at such other times as the Chairman of the Committee shall require.

Executive Assistant to Medical Director and Chief Nurse – or their nominee shall act as the Secretary of the Committee.

Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Committee Chairman.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee no later than seven days before the date of the meeting.

Supporting papers shall be sent to Committee members and to other attendees, as appropriate five days ahead of the date of the meeting.

6. Duties

The Committee shall support the Board of Directors with:

6.1. STRATEGY

The Committee will review and approve the Safety and Quality Strategy and the Quality Account following its development through EC and prior to presentation to the Board for approval.

6.2 CLINICAL GOVERNANCE CONTROL SYSTEMS

The Committee will seek assurances that the following clinical governance controls are reviewed to provide assurance of the Trust's statutory duties are executed and the control system's design, function and performance is satisfactory, meets best practice and is benchmarked with leading Trust's wherever possible.

- Clinical Audit
- CQC Compliance
- Incident management
- Mortality
- Infection, prevention and control
- NICE Compliance
- Complaints
- Patient Opinion
- Clinical Claims handling
- Safeguarding
- Clinical Data Quality

6.3 SAFETY

The Committee will seek assurances that the safety of patients and any risk to their safety is managed effectively through EC. The Committee will specifically ask for evidence, via the minutes of EC meetings, that incident management metrics are reviewed and acted on, that timely root cause analyses are instigated for SUIs and HCAIs and lessons learnt, and that patients are safeguarded in patient areas and all transfers within the hospital and to the community.

The Committee will review recurring themes and key trends of incidents to see that lessons are learnt are shared trust-wide to prevent recurrence of incidents. The Mortality group will report directly to the Committee on its findings and learnings. The Committee will look at the incidence of claims for compensation through the NHSLA scheme and how these are managed.

6.4 PATIENT EXPERIENCE

The Committee will seek assurances that improving the Patient Experience is part of the trust's everyday business.

The trust's Patient Experience Committee has been re-formed and will report to the Safety & Quality Committee, to provide additional assurance that the lessons are learnt from patient experiences, surveys, patient opinion sites, complaints, claims, patient constitution issues and stakeholder feedback and are shared across the whole organisation. The Committee should have confidence in the way the trust source patient feedback and involvement, utilising various methods of collecting and responding to patient information in order to widen participation that is representative of all patient groups.

The Committee will expect the Patient Experience group to report on its oversight of complaints - both the management of the process as well as substance and

response to complaints and lessons learnt. The Committee will ask for periodic reviews of complaints in the trust direct from the Complaints team to triangulate its source of assurance with reporting from the Patients Experience group.

The Committee will assure itself that different patient groups (selected by demographics or condition) have the optimal patient experience, safety and the quality of services by triangulating different data sources, hard and soft intelligence with commentary from clinicians.

6.5 QUALITY OF SERVICE

The Committee's programme of work will include a review of the improving quality of services by looking for evidence of clinical improvements in the trust arising from mortality reviews and in response to other drivers e.g. Francis Report, SUI action plans, to assure the trust is implementing the best clinical practices.

It will review the rationale for the design of the clinical audit programme, conduct progress reviews and seek assurance from the clinical audit results. Compliance with NICE directives is also an important benchmark of best practice where applicable to the Trust and the Committee will seek assurance that the trust responds and adopts NICE directives in a timely way with assurance of implementation via clinical audit.

The Committee will seek assurance that clinical data is collated and reported accurately, timely and using the correct methodology. The Committee will seek assurance that the trust's responsibility to manage and safeguard patient information thought its adherence to the Information Governance policy and maintenance of minimum standards

6.6 COMPLIANCE

The Safety and Quality Committee will receive assurance of compliance with CQC and other regulators by exception reporting of potential risks to compliance with CQC and other regulators from EC, which is responsible for evidencing compliance.

7. Reporting arrangements

7.1 The Committee Chairman shall report formally to the Board of Directors on its proceedings after each meeting on all matters within its duties and responsibilities.

7.2 The Committee shall make whatever recommendations to the Board of Directors and/or Executive Committee that it deems appropriate on any area within its remit where action or improvement is needed. In particular, the Committee shall refer any substantive issues or concerns on delivery of the Safety and Quality Strategy to the Audit and Assurance Committee, the Executive Committee for Quality and Risk and or to the Board of Directors for wider consideration in light of its overall responsibility for ensuring the safety and quality of services provided by the Trust.

8. Review

8.1 The Committee shall, at least once a year, review its own performance, membership and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board of Directors for approval.

Safety and Quality Committee: Standing Agenda

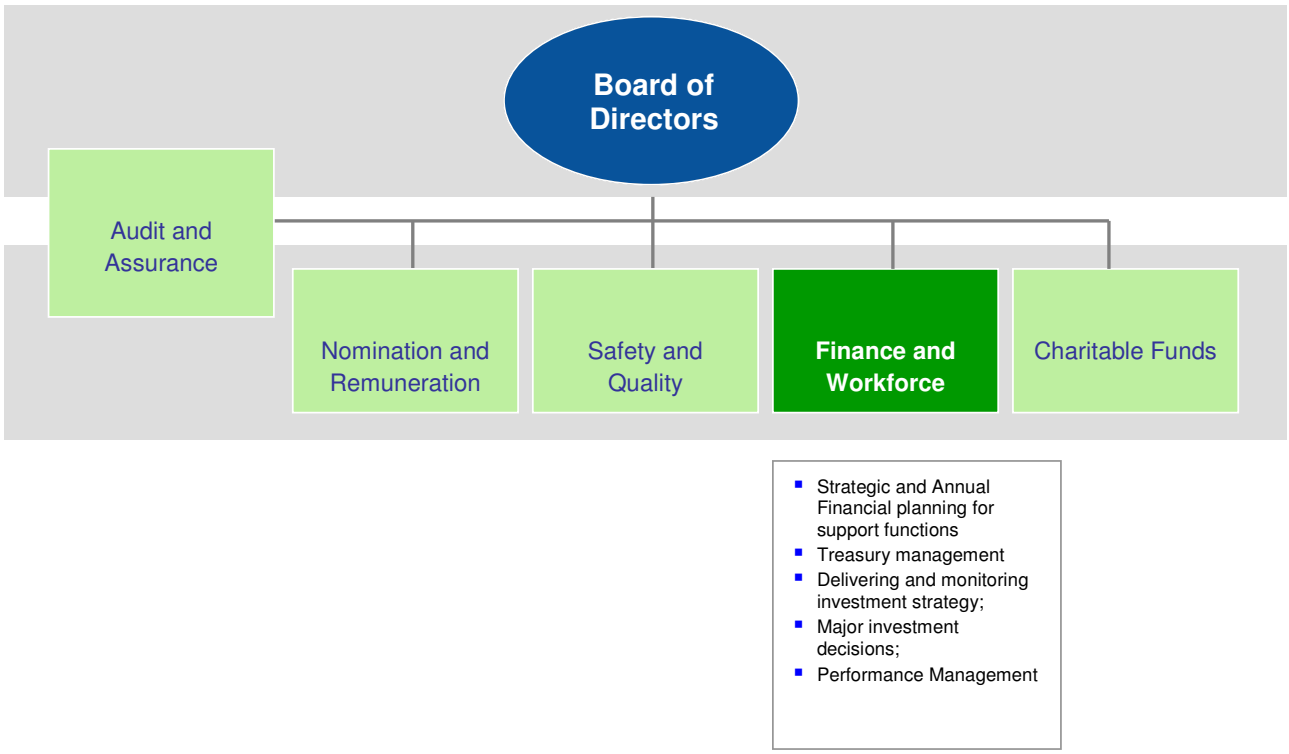
	1	General Business Apologies Declaration of interests Minutes of previous meeting Agreed actions tracker
	2	Strategic & Regulatory
	3	Safety
	4	Patient Experience
	5	Quality
	6	General AOB Issues to report to Board Date of next meeting

Safety and Quality Committee: Meeting Timetable

The Committee shall meet monthly based on the indicative programme below:

	Subject	Quarterly	Bi-annually	Annually
Strategic & Regulatory				
1	Approve Trust's Safety and Quality Strategy			√
2	Approve Trust's Quality Account			√
3	Francis implementation	√		
4	CQC Compliance/ regulatory updates	√		
Safety				
5	Incident management	√		
6	Infection, prevention and control			√
7	Mortality		√	
8	Claim handling			√
9	Safeguarding			√
Patient Experience				
10	Patient Opinion	√		
11	Complaints	√		
12	Patient groups (by demographics or condition)		√	
Quality of Care				
13	Clinical audit programme and audit results			√
14	Progress of clinical audit programme		√	
15	Evidence at point of care	√		
16	NICE Compliance		√	
17	Information governance			√
18	Data Quality		√	

Chapter Eight Finance and Workforce Committee



8.1 Summary purpose and authority

8.1.1 The purpose of the Finance and Workforce Committee is to provide oversight of the Trust's business planning in particular strategic, (three year plus) and annual planning oversee investment (treasury/working capital management and capital projects) and financial sustainability. The Committee is responsible for the following key areas:

(i) business planning, including strategic and annual financial, workforce, estates and IT planning;

(ii) approving investment decisions, including capital projects, treasury and working capital management, and;

(iii) monitoring delivery of significant projects and investments, and any potential new business combinations.

8.1.2 The Board of Directors sets the strategic direction for the Trust (in particular approving the Clinical Strategy and the Quality and Safety Strategy) and this Committee provides assurance to the Board that the Business Plan and Long Term Financial Model (LTFM) and supporting strategies, and Annual Operating Plans including the financial budget are in place and fit for purpose – the Committee is not writing the Trust's strategy, it is ensuring that the supporting strategies are in place and are operationalised through the business plan. Linked to that, the Committee approves investment decisions that support the business plan and monitors

implementation of those investments. It also reviews support functions e.g. Workforce, Estates, IT performance through KPI reporting.

8.1.3 On behalf of the Board the Committees scrutiny of monthly financial performance, and will expect to see linkage back to Trust planning where this is required to deal with issues from in-year performance.

8.1.4 The Committee will receive reports from Transformation groups, notably Better, Safer, Closer and from other sources so that it is appraised of the external environment and how commissioning intentions are shifting to allow it to provide advice to the Board on risks and to inform investment or other decisions within its (the Committee's) remit.

8.1.5 The Committee will provide the Audit and Assurance Committee with assurance over the efficacy of strategic and annual planning, the effectiveness of their delivery and investment decisions. It will also provide assurance over how well related processes are controlled. The Committee Chair shall be a member of the Audit and Assurance Committee. The Chair will be responsible for ensuring that the Committee is provides assurance to the Audit and Assurance Committee in the course of its annual work programme including the relevant aspects of the Trust's Internal Control Framework.

8.1.6 The Committee is responsible for the review and approval of the treasury management policy, working capital policy, investment strategy and capital programme to ensure the overall security of resources and best return on investment. The Committee shall ensure sufficient liquidity to meet the Trust's current commitments and planned capital expenditure.

8.1.7 The Committee shall scrutinise and challenge significant capital expenditure and major projects in line with the thresholds detailed within its terms of reference, which reflect the Scheme of Delegation, to ensure the most effective use of resources and manage costs. A framework for such challenge is set out as Appendix 4 to these Rules of Procedure. The Committee shall receive reports from the Capital Group, which reports to the Executive Committee, and which shall approve and monitor lower value projects. The Committee shall similarly receive reports from the Executive Workforce Group and the Executive Committee for Strategy.

8.1.8 The Trust is committed to becoming an exemplary body with a focus on its people, specifically, staff development and employee satisfaction. The Committee shall review Workforce strategy and annual plans to ensure alignment with Trust direction and strategic objectives. A key focus will be that strategic workforce plans support both strategic and annual plans support the identification of appropriate resource levels and skill mix in line with budgeted staff costs now and for the future. A further focus for the Committee will be staff development linked to organisational, divisional, team and personal objectives through a comprehensive performance monitoring and appraisal system. The aim will be the development and implementation of a Workforce Strategy which has a positive impact on staff job satisfaction and retention. The Committee shall receive regular reports as agreed from the Director of Human Resources.

8.2 Impact on foundation trust application

In order to attain NHS foundation trust status, the Trust will need to ensure that its business plan processes are integrated and that the Integrated Business Plan fully describes how the Trust will deliver its strategic objectives. It will need to have sound treasury management systems and a successful investment record that maximises benefit, including the capital programme. The Trust shall ensure policies and financial systems are in line with best practice as issued by Monitor prior to making an application, and shall have regard to the following publications:

Finance and Workforce Committee: Terms of Reference

Finance and Workforce Committee

Terms of Reference

1. Background

1.1 The Finance and Workforce Committee ("the Committee") is a standing Committee of the Board of Directors. These terms of reference can only be amended by the Board of Directors.

1.2 The purpose of the Committee is to assist the Board of Directors in exercising its business planning, financial and workforce and investment governance procedures in four key areas:

i) monitoring Financial Performance

ii) Business planning, including strategic financial and workforce planning;

iii) approving investment decisions, as defined in these terms of reference, including capital projects, treasury and working capital management, and;

iv) monitoring delivery of significant projects and investments, and any potential business combinations.

2. Authority

2.1 The Committee is authorised by the Board of Directors to investigate any activity within its terms of reference. The Committee is authorised by the Board of Directors to seek any information it requires from any employee of the Trust in order to perform its duties.

2.2 In connection with its duties, the Committee is authorised by the Board of Directors, at the Trust's expense, within any budgetary restraints imposed by the Board of Directors, to appoint external professional advisors, and to commission or purchase any relevant reports, surveys or information which it deems necessary to fulfil its duties.

3. Membership and Attendance

3.1 The members of the Committee shall be appointed by the Board of Directors.

The members of the Committee shall be:

- three non-executive directors, one of whom shall be appointed as Chairman of the Committee; another of whom shall be a member of the Audit and Assurance Committee;
- Chief Financial Officer
- Director of Corporate Affairs
- Director of Human Resources
- Director of Information and Estates
- Chief Nurse

- Chief Operating Officer

3.2 As Accountable Officer, the Chief Executive has an open invitation to attend each Board sub-committee.

3.3 The following shall be invited to attend meetings as and when appropriate but shall have no voting rights:

(i) all other corporate members of the Management Board; and

(ii) all other non-executives and executive members of the Board of Directors.

3.4 The Committee may invite other Trust staff to attend its meetings as appropriate.

4. Quorum

4.1 The quorum necessary for the transaction of business shall be three, which shall include at least one non-executive and one executive director.

4.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4.3 In the absence of the Committee Chairman and/or an appointed Deputy, the remaining non-executive members present shall elect one of themselves to chair the meeting.

4.4 Where a Committee meeting:

(i) is not quorate under paragraph 4.1 within one half hour from the time appointed for the meeting; or

(ii) becomes inquorate during the course of the meeting,

the Committee members present may determine to adjourn the meeting to such time, place and date as may be determined by the members present.

5. Meetings

5.1 The Committee shall meet monthly and at such other times as the Chairman of the Committee shall require.

5.2 The Chief Financial Officer or their nominee shall act as the Secretary of the Committee.

5.3 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of the Chairman and/or Chief Executive.

5.4 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee no later than five days before the date of the meeting.

5.5 Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

5.6 Minutes of the Committee shall be circulated to Committee members and attendees, and the Board of Directors.

6. Duties

6.1 Financial Performance

The Committee shall provide oversight of the Trust Financial performance by reviewing financial and trading (income from activities) performance in delivering healthcare outputs and targets.

The Committee shall consider and review income and activity (trading) reports focusing on:

(i) The volume and complexity of activity and performance against Plans

(ii) Reasons for variances, the impact financially and delivery of actions to correct adverse performance

(iii) Forecasts for the year, risks to that forecast and actions to mitigate risks

(iv) Effectiveness of contractual processes, contractual notices and outputs with commissioners

(v) Compliance with SOFIs particularly in terms of work being done by the Trust that is not contracted

(vi) Cashflow management and Working Capital planning

(vii) Major judgmental areas

The Committee shall consider and review financial reports focusing on:

(i) Delivery to plans

(ii) Reasons for variances and delivery of actions to correct adverse performance

(iii) Forecasts for the year, risks to that forecast and actions to mitigate risks

(iv) Delivery of Trust savings plans

(v) Operation of Trust budgetary procedures and compliance with SOFIs

(vi) Major judgmental areas

6.2 Business planning

The Committee shall provide oversight of the Trust's business planning and will recommend to the Board of Directors the sign off of the integrated business plan and annual operating plans. The Committee will also take stock of market and environmental analysis reports and make itself aware of developments in the local health economy and through transformation programmes and QIPP schemes.

In doing so, the Committee shall approve:

i) All relevant supporting strategies and policies, with the exception of the Clinical Strategy (which is signed off by the Board) and Quality Strategy i.e. Clinical Effectiveness, Safety and Patient Experience (which is approved by the Safety & Quality Committee) – see below for workforce

ii) The business planning timetable

6.3 **Financial policy, management and reporting**

The Committee shall provide oversight of the Board of Directors' financial policies, management and reporting with consideration to the overall financial performance of the Trust by ensuring the development and implementation of high levels of financial control are embedded into operational management of the Trust and financial plans are disseminated and understood across the Trust. In doing so, the Committee shall approve:

(i) the financial policies of the Trust annually and make appropriate recommendations to the Board of Directors;

(ii) the Trust's medium and long-term financial strategy, in relation to both revenue and capital, including overseeing the development of financial plans for the Trust's foundation trust application;

(iii) the Trust's annual financial targets; and

(iv) the preparation of the annual budget prior to its submission to the Board of Directors.

6.4 **Workforce strategy**

The Committee shall provide oversight of the workforce strategy, plans, management and reporting with consideration to the overall flexibility of resources, total staff costs and staff development. In doing so, the Committee shall approve:

(i) the 3 - 5 year workforce strategy and relevant supporting policies that are relevant to the Committee (the Management Board will sign off most supporting policies)

(ii) the organisational development strategy and annual plan

(iii) the annual workforce plan including, the preparation of its establishment prior to the budget's submission to the Board of Directors.

6.5 **Investment policy, management and reporting**

The Committee shall:

a. approve and review, on behalf of the Board of Directors, the Trust's investment strategy and policy the 3-5 year capital programme and the annual capital plan in order to maintain oversight of the Trust's investments, ensuring compliance with the policy. The Committee shall:

   (i) establish the overall methodology, processes and controls which govern investments;

   (ii) ensure that robust processes are followed; and

   (iii) evaluate, scrutinise and monitor investments;

b. approve and review the Trust's treasury management and working capital policy annually or as required;

c. approve proposals for major business cases with a capital value of over £1m or which require a revenue budget virement of over £1m. The

Committee shall monitor the work of the Capital Group, which reports to the Management Board, for lower value investments;

d. approve the initiation of projects greater than £1m on the information provided in the Project Initiation Document and Project Plan Outline Business Case and Full Business Case. and other key project documents;

e. monitor implementation of major projects (>£2.0m). This shall include:

(i) developing sub-groups as needed and approving their terms of reference;

(i) assisting in the evaluation of the bids at each stage or identifying the expert advice needed;

(ii) giving approval to the Project Director to start each necessary stage of work upon completion of the necessary tasks from the previous stages;

(iii) approving major alterations in the project plan;

(iv) ensuring key areas are communicated across all stakeholder organisations;

(v) ensuring the project is appropriately evaluated;

(vi) ensuring propriety in placing and management of contracts; and

(vii) ensuring risk assessment and management strategies are in place.

f. evaluate the implementation and delivery of the business benefit of projects > £1m via a post implementation review.

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6.6 Other duties

The Committee shall:

1. make any arrangements necessary to ensure that all members of the Board of Directors maintain an appropriate level of knowledge and understanding of key financial issues affecting the Trust;
2. examine any other matter referred to the Committee by the Board of Directors.
3. meet privately to consider commercially sensitive matters e.g. potential partnerships, marketing strategy
4. seek assurances that governance controls are reviewed to provide assurance that the trusts internal control framework system's design, function and performance is satisfactory.

6.7 External advice

The Committee shall be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any external professional advisors who advise the Committee in the course of its work. Where external professional advisors are appointed, a statement shall be made available of whether they have any other connection with the Trust.

7. Reporting arrangements

7.1 The Committee Chairman shall report formally to the Board of Directors on its proceedings after each meeting on all matters within its duties and responsibilities.

7.2 The Committee shall make whatever recommendations to the Board of Directors and/or Management Board that it deems appropriate on any area within its remit where action or improvement is needed.

7.3 The Committee shall produce an annual report of the Trust's financial, investment, project, procurement, and estates policies and practices which shall form part of the Trust's annual report.

7.4 The committee shall review reports previously considered and approved by the Management Board for Strategy, the Workforce Group and the Capital Group.

8. Review

The Committee shall, at least once a year, review its own performance, membership and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board of Directors for approval.

Finance and Workforce Committee: Standing Agenda and Monthly timetable

A G E N D A – PART 1

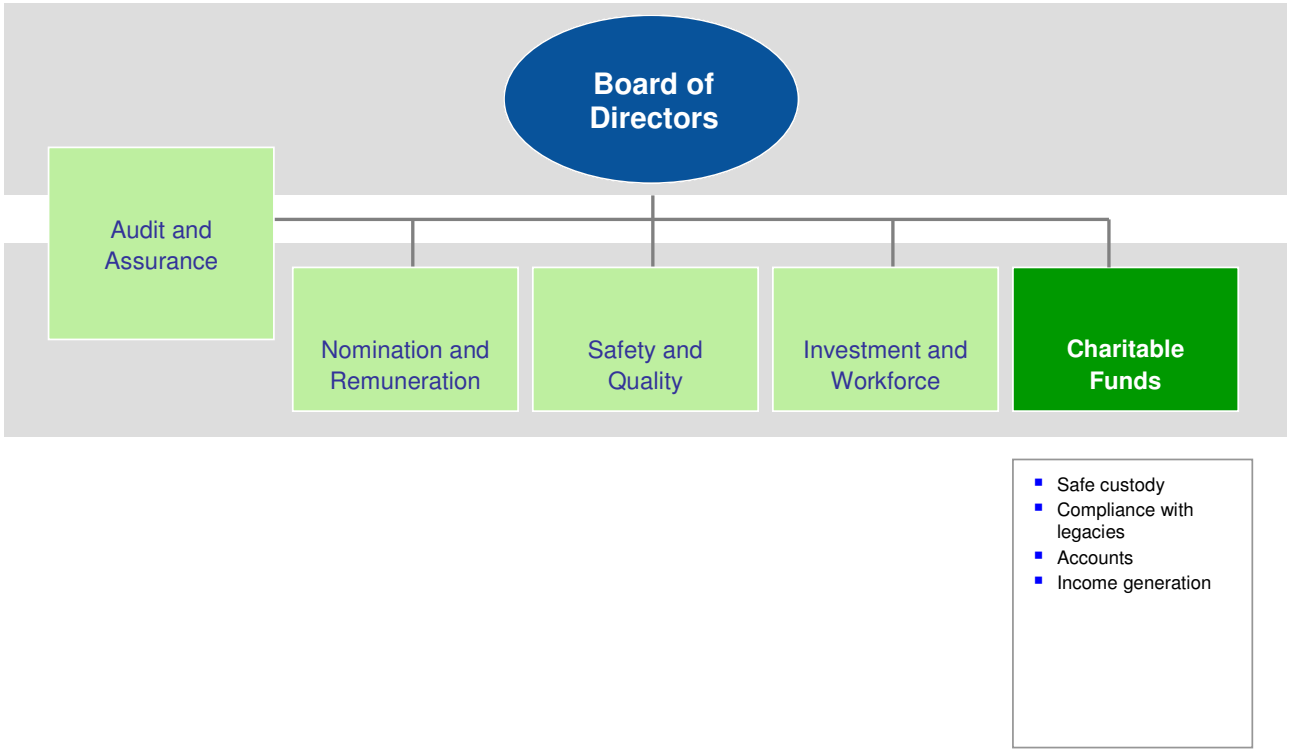
1	**Welcome and Apologies for Absence** Apologies Declarations of Interest	General
2	**Minutes and actions from previous meeting** Minutes of previous meeting - *for approval* Actions from Action tracker - *for information*	General
3	**Business Case Investment** Strategic Business Case - *for approval* Outline Business Case - *for approval* Full Business Case - *for approval* Post Implementation Review - *for assurance*	Monthly as required
4	**Business Planning** Business Planning updates - *for information* 1. Timetable – February 2. Draft Budget and Capital Plan – January 3. Final Budget and Capital Plan – March 4. Financial Plan – March Annual Strategies - *for approval or review* 5. Estates Strategy 6. IT Strategy 7. Communications Strategy 8. Workforce and Organisational Development Strategy 9. IBP	Annual
5	**Finance** Financial Performance - *for assurance* CIP Update - *for assurance*	Monthly Monthly
6	**Workforce and Organisational Development** Workforce & Organisational Development Report M06 - *for assurance*	Monthly

7	**Capital & Estates** Capital & Estates Report - *for assurance*	Monthly
8	**IT** IT Report - *for assurance*	Monthly
9	**General** Any other business Issues to report to the Board of Directors Next Meeting	General

A G E N D A – PART 2

1	**Minutes from previous meeting**	General
2	**Productivity** Service Efficiency Programmes Quarterly Update - *for information* Other Initiatives Update - *for information*	Quarterly Monthly as required
3	**Service Developments** Partnerships Update - *for information* Health System Changes including Better, Safer, Closer, QUIPs and the Better Care Fund - *for information*	Monthly Monthly
4	**Marketing** Market Development Plan - *for approval*	Annual
5	**Finance** Contract Report - *for information* Service Line Reporting - *for information*	Monthly as required Monthly
6	**General** Any Other Business Next Meeting	General

Chapter Nine Charitable Funds Committee



9.1 Summary purpose and authority

To oversee the generation, management, investment and disbursement of charitable funds within the regulations provided by the Charities Commission and to ensure compliance with the laws governing charitable funds.

9.2 Charitable Funds Committee: Terms of Reference

1. Background

Surrey & Sussex Healthcare NHS Trust Charitable Fund was formed from the merger of Crawley Horsham and East Surrey Charitable Funds in April 2001.

Powers of the Trustees are contained within the original Trust Deed which was registered on 26 March 1996.

The Charity Registration number is 1054072.

2. Constitution

The Charitable Funds Committee is established under the direction of the Trust Board (as stated in Standing Order 4.8 (5)).

The Surrey and Sussex Healthcare NHS Trust is the Corporate Trustee of the Charity governed by the law applicable to Trusts, principally the Trustee Act 2000 and the Charities Act 2011.

The NHS Trust Board has devolved responsibility for the on-going management of funds to the Charitable Funds Committee, which administers the funds on behalf of the Corporate Trustee. As such the Committee acts independently of the Board.

Members of the Committee are not individual trustees under charity law but act as agents on behalf of the Corporate Trustee.

3. Relationships

Board upwards for information only. No sub committees.

4. Membership

The Committee shall be represented by both non-executive and executive directors. It shall be chaired by a Non-Executive Director and the membership shall include two Executive Directors, one of which shall be the Chief Finance Officer.

Agreed membership is as follows:

Trust Chair (Chair) Non-Executive Director (if for any reason the Chair is unable to attend they will nominate another member to chair the meeting)

Other Members 2 x Non-Executive Directors

Chief Finance Officer (CFO)

Chief Nurse (links to patient experience)

Director of Corporate Affairs

Director of Information and Facilities

Head of Financial Accounts

Fundraising Co-ordinator

5. Attendance

- A quorum shall be no fewer than 4 members present – 2 x Executive Directors (Chief Finance Officer / Deputy plus Chief Nurse / Deputy) plus 2 x Non-Executive Directors.
- In the absence of a quorate member, decisions will be followed up with the appropriate member.
- As Accountable Officer, the Chief Executive has an open invitation to attend each Board sub-committee

6. Administration

- An agenda shall be available prior to each meeting and allow for additional items under General Business to be added to at the commencement of each meeting
- Minutes will be taken by the CFO Executive Assistant (EA).
- Responsibility for the running of the meetings and their organisation sits with the Head of Financial Accounts, with resource provided from the CFO EA
- Review Date July 2013

7. Frequency

- The Charitable Funds Committee shall meet at least three times a year.
- 1 hour meetings, dates and times will be advertised in advance.
- Notification of changes will be made available to all members in advance by the Chair.
- It is permissible for the Charitable Funds Committee to make decisions, as required, off line where, for example, the next committee does not fall within a suitable time line or where the committee at which the decision / approval was to be made was not quorate.

8. Authority

The Group is autonomous and acts independently of the Trust Board but shall report to the Board for information (please see constitution).

The Committee delegates authority as follows:

- For authorising spend above £2,000: the Chief Finance Officer and the Chair of the Committee
- For amendments to existing funds and establishing new funds: The Chief Finance Officer should authorise these changes subject to published procedures.
- For the procurement of goods and services: The authorised fund managers will procure goods and services in line with published procedures.
- For day to day management and administrative functions, including changes to Fund Managers: The Head of Financial Accounts subject to published procedures.
- For the approval of cheque payment runs: Two senior managers in accordance with the cheque approval mandate

9. Monitoring Effectiveness

- The Committee will undertake an annual review of its performance against its work plan in order to evaluate the achievement of its duties. This review will inform the Committees annual report to the Board.

Core Duties

1. Safe Custody

- To authorise expenditure where an individual item has a value of more than £2,000 in line with the Trust's Scheme of Delegation.

  Note on delegated authority: Amounts below £2,000 can be approved by Fund Managers, above £2,000 they must be authorised by the Chief Finance Officer and the Chair of the Committee and reported to the Committee.

- To review the income and expenditure transactions for all funds and to be satisfied (through the NHS Trust's accounting systems) that there is an appropriate and robust system of control over income and expenditure.
- To ensure that policies and procedures are in place to meet the requirements of the Charities Commission and the laws governing charitable funds.

2. Compliance

- To act on behalf of the Trust (as Trustee) in satisfying the duties and responsibilities of trustees in managing the funds.

  Note on delegated authority: for day to day management and administrative functions, including changes to Fund Managers: The Head of Financial Accounts is the authorised decision maker, subject to published procedures.

- To authorise/agree the establishment of new funds and new charities

  Note on delegated authority: The Chief Finance Officer should authorise new funds subject to published procedures.

- To review legacies received and ensure that the Trust complies with the terms of the legacy
- To encourage the appropriate use of Charitable Funds and to ensure Fund Managers to carefully consider the use of these funds based on the Donor's intentions/wishes.
- To receive and review all audit reports on charitable funds and to monitor implementation of audit recommendations.

3. Investments & fund raising

- To oversee the investment strategy of the Charitable Funds as required by the Trustee Investment Act 1961 and the NHS Acts
- Consider future charitable campaigns including the nature of events and objectives
- To ensure that donations and investment income or losses are attributed to individual funds appropriately.

4. Accounts and similar requirements

- The Draft Trustee Annual report (TAR) is reviewed and approved by the committee ahead of review by external audit. The TAR includes the annual accounts. The Chair of the Committee will be given delegated authority to approve any further changes to be made to the Draft TAR outside of committee.
- The Committee will adopt the TAR and the Chair and Chief Finance Officer will sign it off in line with the requirements of the Charities Commission and the laws governing charitable funds.
- An on-line submission is made of the Annual Return (paper copies of the return are no longer available). The return is completed by the Head of Financial accounts and reviewed by the CFO prior to submission to the Charities commission. The deadline for the return is 10 months after the financial period end date and in the case of this charity this will be the 31st January.
- The Trustee Annual Report will be the formal report to the Trustee (the Trust) describing the status of the charity.

5. Income generation

- To consider generation of funds to increase income.

6. Other functions

- To consider matters requested by the Trust Board.

Chapter Ten Executive Committee

10.1 Executive Committee: summary purpose and authority

10.1.1 The Executive Committee supports the Chief Executive and its members (including the other Executive Directors) to deliver the Trust's corporate objectives through implementing a sound system of internal control and driving forward an agenda to deliver them.

10.1.2 The Executive Committee shall split its agenda to manage both operational and strategic elements of the Trusts delivery of services through rotating its agenda and focussing on quality of Trust services and key risks to quality and long term strategy.

10.1.3 The Executive Committee shall establish standing agenda items which link to the strategic objectives as outlined in the Board Assurance Framework and dashboard outcomes. Additional agenda items shall be included each week as appropriate.

10.1.4 Executive directors shall be engaged as members of both the Safety and Quality Committee and the Finance and Workforce Committee as set out in their respective terms of reference. They shall also be invited to attend meetings of the Audit and Assurance Committee.

Executive Committee: Terms of Reference

1. Membership and attendance

1.1 The members of the Executive Committee shall be:

- Chief Executive and Accountable Officer
- Medical Director
- Chief Nurse

- Chief Operating Officer
- Director of Human Resources
- Director of Information and Facilities
- Chief Finance Officer
- Director of Corporate Affairs
- Director of Strategy
- Director of Service Development
- Chiefs of Service

In Attendance:

- Head of Communications
- Other clinicians and managers at the request of the committee

1.2 The Chairman of the Executive Committee shall be the Chief Executive:

1.3 In the absence of the appointed Chair, one of the other Executive Directors shall chair the meeting.

1.4 If an Executive Committee member is unable to attend a meeting, they shall send their apologies in advance to the Secretary and, if they consider it necessary, arrange for no more than one deputy to attend in their absence.

1.5 Members of the Executive Committee are expected to attend at least two-thirds of the number of meetings in any given financial year. An annual attendance record shall be prepared by the Secretary and any issues concerning poor attendance of an Executive Committee member shall be considered by the Chief Executive and acted on as appropriate.

2. Secretary of the Executive Committee

2.1 The Director of Corporate Affairs will ensure that an agenda and action notes will be taken by the Executive Office Manager and circulated at least two days in advance of the meeting.

2.2 The Corporate Affairs team will ensure that an agenda and action notes will be taken and circulated at least two days in advance of the meeting in respect to all Quality, Risk and Clinical Care Committees.

2.3 A timetable of reporting shall be prepared and agreed with the Executive Committee on an annual basis.

3. Quorum

3.1 The quorum necessary for the transaction of business shall be one third of the membership of the Executive Committee. For the avoidance of doubt, the attendance of any deputies shall not count towards a quorum.

3.2 A duly convened meeting of the Executive Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Executive Committee.

3.3 Where an Executive Committee meeting:

(i) is not quorate under paragraph 3.1 within one half hour from the time appointed for the meeting; or

(ii) becomes inquorate during the course of the meeting,

the Executive Committee members present may determine to adjourn the meeting to such time, place and date as may be determined by the members present.

4. Meetings

The Executive Committee shall meet weekly (Wednesday) and at such other times as the Chief Executive shall require.

5. Notice of meetings

5.1 Meetings of the Executive Committee shall be summoned by the Secretary at the request of the Chief Executive.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Executive Committee no later than two days before the date of the meeting. Supporting papers shall be sent to Executive Committee members and to other attendees, as appropriate, at the same time.

6. Decisions of the Executive Committee

6.1 Decisions of the Executive Committee shall normally be made by agreement rather than by formal vote. Failing such agreement, decisions shall be reached by means of a vote when:

(i) the Chairman presiding at the meeting feels that there is a body of opinion among members of the Executive Committee at the meeting who disagree with a proposal or have expressed reservations about it; or

(ii) when a member of the Executive Committee who is present requests a vote to be taken; or

(iii) any other circumstances in which the Chairman presiding at the meeting considers that a vote shall be taken.

6.2 Where a decision of the Executive Committee requires to be voted upon it shall be determined by a majority of the votes of the members of the Executive Committee present and voting on the question. The Chairman presiding at the meeting shall declare whether or not a resolution has been carried or otherwise.

6.3 In the case of equality of votes, the Chief Executive, or, in his absence, the member of the Executive Committee presiding shall have a second casting vote.

6.4 The minutes of the meeting shall record only the numerical results of a vote, showing the numbers for and against the proposal and noting any abstentions. The minutes shall be conclusive evidence of the outcome. Votes shall not normally be attributed to any individual member of the Executive Committee, but any member may require that their particular vote be recorded provided that he asks the Chairman presiding immediately after the item is concluded.

6.5 The Executive Committee may agree to defer a decision on an agenda item so that it can be provided with additional information or for any other reason. The decision to defer, together with the reasons for doing so, shall be recorded in the minutes of the meeting together with a proposed time for returning the matter to the Executive Committee for its consideration.

7. Minutes of meetings

7.1 The Secretary of the meeting shall record the minutes of every meeting.

7.2 The Secretary shall submit the draft minutes to the Executive Committee in advance of its next meeting for agreement, confirmation or otherwise.

7.3 The record of the minutes shall include:

(i) the names of:

(a) every member of the Executive Committee present at the meeting;

(b) any other person present; and

(c) any apologies tendered by an absent member of the Executive Committee;

a. the withdrawal from a meeting of any member on account of a conflict of interest; and

b. any declaration of interest.

7.4 Minutes of any meetings of the Executive Committee shall record key points of discussion. Where personnel, finance or other restricted matters are discussed, the minutes shall describe the substance of the discussion in general terms.

7.5 The minutes shall be circulated to such staff as the Chief Executive and the Secretary consider appropriate.

7.6 An action log will be maintained to demonstrate completion of actions.

8. Duties

The Executive Committee shall:

1. consider and, if appropriate, approve the Trust's Policy for the Development and Management of Trust Policies;

2. approve policies that require its approval in accordance with the Trust's Policy for the Development and Management of Trust Policies, ensuring that they are sufficient for compliance with the regulatory and statutory requirements in force from time to time;

3. oversee the development of reliable, relevant, accessible and timely information that enables robust, evidence-based decision making at all levels of the Trust;

4. review arrangements and agree action to address variations from compliance with the regulatory and statutory regime, including contracts with commissioners;

5. identify and mitigate strategic risk, escalating risks over a defined threshold to the Board of Directors for their consideration and mitigation as it considers appropriate;

6. deliver the Trust's Safety and Quality Strategy, national outcomes framework and local Key Performance Indicators;

7. oversee sound systems of internal control;

8. oversee the following accountable executive sub committees through a defined programme of periodic and exception reports, which shall be at least quarterly:

    - Patient Safety Committee
    - Clinical Effectiveness Committee
    - Access and Responsiveness Committee
    - Patient Experience Committee
    - Workforce Committee

9. at least annually, review and refresh the hospital's ambition and aims for agreement by the Board of Directors;

10. review performance against the Hospital's priorities;

11. at least annually, translate the hospital's ambition and aims into an annual Priorities document and related plans;

12. agree with Clinical Divisions and Corporate Directorates annual plans and how these inter-relate;

13. understand and interpret the wider local and national context for the development and growth of the Hospital through a consistent narrative for success and growth;

14. review and, if appropriate, approve recommendations on new schemes that demonstrably fit with the Hospital's aims and resources; and

15. agree which issues shall be prioritised for communication to staff, patients and the public. Each member of the Executive Committee is responsible for timely and effective briefing of all staff in their area of responsibility.

9. Conflicts of interest

Executive Committee members shall comply with the SASH Code of Conduct.

10. Reporting responsibilities

The Chief Executive shall determine and communicate to the Chairman of the Board of Directors how the business of the Executive Committee shall be reported to the Board of Directors and/or its Committees, which, as a minimum, shall include periodic reports on the delivery of an agreed set of corporate objectives set out in the Trust's business plan from time to time. In the case of risk management, this shall be at least quarterly.

11. Review

The Executive Committee shall, at least once a year, review its own performance, membership and terms of reference to ensure it is operating at maximum effectiveness.

12. Authority

12.1 The Executive Committee has the authority to deal with the matters set out in paragraph 8 above.

12.2 The Executive Committee may seek any information it requires from any employee of the Trust in order to perform its duties.

12.3 In connection with its duties, the Executive Committee is authorised by the Board of Directors, at the Trust's expense:

(i) to obtain any outside legal or other professional advice; and

(ii) within any budgetary restraints imposed by the Board of Directors, to appoint external professional advisors, and to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfill its duties.

12.4 The Executive Team will have authority to act in accordance with the Trusts Standing Orders, Standing Financial Instructions and Scheme of Delegation and Reservation of Powers. Specifically the committee has authority to:

(i) Approve revenue business cases with an annual value up to £1.0m (expenditure, so not net of income);

(ii) Approve revenue budgets of any value but within the annual I&E (surplus or deficit) control total agreed by the Board and can approve a draft budget for submission to the Board to confirm the annual control total;

(iii) Approve capital business cases with an annual value up to £1.0m;

(iv) Approve vacancies, the appointment of consultants (medical staff) and any other HR related actions not requiring specific reference to the Board.

Chapter Eleven Risk Management Responsibilities

11.1 Introduction –Accountability and Responsibilities for Managing Risk

Figure 1 sets out the framework of accountability for managing risk across SASH, which is operationalised within the overall context of 'quality and risk management' and which is operationally led by the **Chief Executive Officer (CEO)** and governed by the Board of Directors (the board). There are seven levels of accountability:

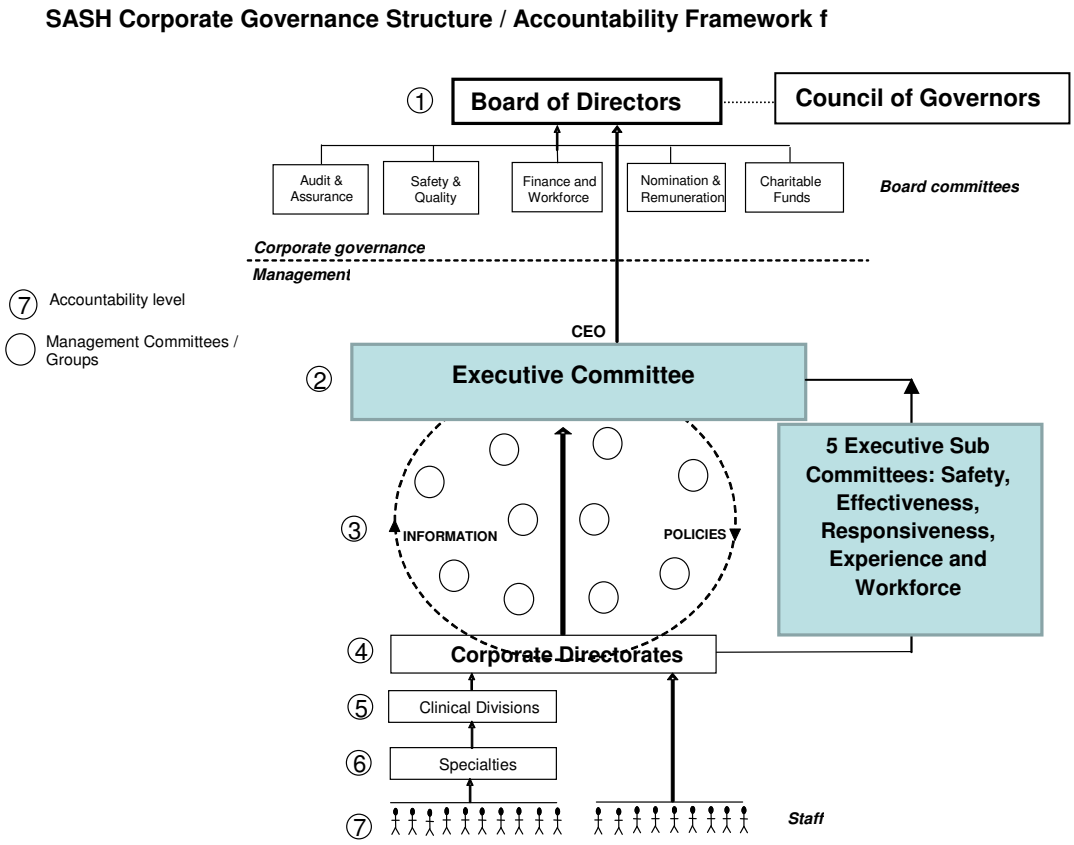


Figure 1 – SaSH accountability framework for managing risk

11.2 Board of Directors – Level 1

The Board of Directors is responsible for *governing* the management of risk within SASH. The Board exercises oversight of risk ensuring that through holding management to account for quality and risk management matters, Key Performance Indicators set out in section 11 of this policy are being met. In addition, the Board of Directors annually reviews and signs off the commitment to Health and Safety Statement of Intent.

11.3 CEO and Executive Committee (Quality and Risk) – Level 2

As 'Accountable Officer' the CEO is accountable to Parliament as well as to the Board of Directors. The CEO is responsible for maintaining a *sound system of internal control*, which includes effective arrangements for risk management. Each year, the CEO has to sign, on behalf of the Trust Board, a *Statement on Internal Control* that provides an assurance that risk management, control and review processes are in place and their effectiveness has been reviewed.

The CEO is supported by the Executive Committee, which meets to review quality and risk matters monthly. The purpose of the Executive Committee (EC) is to ensure that the organization is safely and effectively managed on a day to day basis. The EC sets appropriate frameworks and policies and procedures to support delivery of the organisational objectives, including risk management.

The EC is the most senior body concerned with the day to day management of risk across the trust. The EC is responsible for ratifying the risk management policy and related policies; for allocating resources at corporate management level to ensure effective management of risk; for dealing with conflicts; for holding directorates to account for monitoring the management of risk across the Trust; and for providing assurances relating to risk management performance to the trust board.

In addition to the CEO's ultimate accountability for managing risk across the trust, all other individual executive directors have responsibility for managing risks within their own span of responsibility.

11.4 Governing Risk

11.4.1 The role of the board

According to the FTSE Company[2], "The role of boards is to govern, not to manage. It is about setting overall direction, establishing boundaries and controls, recruiting and motivating talented executives and overseeing their operation of the business."

Figure 2 sets out how the management of risk is governed at SASH under the auspices of the board of directors and the board's audit and assurance committee. The Board monitors and reviews the trust risk register taking assurance as to the organisation's management of risk. The Audit and Assurance Committee is responsible for oversight of the entire system of internal control within SASH and, as part of this responsibility, will provide ***independent*** assurance to the board on the effectiveness of the organisation's system for risk management.

[2] *FTSE Company*. Rewarding Virtue. www.ftse.com/Indices/FTSE4Good_Index_Series/Downloads/rewardingvirtue.pdf

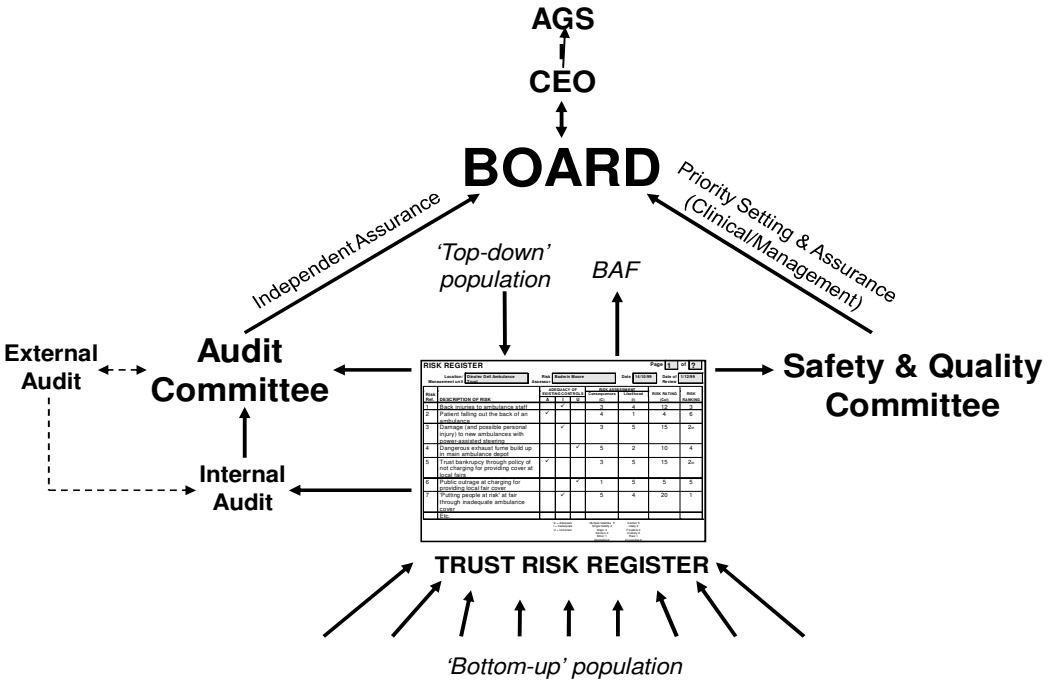


Figure 2– The trust risk register and the board

11.5 The Board Assurance Framework (BAF)

A key companion to the trust risk register is the Board Assurance Framework (BAF). The BAF describes the principal risks that relate to the organisation's strategic objectives and is intended to provide assurances to the board in relation to the management of risks that threaten the ability of the organisation to achieve these objectives. The BAF provides the board with information on managing principal risks that provides assurances on the management of risk in relation to key organisational objectives. Wider consideration of the Trust risk register, through suitable reporting on significant risks to the board by the executive directors, provides the board with more comprehensive assurances on management of the totality of risk facing SASH.

11.6 The Annual Governance Statement (AGS)

A further feature of Figure 2 is identification of the requirement on the CEO to sign off, on behalf of the board, an Annual Governance Statement (AGS). This statement is underpinned by the risk management process and, in particular, the trust risk register and BAF.

Appendix 1 SASH Code of Conduct

1. SASH aims to be an organisation where all patients and staff, whatever their background, are valued and have fair and equitable treatment. The conduct of Trust leaders plays a major part in leading by example and modeling professionalism for patients, staff and wider stakeholder communities. This Code of Conduct ("Code") sets out the required standards.

2. This Code relates to the conduct of the Chairman, Chief Executive, members of the Board of Directors, Committee Members, Executive Committee members and other SASH leaders. It is intended that those to whom this Code applies shall use their best endeavours to comply with it, act in good faith and in the best interests of SASH at all times.

3. Members of the Board of Directors, Committee members and Executive Committee members agree to be subject to this Code of Conduct. Any member of the Board of Directors who significantly or persistently fails to adhere to these rules may be judged as failing to carry out the duties of their office. Any actions arising from this shall be a matter for consideration by the Chairman and/or Chief Executive, who shall decide on any appropriate action that should be taken.

4. The highest standards of propriety, involving integrity, impartiality and objectivity shall be maintained in relation to the stewardship of public funds and the management of SASH. Any conflict between personal interests and the discharge of public duties shall be avoided. Where this arises it shall be disclosed to the Chairman or Chief Executive so that decisions can be made in accordance with this Code. Individuals to whom this Code applies shall not seek to use their position to inappropriately or improperly gain material benefits for themselves, their families or their friends.

5. The Board of Directors is responsible for ensuring that its members personally, and SASH corporately, observe the seven principles of public life set out by the Committee on Standards in Public Life ("the Nolan Principles"):

   selflessness: holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or other friends;

   integrity: holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties;

   objectivity: in carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit;

   accountability: holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office;

openness: holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands;

honesty: holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest; and

leadership: holders of public office should promote and support these principles by leadership and example.

6. The Board of Directors shall comply with the SASH values:

Dignity & Respect: we value each person as an individual and will challenge disrespectful and inappropriate behaviour

One Team: we work together and have a 'can do' approach to all that we do recognising that we all add value with equal worth

Compassion: we respond with humanity and kindness and search for things we can do, however small; we do not wait to be asked, because we care

Safety & Quality: we take responsibility for our actions, decisions and behaviours in delivering safe, high quality care.

7. The Board of Directors shall take collective responsibility for the decisions made by it.

8. **Equality and Diversity**

8.1 The Trust employs and serves people from differing backgrounds and cultures and with different characteristics. This diversity is a source of richness and potential that benefits us all.

8.2 Treating everyone the same does not necessarily mean we are treating them fairly. It is our mission to provide fair and inclusive services and workplaces. We recognise our responsibility to observe equality legislation and the Trust's equality policies. The Public Sector Equality Duty which came into force on the 6th April 2011 is a duty on public bodies to embed equality considerations into to their day to work so that they tackle discrimination and inequality and contribute to making society fairer. The duty encourages public bodies to engage with the diverse communities affected by their activities so that policies and services are appropriate and accessible to meet different people's needs. This duty therefore requires that individually and collectively we:

(i) seek to understand the perspectives put forward by our patients and staff and foster good relations between people of different groups

(ii) treat our patients, colleagues, employees and potential employees with respect and dignity;

(iii) support and implement measures advance equality of opportunity between people of different groups

(iv) take action to eliminate harassment or bullying of our patients, colleagues and employees; and

(v) take action to eliminate any form of unlawful discrimination or victimisation.

8.3 SASH recognises that tension and challenge can be part of operational culture but also that good manners and respect are necessary at all times.

9. Media and Public Relations

A member of the Board of Directors other than the Chairman and Chief Executive shall, as far as possible, obtain the prior approval of the Chairman and Chief Executive (on the advice of the Director of Corporate Affairs), before responding to media enquiries with respect to SASH. Special care shall be taken about any invitation to speak publicly, including speaking to journalists. Care shall also be taken in the publication of any articles apart from those written in a personal professional capacity. In any such instance, the Chief Executive shall be informed in good time before such an article is submitted, or, in his absence, the Director of Communications, as appropriate, and in all cases views shall not be expressed that are at variance from agreed SASH policy. Neither shall any publication or public statement bring the Trust into disrepute. The Chairman, Board members, Committee members and Executive Committee members are not, however, restricted from access to the media in their personal non-SASH capacity, or in pursuit of a professional interest, for example, as experts. In the event of any uncertainty, members of the Board of Directors other than the Chairman and Chief Executive shall approach the Director of Corporate Affairs for advice.

10. Conflicts of interest

10.1 Suspicion that a decision might be influenced in the hope or expectation of contractual gain with a particular firm or organisation shall be avoided. Accordingly, during their term of office no-one to whom this code applies shall seek or accept without consent any consultancy contracts, directorships or other form of employment or engagement in a healthcare sector body, without the consent of the Trust. Those to whom this Code applies are required to maximise value for money through ensuring that SASH operates in the most efficient and economical way, within available resources, and with independent validation of performance achieved wherever possible.

10.2 If a member of the Board of Directors, a Committee member or Executive Committee member knowingly has any interest or duty which is material and relevant or the possibility of such an interest or duty, whether direct or indirect and whether pecuniary or not, that, in the opinion of a fair-minded and informed observer would suggest a real possibility of bias in any matter that it brought up for consideration at a meeting of the Board or any committee of the Board or the Executive Committee, he shall disclose the nature of the interest or duty to the meeting. The declaration of interest or duty may be made at the meeting at the start of the discussion of the item to which it relates or in advance in writing to the Director of Corporate Affairs & Company Secretary. If an interest or duty has been

declared in advance of the meeting, this shall be made known by the Chairman presiding at the meeting prior to the discussion of the relevant agenda item.

In the event of the person not appreciating at the beginning of the discussion that an interest or duty exists, he shall declare such an interest as they soon as he becomes aware of it.

10.3 If a member of the Board of Directors or a Committee member or a Executive Committee member has acted in accordance with the provisions of paragraph 10.2 above and has fully explained the nature of their interest or duty, the members of the Board or committee or Executive Committee present shall decide whether and to what extent that person shall participate in the discussion and determination of the issue and this shall be recorded in the minutes and the extent to which the person concerned had access to any written papers on the matter. If it is decided that he should leave the meeting, the Chairman may first allow them to make a statement on the item under discussion.

10.4 Where the Chairman presiding at the meeting has a relevant interest then he shall advise the Board or Committee or Executive Committee accordingly, and with their agreement, and subject to the extent decided, participate in the discussion and the determination of the issue. This shall be recorded in the minutes and the extent to which he had access to any written papers on the matter. If it is decided that the Chairman presiding should leave the meeting because of a conflict of interest, another member or Committee member or Executive Committee member shall be asked to chair the discussion of the relevant agenda item.

10.5 SASH employees who are not members of the Board or a committee or the Executive Committee, but who are in attendance at a meeting of the Board or a committee or the Executive Committee, shall declare interests in accordance with the same procedures as for those who are members of the Board or Committee or Executive Committee. Where the Chairman presiding at a meeting rules that a potential conflict of interest exists, any SASH employee so concerned shall take no part in the discussion of the matter and may be asked to leave the meeting by the Chairman.

10.6 A member of the Board, Committee, Executive Committee or SASH employee shall be subject to the procedural arrangements for dealing with conflicts of interest as set out in paragraphs 10.7 to 10.15 below.

10.7 In the interests of transparency and accountability, members of the Board, Committee members or employees shall register those interests that might conflict with their duties.

10.8 The Director of Corporate Affairs & Company Secretary shall keep this Register. Members of the Board, Committee members, Executive Committee members or employees shall notify her any changes and are responsible for keeping their entry in the Register up to date. The Register shall be made publicly available on SASH's website.

10.9 Every year, the Director of Corporate Affairs shall confirm with members of the Board, Committee members, Executive Committee members and employees that their interests have been registered. He may from time to time ask them to confirm

that their registered interests are up-to-date and that they have complied with these procedural arrangements.

10.10 It shall be confirmed SASH's annual report that it has complied with these procedural arrangements.

10.11 Members of the Board, Committee members, Executive Committee members and employees to whom this Code applies shall register the following interests:

(i) remunerated employment, office or profession other than with SASH;

(ii) other regular sources of remuneration;

(iii) directorships, whether remunerated or not; and

(iv) membership of public bodies (hospital trusts, governing bodies of universities, colleges and schools, and local authorities), trusteeships (of museums, galleries and similar bodies) and acting as an office holder or trustee for pressure groups, trade unions and voluntary or not-for-profit organisations.

10.12 From time to time a member of the Board, Committee member, Executive Committee member or employee may have or become aware of interests which do not have to be registered but which might, nonetheless, conflict with their SASH duties. As well as keeping their entry on the register up to date, they shall disclose to the Corporate Affairs Manager such interests as soon as they become aware that they may cause a conflict, for example, on receipt of an agenda or Board meeting papers. Such interests shall be disclosed whether or not they are entered on the Register.

10.13 The minutes of any SASH Board, Committee or Executive Committee meeting shall note the disclosure of any such conflicts and subsequent withdrawals from discussions. In addition, the Corporate Affairs Manager shall keep a permanent record of all such disclosures of interests made by any member of the Board, Committee member, Executive Committee member or employee. In considering whether to disclose such an interest, a member of the Board, Committee member, Executive Committee member or employee shall ask whether, in the opinion of a fair-minded and informed observer, the interest would suggest a real possibility of conflict on that person's part.

The following questions shall act as a general guide:

1. Do they have, or recently had (i.e. within the past two years) any material business or other pecuniary relationships with a stakeholder?

2. Do they have, or recently had any other relationships with another party, the existence of which might suggest a real possibility of bias on their part?

3. Have they taken a public position that might be seen as compromising their ability to deal objectively with a matter that is relevant to SASH?

4. Whether, in the opinion of a fair-minded and informed observer, the interests of close family members would suggest a real possibility of bias on the part of the member of the Board, Committee member or employee?

10.14 In the event that a member of the Board, Committee member, Executive Committee member or employee receives a written paper on a matter on which they have a conflict of interest, they shall immediately return the paper to the Director of Corporate Affairs with an indication of the extent to which the paper has been read.

10.15 If a member of the Board, Committee member, Executive Committee member or employee becomes aware of a conflict during the course of any discussion, their interest shall be disclosed immediately and they shall, if appropriate, withdraw from the discussion and any decision relating the matter. However, in some circumstances they may, if the Board, Committee or Executive Committee permits, participate in such discussions as provided for elsewhere in this Code of Conduct.

11. Gifts and Hospitality

11.1 All gifts or hospitality received or given to those to whom this code applies shall be recorded in the register of gifts and hospitality maintained by the Corporate Affairs Team, who, together with the Director of Corporate Affairs, shall keep a regular check on the register and advise the Chairman and Chief Executive accordingly in order to avoid any suggestion of actual or perceived bias towards any particular stakeholder. Personal gifts with a value greater than £25 shall be declared. Non health related or non-educational general hospitality should be declined, all other hospitality shall be declared.

11.2 In deciding whether to accept a gift or offer of hospitality, including at entertainment or sporting events, consideration shall be given as to whether acceptance can stand up to public scrutiny. The decision to accept hospitality or a gift is a matter of judgement and personal integrity, and the advice of the Chief Executive or Chief Financial Officer may be sought. The following broad guidelines may be of assistance in assessing the relative merits of accepting an invitation:

1. event-based hospitality that presents networking opportunities with SASH stakeholders, and which might therefore inform or promote the work of, is generally acceptable;

2. work-related hospitality from a single stakeholder is acceptable where it can clearly be seen to be of value to SASH's work and where there is no immediate commercial advantage to the party making the offer;

3. hospitality that benefits the recipient personally shall be avoided if it is difficult to justify as being of benefit to SASH, or if there is a risk of perceived bias or malign comment. Care shall be taken that no extravagance is involved with working lunches and other social occasions.

11.3 All invitations to attend industry or stakeholder events shall be referred first to the Chief Executive, or in his absence, the Director of Corporate Affairs for advice. Care shall be taken to ensure that there is appropriate representation at events, and that those attending are properly briefed in advance.

11.4 The Declaration of Educational Sponsorship and Hospitality guide / Registration form can be found on the trust's intranet website under Policies and Procedures section.

12. Board and Committee Etiquette

12.1 Showing our mutual trust, respect and honesty

a. We will respect each other's individual and corporate skills, knowledge and responsibilities.

b. We will treat all ideas and contributions with respect.

c. We will be sensitive to colleagues' needs for support when challenging or being challenged.

d. We will make all contributions to discussions clear and to the point.

e. We will demonstrate group support and loyalty to the Trust in all our dealings.

f. We will get to know each other by attending informal events where possible.

12.2 Continuing our commitment to attending and being well prepared:

a. Board papers will set a standard for providing succinct, intelligent reports and will be approved by the relevant Executive Director prior to inclusion in Board and Committee agendas.

b. Board papers will be presented using the agreed Board template and the covering paper duly completed.

c. Board and committee papers will be completed and posted in line with the agreed Board
d. publication schedule.

e. Minutes will be circulated and comments will be received by Executive Directors in line with the Board and Committee timetable before inclusion in the Board agenda.

f. We will avoid using acronyms in Board papers (if they are used they will be spelt out in full on the first occasion used in a paper and in the covering report).

g. We will commit to reading the papers and clarifying significant points of uncertainty with the
h. author/Executive Director before the meeting.

i. Papers which missed the agreed deadline will be deferred until the next meeting unless
j. exceptional circumstances apply.

k. No papers will be tabled on the day of the meeting unless agreed in advance with the Chairman; however this will be on an exceptional basis.

l. We will present papers succinctly at the Board giving context and key points only.

m. Where other members of staff are giving presentations, the responsible Executive Director will brief them appropriately and on the need for brevity.

n. Staff attending a Board or committee meeting will be informed of the etiquette and behaviours expected by their Executive Director.

o. We will give priority to attending Board development events and expect to attend at least 80% of them.

3. Encouraging Board debate:

a. We are a unitary Board and we all have the right to challenge each other.

b. We will challenge rigorously but with respect. Our questioning will not be attacking, crushing or dismissive. All members' views will be accorded equal value.

c. We will all contribute to Board and Committee discussions to ensure the best
d. decisions can be taken.

e. Where possible, we will alert authors of papers of particularly challenging questions or questions where more information may be needed.

f. It is acceptable for an Executive Director to undertake to find the answer to a
g. question after the Board meeting and communicate the answer to the full Board by email or as a matter arising at the next meeting.

h. We will take responsibility for the effect that our questioning has on the recipient.

i. We will avoid giving offence by the style of our questioning and will apologise if we have done so.

j. We will strive not to take offence at, or take personally, genuine challenge by other members of the Board.

k. We will make the best use of Board time by making our contributions concise and only raising substantive issues.

l. We will make all contributions through the Chairman, and not interrupt one another.

m. The Chairman will actively encourage contributions from all members during the meeting.

n. We will ensure that all challenge is fairly reported in the minutes.

0. Where senior managers or clinicians have played a significant role in the preparation of a Board paper, they should be invited by the Executive Director responsible to attend the relevant part of the Board Meeting.

4.0 Maintaining confidentiality and corporate responsibility:

a. We will adhere to the NHS Code of Conduct and Accountability.

b. We will treat all issues on the private agenda as confidential unless agreed otherwise by the Board.

c. We will all accept the principle of corporate responsibility.

d. We will seek agreement with the Chairman and/or Chief Executive before making contact with the press on the activities of the Trust.

5.0 Attendance:

- We will plan to arrive at least 10 minutes before the scheduled start of the Board and take the opportunity to talk informally to colleagues and visitors. If we are unavoidably late, we will phone to let the Chairman/Chief Executive and let them know of our expected time of arrival.

- We will attend all Board and committee meetings unless there are exceptional reasons why we cannot (we expect to attend at least 80% of the meetings)

- We will turn off blackberries and phones (or on silent when a member is on call).

- We will only utilise laptops and iPads for access to Board papers and supplementary information relevant to the Board meeting.

- We recognise our ambassadorial role at Board and Committee meetings, the Annual General Meeting and at other events.

6.0 Reviewing our performance:

At the end of each Board meeting we will review:

- Whether we used our time and resources well.
- Whether others should have been invited for any item.
- What went well or what could be improved.

The Board will participate in a review of Board skills and evaluate board performance at least once per year.

If any member of the Board is unhappy with any aspect of Board conduct, he or she should approach the Chairman in the first instance or the Senior Independent Director.

Responsibility for ensuring Board Etiquette is observed lies with the Chairman.

Appendix 2 Best practice guidance

The Healthy NHS Board: Principles for Good Governance, 2013, & 2010

www.nhsleadership.org.uk/

Monitor – Independent Regulator of NHS Foundation Trusts

The NHS Foundation Trust Code of Governance, March 2013

Compliance Framework 2013 March 2010 and July 2010 amendments

Managing Operating Cash in NHS Foundation Trusts, December 20012

Best Practice in Treasury Management for NHS Foundation Trusts, June 2008

Risk Evaluation for Investment Decisions by NHS Foundation Trusts, February 2006

www.monitor-nhsft.gov.uk/

Audit Commission

Corporate Governance Framework, July 2009

www.audit-commission.gov.uk/SiteCollectionDocuments/MethodologyAndTools/Guidance/CorporateGovernanceInspectionJan09update.pdf

The Commissioner for Public Appointments

Code of Practice for Ministerial Appointments to Public Bodies, August 2009

www.publicappointmentscommissioner.org/webapp/plugins/spaw2/uploads/files/Code%20of%20Practice%202009.pdf

Financial Reporting Council

UK Corporate Governance Code, June 2010

www.frc.org.uk/documents/pagemanager/Corporate_Governance/UK%20Corp%20Gov%20Code%20June%202010.pdf

Foundation Trust Network

The Foundations of Good Governance, September 2010

www.nhsconfed.org/Publications/Documents/foundations_good_governance140910.pdf

KPMG – Audit Committee Institute (ACI)

A Listing of Corporate Governance Resources, November 2007

www.kpmg.co.uk/aci/

Appendix 3 Principal NHS regulators and other bodies

Principal NHS regulators

- Monitor – Independent Regulator of NHS Foundation Trusts
- Care Quality Commission

Third parties with statutory powers (with specific remit to healthcare)

- General Chiropractic Council
- General Dental Council
- General Medical Council
- General Optical Council
- General Osteopathic Council
- Health Professions Council
- Nursing and Midwifery Council
- Royal Pharmaceutical Society of Great Britain.

Third parties with statutory powers (with general remit)

- Charity Commission (with respect to charitable funds associated with the NHS)
- Equality and Human Rights Commission
- Environment Agency
- Fire Authorities
- Health and Safety Executive
- Information Commissioner's Office
- National Audit Office
- Public Accounts Committee

Third parties with statutory role but no enforcement powers (with specific remit to healthcare)

- NHS Blood and Transplant Authority
- Parliamentary and Health Service Ombudsman
- Medicines and Healthcare products Regulatory Agency
- National Institute for Health and Clinical Excellence (NICE)
- OFSTED

Third parties with no statutory role but a legitimate interest (with specific remit to healthcare)

- Clinical Pathology Accreditation Ltd
- NHS Business Services Authority
- NHS Litigation Authority

Appendix 4 Executive Team Responsibilities

Executive Directors

Role	Key Responsibilities
Chief Finance Officer	• Support the creation/maintenance of an NHS Trust whose services are appropriately resourced, provide good value for money and are financially sustainable in the long term. • Provide financial governance and assurance. • Manage the Trust's cash and provide effective stewardship of the Trust's resources. • Provide confidence to external stakeholders about the Trust and its financial management that enhances the Trust's reputation. • Corporate responsibilities as an executive director and the delivery of organisational success through personal leadership, effective working with the executive team, Board, and, in particular, the Chief Executive Officer.
Chief Operating Officer	• Responsible for operational performance within the Trust • Responsible for the planning and delivery of capacity to meet demand • Emergency and Business Continuity Planning • Accountable for non-nursing budgets
Medical Director	• Responsible for ensuring good clinical governance (with the Chief Nurse) and high standards of medical care • Developing and implementing modern and effective clinical leadership • Clinical ambassador for the Trust • Ensuring clinicians have resources and structures to deliver high quality clinical care • Ensure consultants job plans meet the needs of the Trust • Leading the development of the Quality Account, & Clinical Strategy • Ensuring that there are robust infection prevention and control systems in place to comply with the Health and Social Care Act / Hygiene Code.
Chief Nurse	• Professional and regulatory lead for nursing and midwifery, ensuring that the standards of practice support safe high quality care that ensures a positive patient experience. • As the Director lead of Risk & Clinical Governance has responsibility for the programmes of clinical governance in the Trust. • Supporting the maintenance of effective governance systems ensuring that the trust is appropriately governed. • Delivery of organisational success through effective working with Board members and senior clinical colleagues • Named board member for the safeguarding of children and

	vulnerable adults .
Role	**Key Responsibilities**
Director of Information and Estates	• Leading the design and delivery of the Trust Health Informatics Strategy • Ensuring Trust Estate and Facilities support the delivery of Safe, high-quality healthcare • Leading the development and implementation of the Trust Estate Strategy • Senior Information Risk Officer (SIRO) – all Trusts must have one of these at the Board • Chief Knowledge Officer
Director of Corporate Affairs	• Leading the development of the overarching Integrated Business Plan • Supporting the Chairman, Chief Executive and Board in managing corporate governance • Leading the FT application process , co-ordinating the delivery of required outputs and assurances • Leading the legal affairs, communications and Trust Headquarters functions • Company Secretary
Director of Human Resources	• Employee Relations • Strategic management of Recruitment Services • Occupational Health • Learning and Development • Medical Staffing