



**Wirral University
Teaching Hospital**
NHS Foundation Trust

Corporate Governance Manual

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Introduction

Corporate Governance in Foundation Trusts

Corporate governance is the system by which an organisation is directed and controlled, at its most senior levels, in order to achieve its objectives and meet the necessary standards of accountability and probity.

Wirral University Teaching Hospital (WUTH) is an NHS Foundation Trust, which means it is a public benefit corporation as constituted under the NHS Act 2006. Foundation Trust Boards have financial and strategic decision making autonomy, with accountability to NHS England and to its membership via a Council of Governors elected from that membership. Effective corporate governance, along with clinical governance, is essential for a Foundation Trust to support that autonomy and accountability, and to achieve its clinical, quality and financial objectives.

Corporate governance is largely about how the Board conducts its business and is separate from day-to-day operational management carried out by the executive directors and senior management team. Fundamental to this is having the means to verify the effectiveness of strategic direction and control achieved through independent review and assurance.

Corporate Governance Manual

The Corporate Governance Manual is the term used by NHS and other organisations to encompass the key governance documents that, in conjunction with key legislation, form the framework the Trust operates against.

The Health and Social Care Act 2022 enhances and amends the Health and Social Care Act 2012 Act, setting out the legal framework within which the Foundation Trust operates.

The Manual includes the following documents:

- Constitution (including Standing Orders for practice and procedures of the Board of Directors and the Council of Governors);
- The Accountable Officer Memorandum;
- The Codes of Conduct;
- Standing Financial Instructions as a framework for financial governance,
- Scheme of Reservation and Delegation which describe the powers reserved to and delegated by the Board

These documents together provide a regulatory framework for the business conduct of the Foundation Trust.

It is essential that all employees and members know of the existence of these documents and are aware of their responsibilities included there within. To this end all directors, governors, consultants, senior managers and heads of department have been issued with this manual (e-link) and it is incumbent upon them to ensure that all staff in their charge are advised of its existence.

The Council of Governors and Board of Directors shall at all times seek to comply with the Trust's Codes of Conduct for Governors and Directors. There should be sufficient transparency about the Trust's activities to promote confidence between the Trust and its staff, patients and the public.

Vision and Values

Our Vision and Values have been developed with the feedback of over 2,500 staff, patients and visitors who told us what matters most to them. Delivering the best quality and safest care requires teamwork. Within our organisation this means staff supporting each other to achieve our shared ambitions. Outside of our hospitals it's about working more effectively with other providers across the health and social care sector. Underpinning our vision and values and aligning to the Trust objectives and priorities are the foundations of Getting the Basics Right, Better and Best. This is reflected in the NHS Long Term Plan which emphasises the importance of health and social care organisations working more closely together.

Our Vision

together
 we will

...deliver the best quality and safest care to the communities we serve

Our Values

caring
 for everyone

- Acting with kindness, compassion and empathy with everyone
- Being friendly, welcoming, approachable and remembering the simple things like a greeting and a smile
- Being considerate of the needs of others
- Listening to ideas, opinions, thoughts and feelings of others
- Taking personal responsibility and accountability for the care that you deliver

respect
 for all

- Being honest and open, including honesty about what we can and cannot do
- Being polite and professional with everyone, introducing ourselves by name, saying please and thankyou
- Listening to patients, families and colleagues
- Respecting cultural and individual differences
- Ensuring we treat everyone the way we would want to be treated ourselves and dealing with poor behaviour

embracing
teamwork

- Working within and across teams to provide the best possible quality of care and experience for our patients, families, carers and colleagues
- Communicating effectively within teams
- Recognising the value of everyone's role, contribution, skills and abilities
- Supporting colleagues within the team when needed
- Engaging in opportunities to develop and grow the team

committed to
improvement

- Actively seeking new ways of working to enable improvement
- Working together to improve services for our patients, families and carers
- Taking personal responsibility and ownership of things that need to improve
- Being positively receptive to change and improvement
- Celebrating our achievements

Additionally, WUTH is committed to upholding the Nolan Principles:

Selflessness

Holders of public office should act solely in terms of the public interest: they should not do so in order to gain financial or other benefits for themselves, their family or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to 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 alone.

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 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.

Leadership

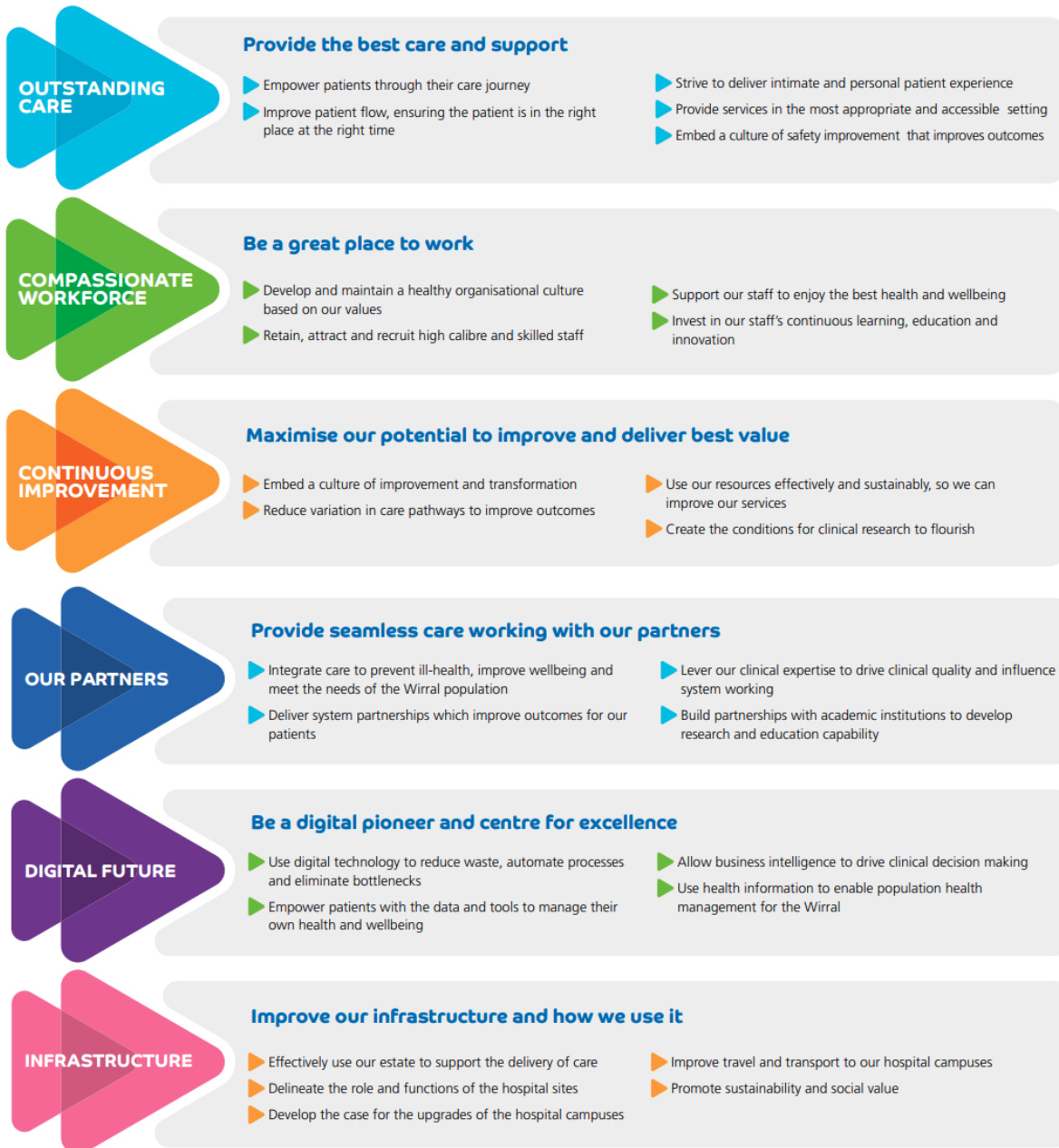
Holders of public office should promote and support these principles by leadership and example.

Strategic Objectives and Priorities

Our Strategic Objectives and Priorities have been derived from a process of reviewing national, regional and local contexts and detailed strategic analysis, as well as feedback from the series of strategy development workshops held with staff and stakeholders in 2020.

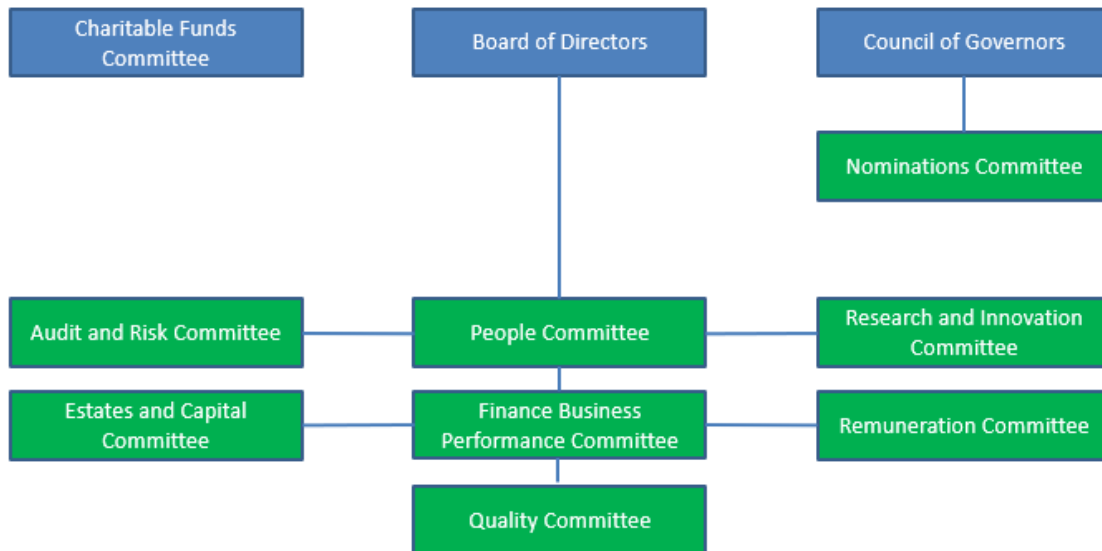
They are supported by our enabling Strategies, which are available on our website. Further information can also be found in our Trust Strategy 2021-26, which is also available on the website: [WUTH Strategies | Wirral University Hospital NHS Foundation Trust](#)

Our Strategic Objective and Priorities 2021-26 are as follows:



Corporate Governance at WUTH

WUTH is governed by a Board of Directors, and as a Foundation Trust, also by a Council of Governors. The Board has 7 Board Assurance Committees, and the Council of Governors has one.



Board of Directors

The Board of Directors is responsible for setting the strategy and culture of the Trust, monitoring operational performance/risks, and ensuring effective financial stewardship through value for money and financial controls. The Board has a number of key roles and approvals that it must take during the year, and it has delegated responsibility to a number of Committees to oversee specific areas of operations.

The Board is composed in line with the provisions of the Trust Constitution, section 20.

Further information on the current members of the Board can be found on our website: [Board Members and Senior Management | Wirral University Hospital NHS Foundation Trust \(wuth.nhs.uk\)](#)

The Council of Governors

The Council of Governors is comprised of 21 seats, 13 of which represent the public, 5 which represent staff, and 4 which are directly appointed by partner organisations. The various constituencies and Governor election rules are laid out in the Trust's Constitution.

The Council of Governors has two responsibilities:

- Holding the non-executive directors individually and collectively to account for the performance of the Board of Directors; and
- Representing the interests of the members and the public as a whole

Further information on the current membership of the Council of Governors can be found on our website: [Meet our Governors | Wirral University Hospital NHS Foundation Trust \(wuth.nhs.uk\)](https://www.wuth.nhs.uk)

The Nominations Committee is constituted by and reports to the Council of Governors. This Committee oversees the appointment of Non-Executive Directors, and which approves their annual appraisal process/reviews the outcomes of that process. It is comprised of the Senior Independent Director and Governors and is chaired by the Chair of the Board.

Board Committees

There are 7 Board Assurance Committees at WUTH, whose role it is to monitor and scrutinise operational performance, controls, and risks within their particular area. These Committees are:

- Estates and Capital Committee – Monitors the capital investment programme and other developments, estates-related health and safety, and risks/controls for both of these.
- Audit and Risk Committee – Monitors the internal audit programme, the external audit programme, approving the annual accounts, and monitoring the Board Assurance Framework and its strategic level risks. This Committee consists solely of Non-Executive Directors.
- Finance Business Performance Committee – Monitors monthly financial performance, financial controls, and approving significant business cases, as well as reviewing the performance information on access targets and recovery trajectories.
- People Committee – Monitors the delivery of the People Strategy, culture, the implementation of EDI/wellbeing initiatives, and the Freedom to Speak up updates.
- Remuneration Committee – Responsible for the appointment of Executive Directors, their remuneration, and has oversight of their performance appraisals.
- Research and Innovation Committee – Has oversight of the research initiatives in the Trust and monitors the growth of this agenda
- Quality Committee – Monitors patient care, clinical health and safety such as serious incidents, safeguarding, safe staffing, and ensuring the quality of clinical treatment and patient experience.

The Charitable Funds Committee sits outside this structure, as it is responsible for running WUTH charity and is therefore separate to the Board. However, the Trust is a trustee of the Charity, and therefore reports from the Charitable Funds Committee are taken regularly to Board, both to keep them updated of the ongoing work and to request approval where required for initiatives and/or strategy.

Risk Management

WUTH is committed to providing high quality services in an environment where patient and staff safety is paramount. The Trust Risk Management Strategy provides a framework for the identification, assessment and management of risks to the delivery of strategy and of high quality healthcare by enabling staff to:

- Identify actual or potential risks.
- determine how best to treat them.
- apply the treatment.
- monitor the effectiveness of that treatment while supporting the safe development of clinical care and maintaining continuity of service delivery.

The Trust promotes a just, responsible culture that fosters learning, improvement, and accountability. It recognises that complete risk control/avoidance is impossible, but risks can be minimised by making sound judgements from a range of fully identified options.

The Trust Board is fully committed to ensuring a robust process is in place to ensure risks are identified, evaluated and mitigated to an acceptable level in a timely manner wherever possible.

Risk Management Strategy

The Risk Management Strategy is a framework for the continued development of the risk management process, building on our and plans linked to the Board Assurance Framework (BAF) and meeting requirements of Regulators such as CQC, along with national priorities.

The Risk Management Strategy aims to deliver a pragmatic, effective multidisciplinary approach to Risk Management, underpinned by the “Ward to Board” accountability and devolved governance structure.

The Board reviews the Risk Management Strategy at least annually.

Risk Appetite

The Risk Appetite Statement is included in the Risk Management Strategy at section 5, and is reviewed annually:

- 1.1. The Trust endeavours to establish a positive risk culture in the organisation, where unsafe practice (clinical, managerial, etc.) is not tolerated and where every member of staff is committed and empowered to identify/correct/escalate system weaknesses.
- 1.2. The Trust Board is committed to ensuring a robust infrastructure to manage risks from ward to board level, and where risks crystallise, to evidencing improvements are put in place.
- 1.3. The Trust’s intention is to **minimise** the risk to the delivery of quality services in the Trust’s accountability and compliance frameworks and maximise performance.
- 1.4. To deliver **safe, quality** services, the Trust will encourage staff to work in collaborative partnership with each other and service users and carers to **minimise** risk to the greatest extent possible and promote patient well-being. Additionally, the Trust seeks to **minimise** the harm to service users arising from their own actions and harm to others arising from the actions of service users.
- 1.5. The Trust wishes to maximise opportunities for developing by encouraging entrepreneurial activity and by being creative and pro-active in seeking new business ventures consistent with the strategic direction set out in the Trust Strategy, whilst respecting and abiding by its statutory obligations.

Strategic Objectives	Risk Appetite	Risk appetite Statement
SO1: Outstanding Care – Provide the best care and support.	VARIOUS	The Trust has an OPEN risk appetite for risk, which balances the delivery of services and quality of those services with the drive for quality improvement and innovation.

		<p>The Trust has MINIMAL risk appetite for any risk which has the potential to compromise the Health & Safety for patients, staff, contractors, the general public and other stakeholders, where sufficient controls cannot be guaranteed.</p> <p>We have a SEEK appetite for some financial risks where this is required to mitigate risks to patient safety or quality of care. We will ensure that all such financial responses deliver optimal value for money.</p>
SO2: Compassionate Workforce – Be a great place to work	OPEN	The Trust Board has an open risk appetite to explore innovative solutions to future staffing requirements, the ability to retain staff and to ensure the Trust is an employer of choice.
SO3: Continuous improvement – Maximise our potential to improve and deliver best value	OPEN	The Trust Board is prepared to accept risk in relation to innovation and ideas which may affect the reputation of the organisation but are taken in the interest of enhanced patient care and ensuring we deliver our goals and targets.
SO4: Our partners – Provide seamless care working with our partners	SEEK	The Trust Board recognises there may be an increased inherent risk faced with collaboration and partnerships, but this will ultimately provide a clear benefit and improved outcomes for the population of Wirral.
SO5: Digital Future – Be a digital pioneer and centre for excellence	SEEK	The Trust Board is eager to accept the greater levels of risk required to transform its digital systems and infrastructure to support better outcomes and experience for patients and public.
SO6: Infrastructure - Improve our infrastructure and how we use it	OPEN	The Trust Board has an open risk appetite and is eager to pursue options which will benefit the efficiency and effectiveness of services whilst ensuring we minimise the possibility of financial loss and comply with statutory requirements.

Board Assurance Framework

An effective Board Assurance Framework (BAF) provides the Board with a tool to manage its principal strategic risks, and a mechanism for identifying and assessing those risks and associated mitigations/actions.

The BAF is reported to alternate Board meetings and to every Audit and Risk Committee meetings, and risks owned by Board Assurance Committees are reviewed regularly by those Committees.

Accountability Framework

An Accountability Framework is in place to support the “golden thread” of accountability and responsibility through the organisation, both up from divisional/operational level to Board, and back down again. It sets out the requirements for divisional governance, to ensure a consistent and robust approach is implemented across each division.

Transparency and Probity

WUTH holds itself to the highest standards of transparency and probity, fostering a culture of openness and trust. A number of controls and policies are in place to support, several of which are highlighted in this section.

Fit and Proper Persons

The Fit and Proper Persons Test is a statutory and regulatory requirement which the Trust must carry out on all individuals on the Board, and anyone who falls within the definitions laid out in Regulation 5 of the Health and Social Care Act 2008 (Regulations of Regulated Activities) (Amendment) (Regulated Activities) Regulations 2014 (the “Regulations”).

The Board of Directors has adopted and endorses the principles set out in the Fit and Proper Persons Test Framework, as published in August 2023.

The Director of Corporate Affairs is responsible for the correct and robust discharge of this test, and all completed tests are independently verified and signed off by the Senior Independent Director on the Board of Directors.

Managing Conflicts of Interest / Declaring Gifts and Hospitality

The Trust is required to maintain a register of interests for all decision making staff. WUTH has defined this as any member of staff band 7+. Anyone with a decision making responsibility, at any banding, is also required to submit an interest.

The processes and details required for submitted declarations of interest, and declarations of gifts and hospitality is set out in the Trust policy, Managing Conflicts of Interest, which is written in line with the NHSE Model policy.

The registers of interests, and of gifts and hospitality, are available via the online portal: [Wirral University Teaching Hospital NHS Foundation Trust \(mydeclarations.co.uk\)](https://mydeclarations.co.uk)

Internal Audit and External Audit functions

Part of the key controls are in place, both in terms of operational function and financial probity and responsibility, are the two audit functions.

Internal audit undertake audits of the controls in place in operational, and sometimes strategic, areas within the Trust. The recommendations made by Internal Audit are monitored by the Audit and Risk Committee.

External audit is essential for the production of the required Annual Accounts, and for ensuring robust systems are in place to manage the Trust’s finances in a transparent, effective, and efficient manner. External Audit undertake the annual audit and ensure the Trust’s annual accounts are correct and in line with guidance and other requirements.

Anti Fraud

The Trust receives Anti Fraud services, and has an independent advisor who leads on anti fraud efforts. The Anti Fraud advisor attends every Audit and Risk Committee to provide assurance on the current position, and on any risks or concerns that the Committee should consider.

Freedom to Speak Up

In line with guidance and NHSE requirements, the Trust operates a Freedom to Speak Up function, and employs a Freedom to Speak Up Guardian. There are champions in place across the Trust to encourage a culture of openness and disclosure.

The Board and the People Committee receive at least twice annual reports on the current position.

Use of the Seal

Authority to affix the seal to any document lies with the Chief Executive, who has delegated this to the Director of Corporate Affairs. The seal will be kept under key, and the Director of Corporate Affairs will ensure that the seal is affixed in line with contractual requirements, and that a register is kept of each usage.

**CONSTITUTION OF
WIRRAL UNIVERSITY TEACHING HOSPITAL
NHS FOUNDATION TRUST
(A PUBLIC BENEFIT CORPORATION)**

This version of the Constitution took effect on 05/03/2025

Constitution of Wirral University Teaching Hospital

NHS Foundation Trust

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1. **Name**

The name of the foundation trust is Wirral University Teaching Hospital NHS Foundation Trust (“the Foundation Trust”).

2. **Principal purpose**

2.1 The principal purpose of the Foundation Trust is the provision of goods and services for the purposes of the health service in England.

2.2 The Foundation Trust does not fulfil its principal purpose unless, in each financial year, its total income from the provision of goods and services for the purposes of the health service in England is greater than its total income from the provision of goods and services for any other purposes.

2.3 The Foundation Trust may provide goods and services for any purpose related to:

2.3.1 The provision of services provided to individuals for or in connection with the prevention, diagnosis or treatment of illness; and

2.3.2 The promotion and protection of public health.

2.4 The Foundation Trust may also carry out activities other than those mentioned in the above paragraph for the purpose of making additional income available in order to better to carry out its principal purpose.

3. **Powers**

3.1 The powers of the Foundation Trust are set out in the 2006 Act, updated in the Health and Social Care Act 2012 and Health and Care Act 2022.

3.2 The powers of the Foundation Trust shall be exercised by the Board of Directors on behalf of the Foundation Trust.

3.3 Any of these powers may be delegated to a committee of Directors or to an executive Director.

3.4 The Trust may enter into arrangements for the carrying out, on such terms as the Trust considers appropriate, of any of its functions jointly with any other person.

3.5 The Trust may arrange for any of the functions exercisable by the Trust to be exercised by or jointly with any one or more of the following:

3.5.1 A relevant body;

3.5.2 A local authority within the meaning of section 2B of the 2006

Act;

3.5.3 A combined authority with the meaning of section 65Z5 of the 2006 Act.

3.6 The Trust may also enter into arrangements to carry out the functions of another relevant body, whether jointly or otherwise.

3.7 Where a function is exercisable by the Trust jointly with one or more of the other organisations mentioned at paragraph 3.5, those organisations and the Trust may:

3.7.1 Arrange for the function to be exercised by a joint committee of theirs;

3.7.2 Arrange for the Trust, one or more of those other organisations, or a joint committee of them, to establish and maintain a pooled fund in accordance with section 65Z6 of the 2006 Act

3.8 The Trust must exercise its functions effectively, efficiency and economically.

3.9 In making a decision about the exercise of its functions, the Trust must have regard to all likely effects of the decision in relation to:

3.9.1 The health and well-being of (including inequalities between) the people of England;

3.9.2 The quality of services provided to (including inequalities between benefits obtained by) individuals by or in pursuance of arrangements made by relevant bodies for or in connection with the prevention, diagnosis or treatment of illness, as part of the health service in England;

3.9.3 Efficiency and sustainability in relation to the use of resources by relevant bodies for the purposes of the health service in England.

3.10 In the exercise of its functions, the Trust must have regard to its duties under section 63B of the 2006 Act (complying with targets under section 1 of the Climate Change Act 2008 and section 5 of the Environment Act 2021, and to adapt any current or predicted impacts of climate change in the most recent report under section 56 of the Climate Change Act 2008).

3.11 For the purposes of this section, “relevant body” means NHSE, an integrated care board, an NHS Trust, a NHS foundation Trust (including the Trust) or such other body as may be prescribed under section 65Z5(2). “Relevant bodies” means two or more of these organisations as the context requires.

3.12 The arrangements under this paragraph 3 shall be in accordance

with:

3.12.1 any applicable requirements imposed by the 2006 Act or regulations made under that Act;

3.12.2 any applicable statutory guidance that has been issued and;

3.12.3 otherwise on such terms as the Trust sees fit.

4. **Membership and constituencies**

The Foundation Trust shall have members, each of whom shall be a member of one of the following constituencies:

4.1 a public constituency (Elected Governors); or

4.2 a staff constituency (Elected Governors).

4.3 stakeholder constituency (Appointed Governors)

Further provisions as to members are set out in Annex 9.

5. **Application for membership**

An individual who is eligible to become a member of the Foundation Trust may do so on application to the Foundation Trust.

6. **Public Constituency**

6.1 An individual who lives in an area specified in Annex 1 as an area for a public constituency may become or continue as a member of the Foundation Trust.

6.2 Those individuals who live in an area specified as an area for any public constituency are referred to collectively as the Public Constituency.

6.3 The minimum number of members in each area for the Public Constituency is specified in Annex 1.

7. **Staff Constituency**

7.1 An individual who is employed by the Foundation Trust under a contract of employment with the Foundation Trust may become or continue as a member of the Foundation Trust provided:

7.1.1 He is employed by the Foundation Trust under a contract of employment which has no fixed term or has a fixed term of at least 12 months; or

7.1.2 He has been continuously employed by the Foundation Trust under a contract of employment for at least 12 months.

7.2 Those individuals who are eligible for membership of the Foundation Trust by reason of the previous provisions are referred to collectively as the Staff Constituency.

7.3 The Staff Constituency shall be divided into four descriptions of individuals who are eligible for membership of the Staff Constituency, each description of individuals being specified within Annex 2 and being referred to as a class within the Staff Constituency.

7.4 The minimum number of members in each class of the Staff Constituency is specified in Annex 2.

Automatic membership by default – staff

7.5 An individual who is:

7.5.1 eligible to become a member of the Staff Constituency; and

7.5.2 invited by the Foundation Trust to become a member of the Staff Constituency and a member of the appropriate class within the Staff Constituency,

shall become a member of the Foundation Trust as a member of the Staff Constituency and appropriate class within the Staff Constituency without an application being made, unless he informs the Foundation Trust that he does not wish to do so.

8. **Restriction on membership**

- 8.1 An individual who is a member of a constituency, or of a class within a constituency, may not, while membership of that constituency or class continues, be a member of any other constituency or class.
- 8.2 An individual who satisfies the criteria for membership of the Staff Constituency may not become or continue as a member of any constituency other than the Staff Constituency.
- 8.3 The Company Secretary shall make the final decision about the constituency or class of a constituency of which an individual is eligible to be a member.
- 8.4 Further provisions as to the circumstances in which an individual may not become or continue as a member of the Foundation Trust are set out in Annex 9.

9. **Council of Governors – composition**

- 9.1 The Foundation Trust is to have a Council of Governors, which shall comprise both Elected and Appointed Governors.
- 9.2 The composition of the Council of Governors is specified in Annex 3.
- 9.3 The members of the Council of Governors, other than the appointed members, shall be chosen by election by their constituency or, where there are classes within a constituency, by their class within that constituency. The number of Governors to be elected by each constituency, or, where appropriate, by each class of each constituency, is specified in Annex 3.

10. **Council of Governors – election of Governors**

- 10.1 Elections for elected members of the Council of Governors shall be conducted in accordance with the Model Rules for Elections, as may be varied from time to time
- 10.2 The Model Rules for Elections, as may be varied from time to time by the Department of Health, form part of this constitution and are attached at Annex 4.
- 10.3 A variation of the Model Rules by the Department of Health shall not constitute a variation of the terms of this constitution. For the avoidance of doubt, the Foundation Trust cannot amend the Model Rules.

10.4 An election, if contested, shall be by secret ballot.

11. **Council of Governors - tenure**

11.1 Subject to the provisions of Annex 5, an Elected Governor shall normally hold office for a period of 3 years commencing immediately after the Annual Members' meeting at which his election is announced.

11.2 An Elected Governor shall cease to hold office if he ceases to be a member of the constituency or class by which he was elected.

11.3 An Elected Governor shall be eligible for re-election at the end of his term.

11.4 An Elected Governor may not hold office for more than nine consecutive years, and shall not be eligible for re-election if he has already held office for more than six consecutive years. An Elected Governor who has ceased to hold office in accordance with this paragraph shall, from then on, not be eligible for election.

11.5 Subject to the provisions of Annex 5, an appointed Governor shall normally hold office for a period of 3 years commencing immediately after the Annual Members' meeting at which his appointment is announced.

11.6 An Appointed Governor shall cease to hold office if the Appointing Organisation which appointed him terminates the appointment.

11.7 An Appointed Governor shall be eligible for re-appointment at the end of his term.

11.8 An Appointed Governor may not hold office for more than nine consecutive years, and shall not be eligible for re-appointment if he has already held office for more than six consecutive years. An Appointed Governor who has ceased to hold office in accordance with this paragraph shall, from then on, not be eligible for re-appointment.

11.9 For the purposes of these provisions concerning terms of office for Elected and Appointed Governors, –yearll means a period commencing immediately after the conclusion of the Annual Members' meeting, and ending at the conclusion of the next Annual Members' meeting.

12. **Council of Governors – disqualification and removal**

12.1 The following may not become or continue as a member of the Council of Governors:

12.1.1 a person who has been adjudged bankrupt or whose estate has been sequestrated and (in either case) has not been discharged;

12.1.2 a person who has made a composition or arrangement with, or granted a trust deed for, his creditors and has not been

discharged in respect of it;

12.1.3 a person who within the preceding five years has been convicted in the British Islands of any offence if a sentence of imprisonment (whether suspended or not) for a period of not less than three months (without the option of a fine) was imposed on him.

12.2 Governors must be at least 16 years of age at the date they are nominated for election or appointment.

12.3 Further provisions as to the circumstances in which an individual may not become or continue as a member of the Council of Governors are set out in Annex 5.

13. **Council of Governors – general duties**

13.1 The general duties of the Council of Governors are –

13.1.1 To hold the non-executive Directors individually and collectively to account for the performance of the Board of Directors; and

13.1.2 To represent the interests of the members of the Foundation Trust as a whole and the interest of the public.

13.2 The Foundation Trust must take steps to secure that the Governors are equipped with the skills and knowledge they require in their capacity as Governors.

14. **Council of Governors – meetings of Governors**

14.1 The Chair of the Foundation Trust (i.e. the Chair of the Board of Directors, appointed in accordance with the provisions of paragraph 22.1 below) or, in his absence, the Deputy Chair (appointed in accordance with the provisions of paragraph 23 below) or, in his or her absence, one of the non-executive Directors, shall preside at meetings of the Council of Governors. If the person presiding at any such meeting has a conflict of interest in relation to the business being discussed, the Lead Governor of the Council of Governors (appointed in accordance with the provisions of paragraph 4 of Annex 5) will chair that part of the meeting.

14.2 Meetings of the Council of Governors shall be open to members of the public unless the Council of Governors decides otherwise in relation to all or part of a meeting for reasons of commercial confidentiality or on other proper grounds. Members of the public may be excluded from a meeting if they are interfering with or preventing the proper conduct of the meeting or for other special reasons.

14.3 For the purposes of obtaining information about the Foundation Trust's performance of its functions or the Directors' performance of their duties (and deciding whether to propose a vote on the Foundation Trust's or Directors' performance), the Council of Governors may require one or

more of the Directors to attend a meeting of the Council of Governors.

15. **Council of Governors – standing orders**

The standing orders for the practice and procedure of the Council of Governors are attached at Annex 7.

16. **Council of Governors – referral to the Panel**

16.1 In this paragraph, –“the Panel” means a panel of persons appointed by NHSI to which a Governor of the Foundation Trust may refer a question as to whether the Foundation Trust has failed or is failing –

16.1.1 To act in accordance with its constitution; or

16.1.2 To act in accordance with provision made by or under Chapter 5 of the 2006 Act.

16.2 A Governor may refer a question to the Panel only if more than half of the members of the Council of Governors voting approve the referral.

17. **Council of Governors - conflicts of interest of Governors**

If a Governor has a pecuniary, personal or family interest, whether that interest is actual or potential and whether that interest is direct or indirect, in any proposed contract or other matter which is under consideration or is to be considered by the Council of Governors, the Governor shall disclose that interest to the Council of Governors as soon as he becomes aware of it. The Standing Orders for the Council of Governors shall make provision for the disclosure of interests and arrangements for the exclusion of a Governor declaring any interest from any discussion or consideration of the matter in respect of which an interest has been disclosed.

18. **Council of Governors – travel expenses**

The Foundation Trust may pay travelling and other expenses to members of the Council of Governors at rates determined by the Foundation Trust.

19. **Council of Governors – further provision**

Further provisions with respect to the Council of Governors are set out in Annex 5.

20. **Board of Directors – composition**

20.1 The Foundation Trust is to have a Board of Directors, which shall comprise both executive and non-executive Directors.

20.2 Subject to paragraph 20.3, the Board of Directors is to comprise:

20.2.1 a non-executive Chair;

20.2.2 not more than seven other non-executive Directors; and

20.2.3 not more than seven executive Directors,

- 20.3 At least half of the Board of Directors, excluding the non-executive Chair, shall at all times comprise non-executive Directors.
- 20.4 One of the executive Directors shall be the Chief Executive.
- 20.5 The Chief Executive shall be the Accounting Officer.
- 20.6 One of the executive Directors shall be the Director of Finance.
- 20.7 One of the executive Directors is to be a registered medical practitioner or a registered dentist (within the meaning of the Dentists Act 1984).
- 20.8 One of the executive directors is to be a registered nurse or a registered midwife.

21. **Board of Directors – qualification for appointment as a non-executive Director**

A person may be appointed as a non-executive Director only if he is –

- 21.1 a member of the Public Constituency; and
- 21.2 not disqualified by virtue of paragraph 25 below or Annex 6.

22. **Board of Directors – appointment and removal of Chair and other non-executive directors**

- 22.1 The Council of Governors at a general meeting of the Council of Governors shall appoint or remove the Chair of the Foundation Trust and the other non-executive Directors.
- 22.2 Removal of the Chair or another non-executive Director shall require the approval of three-quarters of the members of the Council of Governors.
- 22.3 Further details as to the appointment and removal of the Chair and other non-executive Directors is set out in Annex 6.

23. **Board of Directors – appointment of Deputy Chair**

The Council of Governors at a general meeting of the Council of Governors shall appoint one of the non-executive Directors as a Deputy Chair.

24. **Board of Directors - appointment and removal of the Chief Executive and other executive Directors**

- 24.1 The non-executive Directors shall appoint or remove the Chief Executive.
- 24.2 The appointment of the Chief Executive shall require the approval of

the Council of Governors.

24.3 A committee consisting of the Chair, the Chief Executive and other non-executive Directors shall appoint or remove the other executive Directors.

24.4 The Board of Directors may nominate one of the executive Directors to be the Deputy Chief Executive.

25. **Board of Directors – disqualification**

The following may not become or continue as a member of the Board of Directors:

25.1 a person who has been convicted in the United Kingdom of any offence or been convicted elsewhere of any offence which, if committed in any part of the United Kingdom, would constitute an offence or charged with an offence that has not yet been disposed of.

25.2 a person who has been erased, removed or struck off a register of professionals maintained by a regulator of health or social care

25.3 a person who has been sentenced to imprisonment for three months or more within the last five years

25.4 a person who is an undischarged bankrupt or subject to a bankruptcy order or an interim bankruptcy order.

25.5 a person who has an undischarged arrangements with creditors

25.6 a person who have been included on any barring list preventing them from working with children or vulnerable adults.

25.7 a person who has any current NHS Counter Fraud and Security Management Service investigation following allegations made against them.

25.8 a person who has been investigated by the Police, or any other investigatory body resulting in their dismissal from employment.

25.9 a person who is currently the subject of any investigation or fitness to practice proceedings by any licensing or regulatory body in the UK or any other country?

25.10 a person who does not have the qualifications, skills and experience necessary for the position they hold on the Board.

25.11 a person who is not capable of undertaking the relevant position, after any reasonable adjustments under the Equality Act 2010.

25.12 a person who has been responsible for any misconduct or mismanagement in the course of any employment with a CQC registered provider

25.13 a person who is prohibited from holding the relevant position under any other law; eg under the Companies Act or the Charities Act.

Further provisions as to the circumstances in which an individual may not become or continue as a member of the Board of Directors are set out at Annex 6.

26. **Board of Directors – general duty**

The general duty of the Board of Directors and of each director individually, is to act with a view to promoting the success of the Foundation Trust so as to maximise the benefits for the members of the Foundation Trust as a whole and for the public.

27. **Board of Directors – standing orders**

The standing orders for the practice and procedure of the Board of Directors are attached at Annex 8.

28. **Board of Directors - conflicts of interest of Directors**

28.1 The duties that a Director of the Foundation Trust has by virtue of being a Director include, in particular: -

28.1.1 A duty to avoid a situation in which the Director has (or can have) a direct or indirect interest that conflicts (or possibly may conflict) with the interests of the Foundation Trust; and

28.1.2 A duty not to accept a benefit from a third party by reason of being a Director or doing (or not doing) anything in that capacity.

28.2 The duty referred to in paragraph 28.1.1 is not infringed if:

28.2.1 The situation cannot reasonably be regarded as likely to give rise to a conflict of interest; or

28.2.2 The matter has been authorised in accordance with the constitution.

28.3 The duty referred to in paragraph 28.1.2 is not infringed if acceptance of the benefit cannot reasonably be regarded as likely to give rise to a conflict of interest.

28.4 In paragraph 28.1.2, "a third party" means a person other than:

28.4.1 The Foundation Trust; or

28.4.2 A person acting on the Foundation Trust's behalf.

28.5 The Standing Orders for the Board of Directors shall make provision for the disclosure of interests and arrangements for the exclusion of a Director declaring any interest from any discussion or consideration of the matter in respect of which an interest has been disclosed.

29. **Board of Directors – remuneration and terms of office**

- 29.1 The Council of Governors at a general meeting of the Council of Governors shall decide the remuneration and allowances, and the other terms and conditions of office, of the Chair and the other non-executive Directors.
- 29.2 The Foundation Trust shall establish a committee of up to 4 non-executive Directors to decide the remuneration and allowances, and the other terms and conditions of office, of the Chief Executive and other executive Directors.

30. **Registers**

The Foundation Trust shall have:

- 30.1 a register of members showing, in respect of each member, the constituency to which he belongs and, where there are classes within it, the class to which he belongs;
- 30.2 a register of members of the Council of Governors;
- 30.3 a register of interests of Governors;
- 30.4 a register of Directors; and
- 30.5 a register of interests of the Directors.

31. **Admission to and removal from the registers**

The Company Secretary shall remove from the register of members the name of any member who ceases to be entitled to be a member under the provisions of this constitution.

32. **Registers – inspection and copies**

- 32.1 The Foundation Trust shall make the registers specified in paragraph 30 above available for inspection by members of the public, except in the circumstances set out below or as otherwise prescribed by regulations.
- 32.2 The Foundation Trust shall not make any part of its registers available for inspection by members of the public which shows details of any member of the Foundation Trust, if the member so requests.
- 32.3 So far as the registers are required to be made available:
- 32.3.1 they are to be available for inspection free of charge at all reasonable times; and
- 32.3.2 a person who requests a copy of or extract from the registers is to be provided with a copy or extract.
- 32.4 If the person requesting a copy or extract is not a member of the Foundation Trust, the Foundation Trust may impose a reasonable

charge for doing so.

33. **Documents available for public inspection**

- 33.1 The Foundation Trust shall make the following documents available for inspection by members of the public free of charge at all reasonable times:
- 33.1.1 a copy of the current constitution;
 - 33.1.2 a copy of the latest Annual Accounts and of any report of the Auditor on them; and
 - 33.1.3 a copy of the latest Annual Report;
 - 33.1.4 a copy of the latest information as to its forward planning;
and
 - 33.1.5 a copy of the Foundation Trust's membership strategy.
- 33.2 The Foundation Trust shall also make the following documents relating to a special administration of the Foundation Trust available for inspection by members of the public free of charge at all reasonable times:
- 33.2.1 a copy of any order made under section 65D (appointment of trust special administrator), 65J (power to extend time), 65KC (action following Secretary of State's rejection of final report), 65L(trusts coming out of administration) or 65LA (trusts to be dissolved) of the 2006 Act;
 - 33.2.2 a copy of any report laid under section 65D (appointment of trust special administrator) of the 2006 Act;
 - 33.2.3 a copy of any information published under section 65D (appointment of trust special administrator) of the 2006 Act;
 - 33.2.4 a copy of any draft report published under section 65F (administrator's draft report) of the 2006 Act;
 - 33.2.5 a copy of any statement provided under section 65F(administrator's draft report) of the 2006 Act;
 - 33.2.6 a copy of any notice published under section 65F(administrator's draft report), 65G (consultation plan), 65H (consultation requirements), 65J (power to extend time), 65KA(Monitor's decision), 65KB (Secretary of State's response to Monitor's decision), 65KC (action following Secretary of State's rejection of final report) or 65KD (Secretary of State's response to re-submitted final report) of the 2006 Act;
 - 33.2.7 a copy of any statement published or provided under section 65G (consultation plan) of the 2006 Act;
 - 33.2.8 a copy of any final report published under section 65I

(administrator's final report);

33.2.9 a copy of any statement published under section 65J (power to extend time) or 65KC (action following Secretary of State's rejection of final report) of the 2006 Act; and

33.2.10 a copy of any information published under section 65M (replacement of trust special administrator) of the 2006 Act.

33.3 Any person who requests a copy of or extract from any of the above documents is to be provided with a copy or extract.

33.4 If the person requesting a copy or extract is not a member of the Foundation Trust, the Foundation Trust may impose a reasonable charge for doing so.

34. **Auditor**

34.1 The Foundation Trust shall have an auditor.

34.2 The Council of Governors shall appoint or remove the auditor at a general meeting of the Council of Governors.

35. **Audit committee**

The Foundation Trust shall establish a committee of non-executive Directors as an audit committee to perform such monitoring, reviewing and other functions as are appropriate.

36. **Accounts**

36.1 The Foundation Trust must keep proper accounts and proper records in relation to the accounts.

36.2 NHSI may, with the approval of the Secretary of State, give directions to the Foundation Trust as to the content and form of its accounts.

36.3 The accounts are to be audited by the Foundation Trust's auditor.

36.4 The Foundation Trust shall prepare in respect of each Financial Year Annual Accounts in such form as NHSI may, with the approval of the Secretary of State, direct.

36.5 The functions of the Foundation Trust with respect to the preparation of the Annual Accounts shall be delegated to the Accounting Officer.

37. **Annual report, forward plans and non-NHS work**

37.1 The Foundation Trust shall prepare an Annual Report and send it to NHSI.

37.2 The Annual Report must include:

- 37.2.1 information on any steps taken by the Foundation Trust to secure that (taken as a whole) the actual membership of the Public Constituency (taking into account the need for those eligible for such membership to be representative of those to whom the Foundation Trust provides services) and of the classes of the Staff Constituency is representative of those eligible for such membership;
 - 37.2.2 information on the Foundation Trust's policy on pay, the work of the committee established pursuant to paragraph 29.2 and such other procedures as the Foundation Trust has on pay.
 - 37.2.3 information on the remuneration of Directors and expenses of Governors and Directors, to be disclosed in bands.
- 37.3 The Foundation Trust shall give information as to its forward planning in respect of each Financial Year to NHSI.
- 37.4 The document containing the information with respect to forward planning (referred to above) shall be prepared by the Directors.
- 37.5 In preparing the document, the Directors shall have regard to the views of the Council of Governors.
- 37.6 Each forward plan must include information about:
 - 37.6.1 The activities other than the provision of goods and services for the purposes of the health service in England that the Foundation Trust proposes to carry on; and
 - 37.6.2 The income it expects to receive from doing so.
- 37.7 Where a forward plan contains a proposal that the Foundation Trust carry on an activity of the kind mentioned in paragraph 37.6.1, the Council of Governors must:
 - 37.7.1 Determine whether it is satisfied that the carrying on of the activity will not to any significant extent interfere with the fulfillment by the Foundation Trust of its principal purpose or the performance of its other functions; and
 - 37.7.2 Notify the Directors of the Foundation Trust of its determination.
- 37.8 Where the Foundation Trust proposes to increase by 5% or more the proportion of its total income in any financial year attributable to activities other than the provision of goods and services for the purposes of the health service in England, it may implement the proposal only if more than half of the members of the Council of Governors voting approve its implementation.

38. **Meeting of Council of Governors to consider annual accounts and reports**

38.1 The following documents are to be presented to the Council of Governors at a general meeting of the Council of Governors:

- 38.1.1 the annual accounts;
- 38.1.2 any report of the auditor on them; and
- 38.1.3 the annual report.

38.2 The documents shall also be presented to the members of the Foundation Trust at the Annual Members' Meeting by at least one member of the Board of Directors in attendance.

38.3 The Foundation Trust may combine a meeting of the Council of Governors with the Annual Members' Meeting for the purposes of paragraph 38.1.

39. **Instruments**

39.1 The Foundation Trust shall have a seal.

39.2 The seal shall not be affixed except under the authority of the Board of Directors.

40. **Amendment of the Constitution**

40.1 The Foundation Trust may make amendments of its constitution only if:

- 40.1.1 More than half of the members of the Council of Governors of the Foundation Trust voting approve the amendments; and
- 40.1.2 More than half of the members of the Board of Directors of the Foundation Trust voting approve the amendments.

40.2 Amendments made under paragraph 40.1 take effect as soon as the conditions in that paragraph are satisfied, but the amendment has no effect in so far as the constitution would, as a result of the amendment, not accord with schedule 7 of the 2006 Act.

40.3 Where an amendment is made to the constitution in relation to the powers or duties of the Council of Governors (or otherwise with respect to the role that the Council of Governors has as part of the Foundation Trust):

- 40.3.1 At least one member of the Council of Governors must attend the next Annual Members' meeting and present the amendment; and

40.3.2 The Foundation Trust must give the members an opportunity to vote on whether they approve the amendment.

40.4 If, in accordance with paragraph 40.3, more than half of the members voting approve the amendment to the constitution in relation to the powers or duties of the Council of Governors, the amendment continues to have effect. Otherwise, the amendment ceases to have effect and the Foundation Trust must take such steps as are necessary as a result.

40.5 Amendments by the Foundation Trust of its constitution are to be notified to Monitor. For the avoidance of doubt, NHSI's functions do not include a power or duty to determine whether or not the constitution, as a result of the amendments, accords with Schedule 7 of the 2006 Act.

41. **Mergers**

The Foundation Trust may only apply for a merger, acquisition, separation or dissolution of the Foundation Trust with the approval of more than half of the members of the Council of Governors.

42. **Significant transactions**

42.1 The Foundation Trust may enter into a significant transaction only if more than half of the members of the Council of Governors voting approve the Foundation Trust entering into the transaction.

42.2 For the purposes of this paragraph:

42.2.1 "Transaction" may be either an investment or a disinvestment.

42.2.2 A transaction is "significant" if its value equates to 15% of either the Foundation trust's Gross Assets, Income or Gross Capital (inclusive of the transaction), calculated with reference to the Foundation Trust's opening Balance Sheet for the Financial Year in which approval is being sought.

42.2.3 If more half of the members of the Council of Governors voting at a meeting of the Council decline to approve a significant transaction or any part of it, the meeting must approve a Statement of Reasons for its rejection for the Board of Directors.

43. **Notice**

43.1 Unless otherwise stated, any notice required by this constitution to be given shall be given in writing or shall be given using electronic communications to an address for the time being notified for that purpose. –Addressll in relation to electronic communications includes any number or address used for the purposes of such communications

- 43.2 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be treated as delivered 72 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, 72 hours after it was sent.

44. **Interpretation and definitions**

Unless a contrary intention is evident or the context requires otherwise, words or expressions contained in this constitution shall bear the same meaning as in the National Health Service Act 2006, as amended by the Health and Social Care Act 2012.

Headings are for ease of reference only and are not to affect interpretation.

Words importing the masculine gender only shall include the feminine gender; words importing the singular shall import the plural and vice-versa.

“the Accounting Officer”	means the person who from time to time discharges the functions specified in paragraph 25(5) of Schedule 7 to the 2006 Act;
“Appointed Governors”	means those Governors appointed by the appointing organisations;
“Appointing Organisations”	means those organisations named in this constitution who are entitled to appoint Governors;
“Company Secretary”	means the Company Secretary of the Foundation Trust or any other person appointed to perform the duties of the Company Secretary, including a joint, assistant or deputy Company Secretary;
“Constitution”	means this constitution and all annexes to it;
“Director”	means a member of the Board of Directors;
“Elected Governors”	means those Governors elected by the Public constituency and the classes of the Staff Constituency;
“Financial Year”	means: (a) the period beginning with the date on which the Foundation Trust is authorised and ending with the next 31 March; and (b) each successive period of twelve months beginning with 1 April;

“Local Authority Governor”	means a Governor appointed by one or more local authorities whose area includes the whole or part of an area for a public constituency of the Foundation Trust;
“NHSI”	means the body corporate known as NHS Improvement, as provided by Section 61 of the 2012 Act;
“Partner”	means, in relation to another person, a member of the same household living together as a family unit;
“Public Governor”	means a Governor elected by the members of one of the areas of the Public Constituency;
“Staff Governor”	means a Governor elected by the members of one of the classes of the Staff Constituency;
“the 2006 Act”	means the National Health Service Act 2006;
“the 2012 Act”	means the Health and Social Care Act 2012;
“Voluntary Organisation”	means a body, other than a public or local authority, the activities of which are not carried on for profit.

ANNEX 1 – THE PUBLIC CONSTITUENCY

(Paragraphs 6.1 and 6.3)

Bebington and Clatterbridge
Bidston and Claughton
Birkenhead, Tranmere and Rock Ferry
Bromborough and Eastham
Greasby, Frankby, Irby, Upton and Woodchurch
Heswall, Pensby and Thingwall
Leasowe, Moreton and Saughall Massie
Liscard and Seacombe
Neston, Little Neston, Parkgate, Riverside, Burton, Ness, Willaston and Thornton
New Brighton and Wallasey
North West and North Wales¹
Oxton and Prenton
West Wirral

The minimum number of members of each of the areas of the Public Constituency is to be four.

¹ This area of the Public Constituency comprises:

- the geographical area covered by the Betsi Cadwaladr University Local Health Board as set out in the Local Health Boards (Establishment and Dissolution) (Wales) Order 2009; and
- any other geographical area covered by the North West Strategic Health Authority, as set out in the Strategic Health Authorities (Establishment and Abolition) (England) Order 2006, which is not already included within any other area of the Public Constituency.

ANNEX 2 – THE STAFF CONSTITUENCY

(Paragraphs 7.3 and 7.4)

1. Registered medical practitioners and registered dentists
2. Registered nurses and registered midwives
3. Other healthcare professional staff
4. Other Trust staff

The minimum number of members of each class of the Staff Constituency is to be four.

ANNEX 3 – COMPOSITION OF COUNCIL OF GOVERNORS

(Paragraphs 9.2 and 9.3)

The Council of Governors of the Foundation Trust is to comprise:

- 1 thirteen Public Governors from the following areas of the Public Constituency:
 - 1.1 Bebington and Clatterbridge – one Public Governor;
 - 1.2 Bidston and Claughton – one Public Governor;
 - 1.3 Birkenhead, Tranmere and Rock Ferry – one Public Governor;
 - 1.4 Bromborough and Eastham – one Public Governor;
 - 1.5 Greasby, Frankby, Irby, Upton and Woodchurch – one Public Governor;
 - 1.6 Heswall, Pensby and Thingwall – one Public Governor;
 - 1.7 Leasowe, Moreton and Saughall Massie – one Public Governor;
 - 1.8 Liscard and Seacombe – one Public Governor;
 - 1.9 Neston, Little Neston, Parkgate, Riverside, Burton, Ness, Willaston and Thornton – one Public Governor;
 - 1.10 New Brighton and Wallasey – one Public Governor;
 - 1.11 North West and North Wales – one Public Governor;
 - 1.12 Oxtan and Prenton – one Public Governor; and
 - 1.13 West Wirral – one Public Governor.
- 2 five Staff Governors from the following classes:
 - 2.1 registered medical practitioners and registered dentists – one Staff Governor;
 - 2.2 registered nurses and registered midwives – two Staff Governors;
 - 2.3 other healthcare professional staff – one Staff Governor; and
 - 2.4 other Trust staff – one Staff Governor.
- 3 two Local Authority Governors to be appointed by Wirral Metropolitan Borough Council.

- 4 Two Governors to be appointed by:
 - 4.1 Liverpool University – one Partnership Governor;
 - 4.2 Wirral Third Sector Assembly – one Partnership Governor.

ANNEX 4 –THE MODEL RULES FOR ELECTIONS

(Paragraph 10.2)

Model Election Rules

Part 1 - Interpretation

1. Interpretation

Part 2 – Timetable for election

2. Timetable
3. Computation of time

Part 3 – Returning officer

4. Returning officer
5. Staff
6. Expenditure
7. Duty of co-operation

Part 4 - Stages Common to Contested and Uncontested Elections

8. Notice of election
9. Nomination of candidates
10. Candidate's consent and particulars
11. Declaration of interests
12. Declaration of eligibility
13. Signature of candidate
14. Decisions as to validity of nomination papers
15. Publication of statement of nominated candidates
16. Inspection of statement of nominated candidates and nomination papers
17. Withdrawal of candidates
18. Method of election

Part 5 – Contested elections

19. Poll to be taken by ballot
20. The ballot paper
21. The declaration of identity

Action to be taken before the poll

22. List of eligible voters
23. Notice of poll
24. Issue of voting documents
25. Ballot paper envelope and covering envelope

The poll

26. Eligibility to vote
27. Voting by persons who require assistance
28. Spoilt ballot papers
29. Lost ballot papers
30. Issue of replacement ballot paper
31. Declaration of identity for replacement ballot papers

Procedure for receipt of envelopes

32. Receipt of voting documents
33. Validity of ballot paper
34. Declaration of identity but no ballot paper
35. Sealing of packets

Part 6 - Counting the votes

- stv36. Interpretation of Part 6
37. Arrangements for counting of the votes
38. The count
- stv39. Rejected ballot papers
- fpp39. Rejected ballot papers
- stv40. First stage
- stv41. The quota
- stv42. Transfer of votes
- stv43. Supplementary provisions on transfer
- stv44. Exclusion of candidates
- stv45. Filling of last vacancies
- stv46. Order of election of candidates
- fpp46. Equality of votes

Part 7 – Final proceedings in contested and uncontested elections

- fpp47. Declaration of result for contested elections
- stv47. Declaration of result for contested elections
48. Declaration of result for uncontested elections

Part 8 – Disposal of documents

49. Sealing up of documents relating to the poll
50. Delivery of documents
51. Forwarding of documents received after close of the poll
52. Retention and public inspection of documents
53. Application for inspection of certain documents relating to election

Part 9 – Death of a candidate during a contested election

- fpp54. Countermand or abandonment of poll on death of candidate
- stv54. Countermand or abandonment of poll on death of candidate

Part 10 – Election expenses and publicity

Expenses

- 55. Expenses incurred by candidates
- 56. Expenses incurred by other persons
- 57. Personal, travelling, and administrative expenses

Publicity

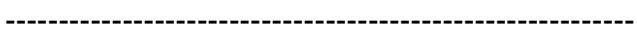
- 58. Publicity about election by the corporation
- 59. Information about candidates for inclusion with voting documents
- 60. Meaning of -for the purposes of an electionll

Part 11 – Questioning elections and irregularities

- 61. Application to question an election

Part 12 – Miscellaneous

- 62. Secrecy
- 63. Prohibition of disclosure of vote
- 64 Disqualification
- 65 Delay in postal service through industrial action or unforeseen event



Part 1 - Interpretation

1. Interpretation – (1) In these rules, unless the context otherwise requires -

—corporationll means the public benefit corporation subject to this constitution;

—electionll means an election by a constituency, or by a class within a constituency, to fill a vacancy among one or more posts on the board of governors;

—the regulatorll means the Independent Regulator for NHS foundation trusts; and

—the 2003 Actll means the Health and Social Care (Community Health and Standards) Act 2003.

(2) Other expressions used in these rules and in Schedule 1 to the Health and Social Care (Community Health and Standards) Act 2003 have the same meaning in these rules as in that Schedule.

Part 2 – Timetable for election

2. Timetable - The proceedings at an election shall be conducted in accordance with the following timetable.

Proceeding	Time
Publication of notice of election	Not later than the fortieth day before the day of the close of the poll.
Final day for delivery of nomination papers to returning officer	Not later than the twenty eighth day before the day of the close of the poll.
Publication of statement of nominated candidates	Not later than the twenty seventh day before the day of the close of the poll.
Final day for delivery of notices of withdrawals by candidates from election	Not later than twenty fifth day before the day of the close of the poll.
Notice of the poll	Not later than the fifteenth day before the day of the close of the poll.
Close of the poll	By 5.00pm on the final day of the election.

3. Computation of time - (1) In computing any period of time for the purposes of the timetable -

- (a) a Saturday or Sunday;
- (b) Christmas day, Good Friday, or a bank holiday, or
- (c) a day appointed for public thanksgiving or mourning,

shall be disregarded, and any such day shall not be treated as a day for the purpose of any proceedings up to the completion of the poll, nor shall the returning officer be obliged to proceed with the counting of votes on such a day.

(2) In this rule, ~~bank holiday~~ means a day which is a bank holiday under the Banking and Financial Dealings Act 1971 in England and Wales.

Part 3 – Returning officer

4. Returning officer – (1) Subject to rule 64, the returning officer for an election is to be appointed by the corporation.

(2) Where two or more elections are to be held concurrently, the same returning officer may be appointed for all those elections.

5. Staff – Subject to rule 64, the returning officer may appoint and pay such staff, including such technical advisers, as he or she considers necessary for the purposes of the election.

6. Expenditure - The corporation is to pay the returning officer –

- (a) any expenses incurred by that officer in the exercise of his or her functions under these rules,
- (b) such remuneration and other expenses as the corporation may determine.

7. Duty of co-operation – The corporation is to co-operate with the returning officer in the exercise of his or her functions under these rules.

Part 4 - Stages Common to Contested and Uncontested Elections

8. Notice of election – The returning officer is to publish a notice of the election stating –

- (a) the constituency, or class within a constituency, for which the election is being held,
- (b) the number of members of the board of governors to be elected from that constituency, or class within that constituency,
- (c) the details of any nomination committee that has been established by the corporation,
- (d) the address and times at which nomination papers may be obtained;
- (e) the address for return of nomination papers and the date and time by which they must be received by the returning officer,
- (f) the date and time by which any notice of withdrawal must be received by the returning officer
- (g) the contact details of the returning officer, and
- (h) the date and time of the close of the poll in the event of a contest.

9. Nomination of candidates – (1) Each candidate must nominate themselves on a single nomination paper.

(2) The returning officer-

- (a) is to supply any member of the corporation with a nomination paper, and
- (b) is to prepare a nomination paper for signature at the request of any member of the corporation,

but it is not necessary for a nomination to be on a form supplied by the returning officer.

10. Candidate's particulars – (1) The nomination paper must state the candidate's -

- (a) full name,
- (b) contact address in full, and

- (c) constituency, or class within a constituency, of which the candidate is a member.

11. Declaration of interests – The nomination paper must state –

- (a) any financial interest that the candidate has in the corporation, and
- (b) whether the candidate is a member of a political party, and if so, which party,

and if the candidate has no such interests, the paper must include a statement to that effect.

12. Declaration of eligibility – The nomination paper must include a declaration made by the candidate–

- (a) that he or she is not prevented from being a member of the board of governors by paragraph 8 of Schedule 1 of the 2003 Act or by any provision of the constitution; and,
- (b) for a member of the public or patient constituency, of the particulars of his or her qualification to vote as a member of that constituency, or class within that constituency, for which the election is being held.

13. Signature of candidate – The nomination paper must be signed and dated by the candidate, indicating that –

- (a) they wish to stand as a candidate,
- (b) their declaration of interests as required under rule 11, is true and correct, and
- (c) their declaration of eligibility, as required under rule 12, is true and correct.

14. Decisions as to the validity of nomination – (1) Where a nomination paper is received by the returning officer in accordance with these rules, the candidate is deemed to stand for election unless and until the returning officer-

- (a) decides that the candidate is not eligible to stand,
- (b) decides that the nomination paper is invalid,
- (c) receives satisfactory proof that the candidate has died, or
- (d) receives a written request by the candidate of their withdrawal from candidacy.

(2) The returning officer is entitled to decide that a nomination paper is invalid only on one of the following grounds -

1. that the paper is not received on or before the final time and date for return of nomination papers, as specified in the notice of the election,

2. that the paper does not contain the candidate's particulars, as required by rule 10;
3. that the paper does not contain a declaration of the interests of the candidate, as required by rule 11,
4. that the paper does not include a declaration of eligibility as required by rule 12, or
5. that the paper is not signed and dated by the candidate, as required by rule 13.

(3) The returning officer is to examine each nomination paper as soon as is practicable after he or she has received it, and decide whether the candidate has been validly nominated.

(4) Where the returning officer decides that a nomination is invalid, the returning officer must endorse this on the nomination paper, stating the reasons for their decision.

(5) The returning officer is to send notice of the decision as to whether a nomination is valid or invalid to the candidate at the contact address given in the candidate's nomination paper.

15. Publication of statement of candidates – (1) The returning officer is to prepare and publish a statement showing the candidates who are standing for election.

(2) The statement must show –

- (a) the name, contact address, and constituency or class within a constituency of each candidate standing, and
- (b) the declared interests of each candidate standing,

as given in their nomination paper.

(3) The statement must list the candidates standing for election in alphabetical order by surname.

(4) The returning officer must send a copy of the statement of candidates and copies of the nomination papers to the corporation as soon as is practicable after publishing the statement.

16. Inspection of statement of nominated candidates and nomination papers –

(1) The corporation is to make the statements of the candidates and the nomination papers supplied by the returning officer under rule 15(4) available for inspection by members of the public free of charge at all reasonable times.

(2) If a person requests a copy or extract of the statements of candidates or their nomination papers, the corporation is to provide that person with the copy or extract free of charge.

17. Withdrawal of candidates - A candidate may withdraw from election on or before the date and time for withdrawal by candidates, by providing to the returning officer a written notice of withdrawal which is signed by the candidate and attested by a witness.

18. Method of election – (1) If the number of candidates remaining validly nominated for an election after any withdrawals under these rules is greater than the number of members to be elected to the board of governors, a poll is to be taken in accordance with Parts 5 and 6 of these rules.

(2) If the number of candidates remaining validly nominated for an election after any withdrawals under these rules is equal to the number of members to be elected to the board of governors, those candidates are to be declared elected in accordance with Part 7 of these rules.

(3) If the number of candidates remaining validly nominated for an election after any withdrawals under these rules is less than the number of members to be elected to be board of governors, then –

- (a) the candidates who remain validly nominated are to be declared elected in accordance with Part 7 of these rules, and
- (b) the returning officer is to order a new election to fill any vacancy which remains unfilled, on a day appointed by him or her in consultation with the corporation.

Part 5 – Contested elections

19. Poll to be taken by ballot – (1) The votes at the poll must be given by secret ballot.

(2) The votes are to be counted and the result of the poll determined in accordance with Part 6 of these rules.

20. The ballot paper – (1) The ballot of each voter is to consist of a ballot paper with the persons remaining validly nominated for an election after any withdrawals under these rules, and no others, inserted in the paper.

(2) Every ballot paper must specify –

- (a) the name of the corporation,
- (b) the constituency, or class within a constituency, for which the election is being held,
- (c) the number of members of the board of governors to be elected from that constituency, or class within that constituency,
- (d) the names and other particulars of the candidates standing for election, with the details and order being the same as in the statement of nominated candidates,

- (e) instructions on how to vote,
- (f) if the ballot paper is to be returned by post, the address for its return and the date and time of the close of the poll, and
- (g) the contact details of the returning officer.

(3) Each ballot paper must have a unique identifier.

(4) Each ballot paper must have features incorporated into it to prevent it from being reproduced.

21. The declaration of identity (public and patient constituencies) – (1) In respect of an election for a public or patient constituency a declaration of identity must be issued with each ballot paper.

(2) The declaration of identity is to include a declaration –

- (a) that the voter is the person to whom the ballot paper was addressed,
- (b) that the voter has not marked or returned any other voting paper in the election, and
- (c) for a member of the public or patient constituency, of the particulars of that member's qualification to vote as a member of the constituency or class within a constituency for which the election is being held.

(3) The declaration of identity is to include space for –

- (a) the name of the voter, (b)
the address of the voter,
- (c) the voter's signature, and
- (d) the date that the declaration was made by the voter.

(4) The voter must be required to return the declaration of identity together with the ballot paper.

(5) The declaration of identity must caution the voter that, if it is not returned with the ballot paper, or if it is returned without being correctly completed, the voter's ballot paper may be declared invalid.

Action to be taken before the poll

22. List of eligible voters – (1) The corporation is to provide the returning officer with a list of the members of the constituency or class within a constituency for which the election is being held who are eligible to vote by virtue of rule 26 as soon as is reasonably practicable after the final date for the delivery of notices of withdrawals by candidates from an election.

(2) The list is to include, for each member, a mailing address where his or her ballot paper is to be sent.

23. Notice of poll - The returning officer is to publish a notice of the poll stating–

- (a) the name of the corporation,
- (b) the constituency, or class within a constituency, for which the election is being held,
- (c) the number of members of the board of governors to be elected from that constituency, or class with that constituency,
- (d) the names, contact addresses, and other particulars of the candidates standing for election, with the details and order being the same as in the statement of nominated candidates,
- (e) that the ballot papers for the election are to be issued and returned, if appropriate, by post,
- (f) the address for return of the ballot papers, and the date and time of the close of the poll,
- (g) the address and final dates for applications for replacement ballot papers, and
- (h) the contact details of the returning officer.

24. Issue of voting documents by returning officer – (1) As soon as is reasonably practicable on or after the publication of the notice of the poll, the returning officer is to send the following documents to each member of the corporation named in the list of eligible voters–

- (a) a ballot paper and ballot paper envelope,
- (b) a declaration of identity (if required),
- (c) information about each candidate standing for election, pursuant to rule 59 of these rules, and
- (d) a covering envelope.

(2) The documents are to be sent to the mailing address for each member, as specified in the list of eligible voters.

25. Ballot paper envelope and covering envelope – (1) The ballot paper envelope must have clear instructions to the voter printed on it, instructing the voter to seal the ballot paper inside the envelope once the ballot paper has been marked.

(2) The covering envelope is to have –

- (a) the address for return of the ballot paper printed on it, and
- (b) pre-paid postage for return to that address.

(3) There should be clear instructions, either printed on the covering envelope or elsewhere, instructing the voter to seal the following documents inside the covering envelope and return it to the returning officer –

- (a) the completed declaration of identity if required, and
- (b) the ballot paper envelope, with the ballot paper sealed inside it.

The poll

26. Eligibility to vote – An individual who becomes a member of the corporation on or before the closing date for the receipt of nominations by candidates for the election, is eligible to vote in that election.

27. Voting by persons who require assistance – (1) The returning officer is to put in place arrangements to enable requests for assistance to vote to be made.

(2) Where the returning officer receives a request from a voter who requires assistance to vote, the returning officer is to make such arrangements as he or she considers necessary to enable that voter to vote.

28. Spoilt ballot papers (1) – If a voter has dealt with his or her ballot paper in such a manner that it cannot be accepted as a ballot paper (referred to as a –spoilt ballot paper), that voter may apply to the returning officer for a replacement ballot paper.

(2) On receiving an application, the returning officer is to obtain the details of the unique identifier on the spoilt ballot paper, if he or she can obtain it.

(3) The returning officer may not issue a replacement ballot paper for a spoilt ballot paper unless he or she –

- (a) is satisfied as to the voter's identity, and
- (b) has ensured that the declaration of identity, if required, has not been returned.

(4) After issuing a replacement ballot paper for a spoilt ballot paper, the returning officer shall enter in a list (–the list of spoilt ballot papers) –

- (a) the name of the voter, and
- (b) the details of the unique identifier of the spoilt ballot paper (if that officer was able to obtain it), and
- (c) the details of the unique identifier of the replacement ballot paper.

29. Lost ballot papers – (1) Where a voter has not received his or her ballot paper by the fourth day before the close of the poll, that voter may apply to the returning officer for a replacement ballot paper.

(2) The returning officer may not issue a replacement ballot paper for a lost ballot paper unless he or she –

- (a) is satisfied as to the voter's identity,
- (b) has no reason to doubt that the voter did not receive the original ballot paper, and
- (c) has ensured that the declaration of identity if required has not been returned.

(3) After issuing a replacement ballot paper for a lost ballot paper, the returning officer shall enter in a list (–the list of lost ballot papers) –

- (a) the name of the voter, and
- (b) the details of the unique identifier of the replacement ballot paper.

30. Issue of replacement ballot paper– (1) If a person applies for a replacement ballot paper under rule 28 or 29 and a declaration of identity has already been received by the returning officer in the name of that voter, the returning officer may not issue a replacement ballot paper unless, in addition to the requirements imposed rule 28(3) or 29(2), he or she is also satisfied that that person has not already voted in the election, notwithstanding the fact that a declaration of identity if required has already been received by the returning officer in the name of that voter.

(2) After issuing a replacement ballot paper under this rule, the returning officer shall enter in a list (–the list of tendered ballot papers) –

- (a) the name of the voter, and
- (b) the details of the unique identifier of the replacement ballot paper issued under this rule.

31. Declaration of identity for replacement ballot papers (public and patient constituencies) – (1) In respect of an election for a public or patient constituency a declaration of identity must be issued with each replacement ballot paper.

(2) The declaration of identity is to include a declaration –

- (a) that the voter has not voted in the election with any ballot paper other than the ballot paper being returned with the declaration, and
- (b) of the particulars of that member's qualification to vote as a member of the public or patient constituency, or class within a constituency, for which the election is being held.

(3) The declaration of identity is to include space for –

- (a) the name of the voter,
- (b) the address of the voter,
- (c) the voter's signature, and

(d) the date that the declaration was made by the voter.

(4) The voter must be required to return the declaration of identity together with the ballot paper.

(5) The declaration of identity must caution the voter that if it is not returned with the ballot paper, or if it is returned without being correctly completed, the replacement ballot paper may be declared invalid.

Procedure for receipt of envelopes

32. Receipt of voting documents – (1) Where the returning officer receives a –

- (a) covering envelope, or
- (b) any other envelope containing a declaration of identity if required, a ballot paper envelope, or a ballot paper,

before the close of the poll, that officer is to open it as soon as is practicable; and rules 33 and 34 are to apply.

(2) The returning officer may open any ballot paper envelope for the purposes of rules 33 and 34, but must make arrangements to ensure that no person obtains or communicates information as to –

- (a) the candidate for whom a voter has voted, or
- (b) the unique identifier on a ballot paper.

(3) The returning officer must make arrangements to ensure the safety and security of the ballot papers and other documents.

33. Validity of ballot paper – (1) A ballot paper shall not be taken to be duly returned unless the returning officer is satisfied that it has been received by the returning officer before the close of the poll, with a declaration of identity if required that has been correctly completed, signed, and dated.

(2) Where the returning officer is satisfied that paragraph (1) has been fulfilled, he or she is to –

- (a) put the declaration of identity if required in a separate packet, and
- (b) put the ballot paper aside for counting after the close of the poll.

(3) Where the returning officer is not satisfied that paragraph (1) has been fulfilled, he or she is to –

- (a) mark the ballot paper -disqualifiedll,

- (b) if there is a declaration of identity accompanying the ballot paper, mark it as —disqualifiedll and attach it the ballot paper,
- (c) record the unique identifier on the ballot paper in a list (the –list of disqualified documentsll); and
- (d) place the document or documents in a separate packet.

34. Declaration of identity but no ballot paper (public and patient constituency) – Where the returning officer receives a declaration of identity if required but no ballot paper, the returning officer is to –

- (a) mark the declaration of identity —disqualifiedll,
- (b) record the name of the voter in the list of disqualified documents, indicating that a declaration of identity was received from the voter without a ballot paper; and
- (c) place the declaration of identity in a separate packet.

35. Sealing of packets – As soon as is possible after the close of the poll and after the completion of the procedure under rules 33 and 34, the returning officer is to seal the packets containing–

- (a) the disqualified documents, together with the list of disqualified documents inside it,
- (b) the declarations of identity if required,
- (c) the list of spoilt ballot papers,
- (d) the list of lost ballot papers,
- (e) the list of eligible voters, and
- (f) the list of tendered ballot papers.

Part 6 - Counting the votes

stv36. Interpretation of Part 6 – In Part 6 of these rules –

—continuing candidatell means any candidate not deemed to be elected, and not excluded,

—countll means all the operations involved in counting of the first preferences recorded for candidates, the transfer of the surpluses of elected candidates, and the transfer of the votes of the excluded candidates,

—deemed to be electedll means deemed to be elected for the purposes of counting of votes but without prejudice to the declaration of the result of the poll,

—markll means a figure, an identifiable written word, or a mark such as –Xll,

—non-transferable votell means a ballot paper –

- (a) on which no second or subsequent preference is recorded for a continuing candidate, or
- (b) which is excluded by the returning officer under rule stv44(4) below,

–preferencell as used in the following contexts has the meaning assigned below–

- (a) –first preferencell means the figure –1ll or any mark or word which clearly indicates a first (or only) preference,
- (b) –next available preferencell means a preference which is the second, or as the case may be, subsequent preference recorded in consecutive order for a continuing candidate (any candidate who is deemed to be elected or is excluded thereby being ignored); and
- (c) in this context, a –second preferencell is shown by the figure –2ll or any mark or word which clearly indicates a second preference, and a third preference by the figure –3ll or any mark or word which clearly indicates a third preference, and so on,

–quotall means the number calculated in accordance with rule stv41 below,

–surplusll means the number of votes by which the total number of votes for any candidate (whether first preference or transferred votes, or a combination of both) exceeds the quota; but references in these rules to the transfer of the surplus means the transfer (at a transfer value) of all transferable papers from the candidate who has the surplus,

–stage of the countll means –

- (a) the determination of the first preference vote of each candidate,
- (b) the transfer of a surplus of a candidate deemed to be elected, or
- (c) the exclusion of one or more candidates at any given time,

–transferable paperll means a ballot paper on which, following a first preference, a second or subsequent preference is recorded in consecutive numerical order for a continuing candidate,

–transferred votell means a vote derived from a ballot paper on which a second or subsequent preference is recorded for the candidate to whom that paper has been transferred, and

–transfer valuell means the value of a transferred vote calculated in accordance with paragraph (4) or (7) of rule stv42 below.

37. Arrangements for counting of the votes – The returning officer is to make arrangements for counting the votes as soon as is practicable after the close of the poll.

38. The count – (1) The returning officer is to –

- (a) count and record the number of ballot papers that have been returned, and
- (b) count the votes according to the provisions in this Part of the rules.

(2) The returning officer, while counting and recording the number of ballot papers and counting the votes, must make arrangements to ensure that no person obtains or communicates information as to the unique identifier on a ballot paper.

(3) The returning officer is to proceed continuously with counting the votes as far as is practicable.

Stv39. Rejected ballot papers – (1) Any ballot paper –

- (a) which does not bear the features that have been incorporated into the other ballot papers to prevent them from being reproduced,
- (b) on which the figure –11 standing alone is not placed so as to indicate a first preference for any candidate,
- (c) on which anything is written or marked by which the voter can be identified except the unique identifier, or
- (d) which is unmarked or rejected because of uncertainty,

shall be rejected and not counted, but the ballot paper shall not be rejected by reason only of carrying the words –one11, –two11, –three11 and so on, or any other mark instead of a figure if, in the opinion of the returning officer, the word or mark clearly indicates a preference or preferences.

(2) The returning officer is to endorse the word –rejected11 on any ballot paper which under this rule is not to be counted.

(3) The returning officer is to draw up a statement showing the number of ballot papers rejected by him or her under each of the subparagraphs (a) to (d) of paragraph (1).

fpp39. Rejected ballot papers – (1) Any ballot paper –

- (a) which does not bear the features that have been incorporated into the other ballot papers to prevent them from being reproduced,
- (b) on which votes are given for more candidates than the voter is entitled to vote,
- (c) on which anything is written or marked by which the voter can be identified except the unique identifier, or
- (d) which is unmarked or rejected because of uncertainty,

shall, subject to paragraphs (2) and (3) below, be rejected and not counted.

(2) Where the voter is entitled to vote for more than one candidate, a ballot paper is not to be rejected because of uncertainty in respect of any vote where no uncertainty arises, and that vote is to be counted.

(3) A ballot paper on which a vote is marked –

- (a) elsewhere than in the proper place,
- (b) otherwise than by means of a clear mark,
- (c) by more than one mark,

is not to be rejected for such reason (either wholly or in respect of that vote) if an intention that the vote shall be for one or other of the candidates clearly appears, and the way the paper is marked does not itself identify the voter and it is not shown that he or she can be identified by it.

(4) The returning officer is to –

- (a) endorse the word ~~rejected~~ on any ballot paper which under this rule is not to be counted, and
- (b) in the case of a ballot paper on which any vote is counted under paragraph (2) or (3) above, endorse the words ~~rejected in part~~ on the ballot paper and indicate which vote or votes have been counted.

(5) The returning officer is to draw up a statement showing the number of rejected ballot papers under the following headings –

- (a) does not bear proper features that have been incorporated into the ballot paper,
- (b) voting for more candidates than the voter is entitled to,
- (c) writing or mark by which voter could be identified, and
- (d) unmarked or rejected because of uncertainty,

and, where applicable, each heading must record the number of ballot papers rejected in part.

stv40. First stage – (1) The returning officer is to sort the ballot papers into parcels according to the candidates for whom the first preference votes are given.

(2) The returning officer is to then count the number of first preference votes given on ballot papers for each candidate, and is to record those numbers.

(3) The returning officer is to also ascertain and record the number of valid ballot papers.

stv41. The quota – (1) The returning officer is to divide the number of valid ballot papers by a number exceeding by one the number of members to be elected.

(2) The result, increased by one, of the division under paragraph (1) above (any fraction being disregarded) shall be the number of votes sufficient to secure the election of a candidate (in these rules referred to as –the quotal).

(3) At any stage of the count a candidate whose total votes equals or exceeds the quota shall be deemed to be elected, except that any election where there is only one vacancy a candidate shall not be deemed to be elected until the procedure set out in paragraphs (1) to (3) of rule stv44 has been complied with.

stv42. Transfer of votes – (1) Where the number of first preference votes for any candidate exceeds the quota, the returning officer is to sort all the ballot papers on which first preference votes are given for that candidate into sub-parcels so that they are grouped –

- (a) according to next available preference given on those papers for any continuing candidate, or
- (b) where no such preference is given, as the sub-parcel of non-transferable votes.

(2) The returning officer is to count the number of ballot papers in each parcel referred to in paragraph (1) above.

(3) The returning officer is, in accordance with this rule and rule stv43 below, to transfer each sub-parcel of ballot papers referred to in paragraph (1)(a) to the candidate for whom the next available preference is given on those papers.

(4) The vote on each ballot paper transferred under paragraph (3) above shall be at a value (–the transfer valuell) which –

- (a) reduces the value of each vote transferred so that the total value of all such votes does not exceed the surplus, and
- (b) is calculated by dividing the surplus of the candidate from whom the votes are being transferred by the total number of the ballot papers on which those votes are given, the calculation being made to two decimal places (ignoring the remainder if any).

(5) Where at the end of any stage of the count involving the transfer of ballot papers, the number of votes for any candidate exceeds the quota, the returning officer is to sort the ballot papers in the sub-parcel of transferred votes which was last received by that candidate into separate sub-parcels so that they are grouped –

- (a) according to the next available preference given on those papers for any continuing candidate, or
- (b) where no such preference is given, as the sub-parcel of non-transferable votes.

(6) The returning officer is, in accordance with this rule and rule stv43 below, to transfer each sub-parcel of ballot papers referred to in paragraph (5)(a) to the candidate for whom the next available preference is given on those papers.

- (7) The vote on each ballot paper transferred under paragraph (6) shall be at –
- (a) a transfer value calculated as set out in paragraph (4)(b) above, or
 - (b) at the value at which that vote was received by the candidate from whom it is now being transferred,

whichever is the less.

(8) Each transfer of a surplus constitutes a stage in the count.

(9) Subject to paragraph (10), the returning officer shall proceed to transfer transferable papers until no candidate who is deemed to be elected has a surplus or all the vacancies have been filled.

(10) Transferable papers shall not be liable to be transferred where any surplus or surpluses which, at a particular stage of the count, have not already been transferred, are –

- (a) less than the difference between the total vote then credited to the continuing candidate with the lowest recorded vote and the vote of the candidate with the next lowest recorded vote, or
- (b) less than the difference between the total votes of the two or more continuing candidates, credited at that stage of the count with the lowest recorded total numbers of votes and the candidate next above such candidates.

(11) This rule does not apply at an election where there is only one vacancy.

stv43. Supplementary provisions on transfer – (1) If, at any stage of the count, two or more candidates have surpluses, the transferable papers of the candidate with the highest surplus shall be transferred first, and if –

- (a) The surpluses determined in respect of two or more candidates are equal, the transferable papers of the candidate who had the highest recorded vote at the earliest preceding stage at which they had unequal votes shall be transferred first, and
- (b) the votes credited to two or more candidates were equal at all stages of the count, the returning officer shall decide between those candidates by lot, and the transferable papers of the candidate on whom the lot falls shall be transferred first.

(2) The returning officer shall, on each transfer of transferable papers under rule stv42 above –

- (a) record the total value of the votes transferred to each candidate,
- (b) add that value to the previous total of votes recorded for each candidate and record the new total,

- (c) record as non-transferable votes the difference between the surplus and the total transfer value of the transferred votes and add that difference to the previously recorded total of non-transferable votes, and
- (d) compare—
 - (i) the total number of votes then recorded for all of the candidates, together with the total number of non-transferable votes, with
 - (ii) the recorded total of valid first preference votes.

(3) All ballot papers transferred under rule stv42 or stv44 shall be clearly marked, either individually or as a sub-parcel, so as to indicate the transfer value recorded at that time to each vote on that paper or, as the case may be, all the papers in that sub-parcel.

(4) Where a ballot paper is so marked that it is unclear to the returning officer at any stage of the count under rule stv42 or stv44 for which candidate the next preference is recorded, the returning officer shall treat any vote on that ballot paper as a non-transferable vote; and votes on a ballot paper shall be so treated where, for example, the names of two or more candidates (whether continuing candidates or not) are so marked that, in the opinion of the returning officer, the same order of preference is indicated or the numerical sequence is broken.

stv44. Exclusion of candidates – (1) If—

- (a) all transferable papers which under the provisions of rule stv42 above (including that rule as applied by paragraph (11) below) and this rule are required to be transferred, have been transferred, and
- (b) subject to rule stv45 below, one or more vacancies remain to be filled,

the returning officer shall exclude from the election at that stage the candidate with the then lowest vote (or, where paragraph (12) below applies, the candidates with the then lowest votes).

(2) The returning officer shall sort all the ballot papers on which first preference votes are given for the candidate or candidates excluded under paragraph (1) above into two sub-parcels so that they are grouped as—

- (a) ballot papers on which a next available preference is given, and
- (b) ballot papers on which no such preference is given (thereby including ballot papers on which preferences are given only for candidates who are deemed to be elected or are excluded).

(3) The returning officer shall, in accordance with this rule and rule stv43 above, transfer each sub-parcel of ballot papers referred to in paragraph (2)(a) above to the candidate for whom the next available preference is given on those papers.

(4) The exclusion of a candidate, or of two or more candidates together, constitutes a further stage of the count.

(5) If, subject to rule stv45 below, one or more vacancies still remain to be filled, the returning officer shall then sort the transferable papers, if any, which had been transferred to any candidate excluded under paragraph (1) above into sub-parcels according to their transfer value.

(6) The returning officer shall transfer those papers in the sub-parcel of transferable papers with the highest transfer value to the continuing candidates in accordance with the next available preferences given on those papers (thereby passing over candidates who are deemed to be elected or are excluded).

(7) The vote on each transferable paper transferred under paragraph (6) above shall be at the value at which that vote was received by the candidate excluded under paragraph (1) above.

(8) Any papers on which no next available preferences have been expressed shall be set aside as non-transferable votes.

(9) After the returning officer has completed the transfer of the ballot papers in the sub-parcel of ballot papers with the highest transfer value he or she shall proceed to transfer in the same way the sub-parcel of ballot papers with the next highest value and so on until he has dealt with each sub-parcel of a candidate excluded under paragraph (1) above.

(10) The returning officer shall after each stage of the count completed under this rule—

- (a) record –
 - (i) the total value of votes, or
 - (ii) the total transfer value of votes transferred to each candidate,
- (b) add that total to the previous total of votes recorded for each candidate and record the new total,
- (c) record the value of non-transferable votes and add that value to the previous non-transferable votes total, and
- (d) compare—
 - (i) the total number of votes then recorded for each candidate together with the total number of non-transferable votes, with
 - (ii) the recorded total of valid first preference votes.

(11) If after a transfer of votes under any provision of this rule, a candidate has a surplus, that surplus shall be dealt with in accordance with paragraphs (5) to (10) of rule stv42 and rule stv43.

(12) Where the total of the votes of the two or more lowest candidates, together with any surpluses not transferred, is less than the number of votes credited to the next lowest candidate, the returning officer shall in one operation exclude such two or more candidates.

(13) If when a candidate has to be excluded under this rule, two or more candidates each have the same number of votes and are lowest—

- (a) regard shall be had to the total number of votes credited to those candidates at the earliest stage of the count at which they had an unequal number of votes and the candidate with the lowest number of votes at that stage shall be excluded, and
- (b) where the number of votes credited to those candidates was equal at all stages, the returning officer shall decide between the candidates by lot and the candidate on whom the lot falls shall be excluded.

stv45. Filling of last vacancies – (1) Where the number of continuing candidates is equal to the number of vacancies remaining unfilled the continuing candidates shall thereupon be deemed to be elected.

(2) Where only one vacancy remains unfilled and the votes of any one continuing candidate are equal to or greater than the total of votes credited to other continuing candidates together with any surplus not transferred, the candidate shall thereupon be deemed to be elected.

(3) Where the last vacancies can be filled under this rule, no further transfer of votes shall be made.

stv46. Order of election of candidates – (1) The order in which candidates whose votes equal or exceed the quota are deemed to be elected shall be the order in which their respective surpluses were transferred, or would have been transferred but for rule stv42(10) above.

(2) A candidate credited with a number of votes equal to, and not greater than, the quota shall, for the purposes of this rule, be regarded as having had the smallest surplus at the stage of the count at which he obtained the quota.

(3) Where the surpluses of two or more candidates are equal and are not required to be transferred, regard shall be had to the total number of votes credited to such candidates at the earliest stage of the count at which they had an unequal number of votes and the surplus of the candidate who had the greatest number of votes at that stage shall be deemed to be the largest.

(4) Where the number of votes credited to two or more candidates were equal at all stages of the count, the returning officer shall decide between them by lot and the candidate on whom the lot falls shall be deemed to have been elected first.

fpp46. Equality of votes – Where, after the counting of votes is completed, an equality of votes is found to exist between any candidates and the addition of a vote would entitle any of those candidates to be declared elected, the returning officer is to decide between those candidates by a lot, and proceed as if the candidate on whom the lot falls had received an additional vote.

Part 7 – Final proceedings in contested and uncontested elections

fpp47. Declaration of result for contested elections – (1) In a contested election, when the result of the poll has been ascertained, the returning officer is to –

- (a) declare the candidate or candidates whom more votes have been given than for the other candidates, up to the number of vacancies to be filled on the board of governors from the constituency, or class within a constituency, for which the election is being held to be elected,
- (b) give notice of the name of each candidate who he or she has declared elected–
 - (i) where the election is held under a proposed constitution pursuant to powers conferred on the [insert name] NHS Trust by section 4(4) of the 2003 Act, to the chairman of the NHS Trust, or
 - (ii) in any other case, to the chairman of the corporation; and
- (c) give public notice of the name of each candidate whom he or she has declared elected.

(2) The returning officer is to make –

- (a) the total number of votes given for each candidate (whether elected or not), and
- (b) the number of rejected ballot papers under each of the headings in rule fpp39(5),

available on request.

stv47. Declaration of result for contested elections – (1) In a contested election, when the result of the poll has been ascertained, the returning officer is to—

- (a) declare the candidates who are deemed to be elected under Part 6 of these rules as elected,
- (b) give notice of the name of each candidate who he or she has declared elected –
 - (i) where the election is held under a proposed constitution pursuant to powers conferred on the [insert name] NHS Trust by section 4(4) of the 2003 Act, to the chairman of the NHS Trust, or
 - (ii) in any other case, to the chairman of the corporation, and
- (c) give public notice of the name of each candidate who he or she has declared elected.

(2) The returning officer is to make –

- (a) the number of first preference votes for each candidate whether elected or not,

- (b) any transfer of votes,
- (c) the total number of votes for each candidate at each stage of the count at which such transfer took place,
- (d) the order in which the successful candidates were elected, and
- (e) the number of rejected ballot papers under each of the headings in rule stv39(1),

available on request.

48. Declaration of result for uncontested elections – In an uncontested election, the returning officer is to as soon as is practicable after final day for the delivery of notices of withdrawals by candidates from the election –

- (a) declare the candidate or candidates remaining validly nominated to be elected,
- (b) give notice of the name of each candidate who he or she has declared elected to the chairman of the corporation, and
- (c) give public notice of the name of each candidate who he or she has declared elected.

Part 8 – Disposal of documents

49. Sealing up of documents relating to the poll – (1) On completion of the counting at a contested election, the returning officer is to seal up the following documents in separate packets –

- (a) the counted ballot papers,
- (b) the ballot papers endorsed with –rejected in partll,
- (c) the rejected ballot papers, and
- (d) the statement of rejected ballot papers.

(2) The returning officer must not open the sealed packets of –

- (a) the disqualified documents, with the list of disqualified documents inside it,
- (b) the declarations of identity,
- (c) the list of spoilt ballot papers,
- (d) the list of lost ballot papers,
- (e) the list of eligible voters, and
- (f) the list of tendered ballot papers.

(3) The returning officer must endorse on each packet a description of –

- (a) its contents,

- (b) the date of the publication of notice of the election,
- (c) the name of the corporation to which the election relates, and
- (d) the constituency, or class within a constituency, to which the election relates.

50. Delivery of documents – Once the documents relating to the poll have been sealed up and endorsed pursuant to rule 49, the returning officer is to forward them to the chair of the corporation.

51. Forwarding of documents received after close of the poll – Where –

- (a) any voting documents are received by the returning officer after the close of the poll, or
- (b) any envelopes addressed to eligible voters are returned as undelivered too late to be resent, or
- (c) any applications for replacement ballot papers are made too late to enable new ballot papers to be issued,

the returning officer is to put them in a separate packet, seal it up, and endorse and forward it to the chairman of the corporation.

52. Retention and public inspection of documents – (1) The corporation is to retain the documents relating to an election that are forwarded to the chair by the returning officer under these rules for one year, and then, unless otherwise directed by the regulator, cause them to be destroyed.

(2) With the exception of the documents listed in rule 53(1), the documents relating to an election that are held by the corporation shall be available for inspection by members of the public at all reasonable times.

(3) A person may request a copy or extract from the documents relating to an election that are held by the corporation, and the corporation is to provide it, and may impose a reasonable charge for doing so.

53. Application for inspection of certain documents relating to an election –

(1) The corporation may not allow the inspection of, or the opening of any sealed packet containing –

- (a) any rejected ballot papers, including ballot papers rejected in part,
- (b) any disqualified documents, or the list of disqualified documents,
- (c) any counted ballot papers,
- (d) any declarations of identity, or
- (e) the list of eligible voters,

by any person without the consent of the Regulator.

(2) A person may apply to the Regulator to inspect any of the documents listed in (1), and the Regulator may only consent to such inspection if it is satisfied that it is necessary for the purpose of questioning an election pursuant to Part 11.

(3) The Regulator's consent may be on any terms or conditions that it thinks necessary, including conditions as to –

- (a) persons,
- (b) time,
- (c) place and mode of inspection,
- (d) production or opening,

and the corporation must only make the documents available for inspection in accordance with those terms and conditions.

(4) On an application to inspect any of the documents listed in paragraph (1), –

- (a) in giving its consent, the regulator, and
- (b) and making the documents available for inspection, the corporation,

must ensure that the way in which the vote of any particular member has been given shall not be disclosed, until it has been established –

- (i) that his or her vote was given, and
- (ii) that the regulator has declared that the vote was invalid.

Part 9 – Death of a candidate during a contested election

fpp54. Countermand or abandonment of poll on death of candidate – (1) If, at a contested election, proof is given to the returning officer's satisfaction before the result of the election is declared that one of the persons named or to be named as a candidate has died, then the returning officer is to

- (a) countermand notice of the poll, or, if ballot papers have been issued, direct that the poll be abandoned within that constituency or class, and
- (b) order a new election, on a date to be appointed by him or her in consultation with the corporation, within the period of 40 days, computed in accordance with rule 3 of these rules, beginning with the day that the poll was countermanded or abandoned.

(2) Where a new election is ordered under paragraph (1), no fresh nomination is necessary for any candidate who was validly nominated for the election where the poll was countermanded or abandoned but further candidates shall be invited for that constituency or class.

(3) Where a poll is abandoned under paragraph (1)(a), paragraphs (4) to (7) are to apply.

(4) The returning officer shall not take any step or further step to open envelopes or deal with their contents in accordance with rules 33 and 34, and is to make up separate sealed packets in accordance with rule 35.

(5) The returning officer is to –

- (a) count and record the number of ballot papers that have been received, and
- (b) seal up the ballot papers into packets, along with the records of the number of ballot papers.

(6) The returning officer is to endorse on each packet a description of –

- (a) its contents,
- (b) the date of the publication of notice of the election,
- (c) the name of the corporation to which the election relates, and
- (d) the constituency, or class within a constituency, to which the election relates.

(7) Once the documents relating to the poll have been sealed up and endorsed pursuant to paragraphs (4) to (6), the returning officer is to deliver them to the chairman of the corporation, and rules 52 and 53 are to apply.

stv54. Countermand or abandonment of poll on death of candidate – (1) If, at a contested election, proof is given to the returning officer's satisfaction before the result of the election is declared that one of the persons named or to be named as a candidate has died, then the returning officer is to –

- (a) publish a notice stating that the candidate has died, and
- (b) proceed with the counting of the votes as if that candidate had been excluded from the count so that –
 - (i) ballot papers which only have a first preference recorded for the candidate that has died, and no preferences for any other candidates, are not to be counted, and
 - (ii) ballot papers which have preferences recorded for other candidates are to be counted according to the consecutive order of those preferences, passing over preferences marked for the candidate who has died.

(2) The ballot papers which have preferences recorded for the candidate who has died are to be sealed with the other counted ballot papers pursuant to rule 49(1)(a).

Part 10 – Election expenses and publicity

Election expenses

55. Election expenses – Any expenses incurred, or payments made, for the purposes of an election which contravene this Part are an electoral irregularity, which may only be questioned in an application to the regulator under Part 11 of these rules.

56 Expenses and payments by candidates - A candidate may not incur any expenses or make a payment (of whatever nature) for the purposes of an election, other than expenses or payments that relate to –

- (a) personal expenses,
- (b) travelling expenses, and expenses incurred while living away from home, and
- (c) expenses for stationery, postage, telephone, internet (or any similar means of communication) and other petty expenses, to a limit of [£100].

57. Election expenses incurred by other persons – (1) No person may -

- (a) incur any expenses or make a payment (of whatever nature) for the purposes of a candidate's election, whether on that candidate's behalf or otherwise, or
- (b) give a candidate or his or her family any money or property (whether as a gift, donation, loan, or otherwise) to meet or contribute to expenses incurred by or on behalf of the candidate for the purposes of an election.

(2) Nothing in this rule is to prevent the corporation from incurring such expenses, and making such payments, as it considers necessary pursuant to rules 58 and 59.

Publicity

58. Publicity about election by the corporation – (1) The corporation may –

- (a) compile and distribute such information about the candidates, and
- (b) organise and hold such meetings to enable the candidates to speak and respond to questions,

as it considers necessary.

(2) Any information provided by the corporation about the candidates, including information compiled by the corporation under rule 59, must be –

- (a) objective, balanced and fair,
- (b) equivalent in size and content for all candidates,
- (c) compiled and distributed in consultation with all of the candidates standing for election, and

- (d) must not seek to promote or procure the election of a specific candidate or candidates, at the expense of the electoral prospects of one or more other candidates.

(3) Where the corporation proposes to hold a meeting to enable the candidates to speak, the corporation must ensure that all of the candidates are invited to attend, and in organising and holding such a meeting, the corporation must not seek to promote or procure the election of a specific candidate or candidates at the expense of the electoral prospects of one or more other candidates.

59. Information about candidates for inclusion with voting documents - (1)

The corporation must compile information about the candidates standing for election, to be distributed by the returning officer pursuant to rule 24 of these rules.

(2) The information must consist of –

- (a) a statement submitted by the candidate of no more than [250] words, [and]
- [(b) a photograph of the candidate.]

60. Meaning of “for the purposes of an election” - (1) In this Part, the phrase –for the purposes of an electionll means with a view to, or otherwise in connection with, promoting or procuring a candidate’s election, including the prejudicing of another candidate’s electoral prospects; and the phrase -for the purposes of a candidate’s electionll is to be construed accordingly.

(2) The provision by any individual of his or her own services voluntarily, on his or her own time, and free of charge is not to be considered an expense for the purposes of this Part.

Part 11 – Questioning elections and the consequence of irregularities

61. Application to question an election – (1) An application alleging a breach of these rules, including an electoral irregularity under Part 10, may be made to the regulator.

(2) An application may only be made once the outcome of the election has been declared by the returning officer.

(3) An application may only be made to the Regulator by -

- (a) a person who voted at the election or who claimed to have had the right to vote, or
- (b) a candidate, or a person claiming to have had a right to be elected at the election.

(4) The application must –

- (a) describe the alleged breach of the rules or electoral irregularity, and

(b) be in such a form as the Regulator may require.

(5) The application must be presented in writing within 21 days of the declaration of the result of the election.

(6) If the Regulator requests further information from the applicant, then that person must provide it as soon as is reasonably practicable.

(7) The Regulator shall delegate the determination of an application to a person or persons to be nominated for the purpose of the Regulator.

(8) The determination by the person or persons nominated in accordance with Rule 61(7) shall be binding on and shall be given effect by the corporation, the applicant and the members of the constituency (or class within a constituency) including all the candidates for the election to which the application relates.

(9) The Regulator may prescribe rules of procedure for the determination of an application including costs.

Part 12 – Miscellaneous

62. Secrecy – (1) The following persons –

- (a) the returning officer,
- (b) the returning officer's staff,

must maintain and aid in maintaining the secrecy of the voting and the counting of the votes, and must not, except for some purpose authorised by law, communicate to any person any information as to –

- (i) the name of any member of the corporation who has or has not been given a ballot paper or who has or has not voted,
- (ii) the unique identifier on any ballot paper,
- (iii) the candidate(s) for whom any member has voted.

(2) No person may obtain or attempt to obtain information as to the candidate(s) for whom a voter is about to vote or has voted, or communicate such information to any person at any time, including the unique identifier on a ballot paper given to a voter.

(3) The returning officer is to make such arrangements as he or she thinks fit to ensure that the individuals who are affected by this provision are aware of the duties it imposes.

63. Prohibition of disclosure of vote – No person who has voted at an election shall, in any legal or other proceedings to question the election, be required to state for whom he or she has voted.

64. Disqualification – A person may not be appointed as a returning officer, or as staff of the returning officer pursuant to these rules, if that person is –

- (a) a member of the corporation,
- (b) an employee of the corporation,
- (c) a director of the corporation, or
- (d) employed by or on behalf of a person who has been nominated for election.

65. Delay in postal service through industrial action or unforeseen event – If industrial action, or some other unforeseen event, results in a delay in –

- (a) the delivery of the documents in rule 24, or
- (b) the return of the ballot papers and declarations of identity,

the returning officer may extend the time between the publication of the notice of the poll and the close of the poll, with the agreement of the Regulator.

ANNEX 5 – ADDITIONAL PROVISIONS – COUNCIL OF GOVERNORS

(Paragraphs 11.1, 11.5, 12.3 and 19)

Elected Governors

1. A member of the Public Constituency may not vote at an election for a Public Governor unless within twenty-one days before they vote they have made a declaration in the form specified by the Company Secretary that they are qualified to vote as a member of the relevant area of the Public Constituency. It is an offence to knowingly or recklessly make such a declaration which is false in a material particular.

Appointed Governors

2. The Company Secretary, having consulted Wirral Metropolitan Borough Council, is to adopt a process for agreeing the appointment of Local Authority Governors with that local authority.
3. The other Appointed Governors are to be appointed by their respective Appointing Organisations, in accordance with a process agreed by that organisation with the Company Secretary.

Appointment of Lead Governor of the Council of Governors

4. The Council of Governors shall appoint one of the Governors to be Lead Governor of the Council of Governors, who shall hold office for a period of two years from their date of appointment.

Further provisions as to eligibility to be a Governor

5. Paragraphs 6 – 7 apply in addition to the grounds set out at paragraph 11 and 12 of the constitution.
6. A person may not be appointed as an Appointed Governor and, if already holding office as an Appointed Governor, will immediately cease to do so if, he is an Elected Governor or a candidate for election as an Elected Governor.
7. A person may not become a Governor (whether Appointed or Elected) of the Foundation Trust, and, if already holding such office, will immediately cease to do so, if:
 - 7.1 he is a Director of the Foundation Trust or a Governor or Director of an NHS body (unless he is appointed by an Appointing Organisation which is an NHS body);
 - 7.2 he is the spouse, Partner, parent or child of a member of the Board of Directors of the Foundation Trust;

- 7.3 he is a member of a local authority's Scrutiny Committee covering health matters;
- 7.4 he is an employee or appointed official of Local Healthwatch;
- 7.5 he has been previously removed as a Governor pursuant to paragraph 8 of this Annex 5.
- 7.6 being a member of the Public Constituency, he refuses to sign a declaration in the form specified by the Company Secretary of particulars of his qualification to vote as a member of the Foundation Trust, and that he is not prevented from being a member of the Council of Governors;
- 7.7 he is subject to a sex offender order;
- 7.8 he has within the preceding two years been dismissed, otherwise than by reason of redundancy, from any paid employment with an NHS body;
- 7.9 he is a person whose tenure of office as the Chair or as a member or Director of an NHS body has been terminated on the grounds that his appointment is not in the interests of the health service, for non-attendance at meetings or for non-disclosure of a pecuniary interest;
- 7.10 he is incapable by reason of mental disorder, illness or injury in managing and administering his property and/or affairs;
- 7.11 he has had his name removed from any list prepared under Parts 4, 5, 6 or 7 of the 2006 Act and has not subsequently had his name included in such a list;
- 7.12 he is a member of a class of the Staff Constituency and any professional registration relevant to his eligibility to continue to be a member of that class of the Staff Constituency has been suspended (by way of an imposition of a penalty) for a continuous period of more than six months; or
- 7.13 he is a Member of the UK Parliament.

8. Resignation, Removal and Disqualification of a Governor

Voluntary

- 8.1 A Governor may decide to resign from office by putting this in writing to the Chairman and/or the Company Secretary.
- 8.2 Resignation is effective upon receipt by the Chairman and/or the Company Secretary.
- 8.3 At the first Council of Governors' meeting following any such resignation, the Company Secretary shall ensure that an agenda item is proposed to formally communicate the departing Governor's resignation and to

discuss and agree how the vacancy created by the resignation may be filled, in accordance with paragraphs 9 – 11 of this Annex 5 of this Constitution.

Ineligibility

- 8.4 The eligibility requirements to become and to continue as a Governor are set out in paragraphs 6 and 7 of Annex 5 of this Constitution. Governors are personally responsible for ensuring that they continue to meet these requirements throughout their term in office.
- 8.5 The Governors' Code of Conduct has been updated to include the requirements of the Fit and Proper Persons Test as required by the Trust's Provider Licence.
- 8.6 A Governor must notify the Chairman or the Company Secretary within 5 days upon becoming aware of a circumstance which brings their eligibility to continue as a Governor into doubt.
- 8.7 The Chairman shall discuss any such notification with the Governor at the first available opportunity, following which:
- 8.8 the Governor may agree that he/she must step down from office, in which case he/she will provide written confirmation as such to the Chairman and, upon receipt of such notice, the process at paragraph 3 above applies; or if the Chairman considers the Governor ineligible to continue in post and if the Governor disagrees and considers that they are eligible to continue as a Governor, the process set out below at paragraphs 8.9 – 8.23 will apply.

Removal from office

- 8.9 The following individuals may present a proposal to the Council of Governors that a Governor should be removed from office:
- 8.10 The Chairman, Company Secretary or 5 Governors.
- 8.11 Any such proposal must be based on one or more of the following grounds:
 - 8.11.1 consistent and unjustifiable failure to attend 3 consecutive meetings of the Council of Governors without reasonable excuse
 - 8.11.2 an actual or potential conflict of interest which prevents or has prevented the Governor in the proper exercise of their duties,

- 8.11.3 breach of specific provisions of the Trust's Code of Conduct for Governors or otherwise actions which are incompatible with a values of the Trust
 - 8.11.4 refusal without reasonable cause to undertake any mandatory training which the Council of Governors requires all Governors to undertake
 - 8.11.5 failure to accept, sign and return the Code of Conduct for Governors'
- 8.12 Upon receipt of such a proposal, the Chairman together with the Company Secretary and the Lead Governor will be asked to investigate and identify whether the proposed grounds may be substantiated including undertaking interviews/discussions with the Governor in question, as appropriate.
- 8.13 Should the Chairman and/or the Company Secretary and the Lead Governor determine that there may be a case for removal, they must serve the Governor in question with written notice of:
- 8.13.1 The allegations against the Governor;
 - 8.13.2 The evidence on which such allegations are based (including copies of any such evidence were possible); and
 - 8.13.3 What action it is proposed that the Trust/Council of Governors shall take if the allegations are found to be proven.
- 8.14 The possible actions that may be taken pursuant to paragraph 8.13.3 are:
- 8.14.1 No further action necessary
 - 8.14.2 A letter of censure (explaining the breach and required behaviour going forwards),
- Or, if the Governor concerned has committed a serious breach of the code of conduct, or acted in a manner detrimental to the interests of the Foundation Trust and it is considered that it is not in the best interests of the Foundation Trust for them to continue as a Governor,
- 8.14.3 A letter outlining the recommendation to the Council of Governors for the removal from office
- 8.15 Upon receipt of such notice under 8.14.2 or 8.14.3, the Governor has 28 days to provide written representations as to:

- 8.15.1 which, if any, allegations he/she accepts or denies and, if the latter, his or her reasons together with supporting evidence;
 - 8.15.2 whether he/she agrees or disagrees with the proposed action and, if the latter, his or her reasons together with any applicable supporting evidence.
- 8.16 Upon receipt of a Governor's representations in accordance with paragraph 8.15, the Chairman with the Company Secretary shall have 28 days within which to serve the Governor with a response which may confirm that all/some allegations are upheld or that the proposed action is/are no longer being pursued by the Trust.
- 8.17 Following service of representations in accordance with paragraphs 8.15 and 8.16, where there is a dispute as to the allegations against a Governor and the proposed action is for removal, an independent assessor agreeable to both the Trust and Governor should be requested to consider the evidence and determine whether the proposed removal is reasonable or otherwise.
- 8.18 The independent assessor will be sought from a panel of Chairpersons and Company Secretaries in the North West. The independent assessors decision will be final.
- 8.19 Following service of representations in accordance with paragraph 8.15 and any report from an independent assessor appointed in accordance with paragraph 8.18, the following documents will be presented to the Council of Governors:
- 8.19.1 Notice in accordance with paragraph 8.13;
 - 8.19.2 Representations received in accordance with paragraph 8.15;
 - 8.19.3 Response received in accordance with paragraph 8.16; and
 - 8.19.4 Any report received in accordance with paragraph 8.18.
- 8.20 Whereupon the Council of Governors will decide whether the Governor should be removed by a resolution approved by not less than three-quarters of the remaining Governors present and voting.
- 8.21 The vote in these circumstances will be by secret ballot and for purposes of clarity the Chairman will be included and have a casting vote as required. The outcome of the vote will be applied with immediate effect.
- 8.23 A Governor whose tenure of office is terminated under paragraph above shall not be eligible to be re-appointed by the Trust.

Communication

- 8.24 Upon effective resignation by a Governor or a Council of Governors' final decision to remove a Governor, the Trust will arrange for members and the Board of Directors to be advised of the resignation/removal by the Chairman with the Company Secretary.

Vacancies amongst Governors

9. Where a vacancy arises on the Council of Governors for any reason other than expiry of term of office, the following provisions will apply.
10. Where the vacancy arises amongst the Appointed Governors, the Company Secretary shall request that the Appointing Organisation appoints a replacement to hold office for the remainder of the term of office.
11. Where the vacancy arises amongst the Elected Governors, the Council of Governors shall be at liberty either:
- 11.1 to call an election within three months to fill the seat for the remainder of that term of office; or
- 11.2 to invite the next highest polling candidate for that seat at the most recent election, who is willing to take office, to fill the seat until the next annual election, at which time the seat will fall vacant and subject to election for any unexpired period of the term of office. Should that candidate decline, the Council of Governors shall be at liberty to approach each of the remaining next highest polling candidates in order until the seat is filled in accordance with this paragraph, failing which the options referred to in paragraphs 11.1 and 11.3 of this Annex shall be available to the Council of Governors; or
- 11.3 if the unexpired period of the term of office is less than six months, to leave the seat vacant until the next elections are held.

ANNEX 6 - ADDITIONAL PROVISIONS – BOARD OF DIRECTORS

(Paragraphs 21.2, 22.3 and 25)

Appointment and Removal of Chair and other Non-executive Directors

1. Non-executive Directors are to be appointed by the Council of Governors using the following procedure.
 - 1.1 The Council of Governors will maintain a policy for the composition of the non-executive Directors which takes account of the membership strategy, and which they shall review from time to time and not less than every three years.
 - 1.2 The Board of Directors may work with an external organisation recognised as expert at appointments to identify the skills and experience required for non-executive Directors.
 - 1.3 Appropriate candidates will be identified by a Nominations Committee through a process of open competition, which takes account of the policy maintained by the Council of Governors and the skills and experience required, referred to in paragraphs 1.1 and 1.2 above.
 - 1.4 The Nominations Committee will comprise the Chair of the Foundation Trust (or, when a Chair is being appointed, the Deputy Chair unless they are standing for appointment, in which case another non-executive Director), three elected Public Governors, one elected Staff Governor and one Appointed Governor. The Nominations Committee will be advised by an independent assessor, who may be a chair of another Foundation Trust. The Chief Executive will be entitled to attend meetings of the Nominations Committee unless the Committee decides otherwise and the Committee shall take into account the Chief Executive's views.
2. The removal of the Chair or another non-executive Director shall be in accordance with the following procedures.
 - 2.1 Any proposal for removal must be proposed by a Governor and seconded by not less than ten Governors including at least two Elected Governors and two Appointed Governors.
 - 2.2 Written reasons for the proposal shall be provided to the non-executive Director in question, who shall be given the opportunity to respond to such reasons.
 - 2.3 In making any decision to remove a non-executive Director, the Council of Governors shall take into account the annual appraisal carried out by the Chair.
 - 2.4 If any proposal to remove a non-executive Director is not approved at a meeting of the Council of Governors, no further proposal can be put

forward to remove such non-executive Director based upon the same reasons within twelve (12) months of that meeting.

Further provisions as to disqualification of Directors

3. Paragraph 4 of this Annex applies in addition to the grounds set out at paragraph 25 of the constitution.
4. A person may not become or continue as a Director of the Foundation Trust if:
 - 4.1 he is a member of the Council of Governors or a Governor or Director of an NHS body;
 - 4.2 he is an employee or appointed official of Local Healthwatch;
 - 4.3 he is the spouse, Partner, parent or child of a member of the Board of Directors of the Foundation Trust;
 - 4.4 he is a member of a local authority's Scrutiny Committee covering health matters;
 - 4.5 he is the subject of a disqualification order made under the Company Directors Disqualification Act 1986;
 - 4.6 he is a person whose tenure of office as a Chair or as a member or Director of an NHS body has been terminated on the grounds that his appointment is not in the interests of the health service, for non-attendance at meetings or for non-disclosure of a pecuniary interest;
 - 4.7 he has within the preceding two years been dismissed, otherwise than by reason of redundancy, from any paid employment with an NHS body;
 - 4.8 in the case of a non-executive Director, he has refused without reasonable cause to fulfill any training requirement established by the Board of Directors; or
 - 4.9 he has refused to sign and deliver to the Company Secretary a statement in the form required by the Board of Directors confirming acceptance of the Code of Conduct for Directors.
 - 4.10 he fails to disclose any direct or indirect pecuniary or non-pecuniary interest required to be disclosed under this constitution and is required to permanently vacate his office by a majority of the remaining Directors and (in the case of a non-executive Director) by three quarters of the Council of Governors.

Expenses

5. The Foundation Trust may reimburse executive Directors travelling and other costs and expenses incurred in carrying out their duties at such rates as the remuneration committee of non-executive Directors decides. These are to be disclosed in the annual report.

ANNEX 7 – STANDING ORDERS FOR THE PRACTICE AND PROCEDURE OF THE COUNCIL OF GOVERNORS

(Paragraph 15)

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Interpretation

- 1.1. Save as permitted by law, the Chair of the Foundation Trust shall be the final authority on the interpretation of Standing Orders (on which he shall be advised by the Chief Executive and Director of Finance).
- 1.2. Any expression to which a meaning is given in the National Health Service Act 2006 shall have the same meaning in this interpretation and in addition:

"Board" shall mean the Chair of the Foundation Trust and non-executive Directors, appointed by the Council of Governors, and the Executive Directors appointed by the Remuneration and Appointments Committee of the Board.

"Chair" is the person appointed by the Council of Governors in accordance with paragraph 22 of this constitution. The expression –the Chairll shall be deemed to include the non-executive Director appointed by the Council of Governors to take on the Chair’s duties if the Chair is absent or is otherwise unavailable (the Deputy Chair) and any other non-executive Director appointed to take on the duties of Chair in the absence of the Deputy Chair. The expression –the Chairll shall also, for the purpose of these Standing Orders, be deemed to include the Lead Governor for so long as the Lead Governor chairs a meeting of the Council in accordance with standing order 3.3 of these Standing Orders.

"Chief Executive" shall mean the chief officer of the Foundation Trust.

"Committee" shall mean a committee appointed by the Council of Governors.

"Committee members" shall be persons formally appointed by the Council of Governors to sit on or to chair specific committees.

"Company Secretary" shall mean the person appointed by the Board to ensure the Foundation Trust complies with relevant legislation and to establish procedures for the sound governance of the Foundation Trust.

"Director" shall mean a person appointed to the Board of Directors in accordance with the Foundation Trust’s constitution and includes the Chair of the Foundation Trust.

"Foundation Trust" means the Wirral University Teaching Hospital NHS Foundation Trust.

"Lead Governor" means the person appointed by the Council of Governors in accordance with Annex 5 paragraph 4 of the constitution to be Lead Governor of the Council of Governors.

"Motion" means a formal proposition to be discussed and voted on during the course of a meeting.

"Officer" means an employee of the Foundation Trust.

2. General Information

- 2.1. The purpose of the Council of Governors Standing Orders is to ensure that the highest standards of corporate governance and conduct are applied to all Council meetings and associated deliberations. The Council shall at all times seek to comply with the Foundation Trust's Code of Conduct for Governors.
- 2.2. All business shall be conducted in the name of the Foundation Trust.
- 2.3. The Board of Directors shall appoint Foundation Trustees to administer separately charitable funds received by the Foundation Trust and for which they are accountable to the Charity Commission.
- 2.4. A Governor who has acted honestly and in good faith will not have to meet out of his own personal resources any personal civil liability which is incurred in the execution or purported execution of his functions as a Governor save where the Governor has acted recklessly. Any costs arising in this way will be met by the Foundation Trust. The Foundation Trust may purchase and maintain insurance against this liability for the benefit of members of the Council of Governors.

3. Composition of the Council of Governors

- 3.1. The composition of the Council of Governors shall be in accordance with paragraph 9 and Annex 3 of the Foundation Trust's Constitution.
- 3.2. **Appointment and Removal of the Chair, Deputy Chair and Lead Governor of the Council of Governors** - These appointments shall be made by the Governors in accordance with paragraphs 22 and 23 and Annex 5 paragraph 4 of the Foundation Trust's constitution.
- 3.3. **Duties of Deputy Chair and Lead Governor** – For the purpose of these Standing Orders and meetings of the Council of Governors, where the Chair of the Foundation Trust has died or has otherwise ceased to hold office or where he has been unable to perform his duties as Chair owing to illness, absence from England and Wales or any other cause, references to the Chair shall, so long as there is no Chair able to perform his/her duties, be taken to include references to the Deputy Chair of the Foundation Trust or, in the event that the Deputy Chair has died or has otherwise ceased to hold office or where he has been unable to perform his duties as Deputy Chair owing to illness, absence from England and Wales or any other cause, to the non-executive Director appointed to take on the duties of Chair in the absence of the Deputy Chair. If the person presiding at any meeting of the Council of Governors has a conflict of interest in relation to the business being discussed, the Lead Governor appointed by the Council of Governors will chair that part of the meeting.

4. Meetings of the Council of Governors

4.1. Meetings held in Public

- 4.1.1 As stipulated by paragraph 14.2 of the constitution, meetings of the Council of Governors shall be open to members of the public unless the Council of Governors decides otherwise in relation to all or part of a meeting for reasons of commercial confidentiality or on other proper grounds.
- 4.1.2 However, the Chair may exclude any member of the public from the meeting of the Council if he considers that he is interfering with or preventing proper conduct of the meeting or for other special reasons pursuant to paragraph 14.2 of the constitution.
- 4.1.3 Meetings of the Council of Governors shall be held at least three times in each financial year at such times and places that the Council of Governors may determine.
- 4.1.4 Without prejudice to the power of paragraph 14.3 of the constitution to require one or more Directors of the Foundation Trust to attend a meeting of the Council of Governors so that it may obtain information about the Foundation Trust's performance of its functions or the Directors' performance of their duties (and decide whether to propose a vote on the Foundation Trust's or Directors' performance), the Council may invite the Chief Executive, other appropriate Directors or other officers of the Foundation Trust to attend any meeting of the Council to enable Governors to raise questions about the Foundation Trust's affairs. The Council may also invite a representative of the auditor or any of the other Foundation Trust's advisors, to attend a meeting of the Council.

4.2 Calling Meetings

- 4.2.1 Notwithstanding standing order 4.1.3 above, the Company Secretary or the Chair may call a meeting of the Council of Governors at any time.
- 4.2.2 Ten Governors (including at least two Elected Governors and two Appointed Governors) may call a meeting of the Council of Governors at any time by giving written notice to the Company Secretary specifying the business to be carried out. On receipt of such a request by ten Governors, the Company Secretary shall send a written notice to all Governors and shall, save in the case of emergencies or the need to conduct urgent business, call a meeting on at least fourteen but not more than twenty-eight days' notice to discuss the specified business. If the Company Secretary

fails to call such a meeting, then the ten Governors shall call such a meeting.

4.3 Notice of Meetings

4.3.1 Before each meeting of the Council of Governors, a written notice of the meeting, specifying the date and place of the meeting, shall be delivered by the Company Secretary to every Governor, or sent by post to the usual place of residence of such Governor, so as to be available to him at least fourteen clear days before the meeting. Lack of service of the notice on any Governor shall not affect the validity of a meeting, subject to paragraph 4.3.4 below. Notice of the meeting shall also be published on the Foundation Trust's website.

4.3.2 Notwithstanding the above requirement for notice, the Company Secretary or the Chair may waive notice in the case of emergencies or in the case of the need to conduct urgent business.

4.3.3 In the case of a meeting called by the Company Secretary at the request of ten Governors or in the case of a meeting called by ten Governors in default of the Company Secretary, no business shall be transacted at the meeting other than that specified in the notice.

4.3.4 Subject to paragraph 4.3.2, failure to serve notice on more than three quarters of Governors will invalidate any meeting. A notice will be presumed to have been served 72 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, 72 hours after it was sent.

4.4 Setting the Agenda

4.4.1 The Council of Governors may determine that certain matters shall appear on every agenda for a meeting of the Council and shall be addressed prior to any other business being conducted.

4.4.2 Save for in the case of a meeting called by the Company Secretary at the request of ten Governors and in the case of a meeting called by ten Governors, a Governor desiring a matter to be included on an agenda shall make his request in writing to the Company Secretary at least ten clear days before the meeting. Requests made less than ten days before a meeting may be included on the agenda at the discretion of the Company Secretary or the Chair.

4.4.3 The Company Secretary shall make arrangements to ensure that the final agenda and any supporting papers for the meeting, following the receipt of any requests in accordance with 4.4.2

above, are delivered to every Governor, or sent by post to the usual place of residence of such Governor, so as to be available to him/her at least five clear days before the meeting. For the avoidance of doubt, the final agenda and/or supporting papers may be delivered using electronic communications in accordance with paragraph 43.1 of the constitution.

4.5 Chair of Meeting

At any meeting of the Council of Governors, the Chair, if present, shall preside. If the Chair is absent from the meeting or the Council of Governors is meeting to appoint or remove the Chair or decide his remuneration and allowances and other terms and conditions of office, the Deputy Chair shall preside. If the Deputy Chair is absent from the meeting, or the Council of Governors is meeting to appoint or remove the Deputy Chair or decide his remuneration and allowances and other terms and conditions of office, the Non-Executive Director appointed to take on the duties of Chair in the absence of the Deputy Chair shall preside. If the person presiding at any meeting of the Council of Governors has a conflict of interest in relation to the business being discussed, the Lead Governor appointed by the Council of Governors will chair that part of the meeting.

4.6 Notices of Motions

4.6.1 A Governor of the Foundation Trust desiring to move or amend a motion shall send a written notice thereof at least two clear days before the meeting to the Company Secretary, who shall insert this in the agenda for the meeting. All notices so received are subject to the notice given being permissible under the appropriate regulations. This paragraph shall not prevent any motion being moved during the meeting, without notice, on any business mentioned on the agenda subject to section 4.3.3 of these Standing Orders.

4.6.2 A motion or amendment, once moved and seconded, may be withdrawn by the proposer with the concurrence of the seconder and the consent of the Chair.

4.6.3 Notice of motion to amend or rescind any resolution (or the general substance of any resolution), which has been passed within the preceding six calendar months, shall bear the signature of the Governors who gave it and also the signature of four other Governors. When any such motion has been disposed of by the Assembly it shall not be competent for any Governor, other than the Chair, to propose a motion to the same effect within six months; however the Chair may do so if he considers it appropriate.

4.6.4 The mover of a motion shall have a right of reply at the close of

any discussion on the motion or any amendment thereto.

4.6.5 When a motion is under discussion or immediately prior to discussion it shall be open to a Governor to move:

- (a) An amendment to the motion.
- (b) The adjournment of the discussion or the meeting.
- (c) The appointment of an ad hoc committee to deal with a specific item of business.
- (d) That the meeting proceed to the next business.
- (e) That the motion be now put.

Such a motion, if seconded, shall be disposed of before the motion, which was originally under discussion or about to be discussed. No amendment to the motion shall be admitted if, in the opinion of the Chair of the meeting, the amendment negates the substance of the motion.

In the case of motions under (d) and (e), to ensure objectivity, motions may only be put by a Governor who has not previously taken part in the debate.

4.7 Attendance at Meetings

4.7.1 The Council of Governors may in exceptional circumstances agree that its members can participate in its meetings by telephone, video or computer link. Participation in a meeting in this manner shall be deemed to constitute presence in person at the meeting.

4.7.2 Governors who are unable to attend a meeting should advise the Company Secretary in advance of the meeting so that their apologies may be submitted.

4.8 Chair's Ruling

Statements of Governors made at meetings of the Council shall be relevant to the matter under discussion at the material time and the decision of the Chair of the meeting on questions of order, relevancy, regularity and any other matters shall be observed at the meeting.

4.9 Voting

4.9.1 Decisions at meetings shall be determined by a majority of the votes of the Governors present and voting, save that the removal of the Chair or another Non-Executive Director from office shall require the approval of three-quarters of the members of the Council of Governors. In the case of any equality of votes, the person presiding shall have a second or casting vote. However,

no resolution shall be passed if it is opposed by all of the Public Governors present.

- 4.9.2 All decisions put to the vote shall, at the discretion of the Chair of the meeting, be determined by oral expression or by a show of hands. A paper ballot may also be used if a majority of the Governors present so request.
- 4.9.3 If at least one-third of the Governors present so request, the voting (other than by paper ballot) on any question may be recorded to show how each Governor present voted or abstained.
- 4.9.4 If a Governor so requests, his vote shall be recorded by name upon any vote (other than by paper ballot).
- 4.9.5 In no circumstances may an absent Governor vote by proxy. Absence is defined as being absent at the time of the vote.
- 4.9.6 An Elected Governor may not vote at a meeting of the Council of Governors unless, before attending the meeting, they have made a declaration in the form specified by the Company Secretary of the particulars of their qualification to vote as a member of the Foundation Trust and that they are not prevented from being a member of the Foundation Trust. An Elected Governor shall be deemed to have confirmed the declaration upon attending any subsequent meeting of the Council of Governors and every agenda for meetings of the Council of Governors shall draw this to the attention of the Governors.
- 4.9.7 The result of any vote shall be included in the minutes of the meeting and the minutes will be conclusive evidence of the result of the vote.

4.10 Suspension of Standing Orders

- 4.10.1 Except where this would contravene any statutory provision or a direction made by the Secretary of State, any one or more of these Standing Orders may be suspended at any meeting, provided that at least two-thirds of members of the Council are present and that a majority of those present vote in favour of suspension.
- 4.10.2 A decision to suspend Standing Orders shall be recorded in the minutes of the meeting.
- 4.10.3 A separate record of matters discussed during the suspension of Standing Orders shall be made and shall be available to the Directors.
- 4.10.4 No formal business may be transacted while Standing Orders are

suspended.

4.10.5 The Foundation Trust's Audit Committee shall review every decision to suspend Standing Orders.

4.11 Variation and Amendment of Standing Orders

These Standing Orders may be amended in accordance with the provisions of paragraph 38 of the Foundation Trust's constitution only if

4.11.1 notice of a motion to amend the Standing Orders has been given; and

4.11.2 the variation/amendment proposed does not contravene a statutory provision or a direction made by the Secretary of State

4.12 Record of Attendance

The names of the Governors present at the meeting shall be recorded in the minutes.

4.13 Minutes

4.13.1 The minutes of the proceedings of the meeting shall be drawn up and maintained as a public record. They will be submitted for agreement at the next meeting where they will be signed by the person presiding at it.

4.13.2 No discussion shall take place upon the minutes except upon their accuracy or where the Chair considers discussion appropriate. Any amendment to the minutes shall be agreed and recorded at the next meeting.

4.13.3 Minutes shall be circulated in accordance with the Governors' wishes. The minutes of the meeting shall be made available to the public except for minutes relating to business conducted when members of the public are excluded in accordance with standing order 4.1.1 of these Standing Orders.

4.14 Quorum

4.14.1 No business shall be transacted at a meeting of the Council of Governors unless at least eight Governors, including not less than five Public Governors are present.

4.14.2 If no quorum is present within half an hour of the time fixed for the start of the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Council of Governors determine and notice

of the adjourned meeting shall be circulated to members of the Council of Governors. If a quorum is not present within half an hour of the time fixed for the start of the adjourned meeting, the number of Governors present during the meeting is to be a quorum.

4.14.3 If a Governor has been disqualified from participating in the discussion on any matter and from voting on any resolution by reason of the declaration of a conflict of interest he shall no longer count towards the quorum. If a quorum is then not available for the discussion and/or the passing of a resolution on any matter, that matter may not be discussed further or voted upon at that meeting. Such a position shall be recorded in the minutes of the meeting. The meeting must then proceed to the next business.

5. Arrangements for the Exercise of Functions by Delegation

- 5.1 **Emergency Powers** - The powers which the Council of Governors has retained to itself within these Standing Orders may in an emergency be exercised by the Chair after having consulted at least five elected Governors. The exercise of such powers by the Chair shall be reported to the next formal meeting of the Council for ratification.
- 5.2 **Delegation of duties** – The Council of Governors may delegate duties to an individual Governor, committee or sub-committee but only under a clear remit approved by the Council.
- 5.3 **Delegation of powers** - The Council may not delegate any of its powers to an individual Governor, committee or sub-committee.
- 5.4 **Committees** – The Council of Governors may appoint committees consisting of its members, Directors and other persons to assist it in carrying out its functions. The Council may, through the Company Secretary, request that advisors assist it or any committee it appoints in carrying out their duties. These Standing Orders shall, so far as they are applicable, apply, with appropriate alteration, to meetings of any committees established by the Council.
- 5.5 Each such committee shall have such terms of reference and be subject to such conditions, as the Council shall decide. Such terms of reference shall have effect as if incorporated into these Standing Orders. The Council shall approve the membership of all committees that it formally constitutes and shall determine the Chair of each such committee.

6. Confidentiality

A member of the Council of Governors or any committee appointed by the Council shall not disclose a matter dealt with by, or brought before, the Council of Governors or the committee as the case may be, without its permission, notwithstanding that the matter has been reported or action has been concluded, if the Council of Governors or committee resolves that it is confidential.

7. Declaration of Interests and Register of Interests

7.1 Declaration of Interests

Governors are required to comply with the Foundation Trust's Standards of Business Conduct and to declare interests that are relevant and material to the Council. All Governors should declare such interests on appointment and on any subsequent occasion that a conflict arises.

7.1.1 Interests regarded as "relevant and material" include any of the following, held by a Governor, or the spouse or Partner of a Governor:

- a. Directorships, including non-executive Directorships, held in private companies or PLCs (with the exception of those of dormant companies).
- b. Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS
- c. Majority or controlling shareholdings in organisations likely or possibly seeking to do business with the NHS
- d. A position of authority in a charity or Voluntary Organisation in the field of health and social care.
- e. Any connection with a voluntary or other organization contracting for NHS service
- f. private practice
- g. other employment including agency/locum cover for another organization other than WUTH
- h. care provided to patients where their care is funded by the NHS but the income is not received by the Trust

7.1.2 Interests which shall not be treated as -relevant and material are:

- a. Shares not exceeding 2% of the total shares in issue held in any company whose shares are listed on any public exchange.
- b. An employment contract with the Foundation Trust held by a Staff Governor.
- c. An employment contract with a local authority held by a Local Authority Governor.

d. An employment contract with or other position of authority within an Appointing Organisation held by an Appointed Governor.

7.1.3 If a Governor has any doubt about the relevance of an interest, he should discuss it with the Chair who shall advise him whether or not to disclose the interest.

7.1.4 At the time Governors' interests are declared, they should be recorded in the Council of Governors minutes and entered on a Register of Interests of Governors to be maintained by the Company Secretary. Any changes in interests should be declared at the next Council meeting following the change occurring.

7.1.5 During the course of a Council meeting, if a conflict of interest is established, the Governor concerned shall withdraw from the meeting and play no part in the relevant discussion or decision. He shall not be entitled to vote on the issue in respect of which the conflict of interest has been established (and if by inadvertence they do remain and vote, their vote shall not be counted).

7.1.6 Any Governor who fails to disclose any interest required to be disclosed under these provisions must permanently vacate their office if required to do so by a majority of the remaining Governors in accordance with Annex 5 of the constitution.

7.2 Register of Interests

7.2.1 The Company Secretary will ensure that a Register of Interests is established to record formally declarations of interests of Governors.

7.2.2 Details of the Register will be kept up to date and reviewed annually.

7.2.3 The Register will be available to the public.

8. Compliance - Other Matters

8.1 All Governors shall comply with the Standards of Business Conduct set by the Board of Directors for the guidance of all staff employed by the Foundation Trust.

8.2 All Governors shall comply with Standing Financial Instructions prepared by the Director of Finance and approved by the Board of Directors for the guidance of all staff employed by the Foundation Trust.

8.3 All Governors shall comply with the Foundation Trust's Code of Conduct for Governors as amended from time to time.

8.4 All Governors must behave in accordance with the seven Nolan principles of behaviour in Public Life: -

Selflessness;

Integrity;

Objectivity;

Accountability;

Openness;

Honesty, and

Leadership.

9. Resolution of Disputes with Board of Directors

9.1. Should a dispute arise between the Council and the Board of Directors, then the disputes resolution procedure set out below shall be followed.

9.2. The Chair, or Deputy Chair (if the dispute involves the Chair), shall first endeavour, through discussion with Governors and Directors or, to achieve the earliest possible conclusion, appropriate representatives of them, to resolve the matter to the reasonable satisfaction of both parties.

9.3. Failing resolution under 9.2 above, then the Board or the Council, as appropriate, shall at its next formal meeting approve the precise wording of a Disputes Statement setting out clearly and concisely the issue or issues giving rise to the dispute.

9.4. The Chair shall ensure that the Disputes Statement, without amendment or abbreviation in any way, shall be an agenda item and agenda paper at the next formal meeting of the Board or Council as appropriate. That meeting shall agree the precise wording of a Response to Disputes Statement.

9.5. The Chair or Deputy Chair (if the dispute involves the Chair) shall immediately or as soon as is practical, communicate the outcome to the other party and deliver the written Response to Disputes Statement. If the matter remains unresolved or only partially resolved then the procedure outlined in 9.2 above shall be repeated.

9.6. If, in the opinion of the Chair or Deputy Chair (if the dispute involves the Chair) and following the further discussions prescribed in 9.5 above, there is no further prospect of a full resolution or, if at any stage in the whole process, in the opinion of the Chair or Deputy Chair, as

the case may be, there is no prospect of a resolution (partial or otherwise) then he shall advise the Council and Board accordingly.

- 9.7. On the satisfactory completion of this disputes process, the Board of Directors shall implement agreed changes.
- 9.8. On the unsatisfactory completion of this disputes process the view of the Board of Directors shall prevail.
- 9.9. Nothing in this procedure shall prevent the Council, if it so desires, from informing NHSI that, in the Council's opinion, the Board has not responded constructively to concerns of the Council that the Foundation Trust is not meeting the terms of its constitution or failed to comply with the NHS Act 2006.

10. Validity of actions

No defect or deficiency in the appointment or composition of the Council of Governors shall affect the validity of any action taken by the Council of Governors.

11. Council Performance

The Chair shall, at least annually, lead a performance assessment process for the Council to enable the Council to review its roles, structure and composition, and procedures, taking into account emerging best practice.

ANNEX 8 – STANDING ORDERS FOR THE PRACTICE AND PROCEDURE OF THE BOARD OF DIRECTORS

(Paragraph 27)

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1. Interpretation

- 1.1. Save as permitted by law, the Chair of the Foundation Trust shall be the final authority on the interpretation of Standing Orders (on which s/he shall be advised by the Chief Executive and Director of Finance).
- 1.2. Any expression to which a meaning is given in the National Health Services Act 2006 shall have the same meaning in this interpretation and in addition:

"Accounting Officer" shall be the Officer responsible and accountable for funds entrusted to the Foundation Trust. He shall be responsible for ensuring the proper stewardship of public funds and assets. For this Foundation Trust it shall be the Chief Executive.

"Board" shall mean the Chair of the Foundation Trust and non-executive Directors, appointed by the Council of Governors, and the executive Directors appointed by the Appointments Committee of the Board.

"Budget" shall mean a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Foundation Trust.

"Chair" is the person appointed by the Council of Governors in accordance with paragraph 22 of the Constitution. The expression –the Chairll shall be deemed to include the Deputy Chair or otherwise a non-executive Director appointed by the Board to preside for the time being over its meetings.

"Chief Executive" shall mean the chief officer of the Foundation Trust.

"Committee" shall mean a committee appointed by the Board.

"Committee members" shall be persons formally appointed by the Board of Directors to sit on or to chair specific committees.

"Company Secretary" shall mean the person appointed by the Board of Directors to ensure the Foundation Trust complies with relevant legislation and to establish procedures for the sound governance of the Foundation Trust.

"Director" shall mean a person appointed to the Board of Directors in accordance with the Foundation Trust's Constitution and includes the Chair.

"Foundation Trust" means the Wirral University Teaching Hospital NHS Foundation Trust.

"Motion" means a formal proposition to be discussed and voted on during the course of a meeting.

"Nominated Officer" means an Officer charged with the responsibility for discharging specific tasks within Standing Orders.

"Officer" means an employee of the Foundation Trust.

2. General Information

- 2.1. The purpose of the Board Standing Orders is to ensure that the highest standards of corporate governance are achieved in the Board and throughout the organisation. The Board shall at all times seek to comply with the Foundation Trust's Code of Conduct for Directors.
- 2.2. All business shall be conducted in the name of the Foundation Trust.
- 2.3. The Directors shall appoint Foundation Trustees to administer separately charitable funds received by the Foundation Trust and for which they are accountable to the Charity Commission.
- 2.4. A Director who has acted honestly and in good faith will not have to meet out of his or her own personal resources any personal civil liability which is incurred in the execution or purported execution of his or her functions as a Director save where the Director has acted recklessly. Any costs arising in this way will be met by the Foundation Trust. The Foundation Trust may purchase and maintain insurance against this liability for the benefit of members of the Board.

3. Composition of the Board

- 3.1. The composition of the Board shall be in accordance with paragraph 20 of the Foundation Trust's constitution.
- 3.2. **Appointment and Removal of the Chair and Non-Executive Directors** - The Chair and non-executive Directors are appointed/removed by the Council of Governors in accordance with the Foundation Trust's Constitution.
- 3.3. **Appointment and Removal of the Executive Directors** – The Appointments Committee of the Board (excluding the Chief Executive) shall appoint the Chief Executive (which appointment shall be approved by the Council of Governors). The Remuneration and Appointments Committee of the Board (inclusive of the Chief Executive) shall appoint or remove the other executive Directors.

- 3.4. **Appointment and Removal of Deputy Chair** – For the purpose of enabling the proceedings of the Foundation Trust to be conducted in the absence of the Chair, the Council of Governors of the Foundation Trust will appoint one of the non-executive Directors to be the Deputy Chair.
- 3.5. **Powers of Deputy Chair** - Where the Chair of the Foundation Trust has died or has otherwise ceased to hold office or where he has been unable to perform his duties as Chair owing to illness, absence from England and Wales or any other cause, references to the Chair shall, so long as there is no Chair able to perform his duties, be taken to include references to the Deputy Chair or, in the event that the Deputy Chair has died or has otherwise ceased to hold office or where he has been unable to perform his duties as Deputy Chair owing to illness, absence from England and Wales or any other cause, to the non-executive Director appointed to take on duties of Chair in the absence of the Deputy Chair.
- 3.6. **Joint Directors** - Where more than one person is appointed jointly to a post in the Foundation Trust which qualifies the holder for executive Directorship or in relation to which an executive Director is to be appointed, those persons shall become appointed as an executive Director jointly, and shall count as one person.
- 3.7. Non-executive Directors may seek external advice or appoint an external advisor on any material matter of concern provided the decision to do so is a collective one by the majority of non-executive Directors.

4. Meetings of the Board

4.1. Meetings held in Public

- 4.1.1. Meetings of the Board must be open to the public, unless the Board in its absolute discretion decides otherwise in relation to all or part of such meetings for reasons of commercial confidentiality or on other proper grounds.
- 4.1.2. The Chair may exclude any member of the public from the meeting of the Board if he considers that he is interfering with or preventing proper conduct of the meeting.
- 4.1.3. Meetings of the Board shall be held at least three times in each financial year at such times and places that the Board may determine.
- 4.1.4. The Board shall arrange for an annual public meeting to be held within 9 months of the end of each financial year. The registers and documents set out in paragraphs 30 and 33 of this constitution shall be available for inspection at the meeting subject to the provisions of paragraph 32.2 of the constitution.

4.2. **Calling Meetings**

4.2.1. Notwithstanding paragraph 4.1.3 above, the Company Secretary or the Chair may call a meeting of the Board at any time.

4.2.2. Four Directors may call a meeting of the Board at any time by giving written notice to the Company Secretary specifying the business to be carried out. On receipt of such a request by four Directors, the Company Secretary shall send a written notice to all Directors and shall, save in the case of emergencies or the need to conduct urgent business, call a meeting on at least fourteen but not more than twenty-eight days' notice to discuss the specified business. If the Company Secretary fails to call such a meeting, then the four Directors shall call such a meeting.

4.3. **Notice of Meetings**

4.3.1. Before each meeting of the Board, a written notice of the meeting, specifying the date and place of the meeting, shall be delivered by the Company Secretary to every Director, or sent by post to the usual place of residence of such Director, so as to be available to him/her at least fourteen clear days before the meeting. Lack of service of the notice on any Director shall not affect the validity of a meeting, subject to paragraph 4.3.4 below. Notice of the meeting shall also be published on the Foundation Trust's website.

4.3.2. Notwithstanding the above requirement for notice, the Company Secretary or the Chair may waive notice in the case of emergencies or in the case of the need to conduct urgent business or on written receipt of the agreement of at least two-thirds of Directors (executive and non-executive Directors taken together) but to include a minimum of two executive Directors and two non-executive Directors.

4.3.3. In the case of a meeting called by the Company Secretary at the request of four Directors or in the case of a meeting called by four Directors in default of the Company Secretary, no business shall be transacted at the meeting other than that specified in the notice.

4.3.4. Subject to paragraph 4.3.2, failure to serve such a notice on more than three Directors will invalidate the meeting. A notice will be presumed to have been served 72 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, 72 hours after it was sent.

4.4. **Setting the Agenda**

- 4.4.1. The Board may determine that certain matters shall appear on every agenda for a meeting of the Board and shall be addressed prior to any other business being conducted.
- 4.4.2. Save for in the case of a meeting called by the Company Secretary at the request of four Directors and in the case of a meeting called by four Directors, a Director desiring a matter to be included on an agenda shall make her request in writing to the Company Secretary at least ten clear days before the meeting. Requests made less than ten days before a meeting may be included on the agenda at the discretion of the Company Secretary or the Chair.
- 4.4.3. The Company Secretary shall make arrangements to ensure that the final agenda and any supporting papers for the meeting, following the receipt of any requests in accordance with 4.4.2 above, are delivered to every Director, or sent by post to the usual place of residence of such Director, so as to be available to him/her at least five clear days before the meeting. Copies of the final agenda must be delivered or sent to the Council of Governors at the same time. For the avoidance of doubt, the final agenda and/or supporting papers may be delivered using electronic communications in accordance with paragraph 43.1 of the constitution.

4.5. **Chair of Meeting**

At any meeting of the Board, the Chair, if present, shall preside. If the Chair is absent from the meeting, the Deputy Chair appointed by the Council of Governors to take on the Chair's duties shall preside. Otherwise, such non-executive Director as the Directors present shall choose shall preside.

4.6. **Notices of Motions**

- 4.6.1. A Director of the Foundation Trust desiring to move or amend a motion shall send a written notice thereof at least two clear days before the meeting to the Company Secretary, who shall insert in the agenda for the meeting all notices so received subject to the notice being permissible under the appropriate regulations. This paragraph shall not prevent any motion being moved during the meeting, without notice, on any business mentioned on the agenda subject to paragraph 4.3.3 above.
- 4.6.2. A motion or amendment, once moved and seconded, may be withdrawn by the proposer with the concurrence of the seconder and the consent of the Chair.

- 4.6.3. Notice of motion to amend or rescind any resolution (or the general substance of any resolution), which has been passed within the preceding six calendar months, shall bear the signature of the Directors who gave it and also the signature of four other Directors. When any such motion has been disposed of by the Board it shall not be competent for any Director, other than the Chair, to propose a motion to the same effect within six months; however the Chair may do so if s/he considers it appropriate.
- 4.6.4. The mover of a motion shall have a right of reply at the close of any discussion on the motion or any amendment thereto.
- 4.6.5. When a motion is under discussion or immediately prior to discussion it shall be open to a Director to move:
- (a) An amendment to the motion.
 - (b) The adjournment of the discussion or the meeting.
 - (c) The appointment of an ad hoc committee to deal with a specific item of business.
 - (d) That the meeting proceed to the next business.
 - (e) That the motion be now put.

Such a motion, if seconded, shall be disposed of before the motion, which was originally under discussion or about to be discussed. No amendment to the motion shall be admitted if, in the opinion of the Chair of the meeting, the amendment negates the substance of the motion.

In the case of motions under (d) and (e), to ensure objectivity, motions may only be put by a Director who has not previously taken part in the debate.

4.7. Attendance at Meetings

- 4.7.1. The Board of Directors may in exceptional circumstances agree that its members can participate in its meetings by telephone, video or computer link. Participation in a meeting in this manner shall be deemed to constitute presence in person at the meeting.
- 4.7.2. Directors who are unable to attend a meeting should advise the Company Secretary in advance of the meeting so that their apologies may be submitted.

4.8. Chair's Ruling

Statements of Directors made at meetings of the Board shall be relevant to the matter under discussion at the material time and the decision of the

Chair of the meeting on questions of order, relevancy, regularity and any other matters shall be observed at the meeting.

4.9. **Voting**

4.9.1. Decisions at meetings shall be determined by a majority of the votes of the Directors present and voting. In the case of any equality of votes, the person presiding shall have a second or casting vote. However, no resolution shall be passed if it is opposed by all of the Non-Executive Directors present or by all of the Executive Directors present.

4.9.2. All decisions put to the vote shall, at the discretion of the Chair of the meeting, be determined by oral expression or by a show of hands. A paper ballot may also be used if a majority of the Directors present so request.

4.9.3. If at least one-third of the Directors present so request, the voting (other than by paper ballot) on any question may be recorded to show how each Director present voted or abstained.

4.9.4. If a Director so requests, his vote shall be recorded by name upon any vote (other than by paper ballot).

4.9.5. In no circumstances may an absent Director vote by proxy. Absence is defined as being absent at the time of the vote.

4.9.6. An Officer who has been appointed formally by the Board to act up for an executive Director during a period of incapacity or temporarily to fill an executive Director vacancy, shall be entitled to exercise the voting rights of the executive Director. An Officer attending the Board to represent an executive Director during a period of incapacity or temporary absence without formal acting up status may not exercise the voting rights of the executive Director. An Officer's status when attending a meeting shall be recorded in the minutes.

4.10. **Joint Directors**

Where an executive Director post is shared by more than one person:

- (a) each person shall be entitled to attend meetings of the Board;
- (b) in the case of agreement between them, they shall be eligible to have one vote between them;
- (c) in the case of disagreement between them, no vote should be cast;
- (d) the presence of those persons shall count as one person.

4.11. **Suspension of Standing Orders**

4.11.1. Except where this would contravene any statutory provision or direction made by the Secretary of State, any one or more of these Standing Orders may be suspended at any meeting, provided that at least two-thirds of the Board are present, including two executive Directors and two non-executive Directors, and that a majority of those present vote in favour of suspension.

4.11.2. A decision to suspend Standing Orders shall be recorded in the minutes of the meeting.

4.11.3. A separate record of matters discussed during the suspension of Standing Orders shall be made and shall be available to the Directors.

4.11.4. No formal business may be transacted while Standing Orders are suspended.

4.11.5. The Audit Committee shall review every decision to suspend Standing Orders.

4.12. **Variation and Amendment of Standing Orders**

4.12.1. These Standing Orders may be amended in accordance with the provisions of paragraph 40 of the Foundation Trust's constitution only if:

4.12.2. notice of a motion to amend the Standing Orders has been given; and

4.12.3. no fewer than two-thirds of the number of members of the Board approve the variation/amendment; and

4.12.4. the variation/amendment proposed does not contravene a statutory provision or a direction made by the Secretary of State.

4.13. **Record of Attendance**

The names of the Directors present at the meeting shall be recorded in the minutes.

4.14. **Minutes**

4.14.1. The minutes of the proceedings of a meeting shall be drawn up and maintained as a permanent record. They will be submitted for agreement at the next meeting where they will be signed by the person presiding at it.

4.14.2. No discussion shall take place upon the minutes except upon their accuracy or where the Chair considers discussion appropriate.

Any amendment to the minutes shall be agreed and recorded at the next meeting.

4.14.3. Unapproved minutes shall be circulated to the Council of Governors as soon as practicable after each meeting of the Board. Once agreed, minutes shall be circulated in accordance with Directors' wishes. The minutes shall be made available to the public except for minutes relating to business conducted when members of the public are excluded under the terms of standing order 4.1 of these Standing Orders.

4.15. Quorum

4.15.1. No business shall be transacted at a meeting of the Board unless at least six Directors are present including at least three executive Directors (one of whom must be the Chief Executive or another executive Director nominated by the Chief Executive) and at least three non-executive Directors (one of whom must be the Chair or the Deputy Chair).

4.15.2. An Officer in attendance for an executive Director but without formal acting up status may not count towards the quorum.

4.15.3. If no quorum is present within half an hour of the time fixed for the start of the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board determine and notice of the adjourned meeting shall be circulated to members of the Board. If a quorum is not present within half an hour of the time fixed for the start of the adjourned meeting, the number of Directors present during the meeting is to be a quorum.

4.15.4. If a Director has been disqualified from participating in the discussion on any matter and from voting on any resolution by reason of the declaration of a conflict of interest s/he shall no longer count towards the quorum. If a quorum is then not available for the discussion and/or the passing of a resolution on any matter, that matter may not be discussed further or voted upon at that meeting. Such a position shall be recorded in the minutes of the meeting. The meeting must then proceed to the next business.

5. Arrangements for the Exercise of Functions by Delegation

5.1. Subject to the requirements of any statutory provision or any direction made by the Secretary of State, the Board may make arrangements for the exercise, on behalf of the Foundation Trust, of any of its functions by a committee or sub-committee, or by a Director or an Officer of the Foundation Trust in each case subject to such restrictions and conditions as the Board thinks fit.

- 5.2. **Emergency Powers** - The powers which the Board has retained to itself within these Standing Orders may in emergency be exercised by the Chief Executive and the Chair after having consulted at least two non-executive Directors. The exercise of such powers by the Chief Executive and the Chair shall be reported to the next formal meeting of the Board for ratification.
- 5.3. **Delegation to Committees** - The Board shall agree from time to time to the delegation of executive powers to be exercised by committees or sub-committees, which it has formally constituted. The constitution and terms of reference of these committees, or sub-committees, and their specific executive powers shall be approved by the Board.
- 5.4. **Delegation to Officers** - Those functions of the Foundation Trust, which have not been retained as reserved by the Board or delegated to one of its Committees, shall be exercised on behalf of the Board by the Chief Executive. He shall determine which functions he will perform personally and shall nominate Officers to undertake remaining functions but still retain accountability for these to the Board.
- 5.5. The Chief Executive shall prepare a Scheme of Delegation identifying his proposals that shall be considered and approved by the Board, subject to any amendment agreed during the discussion. The Chief Executive may periodically propose amendment to the Scheme of Delegation, which shall be considered and approved by the Board as indicated above.
- 5.6. Nothing in the Scheme of Delegation shall impair the discharge of the direct accountability to the Board of the executive Directors to provide information and advise the Board in accordance with any statutory requirements.

6. Committees

6.1. Appointment of Committees

- 6.1.1. The Board may appoint committees of the Board, consisting wholly or partly of Directors of the Foundation Trust or wholly of persons who are not Directors of the Foundation Trust.
- 6.1.2. A committee so appointed may appoint sub-committees consisting wholly or partly of members of the committee (whether or not they include Directors of the Foundation Trust) or wholly of persons who are not members of the committee (whether or not they include Directors of the Foundation Trust).
- 6.1.3. The Standing Orders of the Board, as far as they are applicable, shall apply with appropriate alteration to meetings of any committees or sub-committees established by the Board.

- 6.1.4. Each such committee or sub-committee shall have such terms of reference and powers and be subject to such conditions (as to reporting back to the Board) as the Board shall decide from time to time following reviews of the terms of reference, powers and conditions. Such terms of reference shall have effect as if incorporated into these Standing Orders.
- 6.1.5. Committees may not delegate their executive powers to a sub-committee unless expressly authorised by the Board.
- 6.1.6. The Board shall approve the appointments to each of the committees that it has formally constituted. Where the Board determines that persons, who are neither Directors nor Officers, shall be appointed to a committee, the terms of such appointment shall be determined by the Board.
- 6.1.7. Where the Foundation Trust is required to appoint persons to a committee, which is to operate independently of the Foundation Trust, such appointment shall be approved by the Board.

6.2. **Confidentiality**

- 6.2.1. A member of the Board shall not disclose a matter dealt with by, or brought before, the Board without its permission.
- 6.2.2. A member of a committee of the Board shall not disclose any matter dealt with by, or brought before, the committee, notwithstanding that the matter has been reported or action has been concluded, if the Board or committee shall resolve that it is confidential.

7. **Declaration of Interests and Register of Interests**

7.1. **Declaration of Interests**

- 7.1.1. Directors are required to comply with the Foundation Trust's Standards of Business Conduct and to declare the nature and extent of any actual or potential interest and/or any direct or indirect interest (including but not limited to those set out below) held by a Director, their Spouse or Partner, or a family member (or any member of the Partner's family). All Directors should declare such interests on appointment and on any subsequent occasion that a conflict arises.
- 7.1.2. The following interests must be declared if held by a Director, or the spouse or Partner of a Director:
 - a) Directorships, including non-executive Directorships, held in private companies or PLCs (with the exception of those of dormant companies).
 - b. Ownership or part-ownership of private companies,

businesses or consultancies likely or possibly seeking to do business with the NHS

- c. Majority or controlling shareholdings in organisations likely or possibly seeking to do business with the NHS
- d. A position of authority in a charity or Voluntary Organisation in the field of health and social care.
- e. Any connection with a voluntary or other organization contracting for NHS service
- f. private practice
- g. other employment including agency/locum cover for another organization other than WUTH
- h. care provided to patients where their care is funded by the NHS but the income is not received by the Trust

7.1.3. These Standing Orders do not require a declaration of interest of which a Director is not aware or where the Director is not aware of the transaction or arrangement in question.

7.1.4. A Director need not declare an interest:

- a) If it cannot reasonably be regarded as likely to give rise to a conflict of interest;
- b) If, or to the extent that, the Directors are already aware of it;
- c) If, or to the extent that, it concerns the terms of the Director's appointment that have been or are to be considered:
 - i. By a meeting of the Board of Directors; or
 - ii. By a committee of the Directors appointed for the purpose under the constitution.

7.1.5. If Directors have any doubt about the relevance of an interest, this should be discussed with the Chair.

7.1.6. At the time Directors' interests are declared, they should be recorded in the Board minutes and entered on a Register of Interests of Directors to be maintained by the Company Secretary. Any changes in interests should be declared at the next Board meeting following the change occurring.

7.1.7. Board members' Directorships of companies likely or possibly seeking to do business with the Foundation Trust should be published in the Foundation Trust's annual report.

7.1.8. During the course of a Board meeting, if a conflict of interest is established in accordance with this Standing Order, the Director concerned should withdraw from the meeting and play no part in the relevant discussion or decision. He shall not be entitled to vote on the issue in respect of which the conflict of interest has been established (and if by inadvertence they do remain and vote, their vote shall not be counted).

7.1.9. Any Director who fails to disclose any interest required to be disclosed under these provisions must permanently vacate their office if required to do so by a majority of the remaining Directors and (in the case of a Non-Executive Director) by three quarters of the Council of Governors) in accordance with Annex 6.

7.2. Register of Interests

7.2.1. The Company Secretary will ensure that a Register of Interests is established to record formally declarations of interests of Directors. In particular the Register will include details of all Directorships and other interests that have been declared by both executive and non-executive Directors.

7.2.2. Details of the Register will be kept up to date and reviewed annually.

7.2.3. The Register will be available to the public.

8. Disability of Directors in Proceedings on Account of Pecuniary Interest

8.1. Subject to the following provisions of this Standing Order, if the Chair or a Director of the Foundation Trust has any pecuniary interest, direct or indirect, in any contract, proposed contract or other matter and is present at a meeting of the Board at which the contract or other matter is the subject of consideration, he shall at the meeting and as soon as practicable after its commencement disclose the fact and shall not take part in the consideration or discussion of the contract or other matter or vote on any question with respect to it.

8.2. The Board shall exclude the Chair or a Director from a meeting of the Board while any contract, proposed contract or other matter in which he has a pecuniary interest, is under consideration.

8.3. The Board, as it may think fit, may remove any disability imposed by this Standing Order in any case in which it appears to the Board that, in the interests of the National Health Service, the disability shall be removed. Such action shall have the support of at least two-thirds of the Directors present at the meeting (including two executive and two non-executive Directors).

8.4. Any remuneration, compensation or allowances payable to a Director of the Foundation Trust by virtue of paragraph 11 of Schedule 4 to the NHS Act 2006 shall not be treated as a pecuniary interest for the purpose of this Standing Order.

8.5. For the purpose of this Standing Order the Chair or a Director shall be treated, subject to paragraphs 8.3 and 8.6, as having indirectly a pecuniary interest in a contract, proposed contract or other matter, if:

- (a) he, or his nominee is a Director of a company or other body, not being a public body, with which the contract was made or is proposed to be made or which has a direct pecuniary interest in the other matter under consideration; **or**
- (b) he is a partner of, or is in the employment of a person with whom the contract was made or is proposed to be made or who has a direct pecuniary interest in the other matter under consideration; and

in the case of persons living together the interest of one Partner shall, if known to the other, be deemed for the purposes of this Standing Order to be also an interest of the other.

8.6. The Chair or a Director shall not be treated as having a pecuniary interest in any contract, proposed contract or other matter by reason only:

- (a) of his membership of a company or other body, if he has no beneficial interest in any securities of that company or other body;
- (b) of an interest in any company, body or person with which he is connected as mentioned above which is so remote or insignificant that it cannot reasonably be regarded as likely to influence a Director in the consideration or discussion of or in voting on, any question with respect to that contract or matter.

8.7. Where the Chair or a Director:

- (a) has an indirect pecuniary interest in a contract, proposed contract or other matter by reason only of a beneficial interest in securities of a company or other body, and
- (b) the total nominal value of those securities does not exceed £5,000 or one-hundredth of the total nominal value of the issued share capital of the company or body, whichever is the less, and
- (c) if the share capital is of more than one class, the total nominal value of shares of any one class in which he has a beneficial interest does not exceed one-hundredth of the total issued share capital of that class,

this Standing Order shall not prohibit him from taking part in the consideration or discussion of the contract or other matter or from voting on any question with respect to it without prejudice however to her duty to disclose his/her interest.

8.8. This Standing Order applies to a committee or sub-committee of the Board as it applies to the Board and applies to any member of any such committee or sub-committee (whether or not he is also a Director of the Foundation Trust) as it applies to a Director of the Foundation Trust.

9. Compliance - Other Matters

- 9.1. All Directors of the Foundation Trust shall comply with the Standards of Business Conduct set by the Board for the guidance of all staff employed by the Foundation Trust.
- 9.2. All Directors of the Foundation Trust shall comply with Standing Financial Instructions prepared by the Director of Finance and approved by the Board.
- 9.3. All Directors shall comply with the Foundation Trust's Code of Conduct for Directors as amended from time to time
- 9.4. All Directors must behave in accordance with the seven Nolan principles of behaviour in Public Life: -

Selflessness;

Integrity;

Objectivity;

Accountability;

Openness;

Honesty; and

Leadership.

10. Resolution of Disputes with Council of Governors

- 10.1. Should a dispute arise between the Board of Directors and the Council of Governors, then the disputes resolution procedure set out below shall be followed.
- 10.2. The Chair, or Deputy Chair (if the dispute involves the Chair), shall first endeavour, through discussion with Governors and Directors or, to achieve the earliest possible conclusion, appropriate representatives of them, to resolve the matter to the reasonable satisfaction of both parties.
- 10.3. Failing resolution under 10.2 above, then the Board or the Council, as appropriate, shall at its next formal meeting approve the precise wording of a Disputes Statement setting out clearly and concisely the issue or issues giving rise to the dispute.
- 10.4. The Chair shall ensure that the Disputes Statement, without amendment or abbreviation in any way, shall be an agenda item and

agenda paper at the next formal meeting of the Board or Council as appropriate. That meeting shall agree the precise wording of a Response to Disputes Statement.

- 10.5. The Chair or Deputy Chair (if the dispute involves the Chair) shall immediately, or as soon as is practical, communicate the outcome to the other party and deliver the written Response to Disputes Statement. If the matter remains unresolved or only partially resolved then the procedure outlined in 10.2 above shall be repeated.
- 10.6. If, in the opinion of the Chair or Deputy Chair (if the dispute involves the Chair) and following the further discussions prescribed in 10.5 above, there is no further prospect of a full resolution or, if at any stage in the whole process, in the opinion of the Chair or Deputy Chair, as the case may be, there is no prospect of a resolution (partial or otherwise) then he shall advise the Council and Board accordingly.
- 10.7. On the satisfactory completion of this disputes process, the Board of Directors shall implement agreed changes.
- 10.8. On the unsatisfactory completion of this disputes process the view of the Board of Directors shall prevail.
- 10.9. Nothing in this procedure shall prevent the Council, if it so desires, from informing Monitor that, in the Council's opinion, the Board has not responded constructively to concerns of the Council that the Foundation Trust is not meeting the terms of its constitution or failed to comply with the NHS Act 2006.

11. Notification to the Council of Governors

The Board shall notify the Council of Governors of any major changes in the circumstances of the Foundation Trust, which have made or could lead to a substantial change to its financial well-being, healthcare delivery performance, or reputation and standing.

12. Validity of actions

No defect or deficiency in the appointment or composition of the Board of Directors shall affect the validity of any action taken by the Board of Directors.

13. Board Performance

The Chair shall, at least annually, lead a performance assessment process for the Board. This process should act as the basis for determining individual and collective professional development programs for Directors.

ANNEX 9 – ADDITIONAL PROVISIONS – MEMBERS

(Paragraphs 4 and 8.4)

1. ELIGIBILITY FOR AND DISQUALIFICATION FROM MEMBERSHIP

An individual shall not be eligible for Membership of the Trust if:

- 1.1.1 he is under 11 years of age;
- 1.1.2 within the last five years they have been involved as a perpetrator in a serious incident of violence at any of the Foundation Trust's hospitals or facilities or against any of the Foundation Trust's employees or other persons who exercise functions for the purposes of the Foundation Trust, or against any registered volunteer;
- 1.1.3 he fails or ceases to fulfill the criteria for Membership of any of the constituencies;
- 1.1.4 he was formerly employed by the Trust and was dismissed for gross misconduct;
- 1.1.5 he was formerly employed by the Trust and in the preceding two years was lawfully dismissed other than by reason of redundancy;
- 1.1.6 he is included on the registers of Schedule 1 Offenders pursuant to the Sexual Offences Act 2003 (as amended) and/or the Children & Young Person's Acts 1933 to 1969 (as amended) and their conviction is not spent under the Rehabilitation of Offenders Act 1974; or
- 1.1.7 he has been identified as a vexatious complainant in the reasonable opinion of the Trust or has been excluded from treatment at any of the Trust's Hospitals due to unacceptable behaviour. The eligibility for membership in such cases shall take into account the views of the Council of Governors.

2. TERMINATION OF MEMBERSHIP

- 2.1 A member shall cease to be a member if:
 - 2.1.1 he resigns by notice to the Company Secretary or Membership Manager;
 - 2.1.2 he dies;

- 2.1.3 he is expelled from membership under this Constitution;
 - 2.1.4 he ceases to be entitled under this constitution to be a member of the Public Constituency or of any of the classes of the Staff Constituency;
 - 2.1.5 it appears to the Company Secretary or Membership Manager that he no longer wishes to be a member of the Foundation Trust, and after enquiries made in accordance with a process approved by the Council of Governors, he fails to demonstrate that he wishes to continue to be a member of the Foundation Trust.
- 2.2 A member may be expelled by a resolution approved by not less than two-thirds of the Governors present and voting at a General Meeting. The following procedure is to be adopted.
- 2.2.1 Any member may complain to the Company Secretary that another member has acted in a way detrimental to the interests of the Foundation Trust.
 - 2.2.2 If a complaint is made, the Council of Governors may itself consider the complaint having taken such steps as it considers appropriate to ensure that each member's point of view is heard and may either:
 - 2.2.2.1 dismiss the complaint and take no further action; or
 - 2.2.2.2 for a period not exceeding twelve months suspend the rights of the member complained of to attend members' meetings and vote under this constitution;
 - 2.2.2.3 arrange for a resolution to expel the member complained of to be considered at the next meeting of the Council of Governors.
 - 2.2.3 If a resolution to expel a member is to be considered at a meeting of the Council of Governors, details of the complaint must be sent to the member complained of not less than one calendar month before the meeting with an invitation to answer the complaint and attend the meeting.
 - 2.2.4 At the meeting the Council of Governors will consider evidence in support of the complaint and such evidence as the member complained of may wish to place before them.
 - 2.2.5 If the member complained of fails to attend the meeting without due cause the meeting may proceed in their absence.

- 2.3 A person expelled from membership will cease to be a member upon the declaration by the Chair of the meeting that the resolution to expel them is carried.
- 2.4 No person who has been expelled from membership is to be re-admitted except by a resolution carried by the votes of two-thirds of the Council of Governors present and voting at a meeting of the Council of Governors.

3. **MEMBERS' MEETINGS**

- 3.1 The Foundation Trust is to hold a members' meeting (called the Annual Members' meeting) within nine months of the end of each financial year.
- 3.2 All members' meetings other than annual meetings are called special members' meetings.
- 3.3 Members' meetings are open to the public. The Council of Governors may invite representatives of the media and any experts or advisors whose attendance they consider to be in the best interests of the Foundation Trust to attend a members' meeting.
- 3.4 All members' meetings are to be convened by the Company Secretary by order of the Council of Governors.
- 3.5 The Council of Governors may decide where a members' meeting is to be held and may also for the benefit of members:
 - 3.5.1 arrange for the annual members' meeting to be held in different venues each year; and
 - 3.5.2 make provisions for a members' meeting to be held at different venues simultaneously or at different times. In making such provision the Council of Governors shall also fix an appropriate quorum for each venue, provided that the aggregate of the quorum requirements shall not be less than the quorum set out below.
- 3.6 At the Annual Members' meeting:
 - 3.6.1 the Board of Directors shall present to the members:
 - 3.6.1.1 the annual accounts;
 - 3.6.1.2 any report of the auditor on the annual accounts;
 - 3.6.1.3 the annual report; and
 - 3.6.1.4 forward planning information for the next Financial Year

- 3.6.2 the Council of Governors shall present to the members a report on:
 - 3.6.2.1 steps taken to secure that (taken as a whole) the actual membership of the Public Constituency and of the classes of the Staff Constituency is representative of those eligible for such membership;
 - 3.6.2.2 the progress of the membership strategy; and
 - 3.6.2.3 any proposed changes to the policy for the composition of the Council of Governors
- 3.6.3 the results of any election, appointment of any Appointed Governors and the appointment of any non-executive Directors will be announced.
- 3.7 Notice of a members' meeting is to be given:
 - 3.7.1 by notice to all members;
 - 3.7.2 by notice on the Foundation Trust's website
 at least 14 clear days before the date of the meeting.
- 3.8 The notice must:
 - 3.8.1 be given to the Council of Governors and the Board of Directors, and to the auditor;
 - 3.8.2 state whether the meeting is an annual or special members' meeting;
 - 3.8.3 give the time, date and place of the meeting; and
 - 3.8.4 indicate the business to be dealt with at the meeting.
- 3.9 Before a members' meeting can do business there must be a quorum present. Except where this constitution says otherwise a quorum is one member present from each of the Foundation Trust's constituencies as defined under section 4 membership and constituencies.
- 3.10 The Foundation Trust may make arrangements for members to vote by post, or by using electronic communications.
- 3.11 It is the responsibility of the Council of Governors, the Chair of the meeting and the Company Secretary to ensure that at any members' meeting:
 - 3.11.1 the issues to be decided are clearly explained; and

- 3.11.2 sufficient information is provided to members to enable rational discussion to take place.
- 3.12 The Chair of the Foundation Trust, or in their absence the Deputy Chair of the Board of Directors, or in their absence the Lead Governor of the Council of Governors, shall act as chair at all members' meetings of the Foundation Trust. If neither the Chair nor the Deputy Chair of the Board of Directors nor the Lead Governor of the Council of Governors is present, the members of the Council of Governors present shall elect one of their number to be Chair and if there is only one Governor present and willing to act they shall be chair.
- 3.13 If no quorum is present within half an hour of the time fixed for the start of the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Council of Governors determine. If a quorum is not present within half an hour of the time fixed for the start of the adjourned meeting, the number of members present during the meeting is to be a quorum.
- 3.14 A resolution put to the vote at a members' meeting shall be decided upon by a poll.
- 3.15 Every member present and every member who has voted by post or using electronic communications is to have one vote. In the case of an equality of votes the Chair of the meeting is to have a second and casting vote.
- 3.16 The result of any vote will be declared by the Chair and entered in the minute book. The minute book will be conclusive evidence of the result of the vote.

7. OTHER DISPUTES

- 7.1 Where an individual is held by the Foundation Trust to be ineligible and/or disqualified from Membership of the Foundation Trust and disputes the Foundation Trust's decision in this respect, the matter shall be referred to the Company Secretary (or such other officer of the Trust as the Chief Executive may nominate) as soon as reasonably practicable thereafter.
- 7.1.1 The Company Secretary (or the nominated representative) shall:
- 7.1.1.1 review the original decision having regard to any representations made by the individual concerned and such other material, if any,

as the Company Secretary considers appropriate;

7.1.1.2 then either confirm the original decision or make some other decision as appropriate based on the evidence which she has considered; and

7.1.1.3 communicate the decision and the reasons for it in writing to the individual concerned as soon as reasonably practicable.

7.1.2 If the Member is aggrieved of the decision of the Company Secretary pursuant to paragraph 7.1.1 above, he may appeal in writing to the Council of Governors within 14 days of the Company Secretary's decision. The Council of Governors' decision is to be final

Constitution

Version Control

Document History

Date	Version	Changes
1/7/07	Vers 1.0	Final version on date of authorisation
1/12/08	Vers 1.1	Nominations Committee Membership, Insurance arrangements
5/5/09	Vers 1.2	Authority to approve Constitutional amendments passed from Members to Governors.
24/05/10	Vers 1.3	Constitution amendments approved by Assembly of Governors – removal of appendices to Governor and Board of Directors Standing Orders and other amendments.
16/04/12	Vers 1.4	Constitution amendments approved by Assembly of Governors – changes to tenure of Governor to 9 years maximum
27/09/12	Vers. 1.5	Constitution amendments approved by Council of Governors - Changes to title of Assembly and relevant changes re Private Patient Cap
28/11/12	Vers 1.6/1.7	Constitution amendments approved by Board of Directors – changes following review by joint working group (including changes to reflect the Health and Social Care Act 2012, the staff and members constituencies and the composition of the Council of Governors)
12/12/12	Vers 1.6/1.7	Constitution amendments approved by Council of Governors – changes following review by joint working group (including changes to reflect the Health and Social Care Act 2012, the staff and members constituencies and the composition of the Council of Governors)
08/01/13	Vers 1.6/1.7	Constitution amendments approved by the Members – changes following review by joint working group requiring members approval (changes to the staff and members constituencies and changes to the composition of the Council of Governors)
13/6/13	Vers 1.8	Constitution amendments approved by BoD (29.5.13) and CoG (12.6.13) following recommendation by Joint Working Group (inclusion of definition of significant transactions and deletion of two Governor seats appointed by FT Partnership Steering Group)
	Vers 1.9	Constitution amended to include the procedure for removal and disqualification of a Governor under Annex 5. Approved February 15
	Vers 1.10	Constitution amended to align with the Fit and Proper Persons Test, the Standards for Business Conduct Policy and the change from Monitor to NHSI
TBD	Vers 2	Section 3 amended to reflect greater powers for The Trust to enter into arrangements for the carrying out, on such terms as the Trust considers appropriate, of any of its functions jointly with any other person.

Effective Dates (with details of Monitor approval where applicable)

Date	Version	Name	Title
1/7/07	Vers 1.0	Monitor	Independent Regulator
1/12/08	Vers 1.1	Monitor	Independent Regulator
5/5/09	Vers 1.2	Monitor	Independent Regulator
29/10/10	Vers 1.3	Monitor	Independent Regulator
16/04/12	Vers 1.4	Monitor	Independent Regulator
09/10/12	Vers 1.5	Monitor	Independent Regulator
22/01/13	Vers 1.6	Monitor	Independent Regulator

01/04/13	Vers 1.7	N/A	N/A
13/06/13	Vers 1.8	N/A	N/A

Note: from 1 April 2013 Monitor's functions do not include a power or duty to approve amendments to the constitution.

Distribution

Date	Version	Distribution
1/7/07	Vers 1.0	Website / Intranet / Membership Office / Board / Governors / On demand
1/12/08	Vers 1.1	Website / Intranet / Membership Office / Board / Governors / On demand
5/5/09	Vers 1.2	Website / Intranet / Membership Office / Board / Governors / On demand
29/10/10	Vers 1.3	Website / Intranet / Membership Office / Board / Governors / On demand
16/04/12	Vers 1.4	Website / Intranet / Membership Office / Board / Governors / On demand
09/10/12	Vers 1.5	Website / Intranet / Membership Office / On Demand
22/01/13	Vers 1.6	Website / Intranet / Membership Office / On Demand
22/4/13	Vers 1.7	Monitor / Website / Intranet / Membership Office / On Demand
3/7/13	Vers 1.8	Monitor / Website / Intranet / Membership Office / On Demand
02/15	Vers 1.9	Monitor/website/intranet/Membership Office/On Demand
29.03.17	Vers 1.10	NHSI/Website/intranet/Membership Office/On Demand
05/03/25	Vers 2	Website

Document Owner	Company Secretary
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**NHS Foundation Trust Accounting Officer
Memorandum**

IRG 04/08
17 April 2008

NHS Foundation Trust Accounting Officer Memorandum

Introduction

1. The National Health Service Act 2006 (the Act) designates the Chief Executive of an NHS foundation trust as the Accounting Officer.
2. The principal purpose of the NHS foundation trust is the provision of goods and services for the purposes of the health service in England. The NHS foundation trust has a general duty to exercise its functions effectively, efficiently and economically.
3. The Act specifies that the Accounting Officer has the duty to prepare the accounts in accordance with the Act. An Accounting Officer has the personal duty of signing the NHS foundation trust 's accounts. By virtue of this duty, the Accounting Officer has the further duty of being a witness before the Committee of Public Accounts (PAC) to deal with questions arising from those accounts or, more commonly, from reports made to Parliament by the Comptroller and Auditor General (C&AG) under the National Audit Act 1983.
4. Associated with these duties are the further responsibilities which are the subject of this memorandum. It is incumbent on the Accounting Officer to combine these duties with their duties to the Board of Directors of the NHS foundation trust.
5. It is an important principle that, regardless of the source of the funding, Accounting Officers are responsible to Parliament for the resources under their control.

Responsibilities of Monitor

6. In relation to NHS foundation trusts, it is the responsibility of Monitor - Independent Regulator of NHS Foundation Trusts, to be satisfied that the NHS foundation trust is compliant with the terms of authorisation.

The general responsibilities of an NHS Foundation Trust Accounting Officer

7. The Accounting Officer has responsibility for the overall organisation, management and staffing of the NHS foundation trust and for its procedures in financial and other matters. The Accounting Officer must ensure that:
 - there is a high standard of financial management in the NHS foundation trust as a whole;
 - financial systems and procedures promote the efficient and economical conduct of business and safeguard financial propriety and regularity throughout the NHS foundation trust; and

- financial considerations are fully taken into account in decisions on NHS foundation trust policy proposals.

The specific responsibilities of an NHS foundation trust Accounting Officer

8. The essence of the Accounting Officer's role is a personal responsibility for:
 - the propriety and regularity of the public finances for which he or she is answerable;
 - the keeping of proper accounts;
 - prudent and economical administration;
 - the avoidance of waste and extravagance; and
 - the efficient and effective use of all the resources in their charge.
9. As Accounting Officer you must:
 - personally sign the accounts and, in doing, so accept personal responsibility for ensuring their proper form and content as prescribed by Monitor in accordance with the Act;
 - comply with the financial requirements of the terms of authorisation;
 - ensure that proper financial procedures are followed and that accounting records are maintained in a form suited to the requirements of management, as well as in the form prescribed for published accounts (so that they disclose with reasonable accuracy, at any time, the financial position of the NHS foundation trust);
 - ensure that the resources for which you are responsible as Accounting Officer are properly and well managed and safeguarded, with independent and effective checks of cash balances in the hands of any official;
 - ensure that assets for which you are responsible such as land, buildings or other property, including stores and equipment, are controlled and safeguarded with similar care, and with checks as appropriate;
 - ensure that any protected property (or interest in) is not disposed of without the consent of Monitor;
 - ensure that conflicts of interest are avoided, whether in the proceedings of the Board of Directors, Board of Governors or in the actions or advice of the NHS foundation trust's staff, including yourself; and
 - ensure that, in the consideration of policy proposals relating to the expenditure for which you are responsible as Accounting Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account, and brought to the attention of the Board of Directors.

10. An Accounting Officer should ensure that effective management systems appropriate for the achievement of the NHS foundation trust's objectives, including financial monitoring and control systems, have been put in place. An Accounting Officer should also ensure that managers at all levels:
- have a clear view of their objectives, and the means to assess and, wherever possible, measure outputs or performance in relation to those objectives;
 - are assigned well-defined responsibilities for making the best use of resources (both those consumed by their own commands and any made available to organisations or individuals outside the NHS foundation trust), including a critical scrutiny of output and value for money; and
 - have the information (particularly about costs), training and access to the expert advice which they need to exercise their responsibilities effectively.
11. Accounting Officers must make sure that their arrangements for delegation promote good management and that they are supported by the necessary staff with an appropriate balance of skills. Arrangements for internal audit should accord with the objectives, standards and practices set out in the *Government Internal Audit Standards*.

Advice to the board

12. An Accounting Officer has particular responsibility to see that appropriate advice is tendered to the Board of Directors and the Board of Governors on all matters of financial propriety and regularity and, more broadly, as to all considerations of prudent and economical administration, efficiency and effectiveness. Accounting Officers will need to determine how and in what terms such advice should be tendered, and whether in a particular case to make specific reference to their own duty as Accounting Officer to justify, to the Public Accounts Committee, transactions for which they are accountable.
13. The Board of Directors and the Board of Governors of an NHS foundation trust should act in accordance with the requirements of propriety or regularity. If the Board of Directors, Board of Governors or the Chairman is contemplating a course of action involving a transaction which you as Accounting Officer consider would infringe these requirements, however, you should set out in writing your objection to the proposal and the reasons for this objection. If the Board of Directors, Board of Governors or Chairman decides to proceed, you should seek a written instruction to take the action in question. You should also inform Monitor of the position, if possible before the decision is taken or in any event before the decision is implemented, so that Monitor, if it considers it appropriate, can intervene in accordance with its responsibilities under the Act. If the outcome is that you are overruled, the instruction must be complied with, but your objection and the instruction itself should be communicated without undue delay to the NHS foundation trust's external auditors and to Monitor. Provided that this procedure has been followed, the PAC can be expected

to recognise that the Accounting Officer bears no personal responsibility for the transaction.

14. If a course of action is contemplated which raises an issue not of formal propriety or regularity but relating to your wider responsibilities for economy, efficiency and effectiveness, it is your duty to draw the relevant factors to the attention of the Board of Directors and the Board of Governors and to advise them in whatever way you deem appropriate. If your advice is overruled, and the proposal is one which as Accounting Officer you would not feel able to defend to the PAC as representing value for money, you should seek a written instruction before proceeding. Monitor should be informed of such an instruction, if possible before the decision is implemented. It will then be for Monitor to consider the matter, and decide whether or not to intervene.
15. If, because of the extreme urgency of the situation, there is no time to submit advice in writing in either of the eventualities referred to in paragraphs 13 and 14 before the decision is taken, you must ensure that, if the advice is overruled, both the advice and the instructions are recorded in writing immediately afterwards.

Appearance before the Committee of Public Accounts (PAC)

16. The C&AG may, under the National Audit Act 1983, carry out examinations into the economy, efficiency and effectiveness with which the NHS foundation trust has used its resources in discharging its functions. An Accounting Officer may expect to be called upon to appear before the PAC from time to time to give evidence on the reports arising from these examinations or reports following the annual certification audit, and to answer the PAC's questions concerning expenditure and receipts for which he or she is Accounting Officer. An Accounting Officer may be supported by one or two other senior officials who may, if necessary, assist in giving evidence.
17. An Accounting Officer will be expected to furnish the PAC with explanations of any indications of weakness in the matters covered by paragraphs 8 - 15 above, to which their attention has been drawn by the C&AG or about which they may wish to question the Accounting Officer.
18. In practice, an Accounting Officer will normally have delegated authority to others, but cannot on that account disclaim responsibility or dilute his or her accountability. Nor, by convention, does the incumbent Accounting Officer decline to answer questions where the events took place before taking up appointment: the PAC may be expected not to press the incumbent's personal responsibility in such circumstances.
19. The PAC has emphasised the importance it attaches to accuracy of evidence, and the responsibility of witnesses to ensure this, in order to ensure that relevant lines of enquiry may be pursued at its hearings. The Accounting Officer should ensure that he or she is adequately and accurately briefed on matters which are likely to arise at the hearing. The Accounting Officer may, however, ask the PAC for leave to supply information not within his or her immediate knowledge by means of a later

note. Should it be discovered subsequently that the evidence provided to the PAC has contained errors, these should be made known to the PAC at the earliest possible moment.

20. In general, the rules and conventions governing appearances of officials before parliamentary committees apply to the PAC, including the general convention that officials do not disclose the advice given to the board. Nevertheless, in a case where the procedure described in paragraph 13 was used concerning a matter of propriety or regularity, the Accounting Officer's advice, and its overruling by the board, would be disclosed to the PAC. In a case covered by paragraph 14, where the advice of an Accounting Officer has been overruled in a matter not of propriety or regularity but of prudent and economical administration, efficiency or effectiveness, the C&AG will have made clear in the report to the PAC that the Accounting Officer was overruled. The Accounting Officer should seek to avoid disclosing the advice given to the board, though subject to their agreement the Accounting Officer should be ready to explain the reasons for their decision.

Absence of an Accounting Officer

21. An Accounting Officer should ensure that he or she is generally available for consultation, and that in any temporary period of unavailability due to illness or other cause, or during the normal period of annual leave, there will be a senior officer in the NHS foundation trust who can act on his or her behalf if required.
22. If it becomes clear to the Board of Directors that an Accounting Officer is so incapacitated that he or she will be unable to discharge these responsibilities over a period of four weeks or more, the Board of Directors should appoint an acting Accounting Officer, usually the Director of Finance, pending the Accounting Officer's return. The same applies if, exceptionally, the Accounting Officer plans an absence of more than four weeks during which he or she cannot be contacted.
23. The PAC may be expected to postpone a hearing if the relevant Accounting Officer is temporarily indisposed. Where the Accounting Officer is unable by reason of incapacity or absence to sign the accounts in time for submission, the NHS foundation trust may submit unsigned copies pending the Accounting Officer's return. If the Accounting Officer is unable to sign the accounts in time for printing, the acting Accounting Officer should sign instead.

Sources

This document is based on the guidance outlined in *Managing Public Money*, published in October 2007, available on the following website link:
http://documents.treasury.gov.uk/mpm/mpm_whole.pdf



**Wirral University
Teaching Hospital**
NHS Foundation Trust

STANDING FINANCIAL INSTRUCTIONS

Incorporating Budgetary Control, the Scheme of Delegation and Financial Limits

FOREWORD

1. Within their Terms of Authorisation, NHS foundation trusts are required to demonstrate the existence of comprehensive governance arrangements.
2. The Trust's Board of Directors is required to ensure that there are management arrangements in place to enable responsibility to be clearly delegated to all staff and those representing the Trust. Additionally, the Board has drawn up locally generated rules and instructions, including delegation arrangements and financial procedural notes, for use within the Trust. Collectively these comprehensively cover all aspects of (financial) management and control. They set the business rules which Directors, employees and the Council of Governors (including employees of third parties contracted to the Trust) must follow when taking action on behalf of the Board.
3. Standing Financial Instructions (SFIs) are mandatory for all Directors, employees and members of the Council of Governors.
4. **Wherever the title Chief Executive, Director of Finance, or other nominated officer is used in these instructions, it shall be deemed to include such other Directors or employees who have been duly authorised to represent them.**

The job titles are generic, such that Director of Nursing is taken to be the same as the Trust's Chief Nurse, and Director of Finance is taken to be the same as the Trust's Chief Finance Officer.

This operational delegation is detailed in the Scheme of Delegation (an extract is included in Appendix 1 to these SFIs).

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Appendix 1 – Scheme of Delegation (extract)

Appendix 2 – Matrix of Financial Limits

Appendix 3 – Exceptional Payments

POLICY REFERENCES

The following policies, available via the Trust's intranet, may be referenced.

- Managing Conflicts of Interest Policy (formerly, *Standards of Business Conduct*) Policy reference 101
- Anti-Fraud, Bribery and Corruption Policy and Response Plan Policy reference 115
- Security Policy and Procedure Policy reference 065
- Management of Suppliers and Supplier Representatives Policy Policy reference 105
- Security of Patients' Cash & Valuables Policy reference 026
- Adult Death Administration Policy and Procedure Policy reference 032
- Condemning and Disposal of Scrap and Surplus Equipment Policy reference 024
- Innovation & Intellectual Property Rights Policy reference 129
- Freedom to Speak Up: Raising Concerns at Work Policy reference 174
- Information Governance Policy Policy reference 095
- Travel and Associated Expenses Policy Policy reference 214
- Hospital Funerals Policy Policy reference 397
- Display Screen Equipment Policy reference 169
- Budget Virement Policy *Finance policy*
- The Charity's Expenditure Guidance and Fundraising and Income Guidance policy documents.

In cases where a policy and the Standing Financial Instructions (SFIs) do not agree, the SFIs are presumed to take precedence.

The Trust's Constitution and Standing Orders, and the Schedule of Matters Reserved to the Board are also referenced.

FURTHER SUPPORT

Associated documents and support materials can be found on the staff website.

<https://www.wuth.nhs.uk/your-wuth/finance-and-procurement/procurement/standing-financial-instructions/>

<https://www.wuth.nhs.uk/about-us/governance/>

Please send feedback and update suggestions to the Assistant Director of Finance – Financial Services and Improvement.

INTRODUCTION

1.1 Purpose and scope

- 1.1.1 These Standing Financial Instructions (SFIs) shall have effect as if incorporated in the Standing Orders (SOs).
- 1.1.2 These Standing Financial Instructions (SFIs) detail the financial responsibilities, policies and procedures to be adopted by the Trust. They are designed to ensure that its financial transactions are carried out in accordance with the law and government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness. They should be used in conjunction with the Schedule of Matters Reserved to the Board and the Scheme of Delegation (a finance-based extract is included in Appendix 1) which comprise the Scheme of Reservation and Delegation (SoRD) adopted by the Trust.
- 1.1.3 These SFIs identify the financial responsibilities which apply to everyone working for the Trust and its constituent organisations including trading units. They do not provide detailed procedural advice. These statements should therefore be read in conjunction with detailed departmental and financial procedure notes which must be approved by the Director of Finance.
- 1.1.4 Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Director of Finance **[del]** must be sought before acting. The user of these SFIs should also be familiar with and comply with the provisions of the Trust's Standing Orders (SOs).

1.1.5 **Failure to comply with Standing Financial Instructions and Standing Orders can in certain circumstances be regarded as a disciplinary matter that could result in dismissal.**

- 1.1.6 If for any reason these Standing Financial Instructions are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance shall be reported to the next formal meeting of the Audit and Risk Committee for referring action or ratification. All members of the Board and staff have a duty to disclose any non-compliance with these Standing Financial Instructions to the Director of Finance **[del]** as soon as possible.
- 1.1.7 These Instructions are equally applicable to the Trust's Charity with regards to procurement / non-pay transactions.

1.2 Terminology

- 1.2.1 Any expression to which a meaning is given in the National Health Service Act 2006 ('the NHS Act 2006') and other acts relating to the National Health Service or in the Financial Regulations made under the Acts shall have the same meaning in these Standing Financial Instructions.
- 1.2.2 **'Trust'** means **Wirral University Teaching Hospital NHS Foundation Trust**.
- 1.2.3 **'Accounting Officer'** means the officer responsible to Parliament for the resources under their control. They are responsible for ensuring the proper stewardship of public funds and assets. The NHS Act 2006 designates the Chief Executive of the NHS Foundation Trust (NHS FT) as the Accounting Officer. The definition of duties and responsibilities of the Accounting Officer are set out within the *NHS foundation trust accounting officer memorandum*.
- 1.2.4 **'Board of Directors'** or **'Board'** means the (non-executive) Chair, Executive Directors and Non-Executive Directors of the Trust collectively as a body.
- 1.2.5 **'Council of Governors'** is the constitutional body which holds the Non-Executive Directors individually and collectively to account for the performance of the Board, and which represents the public interest.
- 1.2.6 **'Budget'** means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.
- 1.2.7 **'Budget holder'** means the Director or employee with delegated authority from the Accounting Officer to manage finances (income and expenditure) for a specific area of the organisation.
- 1.2.8 **'Chair of the Board (or Trust)'**, or **'Chair'** is the person appointed by the Council of Governors to lead the Board and to ensure that it successfully discharges its overall responsibility for the Trust as a whole. The expression 'the Chair of the Trust' shall be deemed to include the Vice-Chair of the Trust if the Chair is absent from the meeting or is otherwise unavailable.

- 1.2.9 **‘Chief Executive’** means the Chief Officer (and the Chief Accounting Officer) of the Trust in accordance with the NHS Act 2006 – an Executive Director.
- 1.2.10 **‘Director of Finance’** means the Chief Financial Officer of the Trust – an Executive Director.
- 1.2.11 **‘Executive Director’** means a (voting) member of the Board who is also an officer.
- 1.2.12 **‘Non-Executive Director’** means a (voting) member of the Board of Directors who does not hold an executive office of the Trust.
- 1.2.13 **‘Officer’** means an employee of the Trust or any other person holding a paid appointment or office with the Trust.
- 1.2.14 **‘Board Secretary’** means a person appointed to act independently of the Board to provide advice on corporate governance issues to the Board and the Chair and monitor the Trust’s compliance with the law, Standing Orders, and guidance from government / regulatory bodies.
- 1.2.15 **‘Committee’** means a committee or sub-committee created and appointed by the Trust.
- 1.2.16 **‘Committee members’** means persons formally appointed by the Board to sit on or to chair specific committees.
- 1.2.17 **‘Charitable funds’** shall mean those funds which the Trust holds for purposes relating to the National Health Service in accordance with the NHS Act 2006. These funds are held on trust by the Corporate Trustee. We refer to the reporting entity comprising these funds as ‘the Trust’s Charity’, ‘the Charity’ or ‘WUTH Charity’.
- 1.2.18 **‘SFIs’** means Standing Financial Instructions (this document).
- 1.2.19 **‘SoRD’** means Scheme of Reservation and Delegation, which outlines the decisions that are reserved to the Board and the Council of Governors, and the authority delegated to Committees and to Trust employees.
- 1.2.20 **‘SOs’** means Standing Orders, which are contained within the Trust’s Constitution.
- 1.2.21 **‘Significant transactions’** are defined via NHSE’s *Transactions guidance – for trusts undertaking transactions, including mergers and acquisitions*, and are separately and differently defined in the Trust’s Constitution. In line NHSE’s guidance and the Trust’s Constitution, and with regards to both definitions, they are subject to approval by the Council of Governors and/or NHSE.
- 1.2.22 Wherever the term ‘employee’ is used and where the context permits it shall be deemed to include employees of third parties contracted to the Trust when acting on behalf of the Trust.

1.3 Convention

1.3.1

Wherever the title Chief Executive, Director of Finance, or other nominated officer is used in these instructions, it shall be deemed to include differently titled officers of equivalent role, or such other Directors or employees who have been duly authorised to represent them. This further operational delegation is detailed in the SoRD (an extract is included in Appendix 1 to these SFIs).

Where there is further, specific operational delegation, and where necessary or helpful for the reader’s understanding of ‘who does what’, the SFIs will indicate this in the body of the text by

- a) explaining the arrangement directly; or
- b) indicating further delegation by ‘[del]’, for referencing against Appendix 1.

1.4 Responsibilities and delegation

1.4.1 **The Trust Board** exercises financial supervision and control by:

- a) formulating the financial strategy;
- b) requiring the submission and approval of budgets within approved allocations / overall income;

- c) defining and approving essential features in respect of important procedures and financial systems (including the need to obtain value for money); and
 - d) defining specific responsibilities placed on members of the Board and employees as indicated within the SFIs and SoRD.
- 1.4.2 The Board has resolved that certain powers and decisions may only be exercised by the Board in formal session. All other powers have been delegated to such other committees as the Trust has established. These provisions are set out in the Trust's full SoRD, which is issued separately from the SFIs.
- 1.4.3 **It is a duty of the Chief Executive [del] to ensure that members of the Board, employees, and all new appointees are notified of, and put in a position to understand their responsibilities within, these Instructions.**
- 1.4.4 **The Chief Executive and Director of Finance** will, as far as possible, delegate their detailed responsibilities, but they remain accountable for financial control.

Within these SFIs, it is acknowledged that the Chief Executive is ultimately accountable to the Board, and as Accounting Officer, to the Secretary of State, for ensuring that the Board meets its obligation to perform its functions within the available financial resources.

The Chief Executive

- has overall executive responsibility for the Trust's activities;
 - is responsible to the Chair and the Board for ensuring that its financial obligations and targets are met;
 - must ensure that the Trust delivers efficient and economical conduct of its business in line with the principles set out in HM Treasury's *Managing Public Money*, safeguarding financial propriety and regularity throughout the organisation;
 - must ensure that financial considerations are fully taken into account in decisions taken by the Trust; and
 - has overall responsibility for the Trust's system of internal control.
- 1.4.5 In line with the requirements of the NHS Act 2006, the Chief Executive and Director of Finance shall monitor and ensure compliance with the NHS Standard Contract and Service Conditions on fraud, bribery and corruption including the Bribery Act 2010 requirements.
- 1.4.6 **The Director of Finance [del]** is responsible for:
- a) implementing the Trust's financial policies and for coordinating any corrective action necessary to further these policies;
 - b) maintaining an effective system of internal financial control including ensuring that detailed financial procedures and systems incorporating the principles of segregation of duties and internal checks are prepared, documented and maintained to supplement these instructions; and
 - c) ensuring that sufficient records are maintained to show and explain the Trust's transactions, in order to disclose, with reasonable accuracy, the financial position of the Trust at any time.
- 1.4.7 Without prejudice to any other functions of the Trust, and employees of the Trust, the duties of the Director of Finance include:
- a) the provision of financial advice to the Trust, Directors and employees [del];
 - b) the design, implementation and supervision of systems of internal financial control including suitable policies; and
 - c) the preparation and maintenance of such accounts, certificates, estimates, records and reports as the Trust may require for the purpose of carrying out its statutory duties and to explain the financial position.

1.4.8

All Directors and employees, severally and collectively, are operationally responsible for:

- a) the security of the property of the Trust;
- b) avoiding loss;
- c) exercising economy and efficiency in the use of resources; and
- d) conforming with the requirements of Standing Orders, the SoRD, SFIs and financial procedures.

1.4.9 The duties outlined under SFI 1.4.8 apply whether

- a) any assets in question are gifted, donated, leased or purchased; or
- b) any transaction in question is funded by sponsorship, research and development funds, charity funding or other grant or donation, or the Trust.

1.4.10 Section 4 of the Fraud Act 2006 provides that it is an offence for an employee who occupies a position in which they are expected to safeguard or not act against the financial interests of the Trust, to abuse that position to cause a loss or expose the Trust to the risk of loss.

1.4.11 **Any contractor or employee of a contractor** who is empowered by the Trust to commit the Trust to expenditure, or who is authorised to obtain income, shall be covered by these instructions. It is the responsibility of the Chief Executive [del] to ensure that such persons are made aware of this.

1.4.12 **For any and all Directors and employees who carry out a financial function**, the form in which financial records are kept and the manner in which members of the Board and employees discharge their duties must be to the satisfaction of the Director of Finance.

1.5 Nolan principles – principles of conduct in public life

1.5.1

All staff are expected to adopt the **seven overarching Nolan principles** (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) when participating in financial activities and conducting official Trust business, so that appropriate ethical standards can be demonstrated at all times. Ethical standards are explored in more detail in the Trust's *Managing Conflicts of Interest Policy*.

2. AUDIT, ANTI-FRAUD, CORRUPTION, BRIBERY AND SECURITY

2.1 Audit and Risk Committee

- 2.1.1 In accordance with the Constitution, the Board of Directors shall formally establish an Audit and Risk Committee, with clearly defined terms of reference, following *The NHS Foundation Trust Code of Governance* and guidance from the *NHS Audit and Risk Committee Handbook* and *Governance over audit, assurance and accountability: guidance for foundation trusts*.
- 2.1.2 The Board of Directors shall satisfy itself that at least one member of the Audit and Risk Committee has recent and relevant financial experience.
- 2.1.3 The Audit and Risk Committee will review the adequacy of
- all risk and control-related disclosure statements;
 - the underlying assurance process;
 - the policies for ensuring compliance with relevant regulatory and legal requirements;
 - policies and procedures for all work relating to fraud and corruption; and
 - the Trust's internal controls.
- 2.1.4 The Audit and Risk Committee may also review arrangements by which staff of the Trust may raise concerns about possible improprieties in matters of financial reporting and control, clinical quality or patient safety ('raising concerns'). All such concerns are to be treated in confidence and the Committee should ensure that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action.
- 2.1.5 Where the Audit and Risk Committee considers there is evidence of ultra vires transactions or improper acts, or if there are other important matters that the Committee wishes to raise, the Chair of the Audit and Risk Committee should raise the matter at a full meeting of the Board. The matter should be referred to the Director of Finance in the first instance and exceptionally may then need to be referred to NHS England.
- 2.1.6 It is the responsibility of the Audit and Risk Committee to make recommendations to the Council of Governors in relation to the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor.
- 2.1.7 It is the responsibility of the Audit and Risk Committee to ensure an adequate counter-fraud service and internal audit service is provided, and the Audit and Risk Committee shall consider the recommendations of the Director of Finance in approving a service provider.
- 2.1.8

2.2 Director of Finance

- 2.2.1 The Director of Finance is operationally responsible for:
- ensuring there are arrangements to review, evaluate and report on the effectiveness of internal financial control including the establishment of an effective internal audit function;
 - ensuring that the internal audit is adequate and meets the applicable audit standards, and all aspects of counter-fraud work;
 - deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud, corruption or bribery; and
 - ensuring that an annual internal audit report is prepared for the consideration of the Audit and Risk Committee and the Board. The report must cover:

- (i) a clear opinion on the effectiveness of internal control including, for example, compliance with control criteria and standards;
- (ii) major internal financial control weaknesses discovered;
- (iii) progress on the implementation of internal audit recommendations;
- (iv) progress against plan over the previous year;
- (v) a strategic audit plan covering the coming three years; and
- (vi) a detailed plan for the next year.

2.2.2 The Director of Finance or designated auditors are entitled, without necessarily giving prior notice, to require or receive:

- a) access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;
- b) access at all reasonable times to any land, premises, members of the Board and Council of Governors or employees of the Trust;
- c) the production of any cash, stores or other property of the Trust under a member of the Board or employee's control; and
- d) explanations concerning any matter under investigation.

2.3 Role of internal audit

2.3.1 Internal audit will review, appraise and report upon:

- a) the extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;
- b) the design and operation of financial and other related management controls;
- c) the suitability of financial and other related management data; and
- d) the extent to which the Trust's assets and interests are accounted for and safeguarded from loss of any kind, arising from:
 - (i) fraud and other offences; or
 - (ii) poor value for money or other causes, including waste, extravagance, or inefficient administration.

2.3.2 Whenever any internal audit matter arises which involves, or is thought to involve, irregularities concerning cash, stores, or other property, or any suspected irregularity in the exercise of any function of a pecuniary nature, the Director of Finance must be notified immediately by the internal auditor.

2.3.3 The Director of Internal Audit (Head of Internal Audit) will normally attend Audit and Risk Committee meetings and has a right of access to all Audit and Risk Committee members, the Chair and Chief Executive of the Trust.

2.3.4 The Director of Internal Audit shall be accountable to the Director of Finance. The reporting system for internal audit shall be agreed between the Director of Finance, the Audit and Risk Committee and the Director of Internal Audit. The agreement shall be in writing and shall comply with the guidance on reporting contained in the Public Sector Internal Audit Standards. The reporting system shall be reviewed at least every three years.

2.3.5 The Director of Internal Audit will present annually to the Audit and Risk Committee the Head of Internal Audit Opinion. This contributes to the assurances available to the Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the Trust's system of internal control. This Opinion therefore assists in the completion of the Annual Governance Statement within the Trust's Annual Report.

2.3.6 Managers have a duty to take appropriate remedial action, within the agreed and specified timescales, for recommendations specified within audit reports. The Director of Governance and Quality Improvement and the Director of Finance shall identify a formal review process to monitor the extent of compliance with internal audit recommendations. Where appropriate, when remedial action has failed to take place by the manager within a reasonable period, the matter shall be reported to the Audit and Risk Committee.

2.4 External audit

2.4.1 *Audit and assurance: a guide to governance for providers and commissioners* - The Trust is expected to comply with this guidance, which addresses external audit engagement, including

- a) appointment, re-appointment or removal of the external auditor; and
- b) procuring non-audit services by the external auditor.

2.4.2 The external auditor is appointed, re-appointed or removed by the Council of Governors in accordance with paragraph 23(2) of Schedule 7 to the NHS Act 2006.

2.4.3 The Council of Governors' decision to appoint, re-appoint or remove the external auditor is based on recommendations from the Audit and Risk Committee which are based on the following.

- a) The Audit and Risk Committee should annually review and monitor the external auditor's fees, independence and objectivity, and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.
- b) The Audit and Risk Committee shall oversee the conduct of a market-testing exercise for the appointment of an auditor at least once every five years.

2.4.4 In considering the Audit and Risk Committee's recommendations, the Council of Governors should ensure that the audit firm and audit engagement leader have an established and demonstrable standing within the healthcare sector and are able to show a high level of experience and expertise.

2.4.5 The Audit and Risk Committee should develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external auditor.

2.4.6 The Council of Governors should receive a report at least annually of non-audit services that have been approved for the auditors to provide under the above-mentioned policy (on the basis of services approved, regardless of whether they have started or finished) and the expected fee for each service.

2.4.7 In accordance with paragraph 2 of Schedule 10 to the NHS Act 2006, the external auditor has a right of access at all reasonable times to every document deemed necessary for the purposes of audit, and the Trust must additionally provide any facilities and information reasonably required by the auditor in the course of their work.

2.4.8 In the event of the external auditor issuing a 'report in the public interest', the report and a proposed Trust response will be made immediately available to the Board and the Council of Governors. The report, with a Board-approved Trust response, will be forwarded to NHS England within 30 days of the report being issued.

2.5 Fraud, corruption and bribery

2.5.1 Under the NHS Standard Contract, all organisations providing NHS services must put in place and maintain appropriate anti-fraud arrangements. In line with their responsibilities, the Trust's Chief Executive and Director of Finance **[del]** are responsible for providing an *Anti-Fraud, Bribery and Corruption Policy and Response Plan*, and monitoring and ensuring compliance with the *Government Functional Standard GovS 013: Counter Fraud* as set out in the NHS Standard Contract and Service Conditions.

2.5.2 The Director of Finance shall nominate a suitable person to carry out the duties of the Local Counter-Fraud Specialist (LAFS).

2.5.3 The LAFS shall report to the Director of Finance and shall work with, and notify incidents to, the NHS Counter Fraud Authority in accordance with the *Government Functional Standard GovS 013: Counter Fraud*.

2.5.4 The LAFS will be responsible for producing anti-fraud progress reports and presenting these to the Audit and Risk Committee. In addition, a Anti-Fraud Annual Report will be produced at the end of each financial year.

2.5.5 Any employee or contractor discovering or suspecting fraud, corruption or bribery, or anomalies which may indicate fraud, corruption or bribery, should usually **directly inform the Trust's Local Anti-Fraud Specialist (LAFS)**, or the Director of Finance, and neither of these officers' delegates their role in receiving fraud reports. Other routes for employees reporting fraud are outlined in the Trust's *Fraud, Bribery and Corruption Policy and Response Plan* policy document (SFI 13).

2.5.6 If reports of fraud, corruption or bribery are received under the *Raising Concerns* process, they will be redirected in line with the Instruction above.

2.5.7 Further information on the reporting of losses is offered in SFI 13.

2.6 Security management

2.6.1 Under the NHS Standard Contract, all organisations providing NHS services must put in place and maintain appropriate security management arrangements. The Chief Executive [del] is responsible for providing the Trust's *Security Policy* and will monitor and ensure compliance with relevant legislation and guidance.

2.6.2 The Trust shall nominate a Non-Executive Director to be responsible to the Board for NHS security management.

2.6.3 The Chief Executive has overall responsibility for controlling and coordinating security. However, key operational tasks are delegated to the appointed Local Security Management Specialist (LSMS), to whom staff should refer any suspected security incidents.

2.6.4 Further information on the reporting of losses is offered in SFI 13.

2.7 Money laundering

2.7.1 All employees and contractors are expected to comply with money laundering guidelines, as provided by the National Crime Agency [What we do - National Crime Agency](#)

3. BUSINESS PLANNING, BUDGETS, BUDGETARY CONTROL, AND MONITORING

3.1 Preparation and approval of plans and budgets

3.1.1 The Chief Executive will compile and submit to the Board an Operational Plan, which takes into account capacity and demand, and HR, estates and financial targets, within forecast limits of available resources. The Operational Plan will contain:

- a) a statement of the significant assumptions on which the Plan is based; and
- b) details of major changes in workload, delivery of services, or resources required to achieve the Plan.

The Operational Plan will be submitted to NHS England in line with issued deadlines, guidance and requirements.

3.1.2 Prior to the start of the financial year, the Director of Finance **[del]** will, on behalf of the Chief Executive, prepare and submit financial plans (budgets) for approval by the Board. Such budgets will:

- a) be in accordance with the aims and objectives set out in the Operational Plan;
- b) accord with workload and workforce plans;
- c) be produced following discussion with appropriate budget holders;
- d) be prepared within the limits of available funds; and
- e) identify potential risks.

3.1.3 In accordance with the Health and Social Care Act 2012, the Council of Governors must:

- a) approve any proposed 'significant transactions' (SFI 1.2.21);
- b) decide whether the Trust's private patient work would significantly interfere with the Trust's principal purpose, which is to provide goods and services for the health service in England; and
- c) approve any proposed increase in non-NHS income of 5% or more in any financial year.

3.1.4 The Trust shall submit information in respect of its financial plans to NHS England, once approved by the Board of Directors.

3.1.5 The Director of Finance **[del]** will monitor actual financial performance against plan / budget and report variances and risks to the Board.

3.1.6 All budget holders must provide information as required by the Director of Finance to enable plans / budgets to be compiled.

3.1.7 All budget holders will sign up to their allocated plans / budgets at or before the commencement of each financial year.

3.1.8 The Director of Finance **[del]** has a responsibility to ensure that adequate training is delivered on an on-going basis to budget holders, to help them manage their delegated financial performance successfully.

3.2 Budgetary delegation

3.2.1 The Chief Executive **[del]** may delegate the management of a budget to permit the performance of a defined range of activities. This delegation must be in writing and be accompanied by information about:

- a) the value of the delegated budget;
- b) the purpose(s) of each budget heading;
- c) whole time equivalents (WTEs) in respect of pay budgets;
- d) individual and group responsibilities;
- e) authority to exercise virement; and
- f) planned levels of service.

Budgetary delegation is supported by the provision of regular reports.

- 3.2.2 The Chief Executive and delegated budget holders must not exceed the budgetary total or virement limits set by the Board [del], as captured in the Finance Department's budget virement policy.
- 3.2.3 Virement between different budget-holders requires the agreement of both parties. Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to any authorised use of virement.
- 3.2.4 Non-recurring budgets shall not be used to finance recurring expenditure without approval through the business case process (SFI 7).
- 3.2.5 Capital budgets cannot be used to finance revenue expenditure and vice-versa.

3.3 Budgetary control and reporting

- 3.3.1 The Director of Finance [del] will devise and maintain systems of budgetary control and reporting. These will include the following.
 - a) Monthly financial reports to the Board, including:
 - (i) income and expenditure to date showing trends and forecast year-end position;
 - (ii) movements in cash and capital;
 - (iv) capital project spend and projected outturn against plan;
 - (v) explanations of any material variances from plan; and
 - (vi) details of any corrective action where necessary and the Chief Executive's and/or Director of Finance's view of whether such actions are sufficient to correct the situation.
 - b) The issue of timely, accurate and comprehensible advice and financial reports to each budget holder, covering the areas for which they are responsible.
 - c) Investigation and reporting of variances from financial, workload and workforce budgets.
 - d) Monitoring of management action to address variances.
 - e) Arrangements for the authorisation of budget transfers.
 - f) Advice to the Chief Executive and the Board on the consequences and economic and financial impact on future plans and projects of a change in policy, pay awards and other events and trends affecting budgets.
- 3.3.2 Each budget holder is responsible for ensuring that:
 - a) they remain within their budget allocation;
 - b) the amount provided in an approved budget is not used in whole or in part for any purpose other than that specifically authorised, subject to the rules of virement;
 - c) they identify and implement cost improvements and income generation initiatives in accordance with the requirements of the approved budget; and
 - d) recruitment of a fixed term or permanent employee to a post, not covered by funded establishment, must be approved beforehand by following the Trust's current establishment control / recruitment policies, and this process requires approval through the business case process (SFI 7). Approval must be gained prior to engaging services of any and all agency workers.
- 3.3.3 Any proposal to reduce income or increase revenue spending (that cannot be met from virement) must be approved through the business case process (SFI 7).
- 3.3.4 The Chief Executive has overall responsibility for identifying and implementing cost improvements and income generation initiatives in accordance with the regulatory requirements for an approved budget.

3.4 Capital expenditure

3.4.1 Capital planning is addressed through SFI 12. The general rules applying to delegation and reporting shall also apply to capital expenditure.

3.5 External monitoring of performance

3.5.1 The Chief Executive **[del]** is responsible for ensuring that the appropriate monitoring returns are submitted to NHS England (or other regulatory body) in line with prevailing guidance and timescales.

4. ANNUAL ACCOUNTS AND REPORTS

- 4.1 In respect of each financial year, the Chief Executive (as the Trust's Chief Accounting Officer) is responsible for ensuring that the following requirements are met, in line with the *NHS foundation trust accounting officer memorandum*.
- a) The Trust must keep accounts and financial records, and prepare annual accounts, in such form as NHS England may, with the approval of HM Treasury, direct.
 - b) In preparing annual accounts, the Trust must comply with any directions given by the Department of Health and Social Care and NHS England with the approval of HM Treasury as to:
 - (i) the methods and principles according to which the accounts are to be prepared; and
 - (ii) the information to be given in the accounts.
- 4.2 The Trust's audited annual accounts must be presented by the Director of Finance to the Board for approval. A copy of the annual accounts, with associated disclosures and supporting schedules, and any report of the external auditor on them, must be sent to NHS England in accordance with issued timetables.
- 4.3 The external auditor of the Trust's annual accounts must be appointed by the Council of Governors. The Trust's audited annual accounts must be received by the Council of Governors at a public meeting and made available to the public.
- 4.4 The Trust will publish an Annual Report, including the audited annual accounts and a quality report, and will present it at the public meeting. The document is compiled in line with NHS England's Annual Reporting Manual and is submitted to NHS England and laid before Parliament, in accordance with issued instructions and timetables.

5. BANK AND GBS ACCOUNTS, AND THE SECURITY OF CASH AND CASH EQUIVALENTS

5.1 General

- 5.1.1 The Director of Finance is responsible for managing the Trust's and Charitable Funds banking arrangements and for advising the Trust on the provision of banking services and the operation of accounts.
- 5.1.2 The Board shall approve the Trust's banking arrangements.
- 5.1.3 The Director of Finance is responsible for negotiating the Trust's banking contracts, establishing any associated mandates and naming personnel to be signatories for banking transactions.
- 5.1.4 No employee may open or hold a bank account in the name and/or address of the Trust or of its constituent hospitals / departments. Any employee aware of the existence of such an account shall report the matter immediately to the Director of Finance.
- 5.1.5 General operational delegation to Financial Services for cash and banking activity is as listed in Appendix 1.

5.2 Bank and GBS accounts

- 5.2.1 The Director of Finance is responsible for:
 - a) bank accounts, including Government Banking Service (GBS) accounts;
 - b) establishing separate bank accounts for the Trust's charitable funds;
 - c) ensuring payments made from bank or GBS accounts do not exceed the amount credited to the account except where arrangements have been made; and
 - d) reporting to the Board any arrangements for accounts to be overdrawn.

5.3 Banking procedures

- 5.3.1 The Director of Finance will prepare detailed instructions on the operation of bank and GBS accounts which must include:
 - a) the conditions under which each bank and GBS account is to be operated;
 - b) the limit to be applied to any overdraft; and
 - c) those authorised payments from the Trust's accounts.

5.4 Security of cash, cheques and other negotiable instruments

- 5.4.1 The Director of Finance is responsible for:
 - a) approving the form of officially acknowledging or recording monies received or receivable;
 - b) the provision of adequate facilities and systems for employees whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines;
 - c) prescribing systems and procedures for handling cash and negotiable securities, including card and contactless payment protocols, on behalf of the Trust; and
 - d) the prompt banking of all monies received.

5.5.2

Trust cash shall not under any circumstances be used for private transactions such as the encashment of private cheques, ad hoc temporary banking of employee funds, 'intermediary' bank transfers or temporary loans. Trust accounts must not be credited with any monies unrelated to Trust business and income, except patient monies held in trust.

- 5.4.3 Credit cards or payment cards must not be used by employees outside the Finance and Procurement Department for business-as-usual Trust purchasing, as this would bypass Procurement processes and the 'no PO no pay' procedure (SFI 9.2). Trust credit cards / payment cards should not be used for personal expenditure, even if there is an intention to reimburse the Trust.
- 5.4.4 The Trust may use a credit card or payment card in cases where this is the only method of payment available, or where it is proven to be the most efficient payment method.
- 5.4.5 The holders of safe keys shall not accept unofficial funds for depositing in their safes unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the Trust is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the Trust from responsibility for any loss (see SFI 15).
- 5.4.6 The opening of incoming post shall be undertaken by one officer. All cash and cheques received shall be entered into the financial system.
- 5.4.7 All cheques issued shall be crossed '*Not Negotiable Account Payee*' or equivalent.
- 5.4.8 Any loss or shortfall in cash shall be reported immediately in accordance with the procedures for losses and special payments. Any significant trends should be reported to the Director of Finance. Where there is prima facie evidence of fraud and corruption it will be necessary to follow the Trust's *Fraud, Bribery and Corruption Policy and Response Plan* (see SFI 13).

6. INCOME - FEES AND CHARGES, AND CONTRACTING FOR PROVISION OF HEALTHCARE SERVICES

6.1 Income systems

- 6.1.1 The Director of Finance is responsible for designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, collection and coding of all monies due.
- 6.1.2 The Director of Finance is also responsible for the prompt banking of all monies received.

6.2 Fees and charges

- 6.2.1 Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England (principal) must be greater than its income from the provision of goods and services for any other purposes (non-principal).
- 6.2.2 The Trust shall follow NHS England guidance in setting prices for NHS service contracts, where services are not covered by a mandatory National Tariff, in conjunction with the principles set out in the latest version of the Department of Health and Social Care's *Approved Costing Guidance*.
- 6.2.3 The Director of Finance is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by NHS England, HM Treasury or by statute. Independent professional advice on matters of valuation shall be taken as necessary.
- 6.2.4 Where sponsorship income (including items in kind such as subsidised goods or loans of equipment) is considered, the Trust's *Managing Conflicts of Interest Policy* must be followed. Only the Chief Executive or Director of Finance can approve commercial sponsorship proposals.
- 6.2.5 In accordance with the Health and Social Care Act 2012, the Council of Governors must:
 - a) decide whether the Trust's private patient work would significantly interfere with the Trust's principal purpose, which is to provide goods and services for the health service in England; and
 - b) approve any proposed increase in non-NHS income of 5% or more in any financial year.
- 6.2.6 All employees must inform the Director of Finance promptly of money due arising from transactions which they initiate / undertake, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.

6.3 Income contracts – whole-life value equal to or exceeding £2m

- 6.3.1 The Director of Finance is responsible for negotiating contracts with the Trust's commissioners for the provision of services to patients in accordance with the Operational Plan, and for establishing the arrangements for providing extra-contractual services. In carrying out these functions, the following will be taken into consideration:
 - a) costing and pricing of services;
 - b) payment terms and conditions; and
 - c) amendments to contracts and extra-contractual arrangements.
- 6.3.2 For any service for which the National Tariff mandates or specifies a price, the 'national price' modified as permitted under the NHS Standard Contract shall be payable.
- 6.3.3 Only the Chief Executive and the Director of Finance may sign these contracts.

6.4 Income contracts and service level agreements (SLAs) – whole-life value below £2m

- 6.4.1 Where the Trust enters into a relationship with a non-NHS body or another NHS organisation for the supply of services, either clinical or non-clinical, or collaborative arrangements and non-financial contracts, Divisional Directors and corporate managers are responsible for negotiating the contracts on behalf of the Trust, and the responsible contracting officer should ensure that an appropriate SLA/contract is in place and has been signed by both parties.

6.4.2 This contract should incorporate:

- a) NHS terms and conditions based on the most relevant and current NHS Contract;
- b) a description of the service and indicative activity levels;
- c) the term of the agreement including termination arrangements;
- d) the value of the agreement, including arrangements for annual review / inflationary uplifts;
- e) the operational lead;
- f) performance and dispute resolution procedures;
- g) risk management and clinical governance arrangements;
- h) quality requirements;
- i) indication as to who will pay or provide cover for long-term absences such as sickness, maternity and vacancies; and
- j) key performance indicators.

6.4.3 Annual uplifts will be applied to each contract and SLA in line with inflation, and any relevant pay or price increases.

6.4.4 These contracts are signed off in accordance with Appendix 2 - *Matrix of Financial Limits*.

6.5 Income contracts - general

6.5.1 Any proposed service changes/developments that have not been incorporated in the revenue plans previously agreed by the Trust Board will require an approved business case before proceeding (SFI 7).

6.5.2 Contracts should minimise risk whilst maximising the Trust's opportunity to generate income.

6.5.3 SLAs/contracts should be reviewed and agreed on an annual basis or as determined by the term of the agreement so as to ensure value for money and to minimise the potential loss of income.

6.5.4 The Director of Finance **[del]** shall produce regular reports detailing actual and forecast contract income with a detailed assessment of the impact of the variable elements of income.

6.5.5 These Instructions apply equally to contract variations.

6.5.6 Copies of signed SLAs/contracts should be retained on file in accordance with the Trust's document retention procedures by the contracting officer and, where the SLA/contract specifies financial information, a copy should be issued to the divisional finance team within Finance.

6.6 Grants

6.6.1 Negotiations and applications for (Trust or Charity (SFI 16.5.3)) grant income which does not fund research and development ('non-clinical grants') must have the approval and sign off of the Director of Finance **[del]**. This ensures that:

- a) such applications are subject to professional review and assistance, with the aim of maximising potential revenues;
- b) all capital, revenue and accounting consequences are acceptable and recorded correctly;
- c) VAT is administered correctly;
- d) all grant conditions are reviewed and are agreed to be acceptable, with escalation to managers, Directors, Groups or Committees where appropriate; and
- e) the grant (including its conditions) is logged in the Trust's non-clinical grant register, and prime records are archived centrally.

6.6.2 The Trust's Research Department approves, supports and administers research and development ('clinical') grants.

6.7 Income collection and the issuing of credit notes to customers / commissioners

- 6.7.1 The Director of Finance **[del]** is responsible for the appropriate recovery procedures and action on all outstanding debts.
- 6.7.2 Employees (other than those in the Trust's Financial Services - Accounts Receivable department) must never create or issue invoices for Trust income to customers.
- 6.7.3 Employees creating invoices for their own private income must never use Trust branding or otherwise give the impression that their activity is directly related to the Trust.
- 6.7.4 Employees must never amend or retain inbound cheques. Under no circumstances shall any income (cash, cheques, or other forms of payment) be retained on any Ward or Department.
- 6.7.5 Income, which is deemed due, but possibly uncollectable, should be dealt with in accordance with debt recovery procedures, and reported as a write-off loss (SFI 13.1.9) where appropriate. Overpayments (such as salary overpayments) should be detected (or preferably prevented) and recovery initiated in line with specific Finance policies.
- 6.7.6 In cases where the Trust has raised an invoice to a customer or commissioner and has found the invoice to be incorrect / overstated, a credit note may be raised for issue, against the original invoice. Credit notes represent a potential loss of Trust income and can only be requested and authorised by the original invoice requestor or their manager. All such transactions are reviewed by the Director of Finance **[del]** prior to transaction.

7. BUSINESS CASE PROCESS

7.1 Rationale

- 7.1.1 These Instructions outline the business case process that must be followed for all service changes/developments which have either revenue or capital financial implications. The Trust's business case process has been established to ensure that there is full involvement from any party within the Trust that could be affected by new developments. A sound and well-understood process is critical to ensure there are no unforeseen financial or non-financial consequences from the Trust's investment decisions.
- 7.1.2 Any proposed service changes/developments that have not been incorporated in the revenue plans previously agreed by the Trust Board will require a business case.

7.2 Business case process summary

- 7.2.1 **The Trust's Business Case Process is available via the Trust's intranet. It contains policy, guidance and templates for the completion of business cases.**
- 7.2.2 SFI 3.2.3 states that any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive. Therefore, any proposal to do something differently, beyond authorised virement, must also be supported by an approved business case before implementation.
- 7.2.3 Any item of capital expenditure which is not already specifically itemised in the approved capital plan will require either a capital bid form (CBF) or a form of business case. The type of documentation required will depend on the value of the proposed scheme and this is set out in Appendix 2 - Matrix of Financial Limits. Every item or scheme should have been approved through the CBF or business case process at some point prior to procurement.
- 7.2.4 The business case process does not replace, but rather precedes, the Trust's tendering process, which must be followed when purchasing goods, works or services.
- 7.2.5 The Chief Executive and the Director of Finance are responsible for approving all lower value business cases as detailed in Appendix 2 - Matrix of Financial Limits and are responsible for ensuring that all business cases link to Trust strategy, are technically feasible, contain valid assumptions, detailed and accurate financial information and that the sponsor has liaised with all relevant parties, i.e. internal and external organisations prior to the business case being submitted.
- 7.2.6 Financial limits applicable to the approval of business cases are detailed in Appendix 2 - Matrix of Financial Limits.
- 7.2.7 All significant leases (annual rents exceeding £100,000) are notified to Board, if not already Board-approved.
- 7.2.8 Business cases should not assume VAT recovery unless this has been pre-approved by the Director of Finance through a referral to the Financial Accounts team.
- 7.2.9 Any proposals including leases, rentals, 'managed service contracts' or other service models where the asset is provided 'for free', or which involve the use of a contractor's assets without using the word 'lease', should be pre-approved by the Director of Finance through a referral to the Financial Accounts team. It is possible that such proposals will come under the Trust's capital business case process and be funded by capital budgets.
- 7.2.10 Any proposals including collaborative working, beyond 'normal' SLA contracts, with other bodies - including joint ventures, joint operations, and other partnerships should be pre-approved by the Director of Finance through a referral to the Financial Accounts team.
- 7.2.11 All business cases containing elements of capital expenditure are subject to compliance checks and verification of the capital nature of spend by the Financial Accounts team prior to the formal approval of the business case.
- 7.2.12 Any business case including expenditure on management consultants is subject to a higher level of approval control, as detailed in Appendix 2 - Matrix of Financial Limits.

- 7.2.13 Any business case involving 'significant transactions' (*PFI, mergers etc*) or large capital investments / leases must be referred to NHS England or other regulatory body as per prevailing guidelines. In particular, SFI 8.21 applies to PFI for capital procurement.
- 7.2.14 In approving business cases, it should be noted that in accordance with the Health and Social Care Act 2012, the Council of Governors must
- a) approve any proposed 'significant transactions' (SFI 1.2.21);
 - b) decide whether the Trust's private patient work would significantly interfere with the Trust's principal purpose, which is to provide goods and services for the health service in England; and
 - c) approve any proposed increase in non-NHS income of 5% or more in any financial year.

8. PROCUREMENT - TENDERING AND CONTRACTING PROCEDURE

8.1 General

- 8.1.1 The procedure for procurement and making all contracts by, or on behalf of, the Trust shall comply with the Trust's Standing Orders and Standing Financial Instructions (except where the suspension of Standing Orders is applied).
- 8.1.2 The Chief Executive is responsible for ensuring that best value for money is demonstrated for all goods, works and services provided under contract or in-house and shall set out procedures on the seeking of professional advice regarding the supply of goods and services.
- 8.1.3 Contracts of employment, and agency/temporary staffing arrangements are addressed in SFI 19.
- 8.1.4 The approval of business cases prior to the procurement process is addressed in SFI 7.
- 8.1.5 The Director of Finance will:
- a) advise the Board regarding the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained. Once approved, the thresholds should be incorporated into these SFIs and the accompanying appendices, and regularly reviewed; and
 - b) prepare procedural instructions or guidance within these SFIs and appendices on the procurement of goods, works and services incorporating the thresholds.
- 8.1.6 As a general rule, the procurement sequence for spend over £5,001 (ex VAT), not already covered by existing NHS national or local contracts, is as follows:
- a) a need for goods/services is identified.
 - b) a business case is approved for expenditure outside approved budgets;
 - c) either competitive quotations or tendering are usually required, depending on value;
 - d) a quotation / tender is accepted and contracts are approved and signed off;
 - e) a requisition is entered to the electronic ordering system and approved; and
 - f) an order is created in Procurement which is issued to the supplier.
- b), d) and e) involve staff approvals subject to financial limits, and these are detailed in Appendix 2 - *Matrix of Financial Limits*.
- 8.1.7 In the absence of an approved business case, the Procurement Department will ensure that the controls and provisions of SFI 7.2 are satisfied during the quotation / tender process.
- 8.1.8 Purchases must not be disaggregated to avoid financial limits / thresholds.
- 8.1.9 The limits below refer to the expenditure on a particular category of goods, works or service over a period of time. They should not be interpreted to mean expenditure committed in an individual transaction particularly where there is an ongoing requirement for those goods, works or service
- 8.1.10 The provisions of these SFIs are applicable in all instances where cumulative spend across a year exceeds or is expected to exceed the limit for quotations or tenders, be that within a category of spend or with a particular supplier.
- 8.1.11 Where the spend is recurrent (i.e. will occur in more than one year) the limit refers to the total value of spend over a period of three years. The values stated are **inclusive of VAT**.

Revenue and capital – goods, works and non-healthcare services:

£5,001 - £30,000	Official quotations
£30,001 – PCR 2015 threshold	Official tender exercise
In excess of PCR2015 threshold	Tender exercise conducted in accordance with regulations set out in PCR2015*

*Please note, PCR2015 changes to PA23 Regulations from 1 February 2026

- 8.1.12 With effect from 1 January 2024, for all healthcare services, The Healthcare Services (Provider Selection Regime) (PSR) 2023 applies. There is **NO** threshold meaning that this legislation applies regardless of value.

8.2 Directives governing public procurement

- 8.2.1 The Public Contract Regulations 2015 and The Public Procurement (Amendment etc.) (EU Exit) Regulations, Procurement Policy Notes (PPN) and other regulations promulgated by the Department of Health and Social Care prescribing procedures for awarding all forms of contracts shall have effect as if incorporated in these Standing Orders and Standing Financial Instructions.
- 8.2.2 The PSR replaced the National Health Service (Procurement, Patient Choice and Competition) (No 2) Regulations 2013 (the PPCCR) and, alongside its introduction, removed the procurement of health care services, when procured by relevant authorities under the PSR, from the scope of the Public Contracts Regulations 2015 (the PCR). The PCR and the PPCCR had set the expectation that competitive tendering is used to award contracts for health care services. The PSR has been designed to give the relevant authorities to which it applies more flexibility in selecting providers for health care services. In the case of healthcare procurement, the Chief Executive (del) is responsible for ensuring that services are procured in line with the legislation.

8.3 Delivering Social Value

- 8.3.1 The Chief Executive is responsible for ensuring that the Trust takes into account the additional social benefits that can be achieved through the Trust's contracts, and that these benefits are explicitly evaluated where the requirements are related and proportionate to the subject matter of the contract.

Contracts should include measures that support:

- a) Fighting climate change and the delivery of the Net Zero Target
- b) Tackling Economic Inequality
- c) COVID-19 Recovery
- d) Equality of Opportunity and
- e) Improved Health & Wellbeing

Fighting climate change and the delivery of the Net Zero Target

- 8.3.2 Where the Trust lets a contract for goods, works or services, that is subject to the Public Contracts Regulations 2015 this should take account of the supplier's Net Zero Carbon Reduction Plan where the annual value of the contract is expected to exceed £5 million p.a (ex Vat) save where the requirement would not be related and proportionate to the contract.

8.4 The Procurement Process - Competitive Quotations

8. Competitive quotations are required where the intended expenditure or income exceeds, or is reasonably expected to exceed, £5,001 but not exceed £30,000 (including VAT).

- a) Quotations should be obtained from at least three suppliers based on specifications or terms of reference prepared by, or on behalf of, the Trust.
- b) Quotations should be submitted in writing, via the Trust's electronic sourcing software, to the Procurement Department. In exceptional cases where written quotations are impractical due to urgency, telephone quotations may be obtained by the Procurement Department and only with the approval of the Chief Executive or their nominated officer.

- c) Potential bidders must be provided with sufficient time to prepare and submit their proposal, which should in all cases be a minimum of five working days unless the requirement is of an urgent nature.
- d) All quotations should be treated as confidential and must be retained for inspection on the procurement server.
- e) The Chief Executive or their nominated officer should evaluate the quotation and select the quote which provides the best value for money. If this is not the lowest compliant quotation (if payment is to be made by the Trust), or not the highest (if payment is to be received by the Trust), then the choice made, and the reasons why should be recorded in a permanent record.

8.3.2

Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with, formal acceptance and authorisation of a quotation and the awarding of a contract may be decided in line with financial limits set out in Appendix 2 - Matrix of Financial Limits.

8.4.2 The Assistant Director of Finance - Procurement is authorised to transact a contract approved in accordance with Appendix 2 - Matrix of Financial Limits and may sign the Call Off Agreement (or equivalent document) on behalf of the Trust.

8.4.3 Contract and tendering procedures within these SFIs, particularly SFI 8.9 and SFI 8.10, should be applied to quotations as best practice.

8.5 The Procurement Process - Competitive Tenders

8.5.1 Competitive tenders are required where the intended expenditure or income exceeds, or is reasonably expected to exceed £30,000 including VAT but not exceed the relevant PCR2015 threshold including VAT.

8.5.2 The Trust shall ensure that competitive tenders are invited for:

- a) the supply of goods, materials and manufactured articles;
- b) the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the Department of Health and Social Care);
- c) the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); and
- d) disposals of Trust property or goods (unless specified in SFI 8.22).

8.5.3 Formal tendering procedures need not be applied where:

- a) the estimated expenditure or income does not or is not reasonably expected to exceed £30,001 excluding VAT, however the provisions of SFI 8.3 should be followed.
- b) the supply is proposed under special arrangements negotiated by the Department of Health and Social Care, in which event the said special arrangements must be complied with;
- c) the Trust is disposing of Trust assets, as set out in SFI 8.22;
- d) the requirement is covered by an existing framework agreement or contract (this includes contracts let by external agencies on behalf of the NHS e.g. NHS Supply Chain) (8.8.2 refers to the conditions under which this option can be exercised)
- e) where a consortium arrangement is in place and a lead organisation has been appointed to carry out the tendering activity on behalf of the consortium members.

8.6 The Procurement Process – Public Contracts Regulations (PCR2015)*

8.6.1 A competitive procurement exercise that is fully compliant with the provisions of PCR 2015 is required where the intended expenditure exceeds or is reasonably expected to exceed the PCR 2015 thresholds. The thresholds are reviewed periodically and include Vat.

8.6.2 The Trust shall ensure that PCR2015 compliant procurement exercises are undertaken for:

- a) the supply of goods, materials and manufactured articles;
- b) the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the Department of Health and Social Care);
- c) the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens);

8.7 Use of Framework Agreements

8.7.1 The Trust may use an established framework in lieu of a quotation, tender exercise or PCR 2015 compliant procurement exercise where the framework offers the best value for money.

8.7.1 The use of a further competition process between approved suppliers to the framework will be the default procurement route.

8.7.2 The use of the direct award option may only be used in exceptional circumstances and in all cases the reasons should be documented and recorded in an appropriate Trust record.

8.8 Invitations to tender or provide quotation– specifications, fair and adequate competition, and exclusions

8.8.1 Specifications should not be designed with the intention of artificially narrowing competition or creating favour or disadvantage to contractors or sectors and should only be drawn up by Trust staff or an authorised third-party representative.

8.8.2 Contract award criteria will be determined in advance of invitations to quote or tender, will be notified to all bidders, and may not be altered or amended during the procurement process.

8.8.3 Contracts with an estimated value of the PCR 2015 threshold and above will include contract award criteria relating to Social Value. Such criteria will account for not less than 10% of the total qualitative assessment score.

8.8.4 Contracts with an estimated value that exceeds the thresholds set out in PCR2015 will be advertised on the UK Find a Tender Service and then in Contracts Finder

8.8.5 Contracts with an estimated value of £12,000 including VAT and above will be advertised on Contracts Finder in accordance with the provisions of PPN07/21.

8.8.6 Where the value of a contract does not necessitate the publication of an advert in accordance with 8.9.3 or 8.9.4 the Trust shall ensure that invitations to quote are issued to a sufficient number of suppliers to provide fair and adequate competition, and unless not practicable, in no case less than three suppliers, having regard to their capacity to supply the goods or materials or to undertake the services or works required.

8.8.7 A supplier submitting a tender must satisfy the Trust as to their technical and financial competence.

8.8.8 All invitations to tender for Trust business must include a notice of warning with regard to the consequences of engaging in any corrupt activity involving employees of the Trust. Under the terms of the Public Contracts Regulations 2015 (PCR 2015)*, potential contractors must be excluded from a procurement procedure if they have been convicted of a common law offence or bribery within the meaning of Sections 1, 2 or 6 of the Bribery Act 2010.

8.8.9 A record shall be kept of tender invitations issued, and all invitations to tender shall state the date and time as being the latest time for the receipt of tenders.

8.9 Receipt, acceptance and safe custody of tenders

- 8.9.1** No tender will be considered for acceptance unless submitted through the e-tendering system, as instructed within the tender documentation.
- 8.9.2** Electronic tenders must be issued and managed via the Trust's, or other approved, electronic tendering systems.
- 8.9.3** Electronic tenders will be held and locked electronically until the allocated time and date for opening.
- 8.9.4** The Chief Executive or their nominated representative [del] will be responsible for the receipt, endorsement and safe custody of tenders received by the Trust until the time appointed for their opening.

8.10 Opening of tenders

- 8.10.1** All tenders will be managed via an electronic tendering solution. The electronic tendering system is a fully automated, auditable system which seals bids until the response deadline has passed. The Trust's verifiers (Appendix 1 – *Scheme of Delegation (extract)*) are authorised to access the electronic tenders and release them once the sealed date and time has passed. A full electronic record of the tenders received will be available in accordance with the agreed parameters of the system.
- 8.10.2** Through the electronic tendering system, a record shall be maintained by the Chief Executive, or a person authorised by him/her, to show for each set of competitive tender invitations issued:
- (i) the name of all suppliers that have downloaded the tender document or have been invited to tender;
 - (ii) the names of suppliers from which tenders have been received;
 - (iii) the date and time at which the tenders were opened;
 - (iv) the name of the Trust's verifier; and
 - (v) the price shown on each tender.

8.11 Admissibility of tenders, and late tenders

- 8.11.1** In considering which tender to accept, if any, the designated officer(s) in the tender evaluation panel, as well as those formally awarding the contract, shall have regard to whether value for money will be obtained and whether the number of tenders received provides adequate competition.
- 8.11.2** Incomplete or qualified tenders cannot be considered.
- 8.11.3** Tenders received after the due time and date but prior to the opening of the other tenders, may be considered only if the Chief Executive or Director of Finance decide that there are exceptional circumstances, in consultation with the Assistant Director of Finance - Procurement.
- 8.11.4** Where examination of tenders reveals errors which would affect the tender figure, the tenderer is to be given details of such errors and afforded the opportunity of confirming or withdrawing their offer.
- 8.11.5** Any communications with a tenderer which are deemed necessary to clarify technical aspects of their tender before the award of a contract will not disqualify the tender. All communication with tenderers must take place within the e-tendering system.
- 8.11.6** All tenders should be treated as confidential and should be retained for inspection.

8.12 Formal authorisation of tenders

- 8.12.1** The Most Advantageous Tender (MAT) shall be accepted by the tender evaluation panel unless the Chief Executive determines that there are good and sufficient reasons to the contrary. Such reasons shall be set out in either the contract file, or other appropriate record.

It is accepted that the lowest price does not always represent the best value for money. Other quality factors affecting the success of a project, which are considered under MAT, include but are not limited to:

- (i) technical expertise and experience of the bidding organisation;
 - (ii) understanding of client's needs;
 - (iii) feasibility and credibility of proposed approach; and
 - (iv) ability to deliver the goods or service or complete the project on time.
- (iii) The extent to which the proposal can satisfy the social values requirements for the contract.

8.12.2 The contract award criteria taken into account in selecting a tender, must be clearly recorded and documented in the contract award recommendation report, and where applicable the reason(s) for not accepting the most economically advantageous tender clearly stated.

8.12.3 Post-tender negotiations on price are strictly prohibited, unless permitted in the choice of procurement process and expressly outlined in the invitation to tender.

8.12.4 Where only one tender/quotation is received, the Chief Executive shall, as far as is practicable, ensure that the price to be paid represents value for money.

8.12.5 The use of these procedures must demonstrate that the award of the contract was not in excess of the going market rate / price current at the time the contract was awarded, and that best value for money was achieved.

8.12.6 All contracts must be the result of a procurement exercise conducted in line with these SFIs, the Trust's procurement rules, and PCR 2015* (where applicable). All contracts must be the result of fair, open and transparent competition.

8.12.7 A recommendation report for the contract award is compiled by the Procurement Department, on behalf of the tender evaluation panel. The report is forwarded to an officer with adequate financial limits for the award of a contract, or the Board, per Appendix 2 - *Matrix of Financial Limits*.

8.13.8

Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with, formal authorisation of the tender and the awarding of a contract may be decided in line with financial limits set out in Appendix 2 - *Matrix of Financial Limits*.

8.12.9 Formal authorisation must be put in writing. In the case of authorisation by the Trust Board, this shall be recorded in their minutes.

8.13 Contracts - signatories

8.13.1 Employees of the Trust should under no circumstances sign a contract, unless authorised through the Scheme of Delegation, with financial limits outlined in Appendix 2 - *Matrix of Financial Limits*.

8.13.2

The Assistant Director of Finance - Procurement is authorised to sign the contract document, call off or other agreement on behalf of the Trust in order to transact a contract approved in accordance with the Scheme of Delegation.

8.13.3 Only the Chief Finance Officer can sign credit agreement documents, with the exception of HR salary sacrifice arrangements.

8.14 Expenditure to be within financial limits

8.14.1 No tender or quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust (for example, through budgets and/or the business case approval process (SFI 7)), or which is otherwise not in accordance with these Standing Financial Instructions, except with the authorisation of either the Chief Executive or Director of Finance.

8.15 Items which subsequently breach thresholds after original approval

8.15.1 Purchases estimated to be below the formal tendering threshold set in these Standing Financial Instructions, which subsequently prove to have a value above such limits, shall be reported to the Chief Executive and be recorded in an appropriate Trust record.

8.16 Non-competitive tenders and quotations - waivers

- 8.16.1 In exceptional instances where competitive tenders and quotations are not deemed possible, Trust officers should seek the approval of the Chief Executive to waive these requirements, delegated to the Director of Finance. The Director of Finance does not further delegate this responsibility.
- 8.16.2 In all circumstances the request to waive the requirements should be made formally using the Waiver Request Form.
- 8.16.3 Requests must be made prospectively
- 8.16.4 No further action may be taken in respect of securing the goods, works or services which are the subject of the request until the appropriate authorisation has been obtained (see 8.17)
- 8.16.5 The waiving of a competitive tendering or quotation procedure must not be used :
- a) to avoid competition
 - b) for administrative convenience
 - c) to award further work to a supplier originally appointed through a competitive procedure (except where the provisions of 8.6.2 (v) or (vi) apply).
 - d) to award further work to a supplier appointed through a previously approved waiver.
- 8.16.6 Expenditure exceeding the PCR2015* Regulations threshold may only be waived in exceptional circumstances.
- 8.16.7 Tendering and Quotation procedures may only be waived in the following circumstances:
- a) very exceptionally, where the Chief Executive [~~del~~] decides that a formal tendering or quotation procedure would not be practicable or the estimated expenditure or income would not warrant formal tendering procedures, and the circumstances are documented and approved. The Trust's Waiver Request form, to be used in all cases;
 - b) where the timescale genuinely precludes a competitive tendering or quotation procedure - failure to anticipate the requirement or plan for the work properly would not be regarded as a justification for a single tender;
 - c) where specialist expertise is required and is available from only one source;
 - d) when the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging a different contractor(s) for the new task would be inappropriate; or
 - e) when there is a clear benefit to be gained from maintaining continuity with an earlier project. However in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering.

8.17 Exemptions from the requirement to seek a waiver

8.17.1 A waiver need not be sought in the following instances:

- a) Training courses specific to an individual(s) member of staff
- b) subscriptions and memberships,
- c) conference fees
- d) Equipment maintenance or repair where the maintenance or repair is to be carried out by the original Equipment manufacturer (OEM)
- e) Equipment maintenance or repair where the supplier is mandated by the OEM
- f) Licences -where the license can only be purchased by the manufacturer or developer (in the case of software).

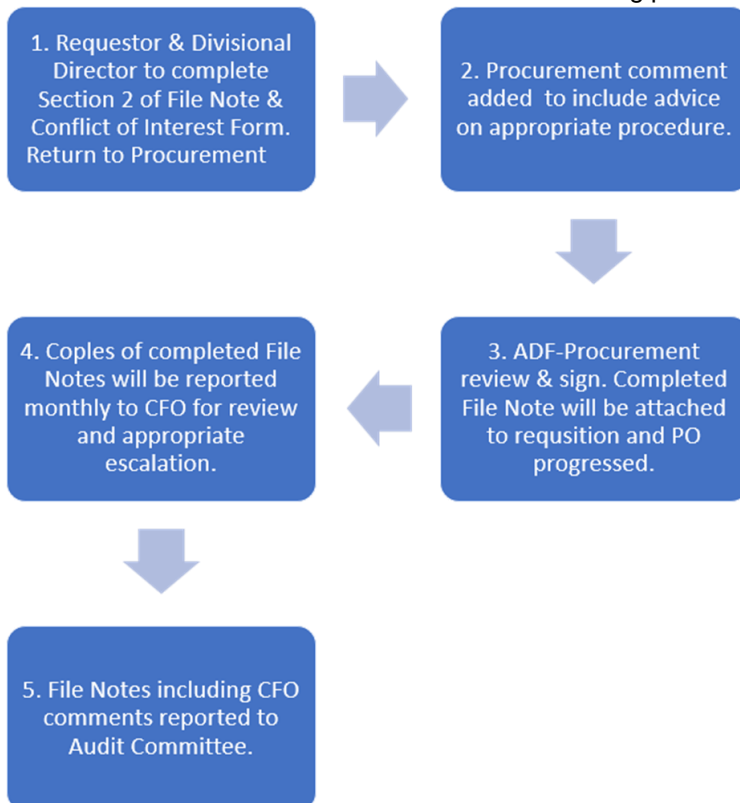
8.18 Authorisation of waivers – general principle

- 8.18.1 Operationally, only the Chief Executive can authorise the waiver of a competitive tender procedure where the value of the contract will exceed £100k.
- 8.18.2 The Chief Finance Officer may authorise the waiver of a competitive tender process where the value of the contract will exceed £12k but is below £100k. In the absence of the Chief Finance Officer the Deputy Chief Finance Officer is able to approve a waiver up to that value.
- 8.18.3 The Deputy Chief Finance Officer may authorise the waiver of a competitive quotation process where the value of the contract is below £12k.
- 8.18.4 If the purchase is in the Chief Finance Officer's own area of spend, the Chief Executive must authorise the waiver regardless of value.

8.19 Breaches

- 8.19.1 A breach of Standing Financial Instructions occurs when Trust expenditure is committed to a supplier without the appropriate processes and approvals being obtained. There are several ways in which Standing Financial Instructions may be 'breached':
- A requisition for goods or services is raised after the goods or services have been requested from a supplier or, the commitment to purchase the goods and services has already been made prior to the requisition.
 - Competition was not sought in accordance with the thresholds set out in the Trust's SFI's, i.e., a commitment has been made to a supplier without the appropriate procurement process being followed.
 - An awarded contract or PO has been extended without obtaining the appropriate approvals in line with the SFI's which means the value exceeds a threshold set out in the SFI's.
 - Where an original requisition and PO was approved for a value below the current tender threshold, but the actual value exceeds both the tender threshold and the approved value.
 - Any other reason where any commitment to a supplier has been given prior to a requisition and/or appropriate procurement process being followed.

- 8.19.2 Where a breach has been identified the following process must be followed, irrespective of value:



- 8.19.3 Conflicts of Interest forms must be completed by all involved in the breach, if a conflict of interest is declared the conflict of interest must also be registered via the Trust's Declaration of Interest portal <https://wuth.mydeclarations.co.uk/>
- 8.19.4 Any PO raised following completion of a file note will reference the file note number in the contract reference field.
- 8.19.5 Breaches will be reported monthly to the Chief Finance Officer for review, the Chief Finance Officer will determine whether any further action will be taken in accordance with the Trust's escalation procedure.
- 8.19.6 Breaches will be reported to Audit and Risk Committee.

8.20 Tender reports to the Trust Board

8.20.1 Reports to the Board will be made on an exceptional circumstance basis only (for example, high value contracts).

8.21 Compliance requirements for all contracts

8.21.1 The Board may only enter into contracts on behalf of the Trust within the statutory powers delegated to it by the Secretary of State and shall comply with:

- a) the Trust's Standing Orders and Standing Financial Instructions;
- b) PCR2015, other statutory provisions and any relevant directions including the Department of Health and Social Care's *Health Building Note 00-08: Estate code*;
- c) appropriate NHS guidance regarding the form of contracts with foundation trusts, as set out from time to time by the Trust's commissioners; and
- d) such of the NHS Standard Contract Conditions as are applicable.

8.21.2 Where the NHS Standard Contract Conditions cannot be fulfilled, the Trust must only enter into such a contract if it is felt to be materially beneficial and having undertaken a full assessment of the risks associated with proceeding. All such circumstances must be approved by the Board.

8.21.3 Where appropriate, contracts shall be in, or embody, the same terms and conditions of contract as the basis on which tenders or quotations were invited.

8.21.4 In all contracts made by the Trust, the Board shall endeavour to obtain best value for money by use of all available systems in place. A nominated officer shall oversee and manage each contract on behalf of the Trust.

8.21.5

Commercial negotiations and the establishment of a contract management framework may only be undertaken by members of the Procurement Department.

8.22 Reverse e-auctions

8.22.4 Where appropriate, the Trust will use e-auctions, and partner organisations to conduct e-auctions on its behalf. The use of an e-auction will be identified in the procurement strategy for the project.

8.22.5 The results of the e-auction will be made available for scrutiny and ratification using a similar process to that of electronic tenders, and a record will be kept of the submissions in full.

8.23 Disposals

8.23.4 Competitive tendering or quotation procedures shall not apply to the disposal of:

- a) any assets in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or their nominated officer;
- b) obsolete or condemned articles and stores, which may be disposed of in accordance with the procurement policies of the Trust;
- c) items to be disposed of with an estimated sale value of less than £5,000 ex VAT, with this figure to be reviewed on a periodic basis;

- d) items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract; and
- e) land or buildings which have been identified as subject to specific Department of Health and Social Care disposal guidance.

8.24 In-house services and benchmarking

- 8.24.4 The Chief Executive shall be responsible for ensuring that best value for money can be demonstrated for all services provided in-house. The Trust may also determine from time to time that in-house services should be market-tested by competitive tendering. This will be undertaken adopting a two-stage process. The first stage involves benchmarking.
- 8.24.5 On the basis of the outcome of the benchmarking exercise, the Board may determine that in-house services should be market tested by competitive tendering. In all cases where the Board determines that in-house services should be subject to competitive tendering the following groups shall be set up:
- a) specification group, comprising the Chief Executive or nominated officer(s) and specialist;
 - b) in-house tender group, comprising a nominee of the Chief Executive and technical support; and
 - c) evaluation team, comprising normally a specialist officer, a Procurement officer and a representative of the Director of Finance. For services having a likely annual expenditure exceeding £1,000,000, a non-officer member should be a member of the evaluation team.
- 8.24.6 All groups should work independently of each other, and individual officers may be a member of more than one group, but no member of the in-house tender group may participate in the evaluation of tenders.
- 8.24.7 The evaluation team shall make recommendations to the Board.
- 8.24.8 The Chief Executive shall nominate an officer to oversee and manage the contract on behalf of the Trust.

8.25 Applicability of SFIs on tendering and contracting for the Trust's Charity

- 8.25.4 These Instructions shall equally apply to expenditure from charitable funds.

8.26 Additional / general instructions

- 8.26.4 Managers and officers must ensure that they comply fully with the guidance and limits specified by the Director of Finance, and the relevant staff must ensure that:
- a) all contracts (except as otherwise provided for in these SFIs), leases, tenancy agreements and other commitments which may result in an ongoing liability are notified to the Director of Finance (via the Procurement Department) in advance of any commitment being made;
 - b) contracts above specified thresholds are advertised and awarded in accordance with the Public Contracts Regulations (PCR 2015) and the Trust's own SFIs and procurement procedures;
 - c) goods are not taken on trial or loan in circumstances that could commit the Trust to a future uncompetitive purchase;
 - d) where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by the Department of Health and Social Care / NHS England (*see Matrix of Financial Limits*);
 - e) all intellectual property (IP) benefits, such as copyright, patents, design rights, trademarks and confidentiality are protected and applied (per the Trust's *Innovation & Intellectual Property Rights* policy); and
 - f) **discussions with suppliers in respect of commercial terms must not be undertaken other than by members of the Procurement Department.**

9 PROCUREMENT – REQUISITIONS, ORDERING AND PAYMENTS (NON-PAY EXPENDITURE)

9.1 Delegation of authority

9.1.1 The Board will approve the level of non-pay expenditure on an annual basis and the Chief Executive [del] will determine the level of delegation to budget holders.

9.1.2 The Chief Executive [del] will set out:

- a) the list of officers who are authorised to place requisitions for the supply of goods and services; and
- b) the maximum level of each requisition and the system for authorisation above that level.

9.2 Requisitioning – ‘no PO no pay’

9.2.1 To ensure best value for money, all purchases of non-Pharmacy goods and services must be made utilising the advice and services of the Trust’s Procurement Department. Non-Pharmacy requisitions must be raised through the Trust’s order processing system (NEP Oracle Cloud).

9.2.2 **The Trust operates a ‘no PO no pay’ procedure for all purchasing.** The Director of Finance requires that requisitions are raised prior to all purchases or commitments, with the exception of controlled petty cash withdrawals, credit card transactions made by employee cardholders, and other exceptional payments listed in Appendix 3 – *Exceptional Payments*. An exceptional items list is maintained by the Treasury Services Manager. Breaches, including retrospective ordering, will be addressed under the Trust’s escalation procedure, and may result in disciplinary action. See SFI 8.19.

9.2.3 The financial limits for budget-holder approval of requisitions for all goods / services are included in Appendix 2 - *Matrix of Financial Limits*.

9.3 Receipting

9.3.1 The Director of Finance requires that staff involved in the requisitioning and receiving of goods ensure that there is a ‘receipt’ entered to the Trust’s order processing system (Oracle). This is because prompt payment cannot be made to a supplier without a ‘receipt’ being entered.

9.3.2 **‘Receipts’ should be entered to the Trust’s order processing system (Oracle) promptly at the point when the requisitioned goods or services are delivered, but not sooner.**

9.3.3 The only exception to SFI 9.3.2 is for arrangements where there is a contractual commitment to prepay. If this is the case, exceptionally, receipts should be entered in line with the contract.

9.4 System of payment and payment verification

9.4.1 Officers must ensure that, in their dealings with suppliers, it is made clear that all payable invoices should be sent directly to the Trust’s Financial Services - Accounts Payable team, in line with purchase order instructions. Officers must **immediately** forward any invoices which have been misdirected to their departments / teams to the Accounts Payable team.

9.4.2 Officers must never attempt to amend a supplier invoice or create an invoice in the absence of an official invoice from a supplier.

9.4.3 The Director of Finance shall be responsible for the prompt payment of accounts and claims, subject to employees’ accurate requisitioning, prompt receipting (SFI 9.3) and the timely presentation of a supplier invoice to the Accounts Payable team. The payment of contract invoices shall be in accordance with contract terms, or otherwise, in accordance with national guidance.

9.4.4 The Director of Finance will:

- a) be responsible for the prompt payment of all properly authorised and reconciled accounts and claims;
- b) be responsible for ensuring that payment for goods and services is only made once the goods and services are received, with the only exceptions set out in SFI 9.5 below; and

- c) be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable. The system shall provide for the following.
- (i) Certification that:
 - goods have been duly received, examined and are in accordance with specification and the prices are correct;
 - work done or services rendered have been satisfactorily carried out in accordance with the order, and, where applicable, the materials used are of the requisite standard and the charges are correct;
 - in the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, the rates of labour are in accordance with the appropriate rates, the materials have been checked as regards quantity, quality, and price and charges for the use of vehicles, plant and machinery have been examined;
 - where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained;
 - the account is arithmetically correct; and
 - the account is in order for payment.
 - (ii) A timetable and system for submission to the Director of Finance of accounts for payment; provision shall be made for the early submission of accounts subject to cash discounts or otherwise requiring early payment.
 - (iii) Instructions to employees regarding the handling and payment of accounts within the Finance Department.

9.4.5 In the case of contracts for building or emergency works which require payment made on account during progress of the works, the Director of Finance shall make payment upon receipt of a certificate from the appropriate technical consultant or works officer appointed to a particular building or engineering contract. The default position is that 'no PO no pay', and the main provisions of SFI 9, still apply to works payments.

9.5 Prepayments

9.5.1 Prepayments are conventionally acceptable in the following cases:

- a) commercial insurance;
- b) subscriptions and memberships, and, where mandated, courses/conferences and expenses;
- c) media licences;
- d) NHSLA payments;
- e) certain taxations; and
- f) salary sacrifice assets and regular lease cars.

9.5.2 Otherwise, prepayments are only permitted where exceptional circumstances apply, and where the financial advantages are demonstrated (for example, through discounted cash flow calculations) to outweigh the disadvantages, or where this is the only payment method available.

9.5.3 All prepayment proposals must be approved by the Director of Finance in advance of any arrangements / contracts being entered into.

9.5.4 The appropriate authorised staff member must provide, in the form of a written report, a case setting out all relevant circumstances of the purchase, including details of the creditworthiness of the proposed supplier. The report must set out the effects on the Trust if the supplier is, at some time during the course of the prepayment agreement, unable to meet their commitments.

9.5.5 The Director of Finance will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the public procurement rules where the contract is above a stipulated financial threshold).

9.5.6 The budget holder is responsible for ensuring that all items due under a prepayment contract are received and they must immediately inform the appropriate Director or Chief Executive if problems are encountered.

9.6 Official purchase orders (POs)

9.6.1 Official purchase orders must:

- a) be consecutively numbered;
- b) be in a form approved by the Director of Finance;
- c) refer to the Trust's terms and conditions of trade; and
- d) only be issued by those duly authorised by the Chief Executive.

9.7 Petty cash

9.7.1 Purchases from petty cash are strictly restricted in value per Appendix 2 - *Matrix of Financial Limits*, and by type of purchase in accordance with instructions issued by the Director of Finance **[del]**.

9.8 Duties of all staff

9.8.1 Managers and officers must ensure that they comply fully with the guidance and limits specified by the Director of Finance, and the relevant staff must ensure that:

- a) no requisition / order is placed for any item or items for which there is no budget provision unless authorised by the Director of Finance on behalf of the Chief Executive;
- b) **all goods, services, or works are ordered through an official purchase order under the 'no PO no pay' process, except for very exceptional payments listed in Appendix 2 - *Matrix of Financial Limits*, and purchases from petty cash;**
- c) verbal orders must only be issued in very exceptional circumstances and be accompanied by an official purchase order number provided by the Procurement Department.
- d) **purchases / requisitions / orders / petty cash requests are not split or otherwise placed in a manner devised so as to avoid the financial thresholds.**

10 PROCUREMENT – PRINCIPLES AND PROPRIETY

10.1 Conflicts of interest, in the context of procurement

- 10.1.1 Staff must ensure that no special favour is shown to current or former employees or their close relatives or associates in awarding contracts. Contracts awarded to such businesses must be won in fair competition and the selection process must be conducted impartially.
- 10.1.2 Staff who are aware of, or who become aware of, a potential conflict of interest during the procurement process that might affect, or be seen by others to affect, impartiality in decision making, must withdraw from the process as soon as the conflict is known and must take no further part in the evaluation of tenders or award of the contract. The Procurement Officer with responsibility for the project should be notified of the potential conflict immediately.
- 10.1.3 More general guidance and details regarding the requirements of all staff, including the completion of declarations of interest, are covered in the Trust's *Managing Conflicts of Interest Policy* and SFI 18.

10.2 Gifts and hospitality, in the context of procurement

- 10.2.1 As a general rule, no order or instruction shall be issued, or Trust business transacted, for any goods, works or services to any supplier which has made an offer of material gifts / hospitality to directors or employees. Suppliers must not attempt to influence business decision making by offering hospitality to Trust staff. The frequency and scale of any gifts / hospitality accepted will be managed openly by the Trust.
- 10.1.1 Gifts / hospitality for the purposes of these SFIs includes travel arrangements, accommodation, research funding and sponsorship, training, expenses, business lunches and gifts (excepting isolated gifts of a trivial character such as pens / diaries / calendars). The definition also includes benefits to relatives and associates. Cash gifts must never be accepted, regardless of value.
- 10.1.2 If material gifts / hospitality are accepted, and business is subsequently awarded to the supplier in question, then the individuals who are in receipt of said gifts / hospitality should be aware that they may be in breach of the Trust's *Managing Conflicts of Interest Policy* and are also open to allegations of corruption under the Trust's *Fraud, Bribery and Corruption Policy and Response Plan* and the Bribery Act 2010. Staff should contact the Trust's Local Anti-Fraud Specialist for advice if unsure.
- 10.1.3 **In particular, gifts / hospitality including expenses payments must not be received whilst a tender exercise is being undertaken**, or any other contractual negotiation, unless specifically authorised by the Director of Finance.
- 10.1.4 **Furthermore, staff are required to formally declare gifts / hospitality**, as the Trust is required through the NHS Standard Contract to keep trust-wide records of gifts / hospitality received. NHS staff found not complying with the requirement to declare gifts / hospitality could be subject to disciplinary action; more serious allegations involving fraud, bribery or corruption will involve criminal investigations and prosecutions where appropriate.
- 10.1.5 Further information on the ethical requirements of staff in relation to gifts / hospitality in a direct procurement context is available in the Trust's *Management of Suppliers and Supplier Representatives Policy*. More general guidance and details regarding the requirements of all staff, including the completion of declarations, are covered in the Trust's *Managing Conflicts of Interest Policy*.

10.3 Bribery and inducements, including Bribery Act 2010

- 10.3.1 Under the Bribery Act 2010, it is a criminal offence to give, promise or offer a bribe and to request, agree to receive or accept a bribe. The maximum penalty for bribery is 10 years imprisonment, with an unlimited fine.
- 10.3.2 The Trust does not, and will not, pay bribes or offer improper inducements to anyone for any purpose; nor will it accept bribes or improper inducements. It is important that all employees, contractors and agents are aware of the standards of behaviour expected of them.
- 10.3.3 Irrespective of the legal position, the Trust has the power to terminate the employment of staff if it has reasonable belief that improper behaviour has occurred.

- 10.3.4 All contractors should be made aware of the Trust's *Raising Concerns and Fraud, Bribery and Corruption Policy and Response Plan* policy documents. SFI 8.9 describes Trust warnings to potential contractors.
- 10.3.5 It is an offence under Section 3 of the Fraud Act 2006 for an employee to fail to disclose information to an employer to make a gain for themselves or another, or to cause a loss or expose the Trust to the risk of loss. Additionally, Section 4 of the Fraud Act 2006 provides that it is also an offence for an employee who occupies a position in which they are expected to safeguard or not act against the financial interests of the Trust, to abuse that position to cause a loss or expose the Trust to the risk of loss.
- 10.3.6 Reporting of suspected bribery or corruption is addressed in SFI 2.5.

11 STORES, DISTRIBUTION AND RECEIPT OF GOODS

11.1 General position

11.1.1 Stores, defined in terms of controlled stores, distribution centres and departmental stores (for immediate use) should be:

- a) kept to a minimum;
- b) subjected to annual stock take; and
- c) valued in line with the Department of Health and Social Care's *Group Accounting Manual* (GAM).

11.2 Control of stores, stocktaking, condemnations and disposal

11.2.1 Subject to the responsibility of the Director of Finance for the systems of control, overall responsibility for the control of stores shall be delegated to an employee by the Chief Executive. The day-to-day responsibility may be delegated by him/her to departmental employees and stores managers/keepers, subject to such delegation being entered in a record available to the Director of Finance. The control of any pharmaceutical stocks shall be the responsibility of a designated pharmaceutical officer; the control of any fuel, for heating and power, shall be the responsibility of a designated estates manager.

11.2.2 The responsibility for security arrangements and the custody of keys for any stores and locations shall be clearly defined in writing by the designated manager. Wherever practicable, stocks should be marked as Trust property.

11.2.3 The Director of Finance shall set out procedures and systems to regulate the stores including records for receipt of goods, issues, returns to stores, and losses.

- a) All goods received shall be checked as regards quantity and / or weight and inspected as to quality and specification. A delivery note should be obtained from the supplier at the time of delivery / service and signed by the staff member receiving the goods / service.
- b) For goods supplied via NHS Supply Chain regional stores, the receiving ward / department shall check receipt against the delivery note ('priced advice note'), with discrepancies notified to the Goods Distribution Centre (GDC), which has the responsibility for notifying discrepancies and returning goods to NHS Supply Chain.
- c) Particulars of all goods / services received shall be registered on the day of receipt, with unsatisfactory goods returned by the GDC to the supplier within the set timescales of that supplier.
- d) Pharmacy stock shall only be issued / released upon receipt of an authorised internal requisition.

11.2.4 All stock records shall be in such form and shall comply with such systems of control as the Director of Finance may require.

11.2.5 Stocktaking arrangements shall be agreed with the Director of Finance and there shall be a physical check covering all items in store at least once a year.

11.2.6 Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Director of Finance.

11.2.7 The designated manager / pharmaceutical officer shall be responsible for a system approved by the Director of Finance for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles. The designated officer shall report to the Director of Finance any evidence of significant overstocking and of any negligence or malpractice. Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods. SFI 12.4 contains further information about disposals and condemnations.

12 CAPITAL INVESTMENT, FIXED ASSET REGISTERS, SECURITY OF ASSETS AND DISPOSALS AND CONDEMNATIONS

12.1 Capital investment

- 12.1.1 Consistent with SFI 3.1.2, prior to the start of the financial year, the Director of Finance **[del]** will, on behalf of the Chief Executive, prepare and submit financial plans (budgets) for approval by the Board, and these plans contain capital scheme budgets.
- 12.1.2 The Chief Executive **[del]**:
- a) shall ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans and service strategies;
 - b) is responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost; and
 - c) shall ensure that capital investment is not undertaken without the confirmation of purchaser(s) support and the availability of resources to finance all revenue consequences, including capital charges.
- 12.1.3 For all capital expenditure business cases outside of the agreed capital plan, the Chief Executive **[del]** shall ensure:
- a) that a business case is produced setting out:
 - (i) an option appraisal of potential benefits compared with known costs to determine the option with the highest ratio of benefits to costs (both financial and non-financial), including consideration of PFI (SFI 8.21);
 - (ii) the involvement of appropriate Trust personnel and external agencies (SFI 7.2.13);
 - (iii) appropriate project management and control arrangements;
 - b) that the business case has been considered by the appropriate Trust officers to ensure accuracy, completeness, project feasibility, and value for money; and
 - c) that the Director of Finance **[del]** has certified professionally the costs and revenue consequences detailed in the business case.
- 12.1.4 Capital business cases are approved in line with Appendix 2 - *Matrix of Financial Limits*.
- 12.1.5 The approval of a capital plan shall not constitute final approval for expenditure on any scheme.
- 12.1.6 The Chief Executive shall delegate via the setting of financial limits (see Appendix 2 - *Matrix of Financial Limits*) to the manager responsible for any scheme (or their manager, should limits require):
- a) specific authority to commit expenditure;
 - b) authority to proceed to tender; and
 - c) approval to accept a successful tender.
- 12.1.7 The Director of Finance **[del]** is responsible for financial monitoring and reporting on all capital scheme expenditure.
- 12.1.8 The Director of Finance **[del]** shall issue procedures governing the financial management of capital investment projects, including their recognition/valuation for accounting purposes, and any limits, targets or measures issued by the Department of Health and Social Care / NHS England.
- 12.1.9 Financial limits for all capital approvals (business cases, tender approval and contract sign-off, requisitioning) are included in Appendix 2 - *Matrix of Financial Limits*.
- 12.1.10 For capital schemes where the contracts stipulate stage payments, the Chief Executive will issue procedures for their management. The default position is that 'no PO no pay', and the main provisions of SFI 9, will still apply.

12.2 Asset registers

- 12.2.1 The Chief Executive is responsible for the maintenance of registers of assets, taking account of the advice of the Director of Finance concerning the form of any register and the method of updating, and arranging for a rolling programme of physical checks of assets against the asset register.
- 12.2.2 The Trust shall maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be as required by the Department of Health and Social Care's *Group Accounting Manual* and IFRS accounting standards.
- 12.2.3 Additions to the fixed asset register must be clearly identified to an appropriate budget holder and be validated by reference to:
- properly authorised and approved agreements, architects' certificates, suppliers' invoices and other documentary evidence in respect of purchases from third parties;
 - stores, requisitions and payroll records / timesheets for own materials and labour including appropriate overheads; and
 - lease agreements in respect of assets held under a finance lease and capitalised.
- 12.2.4 Where capital assets are sold, scrapped, lost or otherwise disposed of, officers must discuss and notify their proposals to the Procurement Department. This activity must be in line with the Trust's *Condemning and Disposal of Scrap and Surplus Equipment* policy. In particular, proformas must be returned to, and approved by, the Director of Finance so that the asset value can be removed from the accounting records, with each disposal validated by reference to authorisation documents and invoices (where appropriate).
- 12.2.5 The Director of Finance shall approve procedures for reconciling balances on fixed assets accounts in the financial ledger against balances on fixed asset registers.
- 12.2.6 The value of each asset within the asset register shall be impaired / depreciated using methods and rates as specified in the Department of Health and Social Care's *Group Accounting Manual*.
- 12.2.7 The value of assets comprising the Trust's built estate shall be periodically professionally revalued in line with guidance specified in the Department of Health and Social Care's *Group Accounting Manual*, and the asset register shall be updated accordingly.
- 12.2.8 As required by Condition 9 (4) of the Trust's Terms of Authorisation, the Trust must make the asset register available for inspection by the public. The Trust may charge a reasonable fee for access to this information.

12.3 Security of assets

- 12.3.1 The overall control of assets is the responsibility of the Chief Executive.
- 12.3.2 Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Director of Finance [del]. This procedure shall make provision for:
- recording managerial responsibility for each asset;
 - identification of additions and disposals;
 - identification of all repairs and maintenance expenses;
 - physical security of assets;
 - periodic verification of the existence of condition of, and title to, assets recorded;
 - identification and reporting of all costs associated with the retention of an asset; and
 - reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

- 12.3.3 The up-to-date maintenance and checking of asset records shall be the responsibility of designated budget holders for all items for which the initial purchase or replacement is within their service area. All discrepancies revealed by the verification of physical assets to the fixed asset register or other register shall be notified to the Director of Finance.
- 12.3.4 Whilst each employee has a responsibility for the security of Trust property, it is the responsibility of Directors and senior employees in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Board. Any breach of agreed security practices must be reported in accordance with agreed procedures.
- 12.3.5 Any damage to the Trust's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Board members and employees in accordance with the procedure for reporting losses.
- 12.3.6 Where practical, assets should be marked as Trust property.

12.4 Disposals and condemnations

- 12.4.1 The Director of Finance **[del]** must prepare detailed procedures for the disposal of assets (capital or stock) including condemnations and ensure that these are notified to managers.
- 12.4.2 The Director of Finance **[del]** is responsible for preparing procedures for the discretionary sale of assets.
- 12.4.3 When it is decided to dispose of a Trust asset, the head of department or deputy will advise the Director of Finance (via Procurement and Financial Services) and must gain prior written consent from the Director of Finance before proceeding.
- 12.4.4 This consent is granted via the Director of Finance's approval of a Disposal / Condemnation Form (SD12). This form must be pre-approved by a 'condemning officer' - an employee authorised for that purpose by the Director of Finance through the *Condemning and Disposal of Scrap and Surplus Equipment* policy. No arrangement for disposal by any route may be entered into without this prior written authority.
- 12.4.5 Advice will be given by the Assistant Director of Finance - Procurement as to the disposal procedure and obtaining the estimated market value of the item, taking account of professional advice where appropriate.
- 12.4.6 The sale of medical equipment is strictly forbidden unless approved by the Assistant Director of Finance - Procurement in conjunction with the EBME Manager.
- 12.4.7 The condemning officer shall satisfy him/herself as to whether or not there is evidence of negligence in use and shall report any such evidence to the Director of Finance who will take the appropriate action.
- 12.4.8 Items which have been involved in an incident / accident should not be disposed of until investigations have been concluded.
- 12.4.9 A signed copy of the SD12 should be kept by the asset manager for departmental reference and used in any subsequent business case to replace the asset. A signed copy must also be sent immediately to both the Assistant Director of Finance - Procurement and Financial Accounts.

13 LOSSES AND SPECIAL PAYMENTS

- 13.1.1 The Director of Finance **[del]** must prepare procedural instructions on the recording of, and accounting for, condemnations (impairments), losses, and special payments, with regard to HM Treasury's *Managing Public Money*, and NHS-specific guidance and directions.
- 13.1.2 Any employee discovering or suspecting fraud, corruption or bribery, or anomalies which may indicate fraud, corruption or bribery, should usually **directly inform the Trust's LAFS** (SFI 2.5), or the Director of Finance, and neither of these officers' delegates their role in receiving fraud information. Other routes for employees reporting fraud are outlined in the Trust's *Fraud, Bribery and Corruption Policy and Response Plan* policy document.
- 13.1.3 The Director of Finance / LAFS will report notified frauds to the NHS Counter Fraud Authority and consider notifying the police in accordance with the provisions of the Trust's policy document *Fraud, Bribery and Corruption Policy and Response Plan*.
- 13.1.4 Any employee discovering or suspecting a loss of any kind, other than invoiced debts, fraud, corruption or bribery, must either immediately inform their head of department, who must immediately inform the Chief Executive and the Director of Finance, or inform the Trust's LSMS (SFI 2.6) via the Security Team, who will then inform the Director of Finance and/or Chief Executive.
- 13.1.5 Where property loss / damage is suspected, including theft or criminal damage (including burglary, arson, and vandalism) to staff / patient / NHS property or equipment, the Chief Executive or Director of Finance must immediately be informed.
- 13.1.6 Where a criminal offence is suspected, the Director of Finance must immediately inform the police if theft or arson is involved, and other offences may be notified to the police after consideration. Any member of staff seeing or suspecting that a crime is taking place may call the LSMS / Security Team, or the police, in line with the Trust's *Security Policy and Procedure*.
- 13.1.7 The Director of Finance will
- immediately report all losses apparently caused by theft, arson, neglect of duty or gross carelessness, unless trivial, to the Board and the external auditor;
 - ensure all verified frauds are notified to the external auditor;
 - refer any novel, contentious or repercussive cases to NHS England / Department of Health and Social Care for approval, including extra-statutory and extra-regulatory payments, in accordance with HM Treasury directions; and
 - refer severance payments on termination of employment (not including Treasury-approved MAS scheme payments) to NHS England, who will deal directly with HM Treasury to get the necessary approval.
- 13.1.8 NHS England and the general public are informed of specific individual losses and special payments which exceed £300,000 via the Annual Report and Accounts process.
- 13.1.9 Within limits delegated to it by the Department of Health and Social Care, the Board shall approve the writing-off of losses. The Board's delegated limits for the approval of registered losses are set out in Appendix 2 - *Matrix of Financial Limits*.
- 13.1.10 The Director of Finance shall be authorised to take any necessary steps to safeguard the Trust's interests in respect of bankruptcies and company liquidations.
- 13.1.11 The Director of Finance **[del]** will consider financial redress for the recovery of losses and will consider whether any insurance claim can be made.
- 13.1.12 No special payments exceeding delegated limits shall be made without the prior approval of the Department of Health and Social Care. The Board's delegated limits for the approval of special payments are set out in Appendix 2 - *Matrix of Financial Limits*.

13.1.13 The Director of Finance **[del]** shall maintain a Losses and Special Payments Register, which is completed on an accruals basis.

13.1.14 All registered losses and special payments must be reported to the Audit and Risk Committee in accordance with its annual workplan.

14 TREASURY MANAGEMENT – PDC, LOANS AND INVESTMENTS

14.1 Public Dividend Capital (PDC)

- 14.1.1 In broad terms, PDC represents the level of investment of the Department of Health and Social Care in the Trust to date. In exchange for this, a 'dividend' (PDC dividend) is paid back to the Department. Additional PDC may be made available on such terms the Secretary of State for Health (with the consent of HM Treasury) decides.
- 14.1.2 Draw down of additional PDC should be authorised in accordance with the mandate held by the Department of Health and Social Care PDC Team and is subject to approval by the Secretary of State. The Director of Finance and delegated finance officers are the Trust's signatories for the purposes of approving PDC draw downs in accordance with these mandates.
- 14.1.3 The Trust is required to pay PDC dividend to the Department of Health and Social Care twice a year, at a rate to be determined from time to time (currently 3.5% per annum) by the Secretary of State for Health.
- 14.1.4 The Director of Finance **[del]** shall calculate and pay PDC dividend charges in line with Department of Health and Social Care guidance.

14.2 Loans

- 14.2.1 The Director of Finance will advise the Board concerning the Trust's ability to
- pay financing costs, including dividend on PDC, and interest on loans; and
 - repay principal on loans held;
- and will advise the Board on any proposed new loans. The Director of Finance is responsible for reporting periodically to the Board on PDC and all loans and overdrafts, for minimising the use of loans and finance costs, and for monitoring **[del]** the liquidity risk presented by the maturity date of existing facilities.
- 14.2.2 All PDC and loans for over one month must be approved by the Board in advance of the draw down of principal. This may occur through the approval of the Trust's Plan.
- 14.2.3 All short-term borrowings should be kept to the minimum period of time possible, consistent with the overall cash flow position. Any short-term borrowing requirement for less than one month can be authorised by the Director of Finance, then duly reported to the Board. Any short-term borrowing requirement in excess of one month must be authorised by the Board.
- 14.2.4 The Director of Finance and delegated finance officers are the Trust's signatories for the purposes of approving the draw-down of all approved loans in accordance with lender mandates.
- 14.2.5 The Director of Finance must prepare detailed procedural instructions concerning applications for commercial loans and overdrafts.
- 14.2.6 The Director of Finance **[del]** shall calculate and pay finance costs on borrowings.
- 14.2.7 For the purposes of these SFIs, the Trust's working capital facility is taken to be a long-term loan, and loans may be from any commercial or non-commercial source

14.3 Investments

- 14.3.1 The Trust may invest money for the purposes of, or in connection with, its functions. Such investment may include forming, or participating in forming, or otherwise acquiring, membership of bodies corporate or joint arrangements.
- 14.3.2 Temporary cash surpluses must be held only in such public or private sector investments as approved and authorised by the Board. Should the Trust find itself in a position to invest, this activity would be controlled through a Board-approved *Treasury Management Policy*. The Director of Finance would prepare detailed procedural instructions on the operation of investment accounts and on the records to be maintained.
- 14.3.3 The Director of Finance is responsible for advising the Board on investments and would report periodically to the Board concerning the performance of investments held. The Director of Finance is responsible for maximising returns and minimising credit risk.

15 PATIENTS' PROPERTY

15.1 Overview

- 15.1.1 The Trust has a responsibility to provide safe custody for money and other personal property (hereafter referred to as 'property') handed in by patients, in the possession of unconscious or confused patients, or found in the possession of patients dying in hospital or dead on arrival. The Trust may be held liable for loss or damage to a patient's belongings.
- 15.1.2 The Chief Executive **[del]** is responsible for ensuring that patients or their guardians, as appropriate, are notified before or at admission that the Trust will not accept responsibility or liability for patients' property brought into Trust premises, unless it is handed in for safe custody and an official receipt book record is obtained.
- Such notification is through:
- notices, displays and information booklets;
 - hospital admission documentation and property records; and
 - the oral advice of administrative and nursing staff responsible for admissions.
- 15.1.3 The Director of Finance **[del]** must provide detailed written instructions [via the Trust's *Security of Ward-level Cash and Patients' Cash & Property* policy] on the collection, custody, investment, recording, safekeeping, and disposal of patients' property (including instructions on the disposal of the property of deceased patients and of patients transferred to other premises) for all staff whose duty is to administer, in any way, the property of patients.
- 15.1.4 Due care should be exercised in the management of patients' property / money.
- 15.1.5 Staff should be informed, on appointment, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of patients, with reference to the Trust's *Security of Ward-level Cash and Patients' Cash & Property* policy.
- 15.1.6 Within these Instructions, patients' property is taken to mean 'valuables'. In exceptional circumstances, clothing and other non-valuable property may be handed in to the ward for safekeeping, and the ward-level instructions for this are outlined in the *Security of Ward-level Cash and Patients' Cash & Property* policy.

15.2 Receiving and safekeeping of cash and valuables

- 15.2.1 A *Receipt Book*, in a form determined by the Director of Finance, shall be completed in respect of the following:
- property handed in for safekeeping by any patient (or guardian as appropriate); and
 - property taken into safe custody having been found in the possession of:
 - mentally ill patients;
 - confused and/or disoriented patients;
 - unconscious patients;
 - patients dying in hospital;
 - patients found dead on arrival at hospital; or
 - patients severely incapacitated for any reason.

A record shall be completed in respect of all persons in this category, including a nil return if no property is taken into safe custody.

- 15.2.2 The *Receipt Book* shall be completed by a member of ward staff in the presence of a second member of staff and the patient or their personal representative, where practicable. The record shall then be signed by both members of staff and the patient, except where the latter is restricted by mental or physical incapacity.
- 15.2.3 Property / money handed over for safe keeping shall be placed immediately into the care of a cashier (or deposited in a night safe). Property or money can be held securely (in a safe or equivalent) in a ward or department for up to 8 hours before depositing with cashiers / in the safe. The Emergency Department may hold property / money for up to 48 hours, and these specific processes are detailed in the *Security of Ward-level Cash and Patients' Cash & Property* policy.

15.3 Release of cash and valuables

- 15.3.1 Release of property / money handed in for safe custody to the patient will be dealt with in accordance with the *Security of Ward-level Cash and Patients' Cash & Property* policy. The return shall be receipted by the patient (or guardian as appropriate). The receipts are then retained by the hospital cashier for audit inspection.

15.4 Deceased patients

- 15.4.1 In all cases where property / money of a deceased patient has a total value in excess of £5,000 (as required by the Administration of Estates (Small Payments) Act 1965), one of the following documents will be required before the property / money is released.
- a) A Grant of Representation / Probate, which shows the claimant to be the executor named in the patient's will.
 - b) Letters of Administration, which verify that the claimant is the next of kin, when there is no will.
- 15.4.2 Where the total value of property is £5,000 or less, a Trust 'form of indemnity' shall be completed by the next of kin.
- 15.4.3 The Trust will only dispose of the property of a deceased patient - as approved by their representative - once the conditions in SFI 15.4.1 or SFI 15.4.2 have been met in relation to verifying the rights of that representative over the assets.
- 15.4.4 If there is no will and no lawful kin, and the net value of assets (*e.g. total held less Trust-paid funeral expenses*) is above £500, the case is referred to, and the estate is administered by, the Bona Vacantia division (BVD) of the Government Legal Department.
- 15.4.5 Property unclaimed and below the BVD threshold is retained for six years and then sold / disposed of, with the proceeds credited to the Charity.
- 15.4.6 Any funeral expenses necessarily borne by the Trust are a first charge on a deceased person's estate. No other expenses or debts shall be discharged out of the estate of a deceased patient.
- 15.4.7 Further guidance can be found in the Trust's *Hospital Funeral's Policy*.

16 CHARITABLE FUNDS AND FUNDRAISING

16.1 Creation of charities and fundraising opportunities related to the Trust

16.1.1

Employees must not be involved in the establishment of any independent charity with objectives in support of the Trust, including its assets, staff, patients and its operations. All official fundraising opportunities and activities related to the Trust are subject to SFI 16.5.2.

16.1.2 In these Instructions, 'fundraising' is the active seeking of financial support, which could be in the form of cash or other assets.

16.1.3 When performed by Trust staff, even via approved activities, fundraising involving potential suppliers to the Trust may generate a conflict of interest, and SFI 10 and SFI 17 must be followed. There is often little distinction between corporate fundraising, seeking sponsorship and (non-clinical) grant application; in most cases, the Fundraising Manager should be involved to advise and, if within their scope, approve and/or escalate (SFI 16.5).

16.2 The charity framework and the applicability of these SFIs to the Trust's Charity

16.2.1 'Charitable funds', 'the Charity' and 'WUTH Charity' are defined in SFI 1.2.

16.2.2 The Trust's SFIs are equally applicable to the Trust's charitable funds with regards to procurement and non-pay transactions, as expressed through the Charity's *Expenditure Guidance* policy document.

16.2.3 The Standing Financial Instructions state the **Trust's responsibilities as a Corporate Trustee** for the management of charitable funds and define how those responsibilities are to be discharged. They explain that although management processes may overlap with those of the Trust, all Corporate Trustee responsibilities must be discharged separately, and full recognition must be given to the Corporate Trustee's accountabilities to the Charity Commission. The Trustee must ensure compliance with the Charity Commission's latest guidance and best practice, and charity law, including the Charities Act 2011.

16.2.4 The discharge of the Trust's Corporate Trustee responsibilities is distinct from its responsibilities for exchequer funds and may not necessarily be discharged in the same manner, but there must still be adherence to the overriding general principles of financial regularity, prudence and propriety. The Charitable Funds Committee is a Committee of the Trust Board with delegated powers to administer charitable matters and authorise expenditure on behalf of the Corporate Trustee.

16.2.5 Within these Standing Financial Instructions, 'charitable funds' are defined as the total net assets of Wirral University Teaching Hospital NHS Foundation Trust Charitable Fund, which is a registered charity in support of purposes relating to the National Health Service. The funds chiefly represent the cumulative cash donated and bequeathed to the Charity, net of charitable expenditure to date. Management of the funds is governed by charity legislation.

16.3 Systems and policies

16.3.1 The Director of Finance **[del]** is responsible for the design and implementation of financial systems for the Charity.

16.3.2 The Director of Finance **[del]** must prepare procedural guidance for raising, handling, and accounting for charitable income, and for the proper expenditure of charitable funds, and shall ensure that each charitable fund is managed appropriately with regard to its purpose, the Charity Commission's latest guidance and best practice, and charity law.

16.4 Fund management and expenditure

16.4.1 It is expected that charitable expenditure should be timely, avoiding the unnecessary accumulation of funds. The only exception to this is when fund-holders gain approval from the Charitable Funds Committee to build funds up for a major purchase (not necessarily, but possibly, as the result of an 'appeal' campaign).

16.4.2 The Board of the Corporate Trustee has delegated limits for the approval of expenditure. These are included in Appendix 2 - *Matrix of Financial Limits*.

- 16.4.3 In the first instance, it is the responsibility of a delegated fund-holder or equivalent to ensure that all commitments against a charitable fund represent the best available value for money in terms of direct patient benefit, and are consistent with 'appropriate charitable purposes' as defined by
- a) the fund's objectives;
 - b) Charity policies; and
 - c) patient benefit criteria set out in charity law.

16.4.4 All charitable expenditure is subject to 'technical approval' by the Director of Finance [del] to ensure it is appropriate and in line with the *Expenditure Guidance* policy.

- 16.4.5 Capital charitable expenditure is additionally subject to the same capital approvals as are in place for Trust-funded capital expenditure.
- 16.4.6 Central 'general fund' projects, strategic and governance expenditure is approved directly by the Charitable Funds Committee, where appropriate.
- 16.4.7 Under no circumstances shall a fund be allowed to go into deficit.

16.5 Fundraising (for either the Charity or the Trust) and income

- 16.5.1 No new fund or appeal shall be established without first obtaining the support of the relevant divisional managers and fund-holders, and the written (such as Committee minutes) approval of the Charitable Funds Committee.
- 16.5.2 No new fundraising activity for the Charity or the Trust (except those 'for the general purposes of the Charity' or any of its official funds, and not undertaken during work-time) shall be undertaken without first obtaining the support of the relevant divisional managers and fund-holders, and then the written approval of the Fundraising Manager, who may refer to the Charitable Funds Committee if the proposal is contentious or significant (SFI 16.1).
- 16.5.3 No new (non-clinical) grant applications may be made for the Charity or the Trust without first obtaining the support of the fund-holders, and then the Charitable Funds Committee.
- 16.5.4 For significant or complex income generation proposals, business cases may be required by the Director of Finance.

16.5.5 All charitable gifts, donations and fundraising activities are governed by the Charity's *Fundraising and Income Guidance* policy document.

- 16.5.6 All charitable proceeds (including cheques) must be handed **as soon as possible** to the Director of Finance [del - via an authorised Cash Office], to be banked directly to the Charity's charitable fund bank account. All monies received shall be confirmed to the donor in the Trust's authorised form of receipt that will ensure the donor's wishes are observed without unnecessarily creating new legal trusts.
- 16.5.7 Under no circumstances shall any income (cash, cheques, or other forms of payment) be retained on any Ward or Department, excepting when a Cash Office is closed. Where a donation occurs at night or at weekends, the income shall be retained in a secure environment, with an internal receipt given to the donor at the time the donation is made. In the event of this occurring, the income shall be deposited with a cashier at the next earliest opportunity.

- 16.5.8 Anyone expressing an interest in making a Charity donation by cheque should be advised to make this payable to 'WUTH Charity'. Under no circumstances should cheques be made payable to individuals, wards or departments, or individual funds.
- 16.5.9 Neither Trust income (including research income), nor pre-tax personal income, should be deposited into the Charity, as these are not charitable donations.
- 16.5.10 Gifts which are intended to personally and directly benefit staff, such as 'thank-you' presents, flowers or contributions to staff recreation are not charitable donations, as they have no link to public or patient benefit, but are, rather, gifts to individuals. As such, they are expected to be modest non-cash gifts, and are covered by the Trust's policy on gifts and hospitality, contained within the Trust's *Managing Conflicts of Interest Policy* (SFI 17).
- 16.5.11 Due to data protection regulations, donor records and correspondence (including copies) must not be kept locally by departments or wards but must be forwarded directly to a Cash Office or the Fundraising Manager who is responsible for coordinating all donor correspondence including official *thank-you* letters.
- 16.5.12 All donated gifts and income accepted shall be administered in accordance with the relevant fund's charitable objectives, subject to the terms of specific trusts. As the Charity can only accept cash or non-cash donations for all or any purpose related to the Health Service, officers shall, in cases of doubt, consult the Director of Finance **[del]** before accepting gifts of any kind. That is, officers must not make promises / representations to donors about the specific future use of funds, unless referring to the objectives of an existing fund or official appeal.
- 16.5.13 The Director of Finance **[del]** is responsible for maximising compliant revenues under HMRC's Gift Aid scheme.
- 16.5.14 The Director of Finance shall be kept informed of all enquiries regarding legacies and bequests, which should be filed on a case-by-case basis. Where required, the Director of Finance **[del]** shall:
- a) negotiate the terms and conditions of legacies; and
 - b) where necessary, obtain grant of probate, or make application for grant of letters of administration.

16.6 Banking and investments

- 16.6.1 The Director of Finance shall be responsible for ensuring that appropriate banking, investment and reserves arrangements are in place in respect of the charitable funds.
- 16.6.2 Operational delegation is as per the Charity's Committee-approved *Treasury Management Policy*, in tandem with its *Reserves Policy*.

16.7 Asset management

- 16.7.1 Donated assets in the ownership of, or used by, the Trust as Corporate Trustee, shall be maintained along with the general estate and inventory of assets of the Trust. The Director of Finance shall ensure that:
- a) appropriate records of all donated assets owned by the Trust are maintained, and that all assets, at agreed valuations are brought to account; and
 - b) appropriate measures are taken to protect and/or to replace assets. These are to include decisions regarding insurance, inventory control, and the reporting of losses.

16.8 Charity Commission registration

- 16.8.1 The Director of Finance **[del]** is responsible for maintaining the Charity's Charity Commission registration.

16.9 Reporting

16.9.1 The Director of Finance **[del]** shall:

- a) ensure that regular reports are made to the Charitable Funds Committee with regard to, inter alia, plans / targets, fund balances, investments and reserves, fundraising, income and expenditure, and performance against plans / targets;
- b) maintain such accounts and records as may be necessary to record and protect all transactions and funds of the Charity;
- c) prepare an Annual Report and Accounts in the required manner, which shall be submitted to the Charitable Funds Committee within agreed timescales; and
- d) prepare a Trustee's Annual Report and other required returns for the Charity Commission.

17 ACCEPTANCE OF GIFTS BY STAFF

- 17.1 Gifts / hospitality for the purposes of these SFIs includes cash, travel arrangements, accommodation, research funding and sponsorship, training, expenses, business lunches and gifts (excepting isolated gifts of a trivial character such as pens / diaries / calendars).
- 17.2 The Chief Executive shall ensure that all staff are made aware of the Trust's policy on acceptance of gifts and other benefits in kind by staff, which should be adhered to in all dealings with organisations and people outside of the Trust. This policy is contained within the Trust's *Managing Conflicts of Interest Policy*, which includes instructions on the requirement to register any gifts / hospitality received.
- 17.3 Further instructions pertaining to gifts / hospitality in the context of procurement are included at SFI 10.
- 17.4 Gifts to staff, including '*thank-yous*', intended to benefit individual staff members or teams, are not charitable donations to the Trust's Charity. They are personal gifts as per the *Managing Conflicts of Interest Policy*. As such, they should not comprise cash or equivalents (e.g. vouchers) and should be modest.
- 17.5 In all cases, guidance should be sought from the Assistant Director of Financial Services and Improvement to ensure that gifts fall below the threshold of being classed as a benefit in kind 'BIK'.

18 DECLARATION OF INTEREST

18.1 General declarations of interest

- 18.1.1 It is a requirement that the Chair and all Board Directors and Governors should declare any conflict of interest that may arise in the course of conducting NHS business. All Board members, including members of the Senior Management Team in regular attendance at the Board, are therefore expected to declare any personal or business interests which may influence or may be perceived to influence their judgement. This should include, as a minimum, personal direct and indirect financial interests, and should include such interests of close family members. Indirect financial interests arise from connections with bodies which have a direct financial interest, or from being a business partner, or being employed by, a person with such an interest.
- 18.1.2 It is a requirement that all staff identified within the Trust's *Managing Conflicts of Interest Policy* must declare any conflict of interest that may arise in the course of conducting business.
- 18.1.3 All employees, regardless of grade, need to declare cases where either they or a close relative or associate has a controlling and/or significant financial interest in a business (including a private company, public sector organisation, other NHS body and/or voluntary organisation), or in any other activity or pursuit, which may compete for an NHS contract to supply goods, works or services to the Trust. Those interests of spouses, civil partners and cohabiting partners should be regarded as relevant.
- 18.1.4 All employees should declare such interests either on commencement of employment or on acquisition of the interest, if later.
- 18.1.5 Further guidance and declaration proformas are available through the Trust's *Managing Conflicts of Interest Policy*.

18.2 Annual declaration of interest exercise for senior managers

- 18.2.1 An annual declarations of interest exercise will be undertaken, and this is mandatory for all staff who receive a request for information.
- 18.2.2 The Trust has in place an electronic process which issues notifications to all Trust Board members and senior managers when declarations are due.

18.3 Failure to disclose

- 18.3.1 If there is any doubt with regard to declaration of interests, these should be discussed with the Board Secretary or the Director of Finance, or in the case of Board members, with the Chair.
- 18.3.2 All staff should be aware that disciplinary action can be taken in cases where an employee fails to declare a relevant interest, or is found to have abused their official position, or knowledge, for the purposes of self-benefit, or that of family and/or friends. Disciplinary action may lead to dismissal.
- 18.3.3 This is also an offence under Section 3 of the Fraud Act 2006 - *Fraud by failing to disclose information*.

19 TERMS OF SERVICE, ALLOWANCES AND PAYMENT OF MEMBERS OF THE TRUST BOARD AND EMPLOYEES

19.1 Remuneration and terms of service

- 19.1.1 In accordance with Standing Orders, the Board shall establish a Remuneration Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting.
- 19.1.2 The Committee's delegated authority from the Board is outlined in the full Scheme of Reservation and Delegation, which is separately available.
- 19.1.3 The Council of Governors shall decide the remuneration and allowances, and other terms and conditions of office, of the Chair and the other Non-Executive Directors.

19.2 Funded establishment

- 19.2.1 The workforce plans incorporated within the annual budget will form the funded establishment.
- 19.2.2 Unless already in accordance with an establishment control procedure approved by the Board,
- a) the funded establishment of any department may not be varied without the approval of the Chief Executive **[del]**; and
 - b) all budget holders must remain within their funded establishment unless prior consent has been granted by the Board.

19.3 Staff appointments

- 19.3.1 No Director or employee may engage, re-engage, or re-grade employees, either on a permanent or temporary basis, or hire agency staff, or agree to changes in any aspect of remuneration:
- a) unless authorised to do so by the Chief Executive **[del]**; or
 - b) unless the changes are within the limit of their approved budget and funded establishment.
- 19.3.2 The Board will approve procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service, etc., for employees.

19.4 Processing payroll

- 19.4.1 The Trust's payroll function is the responsibility of the Chief People Officer, who manages the Trust's Human Resources service. A number of the Trust's financial controls over payroll are the responsibility of the Director of Finance.
- 19.4.2 The Chief People Officer is responsible for:
- a) specifying timetables for submission of properly authorised time records and other notifications; and
 - b) the final determination of pay and allowances.
- 19.4.3 The Chief People Officer will issue instructions regarding:
- a) verification and documentation of data;
 - b) the timetable for receipt and preparation of payroll data and the payment of employees and allowances;
 - c) maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;
 - d) security and confidentiality of payroll information;
 - e) checks to be applied to completed payroll before and after payment; and
 - f) authority to release payroll data under the provisions of the Data Protection Act and General Data Protection Regulation.

19.4.4 The Director of Finance will issue instructions regarding:

- a) making payment on agreed dates and the methods of payment available various categories of employees;
- b) payment by bank credit to employees and officers;
- c) the recall of bank credits;
- d) pay 'advances' (SFI 19.5);
- e) maintenance and reconciliation of pay control accounts;
- f) segregation of duties in preparing records and handling cash; and
- g) a system to ensure the recovery of sums of money and property, from those leaving the employment of the Trust, due by them to the Trust, by agreement with the Chief People Officer.

19.4.5 Appropriately nominated managers (Appendix 1 – *Scheme of Delegation (extract)*) have delegated responsibility for:

- a) submitting new starter / hire notifications, time records and other notifications in accordance with agreed timetables, and in the form prescribed by the Chief People Officer, in accordance with the Chief People Officer's instructions; and
- b) submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfil obligations in circumstances that suggest they have left without notice, the Chief People Officer and Director of Finance must be informed immediately.

19.4.6 Regardless of the arrangements for providing the payroll service, the Director of Finance shall ensure that the chosen method is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures, and that suitable arrangements are made for the collection of payroll deductions and payment of these to appropriate bodies.

19.5 Advances and loans

19.5.1 'Advances' of pay may only be given to staff to ensure timely remuneration of pay earned, or reimbursement of legitimate expenses incurred, *in advance of normal pay processing*, in cases where payroll deadlines have been missed. They are not intended to provide payment to staff in advance of work completed.

19.5.2 'Advances' are considered to be exceptional transactions and may only be paid to staff on the approval of an appropriate operational ('hiring') manager and after review by the Payroll Department and by Employment Services.

19.5.3 It is the responsibility of all hiring managers to complete the payroll 'new starter' process in a timely manner (SFI 19.4.5). The Director of Finance may consider disciplinary action against hiring managers or departments generating repeated 'advances' requests.

19.5.4 Loans may not be made to staff even if secured against potential future earnings.

19.6 Transaction and reimbursement of travel expenses and related costs

19.6.1 Expenses must be transacted / reimbursed as follows.

- a) Air and rail travel must be requisitioned **in advance**, via the Trust's business travel contractor.
- b) Accommodation must be requisitioned **in advance**, via the Trust's business travel contractor.
- c) Course or conference costs should be requisitioned **in advance**, through the Trust's order processing system (Oracle).
- d) Mileage and ad hoc fees (e.g. parking charges) must in all cases be claimed through payroll expenses, once incurred.

19.6.2 Any cancellations or alterations to travel plans through the Trust's business travel contractor must be notified immediately to the business travel contractor.

- 19.6.3 The Trust's credit card will not be available for travel expenses and related costs, without evidence that there is no other payment method available, and that this is not due to avoidable booking delays.
- 19.6.4 If there is a failure to procure in advance, such that SFIs 19.6.1 a), b) or c) are breached, then the default position for discretionary reimbursement is that the expenses should be reimbursed via payroll. The Director of Finance should be notified of such breaches and may consider disciplinary action.
- 19.6.5 There must be no reimbursement for Trust purchases (operational goods and services) via payroll.
- 19.6.6 Any reimbursement of expenses incurred, or similar personal subsidy, must be referred to the Payroll Department for payment and/or assessment as to whether additional taxes are due.
- 19.6.7 An employee may not be the sole approver of their own travel, course or conference arrangements or the reimbursement of any associated costs or expenses.
- 19.6.8 The Trust will not reimburse visitors (such as guest speakers) or contractors / agency workers for travel or incidental expenses, other than in the following cases.
- a) If the individual is assessed as within the scope of IR35 (SFI 19.10), then SFI 19.6.1 applies.
 - b) If the individual is assessed as outside the scope of IR35, then payment can be made as follows.
 - If the costs are implicitly included within contract charges, they can be paid (subject to VAT) through a company's payable invoice.
 - If there is no invoicing company (such as in the case of visiting speakers), then Treasury Services can *exceptionally* make direct payments to an individual on receipt of evidence of their HMRC UTR number and associated documents.
- 19.6.9 The Trust's *Travel and Associated Expenses Policy* applies.
- 19.6.10 SFI 19.6 applies to all expense's transactions, whether funded by sponsorship, research and development funds, charity funding or other grant, or the Trust, in line with SFI 1.4.9.

19.7 Training costs

- 19.7.1 Contracts, agreements and local policies which refer to training must outline each employee's obligation to pay back training costs incurred by the Trust, in the event that the employee leaves the Trust's employment within a specified period.

19.8 Contracts of employment

- 19.8.1 The Board shall delegate responsibility to the Chief People Officer for:
- a) ensuring that all employees are issued with a contract of employment in a form approved by the Board, and which complies with employment legislation; and
 - b) dealing with variations to, or termination of, contracts of employment.

19.9 Salary sacrifice

- 19.9.1 The Chief Executive ~~is~~ is responsible for all legal arrangements relating to salary sacrifice agreements, including checks on applicants' eligibility, scheme governance, and HMRC compliance.

19.10 Agency and bank staff and off-payroll engagements / IR35 engagements

- 19.10.1 All employees are responsible for ensuring that the engagement of temporary workers is in line with Trust policy, that workers are engaged through the Trust's contracts and that all engagements are fully compliant with NHS England's Agency Rules.

19.10.2 All employees are responsible for ensuring that accurate information about the engagement is supplied to:

- a) the Trust's Human Resources team for the purposes of assessing IR35 status; and
- b) the Finance and Procurement Department for the purposes of ensuring correct financial reporting, compliance and VAT recovery.

19.10.3 The Chief Executive **[del]** will be responsible for maintaining up-to-date procedures, to ensure that

- c) the correct tax and NI contributions are being paid to HMRC for engagements which fall under IR35 'intermediaries' legislation'; and
- d) assurance is obtained regarding taxation arrangements from off-payroll engagements which fall outside the scope of IR35.

19.10.4 Any 'non-IR35' assessed engagements, wishing to be paid as a supplier but invoicing as an individual, must provide the Trust with information regarding their tax arrangements, such as HMRC UTR number, sufficient for the Trust to satisfy itself that their arrangements are in order, prior to payment by the Accounts Payable team.

19.10.5

No employee may engage bank or agency staff unless authorised to do so. The approval arrangements for such staff are subject to frequent change, and therefore they are not captured in the Scheme of Delegation. Staff must consult the latest guidance and policies to ensure compliance.

20 INFORMATION TECHNOLOGY AND GOVERNANCE

20.1 Responsibilities and duties of the Director of Finance

20.1.1 The Director of Finance **[del]**, who is responsible for the accuracy and security of the computerised **financial** data of the Trust, shall:

- a) devise and implement any necessary procedures to ensure adequate (reasonable) protection of the Trust's data, programs and computer hardware, for which the Director of Finance is responsible, from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 2018 (DPA 2018), the General Data Protection Regulation (GDPR);
- b) ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
- c) ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment; and
- d) ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as the Director of Finance may consider necessary are being carried out.

20.1.2 The Director of Finance **[del]** shall need to ensure that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation.

20.2 Contracts for computer services with other bodies

20.2.1 In the case of computerised financial systems which are proposed to be 'general applications' (i.e. applications which the majority of trusts in the region wish to sponsor jointly), all responsible directors and employees will send to the Director of Finance:

- a) details of the outline design of the system;
- b) in the case of packages acquired either from a commercial organisation, from the NHS, or from another public sector organisation, the operational requirements; and
- c) support arrangements for the system including business continuity and disaster recovery plans.

20.2.2 The Director of Finance **[del]** shall ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.

20.2.3 Where another health organisation or any other agency provides a computer service for financial applications, the Director of Finance **[del]** shall periodically seek assurances that adequate controls are in operation.

20.3 Risk assessment

20.3.1 The Director of Finance **[del]** shall ensure that risks to the Trust arising from the use of IT are effectively identified and considered and appropriate action is taken to mitigate or control risk. This shall include the preparation and testing of appropriate disaster recovery plans.

20.4 Requirements for computer systems, which have an impact on corporate financial systems

20.4.1 Where computer systems have an impact on corporate financial systems the Director of Finance shall need to be satisfied that:

- a) systems acquisition, development and maintenance are in line with corporate policies;
- b) data produced for use by/from financial systems is adequate, accurate, complete and timely, and that a management (audit) trail exists;

- c) only appropriate staff have access to such data; and
- d) computer audit reviews are carried out, as considered necessary.

20.5 Information governance in the context of financial systems

- 20.5.1 Employees must be familiar with the Trust's *Information Governance Policy*, with particular regard to the data held in financial systems, and its use and release.
- 20.5.2 The requirements of DPA 2018, GDPR, the Freedom of Information Act 2000 and NHSE's *Code of Practice on Confidential Information* must be achieved.
- 20.5.3 The Chief Executive is responsible for maintaining archives for all records required to be retained in accordance with *Records Management Code of Practice for Health and Social Care (2021)*. It covers all media, including electronic and scanned documentation as well as hard-copy documents.
- 20.5.4 The records held in archives shall be capable of retrieval by authorised persons.
- 20.5.5 Records shall only be destroyed in accordance with the *Records Management Code of Practice for Health and Social Care (2021)*, and a record shall be maintained of those records so destroyed, together with the date of their destruction.

21 RISK MANAGEMENT - INSURANCE

21.1 Programme of risk management

- 21.1.1 The Chief Executive shall ensure that the Trust has a programme of risk management, which must be approved and monitored by the Board.
- 21.1.2 The programme of risk management shall include:
- a) a process for identifying and quantifying risks and potential liabilities;
 - b) promotion among all levels of staff a positive attitude towards the control of risk;
 - c) management processes to ensure all significant risks and potential liabilities are addressed including effective systems of internal control, cost effective insurance cover, and decisions on the acceptable level of retained risk;
 - d) contingency plans to offset the impact of adverse events;
 - e) audit arrangements including internal audit, clinical audit, and health and safety review;
 - f) a clear indication of which risks shall be insured; and
 - g) arrangements to review the risk management programme.
- 21.1.3 The existence, integration and evaluation of the above elements will assist in providing a basis to compile an Annual Governance Statement within the Annual Report and Accounts as required by NHS England's Annual Reporting Manual.
- 21.1.4 The Board shall decide if the Trust will insure through the risk pooling schemes administered by NHS Resolution or self-insure for some, or all of the risks covered by the risk pooling schemes. If the Board decides not to use the risk pooling schemes for any of the risk areas (clinical, property and employers/third party liability) covered by the scheme, then this decision shall be reviewed annually.
- 21.1.5 The Director of Finance shall ensure that appropriate insurance arrangements exist in accordance with Department of Health and Social Care / NHS England guidance. This will comprise NHS Resolution cover, and in some instances, commercial insurance. There is a general prohibition on entering into insurance arrangements with commercial insurers. There are, however, exceptions when trusts may enter into insurance arrangements with commercial insurers. The exceptions are:
- a) insuring motor vehicles owned by the Trust including insuring third party liability arising from their use;
 - b) private finance initiative (PFI) contracts where the other consortium members require that commercial insurance arrangements are entered into;
 - c) pressure vessels such as boilers and other associated risks;
 - d) directors and officer's liability insurance;
 - e) income generation activities – if not related to normal business activity, these should normally be insured using commercial insurance. If the income generation activity is an activity normally carried out by the Trust for an NHS purpose, the activity may be covered in the risk pool. Confirmation of coverage in the risk pool must be obtained from NHS Resolution; and
 - f) in any other case where the Trust has decided to insure through the risk pooling schemes administered by NHS Resolution, where the Trust does not consider the insurance cover provided under those risk pooling schemes to be appropriate and/or sufficient to cover the Trust's potential risks and liabilities arising from its activities.
- 21.1.6 All commercial insurance policies are to be approved by the Director of Finance, as advised by the Department of Health and Social Care / NHS England.

21.2 Arrangements to be followed by the Board in agreeing insurance cover

- 21.2.1 Where the Board decides to use the risk pooling schemes administered by NHS Resolution, the Director of Finance shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Director of Finance shall ensure that documented procedures cover these arrangements.
- 21.2.2 Where the Board decides not to use the risk pooling schemes administered by NHS Resolution for one or other of the risks covered by the schemes, the Director of Finance shall ensure that the Board is informed of the nature and extent of the risks that are self-insured as a result of this decision. The Director of Finance will draw up formal documented procedures for the management of any claims arising from third parties and payments in respect of losses which will not be reimbursed to the Trust.
- 21.2.3 All the risk pooling schemes require scheme members to make some contribution to the settlement of claims (the 'excess' / 'deductible'). The Director of Finance should ensure documented procedures also cover the management of claims and payments below the excess / deductible in each case.

Appendix 1 – Scheme of Delegation

**This document summarises authority delegated by the Board to Trust employees,
in the context of Finance**

This is an extract from the Trust's full Scheme of Delegation,
specifically covering matters addressed within the Standing Financial Instructions

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{DE}	OPERATIONAL RESPONSIBILITY	REFERENCES
1. Corporate Governance Manual – Standing Orders / Standing Financial Instructions			
a) Final authority in interpretation of Standing Orders	Chair, advised by Chief Executive and Director of Finance	Chair, advised by Chief Executive and Director of Finance	Constitution - Standing Orders
b) Notifying directors, employees and contractors of their responsibilities within the Standing Orders and Standing Financial Instructions and ensuring that they understand their responsibilities	Chief Executive	All directors and employees (particularly, relevant line managers)	SFI 1.4.3 / 1.4.11
c) Ensuring security of the Trust's property, avoiding loss, exercising economy and efficiency in using resources and conforming with Standing Orders, SFIs and financial procedures	Chief Executive	All directors and employees	SFI 1.4.8
d) Suspension of Standing Orders	Board of Directors	Board of Directors	Constitution - Standing Orders
e) Reviewing suspension of Standing Orders	Audit and Risk Committee	Audit and Risk Committee	Constitution - Standing Orders
f) Variation or amendment to Standing Orders	Board of Directors	Board of Directors	Constitution - Standing Orders
g) Emergency powers relating to the authorities retained by the Board of Directors. <i>(The exercise of emergency powers must be reported to next Board meeting for ratification)</i>	Chair and Chief Executive, with two Non-Executives	Chair and Chief Executive, with two Non-Executives	Constitution - Standing Orders
h) Disclosure of non-compliance with Standing Orders	Chief Executive / Director of Finance (report to the Board of Directors)	All staff (disclose to Chief Executive)	Constitution - Standing Orders
i) Disclosure of non-compliance with SFIs	Chief Executive / Director of Finance (report to Audit and Risk Committee)	All staff (disclose to Director of Finance, delegated to Deputy Director of Finance / Assistant Director of Finance - Financial Services)	SFI 1.1.6
j) Giving advice on interpretation or application of SFIs including this Scheme of Delegation	Director of Finance	Assistant Director of Finance - Financial Services	SFI 1.1.4
k) Reviewing and updating SFIs including the Financial Scheme of Delegation, for approval by Audit and Risk Committee / Board	Director of Finance	Assistant Director of Finance - Financial Services	SFI 2.1.8 / 8.1.5
l) Reviewing and updating Corporate Governance Manual material other than SFIs and the Financial Scheme of Delegation, for approval by Audit and Risk Committee / Board	Chief Executive / Director of Finance / Director of Governance and Quality Improvement	Board Secretary	SFI 2.1.8

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
2. Annual reporting			
a) Keeping proper accounts - ensuring the proper form and content of the accounts	Chief Executive	Director of Finance / Senior Finance Team	SFI 4.1
b) Preparing and submitting an Annual Report	Chief Executive	Trust Board Secretary	SFI 4.4
c) Preparing and submitting annual accounts, other 'for audit' Annual Report material and consolidation schedules	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 4.1 / 4.2
d) Preparing a quality report for inclusion in the Annual Report	Medical Director	Head of Quality Governance	SFI 4.4
3. Financial procedures and systems			
a) Designing and maintaining effective systems of internal financial control, including policies and financial procedures	Director of Finance	Deputy Director of Finance / Assistant Directors of Finance	SFI 1.4.6 / 7
b) Ensuring that adequate (statutory and other) records are maintained to explain the Trust's transactions and financial position	Director of Finance	Deputy Director of Finance / Assistant Directors of Finance	SFI 1.4.6 / 7
c) Providing financial advice to Directors and staff	Director of Finance	Director of Finance / Deputy Director of Finance / Assistant Directors of Finance / Finance teams	SFI 1.4.7
4. Financial planning / budgetary responsibility and business cases			
a) Operational Plan (approved by Board) Compiling and submitting to the Board an Operational Plan which takes into account financial targets and forecast limits of available resources, to be forwarded to NHS England	Chief Executive	Executive Directors	SFI 3.1.1 / 3.1.4
b) Budget setting (budgets approved by Board) Submitting financial plans (budgets), in accordance with the Operational Plan, to Board	Director of Finance, on behalf of the Chief Executive	Deputy Director of Finance	SFI 3.1.2

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
c) Budget monitoring and control			
<ul style="list-style-type: none"> Devising and maintaining systems of budgetary control 	Director of Finance	Director of Finance / Senior Finance Team	SFI 3.3.1
<ul style="list-style-type: none"> Delegating budgets to budget holders 	Chief Executive	Director of Finance	SFI 3.1.7 / 3.2.1 / 9.1.1
<ul style="list-style-type: none"> Ensuring adequate training is delivered to budget holders to facilitate their management of the allocated budget 	Director of Finance	Deputy Director of Finance / Senior Finance Team	SFI 3.1.8
<ul style="list-style-type: none"> Identifying and implementing cost improvements and income generation initiatives in line with the Operational Plan 	Chief Executive	Executive Directors / Directorate Management Teams All budget holders	SFI 3.3.2
<ul style="list-style-type: none"> Authorising Board-delegated virement between different budget holders, subject to delegated limits, requiring the agreement of both parties 	Director of Finance	Per Finance Department's Budget Virement Policy	SFI 3.2.2 / 3.2.3
<ul style="list-style-type: none"> Ensuring approved budget is not used for any purpose other than that specifically authorised, subject to rules of virement 	Chief Executive	All budget holders	SFI 3.3.2
<ul style="list-style-type: none"> Monitoring performance against budget, reporting variances and risks to Board 	Director of Finance	Director of Finance / Deputy Director of Finance Senior Finance Team	SFI 3.1.5 / 3.3.1
<ul style="list-style-type: none"> Completing and submitting financial monitoring returns to NHS Improvement in accordance with regulatory requirements 	Chief Executive	Deputy Director of Finance / Senior Finance Team	SFI 3.5.1
d) Business cases			
<ul style="list-style-type: none"> Pre-approval of the following technical elements within business cases <ul style="list-style-type: none"> VAT recovery; leases / rentals, 'managed service' models, 'free asset' models; collaborative working - joint ventures, joint operations, partnerships; capital expenditure and revenue consequences 	Director of Finance	Director of Finance, advised by Assistant Director of Finance - Financial Services and Improvement	SFI 7.2.8 / 7.2.9 / 7.2.10 / 7.2.11
<ul style="list-style-type: none"> Approving business cases <i>All new significant leases (annual rents > £100,000) are notified to Board</i> <i>Proposals for the use of management consultants are subject to special controls</i> 	Chief Executive / Director of Finance	Refer to Appendix 2 - Matrix of Financial Limits	SFI 7.2.5 / 7.2.7 / 7.2.12

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
5. Income - fees, charges and debt			
a) Notifying Director of Finance (with delegation to divisional Finance teams) of all moneys due	All staff	All staff	SFI 6.2.6
b) Reviewing and approving all fees and charges other than those determined by government or statute	Director of Finance	Director of Finance	SFI 6.2.3
c) Approving commercial sponsorship proposals	Chief Executive	Director of Finance	SFI 6.2.4
d) Negotiating contracts with commissioners, and establishing arrangements for extra-contractual services	Chief Executive / Director of Finance	Director of Finance (> £2m) Divisional Directors and corporate managers (< £2m)	SFI 6.3.1 / 6.4.1
e) Signing income-related contracts	Chief Executive / Director of Finance	Refer to Appendix 2 - Matrix of Financial Limits	SFI 6.3.3 / 6.4.4
f) Monitoring and reporting on income from commissioners	Director of Finance	Deputy Director of Finance / Assistant Director of Finance – Organisational Financial Management	SFI 3.1.5 / 3.3.1 / 6.5.4
g) Approval of 'non clinical / non research' grants	Director of Finance	Refer to Appendix 2 - Matrix of Financial Limits	SFI 6.6.1 / 16.5.3
h) Recovery of debt	Director of Finance	Assistant Director of Finance - Financial Services and Improvement / Treasury Services Manager	SFI 6.7
i) Final approval of credit note issue	Director of Finance	Assistant Director of Finance - Financial Services and Improvement / Treasury Services Manager	SFI 6.7
6. Capital investment			
a) Capital investment programme			
• Preparing capital plans	Director of Finance, on behalf of the Chief Executive	Executive Directors / Deputy Director of Finance / Financial Services	SFI 12.1.1

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
<ul style="list-style-type: none"> Ensuring that there is an adequate appraisal and approval process for determining capital expenditure priorities and the effect that each proposal has on business plans and service strategies 	Chief Executive	Director of Finance / Executive Directors	SFI 12.1.2 / 12.1.3
<ul style="list-style-type: none"> Verifying a capital business case in terms of accuracy, completeness, project feasibility, value for money, and inclusion of revenue consequences 	Chief Executive	Director of Finance / Deputy Director of Finance / Senior Finance Team	SFI 12.1.3
<ul style="list-style-type: none"> Demonstrating for capital expenditure cases whether the use of private finance represents best value for money and transfers risk to the private sector. <i>Proposal to use PFI models must be specifically agreed by the Board of Directors</i> 	Chief Executive	Director of Finance / Deputy Director of Finance	SFI 12.1.3
<ul style="list-style-type: none"> Approving a capital business case 		Refer to Appendix 2 - Matrix of Financial Limits	SFI 12.1.4
<ul style="list-style-type: none"> Approving a capital requisition 		Refer to Appendix 2 - Matrix of Financial Limits	SFI 9.2.3 / 12.1.6
<ul style="list-style-type: none"> Financial monitoring and reporting on all capital scheme expenditure 	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement	SFI 12.1.7 / 3.3.1
<ul style="list-style-type: none"> Management of capital schemes and ensuring that they are delivered on time and within cost 	Chief Executive	Director of Finance / Executive Directors	SFI 12.1.2
<ul style="list-style-type: none"> Issuing procedures governing the financial management of capital investment projects, including their recognition/valuation for accounting purposes, and any limits, targets or measures issued by DHSC / NHSI 	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement	SFI 12.1.8
<ul style="list-style-type: none"> Issuing procedures to support staged payments 	Chief Executive	Director of Finance	SFI 12.1.10
7. Procurement - tendering and contracting procedure - non-pay expenditure			
a) Ensuring that best value for money is demonstrated for all services provided under contract or in-house	Chief Executive	Particular functions delegated to Director of Finance / Deputy Director of Finance / Assistant Director of Finance - Procurement	SFI 8.1.2
b) Approving authorisation limits for competitive quotations, as advised by Director of Finance	Board via Audit and Risk Committee	Board via Audit and Risk Committee	SFI 8.1.5 / 8.1.6
c) Waiving the requirement for competitive quotations	Chief Executive	Director of Finance or Deputy Director of Finance (up to £12,000) <i>(unless the purchase is within the Director of Finance's budgets, in which case, the Chief Executive must authorise)</i>	SFI 8.4.1 / 8.7

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
d) Accepting and authorising a quotation and the awarding of a contract		Refer to Appendix 2 - Matrix of Financial Limits	SFI 8.3.2
e) Approving authorisation limits for tenders, as advised by Director of Finance	Board via Audit and Risk Committee	Board via Audit and Risk Committee	SFI 8.1.5
f) Waiving the requirement for tendering	Chief Executive	Director of Finance or Deputy Director of Finance (up to £12,000) <i>(unless the purchase is within the Director of Finance's budgets, in which case, the Chief Executive must authorise)</i>	SFI 8.6 / 8.7
g) Ensuring fair and adequate competition, and that appropriate checks are carried out as to the technical and financial capability of the firms invited to tender or quote	Chief Executive	Assistant Director of Finance - Procurement	SFI 8.9
h) Receiving, and ensuring safe custody of tenders prior to opening	Chief Executive	Assistant Director of Finance - Procurement	SFI 8.9.4
i) Accessing and releasing electronic tenders as 'authorised verifiers'	Chief Executive	Board Secretary / Assistant Director of Finance - Procurement (either/or)	SFI 8.11.1
j) Deciding whether late tenders should be considered	Chief Executive or Director of Finance	Chief Executive or Director of Finance, advised by Assistant Director of Finance - Procurement	SFI 8.12.3
k) Approving a tender and the awarding of a contract		Refer to Appendix 2 - Matrix of Financial Limits	SFI 8.12.7 / 8.13.8
l) Signing expenditure-based contracts on behalf of the Trust		Refer to Appendix 2 - Matrix of Financial Limits	SFI 8.14
m) Nominating officers to oversee and manage the contract on behalf of the Trust	Chief Executive	Director of Finance / Deputy Director of Finance / Assistant Director of Finance - Procurement / Divisional Manager / Head of Department	SFI 8.18.4
8. Procurement - requisitions, ordering and payments - non-pay expenditure			
a) Designing and maintaining a requisitioning/ordering/payment system, including <ul style="list-style-type: none"> procedural instructions; certification that goods / services have been received and that accounts are in order for payment, prior to payment; and instructions regarding the manner of payments to suppliers within the Finance Department 	Chief Executive / Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services / Assistant Director of Finance - Procurement / Finance Systems Manager	SFI 9.1.2 / 9.2 - 9.7
b) Maintaining a list of managers authorised to approve requisitions and payments, and their financial limits	Chief Executive	Assistant Director of Finance - Financial Services and Improvement / Head of Financial Services and Improvement	SFI 9.1.2
c) Maintaining petty cash instructions and records, including financial limits by seniority and types of purchase	Director of Finance	Assistant Director of Finance - Financial Services and Improvement / Head of Financial Services and Improvement	SFI 9.7

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
d) Approving requisitions and petty cash purchases (exceptional circumstances)		Refer to Appendix 2 - Matrix of Financial Limits	SFI 9.2.3 / 9.7
e) Approving prepayments (payment in advance of receipt of goods / services) - exceptional cases only	Director of Finance	Director of Finance	SFI 9.5
9. Audit arrangements			
a) Making recommendations to the Council of Governors in respect of the appointment, re-appointment, remuneration and removal of the external auditor	Audit and Risk Committee (<i>for recommendation to the Council of Governors for approval</i>)	Director of Finance	SFI 2.1.6 / 2.4.3
b) Appointing the internal auditor	Audit and Risk Committee	Audit and Risk Committee, advised by Director of Finance	SFI 2.1.7
c) Monitoring / reviewing the operational effectiveness and cost-effectiveness of the internal audit and counter-fraud functions	Audit and Risk Committee	Director of Finance	SFI 2.1.7 / 2.2.1
d) Monitoring / reviewing the external auditor's fees, independence and objectivity and the effectiveness of the audit process, market-testing at least once every five years	Audit and Risk Committee	Director of Finance	SFI 2.4.3
e) Providing a view on internal control and probity	Audit and Risk Committee	Internal auditor / external auditor	SFI 2.1.3 / 2.3.5
f) Monitoring actions taken by management in response to audit recommendations	Audit and Risk Committee	Trust Board Secretary / Director of Finance	SFI 2.3.6
g) Undertaking remedial action regarding accepted audit recommendations in an timely manner	Chief Executive	Relevant managers	SFI 2.3.6
10. Fraud and security management			
a) Appointing the Local Anti-Fraud Specialist (LAFS)	Audit and Risk Committee (contract of service)	Director of Finance	SFI 2.5.2
b) Providing the <i>Anti-Fraud and Corruption Policy and Response Plan</i> . Monitoring and ensuring compliance with the NHS Standard Contract and Service Conditions on fraud, bribery and corruption including the Bribery Act 2010 requirements	Chief Executive and Director of Finance	LCFS	SFI 1.4.5 / 2.5.1
c) Reporting of suspected fraud (usually directly to LCFS or Director of Finance)	All staff	All staff	SFI 2.5.5 / 13.1.2

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
d) Notifying NHS Counter Fraud Authority of suspected fraud, and external auditor of verified fraud	Director of Finance	LCFS	SFI 2.5.3 / 13.1.3 / 13.1.7
e) Appointing the Local Security Management Specialist (LSMS)	Chief Executive	Associate Director of Estates, Engineering and Capital Delivery	SFI 2.6.3
f) Providing the Trust's <i>Security Policy</i> . Monitoring and ensuring compliance with relevant legislation and guidance	Chief Executive	LSMS	SFI 2.6.1
g) Reporting of suspected security incident or breach to LSMS <i>Where property loss / damage is suspected, including theft or criminal damage (including burglary, arson, and vandalism) to staff / patient / NHS property or equipment, the Chief Executive or Director of Finance must be informed</i>	All staff	All staff	SFI 2.6.3 / 13.1.5
11. Reporting incidents to the police			
a) Immediately reporting to the police where arson or theft are suspected	Director of Finance	Director of Finance	SFI 13.1.6
b) Reporting after advice, if fraud is suspected (reporting to NHS Counter Fraud Authority in the first instance)	Director of Finance	LCFS	SFI 13.1.3
c) Deciding at what stage to involve the police in cases of other irregularities not covered by a) or b)	Chief Executive / Director of Finance	Director of Finance, or another relevant Executive Director	SFI 2.2.1 / 13.1.6
d) Calling the police during a security incident - seeing or suspecting that a crime is taking place (<i>Security Policy and Procedure</i>)	All staff	All staff	SFI 13.1.6
12. Asset management (including capital assets and stock), including disposals and condemnations, and security management			
a) Responsibility for security of Trust assets	Chief Executive	All staff	SFI 1.4.8 / 12.3
b) Approving asset control procedures (including fixed assets, cash, cheques, and negotiable instruments, and also including donated assets)	Director of Finance	Assistant Director of Finance - Financial Services and Improvement / Treasury Services Manager	SFI 12.3.2
c) Non-stock assets <ul style="list-style-type: none"> • Maintaining an asset register for capital assets, including the periodic verification of entries and reconciliation to financial ledger 	Chief Executive / Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 12.2

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
<ul style="list-style-type: none"> • Maintaining an asset register for medical equipment assets, including the periodic verification of entries 	Chief Executive / Director of Finance	Chief Operating Officer	SFI 12.2
<ul style="list-style-type: none"> • Notifying the Director of Finance (Procurement and Financial Accounts) when capital assets are lost or damaged 	Department heads (all staff)	Department heads (all staff)	SFI 12.2 / 13.1.4
<ul style="list-style-type: none"> • Approving procedures for reconciling balances on fixed assets accounts in the financial ledger against balances on fixed asset registers 	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 12.2.5
<ul style="list-style-type: none"> • Assessing and applying depreciation / impairment to capital assets, and processing revaluations of the Trust's built estate. 	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 12.2.6 / 12.2.7
<ul style="list-style-type: none"> • Developing detailed procedures for the disposal / sale / condemnation of assets and advising staff on disposal procedures 	Director of Finance	Assistant Director of Finance - Procurement	SFI 12.4.1 / 12.4.2 / 12.4.5
<ul style="list-style-type: none"> • Approving condemnation or disposal of items which are obsolete, redundant, irreparable or which cannot be repaired cost-effectively 	Director of Finance	Director of Finance <i>Proformas are pre-approved by an authorised condemning officer. The sale of medical equipment requires additional pre-approval by the Assistant Director of Finance - Procurement in conjunction with the EBME Manager</i>	SFI 12.4.4 / 12.4.6
d) Control of stores, including minimising stockholdings, annual physical checks and the condemnation, disposal and replacement of unserviceable articles			
<ul style="list-style-type: none"> • Controlling pharmaceutical stocks 	Chief Executive	Director of Pharmacy / Chief Pharmacist	SFI 11.2
<ul style="list-style-type: none"> • Designing and implementing (non-Pharmacy) stock control arrangements, including stocktaking procedures, and procedures for the receipt of goods, issues from stores, and returns to suppliers 	Director of Finance	Director of Pharmacy / Chief Pharmacist / Department heads	SFI 11.2
<ul style="list-style-type: none"> • Controlling fuel stocks 	Chief Executive / Director of Finance	Associate Director of Estates, Engineering and Capital Delivery	SFI 11.2
<ul style="list-style-type: none"> • Controlling other stocks / stores 	Chief Executive / Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Procurement	SFI 11.2
e) Notifying asset and stock discrepancies to the Director of Finance (via Procurement and Financial Accounts), and/or LSMS/LAFS if a security management / fraud event is suspected	All staff	All staff	SFI 2.5.5 / 2.6.3 / 12.3.5 / 13.1.4
f) Formally reporting asset and stock losses to the Audit and Risk Committee	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 13.1.14

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
13. Losses and special payments - including debt write-offs and ex gratia payments			
a) Designing and implementing procedures for recording and reporting losses and special payments, including maintenance of Losses Register and general reporting to Audit and Risk Committee	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 13.1.1 / 13.1.13 / 13.1.14
b) Reporting of suspected fraud losses (usually directly to LAFS or Director of Finance)	All staff	All staff	SFI 2.5.5 / 13.1.2
c) Reporting of all non-fraud losses (not including invoiced debts) to the Chief Executive / Director of Finance (via Financial Services)	All staff (via Department heads or Security Team / LSMS)	All staff (via Department heads or Security Team / LSMS)	SFI 13.1.4
d) Referring novel, contentious or repercussive cases to DHSC for approval	Director of Finance	Director of Finance / Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement	SFI 13.1.7
e) Referring non-Treasury-approved severance payments to NHSI	Director of Finance	Deputy Director of Finance / Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement	SFI 13.1.7
f) Approval of losses and special payments	Board, via Audit and Risk Committee	Refer to Appendix 2 - Matrix of Financial Limits	SFI 13.1.9
g) Reviewing options for financial redress and insurance claims	Director of Finance	Deputy Director of Finance	SFI 13.1.11
14. Treasury management - bank accounts, cash, investments and borrowings			
a) Approving banking arrangements, and loans > 1 month and additional PDC (in advance of drawdown) which exceed £100k	Trust Board	Not delegated further	SFI 5.1.2 / 14.2.2
b) Managing the Trust's and Charitable Funds cash-handling and banking arrangements, including <ul style="list-style-type: none"> ● establishing/administering bank mandates and signatories; ● providing advice on the provision of banking services and the operation of accounts; ● preparing instructions on the operation of accounts, including limits and authorities for staff, and procedures for cash-handling; and ● undertaking cash management processes, including moving funds between accounts and short-term instruments 	Director of Finance	Assistant Director of Finance - Financial Services and Improvement/ Treasury Services Manager (on behalf of, and approved by, Director of Finance)	SFI 5.1.1 / 5.1.3 / 5.2.1 / 5.3 / 5.5

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{DE}	OPERATIONAL RESPONSIBILITY	REFERENCES
c) Reviewing commercial banking arrangements at regular intervals, as appropriate (Charity only)	Director of Finance	Assistant Director of Finance - Financial Services and Improvement / Treasury Services Manager <i>(on behalf of Director of Finance)</i>	SFI 5.4
d) Minimising finance costs and liquidity risk, in the use of loan instruments	Director of Finance	Assistant Director of Finance - Financial Services and Improvement / Treasury Services Manager	SFI 14.2.1
e) Authorising drawdown of loans or PDC via lender / DHSC mandates <i>Loans > 1 month, including any working capital facility, and PDC must be approved by the Board in advance of drawdowns</i>	Director of Finance	Director of Finance / Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement (PDC) Director of Finance / Deputy Director of Finance (loans)	SFI 14.1.2 / 14.2.4 / 14.2.7
f) Calculating and paying PDC dividend and interest on borrowings	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 14.1.4 / 14.2.6
g) Monitoring the liquidity risk presented by the maturity date of existing facilities.	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 14.2.1
h) Maximising returns and minimising credit risk associated with investments	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 14.3.3
15. Patients' property - cash and valuables			
a) Design and implementation of procedures for the administration / handling of patients' monies and property	Director of Finance	Treasury Services Manager	SFI 15.1.3
b) Ensuring patients and guardians are informed about patients' monies and property procedures on admission	Chief Executive	Ward Managers	SFI 15.1.2
c) Informing staff of their duties in respect of patients' monies and property	Director of Finance, through a), above	Matrons / Ward Managers	SFI 15.1.4
d) Retaining, releasing or disposing of the property of deceased patients in accordance with the legal framework	Director of Finance	Treasury Services Manager / Assistant Director of Finance - Procurement Cashiers (Cash Offices)	SFI 15.4

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
16. Charitable funds			
a) Approving fundraising and related activity, and advising on the acceptance of gifts and donations, including donor wishes and imposed trusts	Director of Finance	Fundraising Manager	SFI 16.1 / 16.5.12
b) Designing and implementing the financial systems of the Charity	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 16.3
c) Designing and implementing financial procedures, and creating staff-facing policies for the collection of income and the expenditure of funds	Director of Finance	Assistant Director of Finance - Financial Services and Improvement Fundraising Manager	SFI 16.3
d) Timely expenditure, avoiding unnecessary accumulation of funds	Charitable Funds Committee	Fund-holders	SFI 16.4
e) Approval of any charitable expenditure	Charitable Funds Committee	Director of Finance Assistant Director of Finance - Financial Services and Improvement Fund-holders following technical approval of bids (financial limits approval per Appendix 2 - Matrix of Financial Limits)	SFI 16.4
f) Creation of a new fund or sub-fund	Charitable Funds Committee	<i>Only the Charitable Funds Committee can approve the creation of funds</i>	SFI 16.5
g) Approval for fundraising appeals - includes any documentation or communication which states 'we are collecting donations for purpose X'	Charitable Funds Committee	<i>Only the Charitable Funds Committee can approve appeals</i>	SFI 16.5
h) Maximising compliant revenues under HMRC Gift Aid scheme	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 16.5
i) Liaising with executors and solicitors regarding legacies, negotiating terms where necessary / beneficial	Director of Finance	Fundraising Manager	SFI 16.5
j) Designing and implementing an appropriate <i>Treasury Management Policy</i> for the Charity, including investment policy and reserve policy elements	Charitable Funds Committee / Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 16.6
k) Maintenance of Charity Commission registration	Director of Finance	Fundraising Manager	SFI 16.8
l) Creating plans or targets for the Charity, and monitoring performance against those targets/plans	Charitable Funds Committee / Director of Finance	Fundraising Manager	SFI 16.9
m) Preparing an Annual Report and Accounts and submission of the Trustee's Annual Return to the Charity Commission	Director of Finance	Assistant Director of Finance - Financial Services and Improvement	SFI 16.9

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
17. Information technology - financial systems			
a) Ensuring the accuracy and security of the Trust's computerised financial data, through designing and implementing controls, policies and procedures	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement / Head of Financial Services and Improvement	SFI 20.1.1
b) Developing and implementing new financial systems (in line with the Trust's IM&T strategy), ensuring they are developed in a controlled manner and thoroughly tested	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement / Head of Financial Services and Improvement	SFI 20.1.2
c) Ensuring that contracts for computer services for financial applications define responsibility re: security, privacy, accuracy, completeness and timeliness of data during processing and storage	Director of Finance	Deputy Director of Finance Assistant Director of Finance - Financial Services and Improvement / Head of Financial Services and Improvement / Assistant Director of Finance - Procurement	SFI 20.2.2
d) Seeking third party assurances regarding financial systems operated externally	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement / Head of Financial Services and Improvement	SFI 20.2.3
e) Ensuring that risks arising from the use of IT are effectively identified and considered, and appropriate action is taken to mitigate or control risk	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement / Head of Financial Services and Improvement	SFI 20.3
18. Risk management - insurance			
a) Ensuring that appropriate insurance arrangements exist in accordance with DHSC/NHSI guidance	Director of Finance	Director of Corporate Affairs	SFI 21.1.5
b) Approval of all commercial insurance policies	Director of Finance	Director of Finance	SFI 21.1.6
c) Ensuring that the Board is informed of the nature and extent of the risks associated with self-insurance (not using the risk-pooling schemes administered by NHSR)	Director of Finance	Director of Finance	SFI 21.2.2
d) Ensuring that documented procedures cover the management of claims and payments below the excess / deductible	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services and Improvement	SFI 21.2.3

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
18. HR and pay			
Framework			
a) Developing HR policies and strategies for approval by the Board including training and industrial relations	Chief Executive	Chief People Officer	SFI 3.1.1
b) Nominating officers to award <ul style="list-style-type: none"> contracts of employment regarding staff, or agency staff / consultancy service contracts 	Chief Executive	Chief People Officer	SFI 19.3.1 / 19.8
c) Advising the Board about appropriate remuneration and conditions of service of very senior managers	Remuneration Committee	Remuneration Committee	SFI 19.1.2
d) Presenting proposals to the Board for the setting of remuneration and conditions of service for those staff not covered by the Remuneration Committee	Chief Executive	Chief People Officer	SFI 19.3.2
e) Administration / governance of salary sacrifice schemes	Chief Executive	Chief People Officer	SFI 19.9
Establishment, recruitment, contracts and variations			
f) Filling a vacancy within the funded establishment <i>Subject to establishment control / vacancy control processes</i>	Chief Executive	Budget managers in conjunction with divisional finance teams	SFI 19.2 / 19.3
g) Adding staff to the agreed establishment <i>Subject to establishment control / vacancy control processes</i>	Chief Executive	Executive team member	SFI 19.2 / 19.3
h) Ensuring that all employees are issued with a contract of employment, in a form approved by the Board, and which complies with employment legislation	Chief Executive	Chief People Officer	SFI 19.8
i) Granting additional increments to staff, outside the annual cycle, within budget	Chief Executive	Budget managers in conjunction with divisional finance & HR teams, with SMT approval	SFI 19.5
j) Re-grading, in accordance with Trust procedures	Chief Executive	Budget managers	SFI 19.3
k) Renewing fixed-term contracts	Chief Executive	Budget managers in conjunction with divisional finance & HR teams, plus relevant Executive Director	SFI 3.3.2
l) Approving local pay variations	Chief People Officer	Chief People Officer	SFI 19.4

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
Payroll requests			
m) Approving forms effecting new starters, variations and leavers	Chief People Officer	Budget managers in conjunction with divisional finance teams	SFI 19.8
n) Prompt 'hiring' of new staff and termination of leavers within ESR system	Hiring managers	Hiring managers	SFI 19.4.5 / 19.5.3
o) Completing and authorising payroll reporting forms (SVLs)	Chief People Officer	Matrons / Ward and departmental managers	SFI 19.4
p) Authorising overtime	Chief People Officer	Budget managers	SFI 19.4.2 / 19.4.3
q) Authorising expenses reimbursed via payroll	Chief People Officer	Budget managers	SFI 19.6
Leave			
r) Approving annual leave	Chief Executive	Line managers <i>as per departmental procedure</i>	
s) Approving annual leave carry forward <i>for A/C employees, this is granted in exceptional circumstances only, and only with written consent</i>	Chief Executive	Line managers	
t) Approving time off in lieu	Chief Executive	General managers / departmental managers	
u) Approving <ul style="list-style-type: none"> ● compassionate leave; ● special leave arrangements for domestic/personal/family reasons - paternity leave, carer leave, adoption leave; ● other special leave including jury service; and ● leave without pay 	Chief Executive	General managers / departmental managers / Associate Medical Directors	
v) Approving leave of absence for medical staff - paid and unpaid	Chief Executive	Medical Director / Associate Medical Directors	
w) Approving maternity leave - paid and unpaid	Chief Executive	<i>Automatic approval, with guidance</i>	
Sick leave			
x) Extending paid sick leave	Chief People Officer	General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse in conjunction with divisional HR teams	
y) Approving part-time return to work, on full pay, to assist recovery	Chief People Officer	General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse in conjunction with divisional HR teams	

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO ^{OE}	OPERATIONAL RESPONSIBILITY	REFERENCES
Study leave			
aa) Approving study leave outside the UK	Chief Executive	Relevant Executive Director	
bb) Approving medical staff study leave (UK) - consultant / non-career-grade	Medical Director	Associate Medical Director	
cc) Approving medical staff study leave (UK) - career-grade	Medical Director	Post Graduate Tutor	
dd) Approving all other study leave (UK)	Chief Executive	Budget manager (in budget) and Training and Development Manager	
Staff benefits			
ee) Approving relocation expenses <i>up to a maximum of £8,000 under HMRC rules</i>	Chief People Officer	SMT member	
ff) Approving regular user allowance <i>(no longer available for non-medical staff)</i>	Chief People Officer	Associate Medical Director / Deputy Chief Nurse in conjunction with divisional HR teams	
gg) Approving mobile phones and other mobile devices	Director of IT and Information	General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse	
Staff retirement			
hh) Authorising return to work in a part-time capacity under the <i>flexible retirement scheme</i> .	Chief People Officer	General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse	
ii) Deciding to pursue retirement on the grounds of ill-health, following advice from the Occupational Health Department	Chief People Officer	General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse	
jj) Approving early retirement	Chief People Officer	General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse	
Exit packages		Refer to Appendix 2 - Matrix of Financial Limits	
Bank / agency staffing, off-payroll / IR35 engagements			
i) Ensuring that procedures are in place to ensure that the correct tax / NI arrangements and tax assurance are secured for off-payroll engagements	Chief Executive	Chief People Officer	SF1 19.10

Appendix 1 - Scheme of Delegation (extract)



DELEGATED MATTER	DELEGATED TO [Ⓔ]	OPERATIONAL RESPONSIBILITY	REFERENCES
ii) Approvals of any bank/agency staffing, potentially involving NHSP or Plus Us,	Chief Executive	Director of Finance <i>Particular caution to be applied for engagements at over £100 per hour, or off-framework or over-cap proposals</i>	SFI 19.10

[Ⓔ] If the Chief Executive is absent, powers delegated to them may be exercised by the nominated officer(s) acting in their absence, after taking appropriate financial advice; two Executive Directors will be required to ratify any decisions within the Chief Executive's thresholds.

Appendix 2 – Matrix of Financial Limits

**This document summarises the financial limits delegated by the Board
and the Chief Executive to Trust employees**

It should be read in conjunction with the Trust's Standing Financial Instructions (SFIs) and Scheme of Delegation
extract (Appendix 1)

*This document lists a selection of delegated privileges, and therefore does not seek to outline the often extensive duties and
responsibilities (such as good record-keeping and adherence to local procedures)
which are associated with these privileges.*

Appendix 2 - MATRIX OF FINANCIAL LIMITS

Ref	DELEGATED MATTER	DELEGATED AUTHORITY / FINANCIAL LIMITS							Appendix 1 SCHEME OF DELEGATIO N referenc e
		Level 8	Level 7	Level 6	Level 5	Level 4	Level 3	Level 2	
		Board or Committee	CEO / COO / DoF or Deputy CEO	All 'very senior manager' Directors (EDs or otherwise) or Deputy DoF	Divisional Directors Divisional Medical Leads Senior Corporate Managers	Directorate Managers Assistant Managers (Corporate)	Department Managers Matrons	Deputy Department Managers Ward Managers	
		<p>In case of staff absence, authority may pass sideways (subject to cost centre restrictions) or upwards (meaning that a higher level manager must approve). In cases of Executive Director absence, authority may occasionally pass downwards to nominated deputies in line with current policies / procedures. Trust staff should only attempt to sign documents / approve activity in cases where they have the requisite authority to do so. Except for Section 2, all limits are inclusive of VAT, wherever VAT is charged, even if presumed recoverable.</p>							
1.	Ordering of goods and services								
1.1	<p>Requisitioning of all goods, works and services</p> <p>All requisitioning is subject to the requirements of sections 2. – 3. being met. With the exception of 1.1.e., all requisitions are input and approved through the Oracle System.</p>	<p>All Trust employees with Oracle system access can input a requisition for goods/services. Pharmacy employees with JAC system access can input a requisition for drugs and other medicines. All goods/works/services (except under section 4, below) are procure via the completion of a requisition, and therefore the creation of a purchase order (PO). This applies regardless of how the purchase is funded (e.g., Charity-funded items). Charity funded items should be supported by an approved ERF.</p>							
	<p>a. Approval of revenue requisitions Spend is restricted to approver's cost centres and must be within Board-approved budget and/or have an approved business case (section 3, below).</p> <p>b. Approval of capital requisitions Spend must be listed in Board-approved annual capital programme, and/or have an approved business case (section 3, below).</p> <p>c. Approval of annual call-off² requisitions - contracted spend only.</p> <p>d. Approval for payment of consignment goods³ Requisition approval may only be given where an item of consignment stock has been used. Replacement will be on a top-up basis only, and in accordance with stock levels pre-determined by Procurement.</p>	> PCR2015 threshold for goods / services ¹	≤ PCR2015 threshold for goods / services	≤ £30,000	≤ £10,000	≤ £5,000	≤ £1,000	Section 6 & Section 8	
	<p>e. Drugs inventory and other Pharmacy purchasing</p> <p>Limits relate to requisitions via the Pharmacy JAC system.</p> <p>Unlike for non-drugs purchasing via Oracle, these limits are not wholly built into the JAC system. High-value approvals are sought via email and filed for audit</p>	> £100,000 CEO or DoF	≤ £100,000 Director of Pharmacy and Medicines Management/ Deputy Director of Pharmacy	≤ £50,000 Pharmacy Support Services Operational Manager / Team Leader, Pharmacy Clinical Support Services	≤ £25,000 6 Pharmacy officers per a local signatory list			Section 8	

Appendix 2 - MATRIX OF FINANCIAL LIMITS

Ref	DELEGATED MATTER	DELEGATED AUTHORITY / FINANCIAL LIMITS							Appendix 1 SCHEME OF DELEGATION reference
		Level 8	Level 7	Level 6	Level 5	Level 4	Level 3	Level 2	
		Board or Committee	CEO / COO / DoF or Deputy CEO	All 'very senior manager' Directors (EDs or otherwise) or Deputy DoF	Divisional Directors Divisional Medical Leads Senior Corporate Managers	Directorate Managers Assistant Managers (Corporate)	Department Managers Matrons	Deputy Department Managers Ward Managers	
2.	Quotations, tendering and contract procedures								
2.1	<p>Requirement to obtain quotations / tenders Authorised officers are specifically advised by Assistant Director of Finance - Procurement at all stages during the process.</p> <p>a. > EU threshold <i>full OJEU procedures</i> b. > £30,000 & ≤ EU threshold <i>competitive tenders</i> c. > £5,000 & ≤ £30,000 <i>obtain 3 competitive written quotes</i> d. ≤ £5,000 <i>no requirement for competitive quotations</i></p>	<p>The financial limits here exclude VAT and refer to the anticipated value of the contract over the contract period (normally 3 years). Compliance with tendering procedures described within the SFIs is required at all times, for any type of contract for goods, services or works. Requests for tenders or quotations must be accompanied by the appropriate set of NHS Standard Terms and Conditions of Contract. Spend must not be disaggregated to avoid the requirement to obtain competitive quotations or tenders.</p> <p>All Trust employees can obtain goods/services or works without obtaining quotations where the total value of the contract will not exceed £5,000. However, it is strongly recommended that competitive quotations are obtained, or a national or regional framework agreement is used to demonstrate best value for money (VFM).</p>							Section 7
2.2	<p>Authorisation of waivers ⁴ <i>Authorisation of any waiver of tenders or quotations</i> All waivers to be reported by the Director of Finance to each meeting of the Audit Committee. Waivers are authorised by CEO where tender pertains to DoF budgets.</p>	≤ £30,000 DoF > £30,000 CEO & DoF	≤ £30,000 Deputy DoF						
2.3	<p>Opening of quotations <i>A record of all quotations received must be kept by the requisitioning department and must be made available for audit purposes.</i></p>					Authority at this level or higher			
2.4	<p>Opening / verifying of electronic tenders <i>All electronic tenders are recorded by Procurement.</i></p>			Board Secretary or Assistant Director of Finance - Procurement					
2.5	<p>Acceptance of late tenders <i>Decision as to whether late tenders are to be accepted.</i></p>		CEO or DoF						
2.6	<p>Selection of the tender that is not the most economically advantageous tender (MEAT)</p>		CEO						
2.7	<p>Contract award Authorised officers are specifically advised by Assistant Director of Finance - Procurement at all stages during the process.</p>	<p>Contract signatories are also as below. The CEO signs on behalf of the Board. Only the Director of Finance can sign credit agreements, with the exception of HR salary sacrifice arrangements.</p>							
	a. > £1,000,000 <i>full OJEU procedures</i>	Board							
	b. ≤ £1,000,000 <i>full OJEU</i>		CEO						
	c. ≤ £500,000 <i>full OJEU</i>		CEO / DoF						
	d. > EU threshold & ≤ £250,000 <i>full OJEU procedures</i>			Deputy DoF					
	e. > £30,000 & ≤ EU threshold <i>competitive tenders</i>				Budget manager				
	f. > £5,000 & ≤ £30,000 <i>obtain 3 competitive written quotes</i>				Budget manager, of a level higher than the opener (section 2.3)				

Appendix 2 - MATRIX OF FINANCIAL LIMITS

Ref	DELEGATED MATTER	DELEGATED AUTHORITY / FINANCIAL LIMITS							Appendix 1 SCHEME OF DELEGATION reference
		Level 8	Level 7	Level 6	Level 5	Level 4	Level 3	Level 2	
		Board or Committee	CEO / COO / DoF or Deputy CEO	All 'very senior manager' Directors (EDs or otherwise) or Deputy DoF	Divisional Directors Divisional Medical Leads Senior Corporate Managers	Directorate Managers Assistant Managers (Corporate)	Department Managers Matrons	Deputy Department Managers Ward Managers	
3.	Business case approval								
3.1	Requirement for approved business case The business case process precedes the tendering / quotation procurement process, and is required for all capital expenditure, and for revenue spend which is not already explicitly within plan / budget. The Trust's <i>Business case process pack</i> applies to 3.2 and 3.3.	<p>For capital or lease schemes, the financial limits below refer to whole-life, total implementation costs, including external facilitation, lease costs, enabling works, VAT even if presumed recoverable, establishment changes and depreciation. This may exceed the capital expenditure total.</p> <p>Capital Bid Forms (CBFs) are used for smaller capital projects with low complexity, such as medical equipment up to a value of £50k which are not within Board approved programme.</p> <p>A short form business case is required for capital projects >£50k but ≤ £250,000 and a full business case for projects > £250k.</p> <p>For revenue investment schemes, the financial limits below refer to the maximum revenue expenditure in any given year.</p> <p>For schemes with significant capital and revenue elements, the value of each element (capital vs revenue) is assessed separately as described above.</p>							Section 4
		<p>Pre-approval of the following technical elements within business cases through Financial Services is required: VAT recovery / leases and rentals / 'managed service' models and 'free asset' models / collaboration - joint ventures, partnerships / capital expenditure and depreciation.</p>							
3.2	Approval of revenue-only business cases Limits refer to additional spend budget required in any year, even if the scheme is self-funded, or 'invest to save'.	> £250,000 Board ⁵ ≤ £250,000 FBPC	≤ £50,000 CEO or DoF						
3.3a	Approval of capital or lease⁶ business cases within Board-approved capital programme	> £1,000,000 Board ⁵ ≤ £1,000,000 FBPC	≤ £250,000 CEO or DoF						
3.3b	Approval of capital or lease⁶ business cases not within Board-approved capital programme.	> £250,000 Board ⁵ ≤ £250,000 FBPC	≤ £50,000 CEO or DoF						
		<p>⁵ Business cases / schemes need additional NHSE / DHSC approval if 'significant transactions' and/or if the following costs exceed £15m: capital costs, or whole-life costs (for IT, lease or 'managed service' schemes).</p> <p>⁶ All significant leases (annual rents exceeding £100,000) must be notified to Board, if not already Board-approved.</p>							
3.4	Approval of any proposal or case involving management consultants 'Consultancy fees' expenditure is subject to additional controls. All cases over £50k to be referred to Director of Finance in the first instance. It is recommended that a view is sought from the Procurement Department in the first instance.	> £50,000 Board NHSI approval required	< £50,000 CEO or DoF	≤ £10,000 ED					
3.5	Charitable funds 'bids' Business cases are required for every item of charitable spend via Expenditure Request Form (ERF). Technical approval - all ERFs are assessed for compliance by Financial Services, prior to Procurement processes and/or forwarding for higher approval.	> £30,000 Charitable Funds Committee	≤ £30,000 Director of Finance		≤ £30,000 Fund-holders, if spend is against their delegated fund			Section 16	

Appendix 2 - MATRIX OF FINANCIAL LIMITS

Ref	DELEGATED MATTER	DELEGATED AUTHORITY / FINANCIAL LIMITS							Appendix 1 SCHEME OF DELEGATION reference
		Level 8	Level 7	Level 6	Level 5	Level 4	Level 3	Level 2	
		Board or Committee	CEO / COO / DoF or Deputy CEO	All 'very senior manager' Directors (EDs or otherwise) or Deputy DoF	Divisional Directors Divisional Medical Leads Senior Corporate Managers	Directorate Managers Assistant Managers (Corporate)	Department Managers Matrons	Deputy Department Managers Ward Managers	

4. Non-Treasury payments which are not linked to requisitions / orders									
4.1	Payment approval for exceptional non-PO transactions as specified below Certain taxation, pay, travel, compensation, credit card, reimbursement or ex-gratia payments (6.1) also may or should not have a requisition.	The Trust operates a 'no PO no pay' procedure for all purchasing other than items specifically listed below, and ex-gratia losses. Breaches, including retrospective ordering, will be addressed under the Trust's escalation procedure, and may result in disciplinary action.							Section 8
	a. NHS BSA FP10s (prescriptions)			Director of Pharmacy and Medicines Management					
	b. NHS BSA quarterly injury benefits and early retirement liability			Deputy DoF					
	c. NHS Fleet Solutions - advance payment of salary sacrifice cars			Chief People Officer					
4.2	Petty cash withdrawal approval Petty cash is issued on presentation of a receipt, financial ledger code and completed proforma. Spend is restricted to cost centres allocated to the approving manager. Second approval may be requested if the first signatory is the beneficiary of the spend, and all travel and incidental expenses should either be requisitioned in advance of travel (e.g., tickets, accommodation) or be reimbursed via Payroll (e.g., mileage).		≤ £30 > £30 DoF	≤ £30 > £30 Deputy DoF	≤ £30	≤ £30	≤ £30	≤ £30	
4.3	Credit / payment cards Approval for the issue of business-use credit cards to individuals. Maximum limit on each credit card is £7,500.		Authority						

5. HR and pay									
5.1	Establishment and recruitment	Delegated authority for establishment changes is detailed in the Scheme of Delegation (App 1).							Section 18
5.2	Bank / agency staffing	Delegated authority for approval of bank / agency staffing is detailed in the Scheme of Delegation (App 1).							
5.3	Exit packages / severance approvals								
	a. Individual - directors / senior managers within the scope of the Committee	Remuneration and Appointments Committee							
	b. Individual - with contractual entitlement		CEO or DoF						
	c. Trust-wide - HM Treasury approved 'mutually agreed' schemes	Board							
	d. Individual - exceeding contractual entitlement (per 6.1d)	Board							
		HM Treasury approval required via NHSI							

Appendix 2 - MATRIX OF FINANCIAL LIMITS

Ref	DELEGATED MATTER	DELEGATED AUTHORITY / FINANCIAL LIMITS							Appendix 1 SCHEME OF DELEGATION reference
		Level 8	Level 7	Level 6	Level 5	Level 4	Level 3	Level 2	
		Board or Committee	CEO / COO / DoF or Deputy CEO	All 'very senior manager' Directors (EDs or otherwise) or Deputy DoF	Divisional Directors Divisional Medical Leads Senior Corporate Managers	Directorate Managers Assistant Managers (Corporate)	Department Managers Matrons	Deputy Department Managers Ward Managers	

6. Losses, special payments, disposals and litigation											
6.1	Registered losses and special payments	All novel and contentious or repercussive cases must be reported to DHSC / NHSI via Financial Services regardless of value.								Section 12 & Section 13 & Section 18	
	a. Debt write-offs Limit applies at supplier level, not individual invoice level.	> £10,000 Audit and Risk Committee	≤ £10,000 DoF	≤ £1,000 Deputy DoF							
	b. Non-clinical negligence payments made on the advice of NHSLR - excesses pertaining to employer liability (EL) and public liability (PL) cases (<i>Liability to Third Parties</i> scheme). The limits refer to <u>net</u> payments.						< £10,000 excess (EL) < £3,000 excess (PL) Legal Services Manager				
	c. Extra-statutory and extra-regulatory payments	Board									
	d. Severance payment exceeding contractual entitlement (per 5.4d)	Board HM Treasury approval required via NHSI									
e. All other registered losses Including losses of cash, salary overpayment write-offs, damage to or loss of Trust assets including stock write-offs, and ex-gratia payments.	Audit and Risk Committee notified	≤ £5,000 DoF ≤ £10,000 CEO > £10,000 CEO & DoF									
6.2	Condemnation and disposal	Under NO circumstances should any kit or equipment that has been involved in an accident / incident be disposed of until investigations have been concluded.								Section 13 & Section 18	
	a. Approval to condemn / dispose of capital or inventory asset All disposals must be performed in line with the <i>Condemning and Disposal of Scrap and Surplus Equipment</i> policy.		DoF, via SD12 form								
	b. Condemning and disposal of non-capital, non-inventory supplies and equipment (such as office equipment).				Assistant Director of Finance - Procurement in conjunction with budget manager						
6.3	Litigation claims	NHSR EL and PL excess are listed under section 6.1									
	a. Authorisation of clinical negligence (CNST) premium.		DoF								
	b. Approval of payments following other legal advice that are patient-related, other than 6.1.b above.			> £10,000 Associate Medical Director			< £10,000 Legal Services Manager				
	c. Approve proposals for action on litigation against, or on behalf of, the Trust.	> £100,000 Board		< £100,000 Director of Governance and Quality Improvement and list (determined by DoGQI)							

Appendix 2 - MATRIX OF FINANCIAL LIMITS

Ref	DELEGATED MATTER	DELEGATED AUTHORITY / FINANCIAL LIMITS							Appendix 1 SCHEME OF DELEGATION reference
		Level 8 Board or Committee	Level 7 CEO / COO / DoF or Deputy CEO	Level 6 All 'very senior manager' Directors (EDs or otherwise) or Deputy DoF	Level 5 Divisional Directors Divisional Medical Leads Senior Corporate Managers	Level 4 Directorate Managers Assistant Managers (Corporate)	Level 3 Department Managers Matrons	Level 2 Deputy Department Managers Ward Managers	
7.	Income								
7.1	Income contracts	Values are the whole-life values of the contract.							Section 5 & Section 16
	Signing contracts <i>Board to be consulted in advance for values above £1,000,000</i>		> £250,000 CEO or DoF	≤ £250,000 Deputy DoF					
7.2	Setting of fees and charges								
	a. Reviewing and revising existing fees and charges annually	Notified to FBPC	DoF only						
	b. Approving charges for new services	Notified to FBPC	DoF only						
7.3	Non-trading income	Incomes (cash / non-cash) gifted to the Trust / Charity for no exchange (other than, say, for promotional or public benefit) should be discussed in the first instance with the Head of Fundraising, or the Trust's Research Department in the case of research and development ('clinical') grants. The Trust's <i>Managing Conflicts of Interest Policy</i> may apply.							
	Approving fundraising activity, with divisional sign-off					Head of Fundraising			
	Approving 'non-clinical' grant applications with divisional sign-off		> £50k DoF			≤ £50k Head of Fundraising			
	Agreeing commercial sponsorship proposals		CEO or DoF						
8.	Gifts and hospitality								
8.1	Receiving gifts and / or hospitality, including 'thank-you' presents	Please refer to the Trust's <i>Managing Conflicts of Interest Policy</i> for further details including how to declare gifts / hospitality. Cash gifts cannot be accepted; personal gifts to staff must not be receipted to charitable funds.							

Appendix 2 - MATRIX OF FINANCIAL LIMITS

Ref	DELEGATED MATTER	DELEGATED AUTHORITY / FINANCIAL LIMITS							Appendix 1 SCHEME OF DELEGATION reference
		Level 8	Level 7	Level 6	Level 5	Level 4	Level 3	Level 2	
		Board or Committee	CEO / COO / DoF or Deputy CEO	All ' <i>very senior manager</i> ' Directors (EDs or otherwise) or Deputy DoF	Divisional Directors Divisional Medical Leads Senior Corporate Managers	Directorate Managers Assistant Managers (Corporate)	Department Managers Matrons	Deputy Department Managers Ward Managers	

Footnotes

¹ EU thresholds

This is the value above which the Public Contract Regulations (PCR 2015) are applicable, and the Trust must follow the procedures therein defined. The current thresholds for contracts governed by the Public Contracts Regulations are effective from **1 January 2020**.

The EU thresholds are as follows:

For *goods and services*, the threshold is £139,688.

For *works contracts*, the threshold is £5,372,609.

For *social and other specific services* as defined in Article 74 (and listed in Annex XIV) of Dir 2014/24/EU, the threshold is £663,540.

Oracle can only apply a single limit per officer. Therefore, the EU threshold for *supply and service* contracts is used within the system and applies to capital / works as well as revenue spend.

² Annual call-off order

A single purchase order placed with a supplier at the beginning of the year to cover all goods/services ordered from the supplier during that period.

Commonly used where a large range of products are ordered very frequently, and where it would be uneconomical to place an order for each requirement e.g., provisions (foodstuffs).

³ Consignment goods

These are goods provided to the Trust by a supplier and held in inventory (stock).

No payment is made to the supplier until the item is used and a requisition / order raised to replenish the used item.

Typically, this system is adopted for high-value medical devices such as orthopaedic implants where it would be prohibitively expensive for the Trust to purchase the full range of products/sizes that might be required, and there would be a high risk of obsolescence.

⁴ Waiver

A waiver is an exemption from undertaking a competitive tendering or quotation exercise. Circumstances in which a request to waive SFIs are clearly defined in the Trust's SFIs.



**Wirral University
Teaching Hospital**
NHS Foundation Trust

Wirral University Teaching Hospital NHS Foundation Trust Scheme of Reservation and Delegation

Effective from March 2025

Version 3

Version Log

Date	Version	Changes
2013	1	Original publication – further dates and amends unknown.
April 2024	2	Full review of document undertaken. This has included reformatting, addition of new requirements/removal of obsolete clauses, update of job titles and section references.
March 2025	3	Annual review carried out to reflect changes to delegated financial limits.

Introduction

This documents sets out the powers reserved to both the Board of Directors and the Council of Governors, and those delegated to the Committees, and key senior staff members. The document also sets out the financial delegation limits, which are then reflected in the Standing Financial Instructions (SFIs). The SFIs are therefore reviewed in conjunction with this document.

1. Decisions reserved to the Council of Governors

General enabling provision	<ul style="list-style-type: none"> No decisions reserved
Regulations and control	<ul style="list-style-type: none"> Decide whether the Trust's private patient work would significantly interfere with the Trust's principal. Approve any proposal to increase by 5% or more the proportion of the Trust's total income in any financial year attributable to non-NHS activities. Approve any "significant" transaction as defined in the Trust's Constitution. Approve any application by the Trust to enter into a merger, acquisition, separation, or dissolution. Amendments to the Trust's Constitution must be approved by the Board of Directors and the Council of Governors.
Appointments/dismissals	<ul style="list-style-type: none"> Appoint, and, if appropriate, remove the Chair Appoint, and if appropriate, remove the other Non-Executive Directors Approve the appointment of the Chief Executive Appoint, and if appropriate, remove the NHS Foundation Trust's auditor. To appoint the Lead Governor of the Council of Governors To decide the remuneration and allowances and other terms and conditions of office, of the Non-Executive Directors Contribute to the annual appraisal of the Chairman (led by Senior Independent Director) Receive the outcomes of the annual appraisals of the Non-Executive Directors
Policy determination	<ul style="list-style-type: none"> Preparation and review of the Membership Strategy ensuring representation and engagement levels are maintained and increased as appropriate. In preparing the NHS Foundation Trust's Forward Plan, the Board of Directors must have regard to the views of the Council of Governors
Audit	<ul style="list-style-type: none"> Appoint, and if appropriate, remove the external auditor. Review the performance of the external auditor, at least annually
Annual Report and Accounts	<ul style="list-style-type: none"> To receive the Annual Report, Accounts and Financial Statements and any report of the External Auditor on them and the Trust's Annual Report

Monitoring	<ul style="list-style-type: none"> • To hold the Board of Directors collectively to account for the performance of the NHS Foundation Trust, ensuring that the Board acts so that the Trust does not breach its terms of authorisation. • Feeding back information about the NHS Foundation Trust, its vision and performance to the constituencies and the stakeholder organisations which appointed / elected them
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2. Decisions reserved to the Board of Directors

General enabling provision	<ul style="list-style-type: none"> • The Board may determine any matter it wishes, for which it has delegated or statutory authority, in full session within its statutory powers
Regulations and control	<ul style="list-style-type: none"> • Approve the Trust's Corporate Governance Manual, the schedule of matters reserved to the Board, and Standing Financial Instructions for the regulation of its proceedings and business. • Approve, suspend, vary or amend the Standing Orders in accordance with the conditions in the Corporate Governance Manual • Ratify any urgent decisions taken by the Chairman and Chief Executive in accordance with the Corporate Governance Manual • Approve a scheme of delegation of powers from the Board to committees and from the Board to relevant officers as per the standing orders. • Require and receive the declaration of Board members' interests which may conflict with those of the Trust and determining the extent to which that member may remain involved with the matter under consideration. • Require and receive the declaration of officers' interests, which may conflict, with those of the Trust. • Approve arrangements for dealing with complaints. • Adopt the organisation structures, governance arrangements, processes, and procedures to facilitate the discharge of business by the Trust and to agree modifications thereto. This includes the detail of the structure of the Board, and its Committees. • Receive reports from committees, including those which the Trust is required by regulation to establish, and to take appropriate action thereon.

	<ul style="list-style-type: none"> • Confirm the recommendations of the Trust's committees of the Board where that Committee does not have executive powers, or where that Committee's level of delegated authority is insufficient. • Approve arrangements relating to the discharge of the Trust's responsibilities as a corporate trustee for funds held on trust. • Establish terms of reference and reporting arrangements of all committees and groups, which are established by the Board. • Approve arrangements relating to the discharge of the Trust's responsibilities as a bailer for patients' property. • Authorise use of the seal • Ratify instances of failure to comply with the Corporate Governance Manual • Discipline members of the Board or employees who are in breach of statutory requirements or Corporate Governance Manual • Approve any amendments to the Trust's Constitution. These amendments must also be approved by the Council of Governors.
Appointments/dismissals	<ul style="list-style-type: none"> • Appoint and dismiss committees (and individual members) which are directly accountable to the Board. • Appraise and discipline executive directors in line with the Constitution. • Appoint, appraise, discipline, and dismiss the Board Secretary
Strategy, business plans and budgets	<ul style="list-style-type: none"> • Define the strategic aims and objectives of the Trust. • Approve proposals for ensuring quality and developing clinical governance in services provided by the Trust, having regard to any guidance issued by the NHS England • Ratify the Trust's strategy, policies, and procedures for the management of risk. • Approve Strategic Outline Cases, Outline Business Cases and Final Business Cases for Capital Investment per the SORD • Approve the medium term financial strategy and annual financial plan. • Approve Trust's organisational development plan. • Ratify proposals for acquisition, disposal or change of use of land and/or buildings. • Receive notification of all significant leases (annual rents exceeding £100,000) if not already under the Board's authority to approve. Approve the opening of bank accounts.

	<ul style="list-style-type: none"> • Approve proposals on individual contracts of a capital or revenue nature amounting to over £1,000,000 (inclusive of VAT) over a 3 year period, or the period of contract if longer. • Approve the introduction or discontinuance of any significant activity or operation. Any activity or operation shall be considered significant if it has a gross annual income or expenditure in excess of £1,000,000. • Approve proposals in individual cases for the write off of losses or making of special payments above the limits of delegation to the Chief Executive and Chief Finance Officer (for losses and special payments) previously approved by the Board. • Approve individual compensation payments in excess of £50K. • Approve proposals for action on litigation against or on behalf of the Trust in excess of £100k. • Approve any change to the use of the NHS risk pooling schemes or approve arrangements to self-insure
Policy determination	<ul style="list-style-type: none"> • Approve management policies including personnel policies incorporating the arrangements for the appointment, removal, and remuneration of staff
Audit	<ul style="list-style-type: none"> • Approval of external auditors' arrangements for the separate audit of funds held on trust • Review of the annual management letter received from the external auditor taking account of the advice, where appropriate, of the Audit and Risk Committee • Approve the appointment of the internal auditor, having regard to the recommendation of the Audit and Risk Committee (Note: the appointment of external auditors sits with the Council of Governors).
Annual Report and Accounts	<ul style="list-style-type: none"> • Receipt and approval of the Trust's Annual Report and Annual Accounts • Receipt and approval of the Annual Report and Accounts for funds held on trust
Monitoring	<ul style="list-style-type: none"> • Receive such reports as the Board sees fit from committees in respect of their exercise of powers delegated. • Receive, and approve if required, reports providing assurance on the integration of equality, diversity, and inclusion throughout the Trust • Receive such reports and assurance as may be required by or informed by NHSE, CQC, or other regulatory bodies' guidance. • Continuous appraisal of the affairs of the Trust by means of the provision to the Board, as the Board may require from directors, committees and officers of the Trust as set out in management policy statements.

	<ul style="list-style-type: none"> • Receive reports from the Chief Finance Officer on financial performance against budget and the annual plan • Receive and drive action plans, by exception, where performance is below plan
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3. Committee delegation

The Board of Directors may determine that certain powers shall be exercised by committees of the Board of Directors. The composition and terms of reference of such committees shall be determined by the Board of Directors from time to time taking into account where necessary the requirements of the Regulator and/or the Charity Commission (including the need to appoint an Audit and Risk Committee and a Remuneration Committee).

The Board of Directors shall determine the reporting requirements in respect of these committees. In accordance with the Standing Orders committees of the Board of Directors may not delegate executive powers to sub-committees unless expressly authorised by the Board of Directors.

The Board of Directors have delegated decisions to the following committees:

- Audit and Risk Committee
- Estates and Capital Committee
- Charitable Funds Committee
- Finance Business Performance Committee
- Quality Committee
- People Committee
- Remuneration Committee
- Research and Innovation Committee

The full terms of reference for each Committee are maintained by the Board Secretary.

Committee	Delegated items
Audit and Risk Committee	The Committee is established to ensure effective governance in respect of annual reporting, strategic risk oversight, and the amendment of governance documents. The Committee will also seek assurance that the Trust has robust systems and controls in place via an internal and external audit programme.

	<p>The Committee is authorised by the Board of Directors to:</p> <ul style="list-style-type: none"> • To review on behalf of the Board of Directors the operation of, and proposed changes to the Governance manual including standing financial instructions, scheme of delegation, the constitution, codes of conduct and standards of business conduct, including maintenance of registers. • Review and approval of the Internal Audit charter, strategy, audit operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation as identified in the Board Assurance Framework. • To make a recommendation on behalf of the Committee to the Council of Governors in respect of the appointment, re-appointment, and removal of an external auditor. • To oversee the conduct of a market testing exercise for the appointment of an auditor at least once every five years and, based on the outcome, make a recommendation to the Council of Governors with respect to the appointment of the auditor. • To review the annual statutory accounts, before they are presented to the Board of Directors, to determine their completeness, objectivity, integrity, and accuracy. • Consider any activity within its terms of reference
<p>Estates and Capital Committee</p>	<p>The Committee is established to seek assurance with regards to the design, development and delivery of the Trust's capital programmes, and health and safety monitoring and compliance. This includes the financial and operational delivery of capital programmes and development of future capital and estates plans.</p> <p>The Committee is authorised by the Board of Directors to:</p> <ul style="list-style-type: none"> • To approval Campus Master Plans and strategies for estates and capital. • To approve the Trust's Health and Safety plan, recommending it to the Board for final approval. • To monitor and review business cases associated with major and minor capital developments, and to approve as necessary those business cases that fall within the capital budget. • To approve and recommend to the Board the strategy for capital works, and to monitor the implementation of the capital strategy and annual capital plan. • Consider any activity within its terms of reference

Charitable Funds
Committee

The Committee is established to ensure that the Trust's duty as Corporate Trustee of its Charitable Funds has been discharged. Its purpose is to oversee management, investment, and use of charitable funds within regulations provided by the Charity Commission and ensures compliance with charity law, including responsibility for the charity's fundraising activities.

The Committee is authorised by the Board of Directors to:

- Maintain the Charity's governing document and registration with the Charity Commission
- Review and advise on those aspects of Standing Orders and Standing Financial Instructions that appertain to the charity and its operation.
- Apply all charitable funds in accordance with the NHS Acts, Charities Acts and good practice (including but not limited to WUTH Charity Expenditure Policy) and ensure that decisions on the use of investments of such funds are restricted to the explicit conditions or purpose of each donation, bequest, or grant.
- Make decisions involving the use of charitable funds for investments subject to the powers laid down in the "Declaration of Trust" and with regard to the Trustee Acts and any subsequent legislation.
- Consider the appointment of investment advisors and monitor the performance of the charitable fund portfolio and consider changes when deemed necessary.
- To oversee the Investment Policy of the Charitable Funds as required by the Trustee Acts and the NHS Acts.
- Act as the control mechanism for any approved fundraising appeals which may be initiated and to be aligned to the Charity Income and Fundraising Guidance Policy. Appointment and control of fundraisers will be in line with the Charities Acts.
- Oversee and monitor the functions with regards to the investment, accounting and reporting on the use of charitable funds.
- Receive Annual Accounts and Annual Reports of the Trust's charitable funds for consideration and recommendation for final approval to the Board of Directors.
- To develop the strategy, policies, and objectives for the Charity for consideration and approval by the Corporate Trustee.
- Consider any activity within its terms of reference.

<p>Finance Business Performance Committee</p>	<p>The Committee is established to seek assurance about the Trust's financial and operational performance, delivery of the in-year plans and the development of future plans.</p> <p>The Committee is authorised by the Board of Directors to:</p> <ul style="list-style-type: none"> • To review the adequacy of the budget setting process and assumptions at Divisional and Corporate Services Level ahead of recommending the financial plan to the Board for approval. • To review the Trust's Financial Plan in accordance with agreed timescales and in line with the Trust's strategic objectives, making appropriate recommendations to the Board of Directors. • To review and recommend business, operational, and financial plans to the Board of Directors. • To seek assurance of effective due diligence in respect of business cases, including alignment to Trust strategies, approving those within the financial limits delegated and referring those in excess of delegated limits to the Board with recommendations. • Consider any activity within its terms of reference
<p>Quality Committee</p>	<p>The Committee is established to provide assurance in relation to clinical quality and effectiveness, patient safety and patient experience (including complaints and serious incident learning); the effectiveness of the quality governance framework; and learning and quality improvement.</p> <p>The Committee is authorised by the Board of Directors to:</p> <ul style="list-style-type: none"> • To provide review and recommend the Quality Account/Report to the Board for approval on an annual basis. • Consider any activity within its terms of reference.
<p>People Committee</p>	<p>The Committee is established to ensure effective governance in respect of the delivery of the People Strategy and other workforce-related initiatives, and the strategic monitoring of people-related issues, including medical education. The Committee will also seek assurance that the Trust has robust systems and processes to deliver a positive working environment to in turn deliver safe and high quality patient care.</p> <p>The Committee is authorised by the Board of Directors to:</p> <ul style="list-style-type: none"> • Consider any activity within its terms of reference.
<p>Remuneration Committee</p>	<p>The Committee is established to ensure effective governance in respect of Executive Director and other Executive Team Member appointments, succession planning and the remuneration of the same.</p>

	<p>The Committee is authorised by the Board of Directors to:</p> <ul style="list-style-type: none"> • To be responsible for identifying and appointing candidates to fill all Executive Director positions on the Board and for determining their remuneration and other conditions of service. When appointing the Chief Executive, the committee shall be the committee described in all relevant legislation. • To authorise release dates following resignation/removal of an Executive Director or other Executive Team Member from office, where these are earlier than completion of the contractual notice period, having regard to a full risk assessment of the circumstances, including consideration of potential 'Acting Up' arrangements. • To review and approve any interim Executive Director appointments in accordance with relevant guidance. • To decide and review the terms and conditions of service of the Trust's Executive Directors and other Executive Team Members in accordance with all relevant Trust policies, including: <ul style="list-style-type: none"> ○ All aspects of salary (including and performance-related elements/ bonuses); ○ Provisions for other benefits, including pensions and cars; ○ Allowances • To review and decide on proposals relating to the remuneration of the other Executive Directors and senior managers on locally determined pay e.g. VSM. • To approve contractual arrangements for Executive Directors and other Executive Team Members, including but not limited to termination payments. • Consider any activity within its terms of reference
<p>Research and Innovation Committee</p>	<p>The Committee is established to ensure effective governance in respect of Research and Innovation activity across the Trust.</p> <p>The Committee is authorised by the Board of Directors to:</p> <ul style="list-style-type: none"> • Consider any activity within its terms of reference

4. Scheme of delegation of powers from Standing Orders (SOs)

SO Ref	Delegated to	Duties delegated
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1.1	Chair, advised by Chief Executive and Director of Finance	Final authority in interpretation of Standing Orders
4.11.1	Board of Directors	Suspension of Standing Orders
4.11.5	Audit and Risk Committee	Review suspension of Standing Orders
4.12.3	Board of Directors	Variation or amendment to Standing Orders
5.2	Chair and Chief Executive with two Non-Executives Directors	Emergency powers relating to the authorities retained by the Board of Directors
	All staff	Disclosure of non-compliance with Standing Orders to the Chief Executive (report to the Board of Directors)

5. Scheme of delegation of powers from Standing Financial Instructions (SFIs)

Delegated matter	Delegated to	Operational responsibility	References
1. Corporate Governance Manual – Standing Orders / Standing Financial Instructions			
a) Final authority in interpretation of Standing Orders	Chair, advised by Chief Executive and Director of Finance	Chair, advised by Chief Executive and Director of Finance	Constitution - Standing Orders
b) Notifying directors, employees and contractors of their responsibilities within the Standing Orders and Standing Financial Instructions and ensuring that they understand their responsibilities	Chief Executive	All directors and employees (particularly, relevant line managers)	SFI 1.4.3 / 1.4.11
c) Ensuring security of the Trust's property, avoiding loss, exercising economy and efficiency in using resources and conforming with Standing Orders, SFIs and financial procedures	Chief Executive	All directors and employees	SFI 1.4.8
d) Suspension of Standing Orders	Board of Directors	Board of Directors	Constitution - Standing Orders
e) Reviewing suspension of Standing Orders	Audit Committee	Audit Committee	Constitution - Standing Orders
f) Variation or amendment to Standing Orders	Board of Directors	Board of Directors	Constitution - Standing Orders

g) Emergency powers relating to the authorities retained by the Board of Directors. <i>(The exercise of emergency powers must be reported to next Board meeting for ratification)</i>	Chair and Chief Executive, with two Non- Executives	Chair and Chief Executive, with two Non-Executives	Constitution - Standing Orders
h) Disclosure of non-compliance with Standing Orders	Chief Executive / Director of Finance (report to the Board of Directors)	All staff (disclose to Chief Executive)	Constitution - Standing Orders
i) Disclosure of non-compliance with SFIs	Chief Executive / Director of Finance (report to Audit Committee)	All staff (disclose to Director of Finance, delegated to Deputy Director of Finance / Assistant Director of Finance - Financial Services)	SFI 1.1.6
j) Giving advice on interpretation or application of SFIs including this Scheme of Delegation	Director of Finance	Assistant Director of Finance - Financial Services	SFI 1.1.4
k) Reviewing and updating SFIs including the Financial Scheme of Delegation, for approval by Audit Committee / Board	Director of Finance	Assistant Director of Finance - Financial Services	SFI 2.1.8 / 8.1.5
l) Reviewing and updating Corporate Governance Manual material other than SFIs and the Financial Scheme of Delegation, for approval by Audit Committee / Board	Chief Executive / Director of Finance / Director of Governance and Quality Improvement	Board Secretary	SFI 2.1.8
2. Annual reporting			
a) Keeping proper accounts - ensuring the proper form and content of the accounts	Chief Executive	Director of Finance / Senior Finance Team	SFI 4.1
b) Preparing and submitting an Annual Report	Chief Executive	Board Secretary	SFI 4.4
c) Preparing and submitting annual accounts, other 'for audit' Annual Report material and consolidation schedules	Director of Finance	Assistant Director of Finance - Financial Services	
d) Preparing a quality report for inclusion in the Annual Report	Director of Governance and Quality Improvement	Head of Quality Governance	SFI 4.4
3. Financial procedures and systems			
a) Designing and maintaining effective systems of internal financial control, including policies and financial procedures	Director of Finance	Deputy Director of Finance / Assistant Directors of Finance	SFI 1.4.6 / 7

b) Ensuring that adequate (statutory and other) records are maintained to explain the Trust's transactions and financial position	Director of Finance	Deputy Director of Finance / Assistant Directors of Finance	SFI 1.4.6 / 7
c) Providing financial advice to Directors and staff	Director of Finance	Director of Finance / Deputy Director of Finance / Assistant Directors of Finance /	SFI 1.4.7
		Finance teams	
4. Financial planning / budgetary responsibility and business cases			
a) Operational Plan (approved by Board)			
Compiling and submitting to the Board an Operational Plan which takes into	Chief Executive		SFI 3.1.1 / 3.1.4
account financial targets and forecast limits of available resources, to be forwarded to NHS England		Executive Directors	
b) Budget setting (budgets approved by Board)			
Submitting financial plans (budgets), in accordance with the Operational Plan, to Board	Director of Finance, on behalf of the Chief Executive	Deputy Director of Finance	SFI 3.1.2
c) Budget monitoring and control			
• Devising and maintaining systems of budgetary control	Director of Finance	Director of Finance / Senior Finance Team	SFI 3.3.1
• Delegating budgets to budget holders	Chief Executive	Director of Finance	SFI 3.1.7 / 3.2.1 / 9.1.1
• Ensuring adequate training is delivered to budget holders to facilitate their management of the allocated budget	Director of Finance	Deputy Director of Finance / Senior Finance Team	SFI 3.1.8
• Identifying and implementing cost improvements and income generation initiatives in line with the Operational Plan	Chief Executive	Executive Directors / Directorate Management Teams	SFI 3.3.2
		All budget holders	
• Authorising Board-delegated virement between different budget holders, subject to delegated limits, requiring the agreement of both parties	Director of Finance	Per Finance Department's Budget Virement Policy	SFI 3.2.2
• Ensuring approved budget is not used for any purpose other than that specifically authorised, subject to rules of virement	Chief Executive	All budget holders	SFI 3.3.2

<ul style="list-style-type: none"> Monitoring performance against budget, reporting variances and risks to Board 	Director of Finance	Director of Finance / Deputy Director of Finance Senior Finance Team	SFI 3.1.5 / 3.3.1
<ul style="list-style-type: none"> Completing and submitting financial monitoring returns to NHS Improvement in accordance with regulatory requirements 	Chief Executive	Deputy Director of Finance / Senior Finance Team	SFI 3.5.1
d) Business cases			
<ul style="list-style-type: none"> Pre-approval of the following technical elements within business cases 	Director of Finance	Director of Finance, advised by Assistant Director of Finance - Financial Services	SFI 7.2.8 / 7.2.9 / 7.2.10 / 7.2.11
<ul style="list-style-type: none"> VAT recovery; 		<i>Proposals should be forwarded to Financial Accounts in the first instance.</i>	
<ul style="list-style-type: none"> leases / rentals, 'managed service' models, 'free asset' models; 			
<ul style="list-style-type: none"> collaborative working - joint ventures, joint operations, partnerships; 			
<ul style="list-style-type: none"> capital expenditure and revenue consequences 			
<ul style="list-style-type: none"> Approving business cases 	Chief Executive / Director of Finance	Refer to Financial Limits	SFI 7.2.5 / 7.2.7 / 7.2.12
<p><i>All new significant leases (annual rents > £100,000) are notified to Board Proposals for the use of management consultants are subject to special controls</i></p>			
5. Income - fees, charges and debt			
a) Notifying Director of Finance (with delegation to divisional Finance teams) of all moneys due	All staff	All staff	SFI 6.2.6
b) Reviewing and approving all fees and charges other than those determined by government or statute	Director of Finance	Director of Finance	SFI 6.2.3
c) Approving commercial sponsorship proposals	Chief Executive	Director of Finance	SFI 6.2.4
	Chief Executive / Director of Finance	Director of Finance (> £2m)	SFI 6.3.1 / 6.4.1

d) Negotiating contracts with commissioners, and establishing arrangements for extra-contractual services		Divisional Directors and corporate managers (< £2m)	
e) Signing income-related contracts	Chief Executive / Director of Finance	Refer to Financial Limits	SFI 6.3.3 / 6.4.4
f) Monitoring and reporting on income from commissioners	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Contracting & Commissioning	SFI 3.1.5 / 3.3.1 / 6.5.4
g) Approval of 'non clinical / non research' grants	Director of Finance	Refer to Financial Limits	SFI 6.6.1 / 16.5.3
h) Recovery of debt	Director of Finance	Assistant Director of Finance - Financial Services / Treasury Services Manager	SFI 6.7
i) Final approval of credit note issue	Director of Finance	Assistant Director of Finance - Financial Services / Treasury Services Manager	SFI 6.7
6. Capital investment			
a) Capital investment programme			
• Preparing capital plans	Director of Finance, on behalf of the Chief Executive	Deputy Director of Finance / Financial Services	SFI 12.1.1
• Ensuring that there is an adequate appraisal and approval process for determining capital expenditure priorities and the effect that each proposal has on business plans and service strategies	Chief Executive	Director of Finance / Chief Operating Officer	SFI 12.1.2 / 12.1.3
• Verifying a capital business case in terms of accuracy, completeness, project feasibility, value for money, and inclusion of revenue consequences	Chief Executive	Director of Finance / Deputy Director of Finance / Senior Finance Team	SFI 12.1.3
• Demonstrating for capital expenditure cases whether the use of private finance represents best value for money and transfers risk to the private sector. <i>Proposal to use PFI models must be specifically agreed by the Board of Directors</i>	Chief Executive	Director of Finance / Deputy Director of Finance	SFI 12.1.3

• Approving a capital business case		Refer to Financial Limits	SFI 12.1.4
• Approving a capital requisition		Refer to Financial Limits	SFI 9.2.3 / 12.1.6
• Financial monitoring and reporting on all capital scheme expenditure	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services	SFI 12.1.7 / 3.3.1
• Management of capital schemes and ensuring that they are delivered on time and within cost	Chief Executive	Director of Finance / Chief Operating Officer	SFI 12.1.2
• Issuing procedures governing the financial management of capital investment projects, including their recognition/valuation for accounting purposes, and any limits, targets or measures issued by DHSC / NHSI	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services /	SFI 12.1.8
• Issuing procedures to support staged payments	Chief Executive	Director of Finance	SFI 12.1.10
7. Procurement - tendering and contracting procedure - non-pay expenditure			
a) Ensuring that best value for money is demonstrated for all services provided under contract or in-house	Chief Executive	Particular functions delegated to Director of Finance / Deputy Director of Finance/ Assistant Director of Finance - Procurement	SFI 8.1.2
b) Approving authorisation limits for competitive quotations, as advised by Director of Finance	Board via Audit Committee	Board via Audit Committee	SFI 8.1.5
c) Waiving the requirement for competitive quotations	Chief Executive	Director of Finance or Deputy Director of Finance (up to £30,000) <i>(unless the purchase is within the Director of Finance's budgets, in which case, the Chief Executive must authorise)</i>	SFI 8.4.1 / 8.7
d) Accepting and authorising a quotation and the awarding of a contract		Refer to Financial Limits	SFI 8.3.2
e) Approving authorisation limits for tenders, as advised by Director of Finance	Board via Audit Committee	Board via Audit Committee	SFI 8.1.5

f) Waiving the requirement for tendering	Chief Executive	Director of Finance or Deputy Director of Finance (up to £30,000) <i>(unless the purchase is within the Director of Finance's budgets, in which case, the Chief Executive must authorise)</i>	SFI 8.6 / 8.7
g) Ensuring fair and adequate competition, and that appropriate checks are carried out as to the technical and financial capability of the firms invited to tender or quote	Chief Executive	Assistant Director of Finance - Procurement	SFI 8.9
h) Receiving, and ensuring safe custody of tenders prior to opening	Chief Executive	Assistant Director of Finance - Procurement	SFI 8.10.4
i) Accessing and releasing electronic tenders as 'authorised verifiers'	Chief Executive	Board Secretary / Assistant Director of Finance - Procurement (either/or)	SFI 8.11.1
j) Deciding whether late tenders should be considered	Chief Executive or Director of Finance	Chief Executive or Director of Finance, advised by Assistant Director of Finance - Procurement	SFI 8.12.3
k) Approving a tender and the awarding of a contract		Refer to Financial Limits	SFI 8.13.7 / 8.13.8
l) Signing expenditure-based contracts on behalf of the Trust		Refer to Financial Limits	SFI 8.14
m) Nominating officers to oversee and manage the contract on behalf of the Trust	Chief Executive	Director of Finance / Deputy Director of Finance / Assistant Director of Finance - Procurement / Divisional Manager / Head of Department	SFI 8.18.4
8. Procurement - requisitions, ordering and payments - non-pay expenditure			
a) Designing and maintaining a requisitioning/ordering/payment system, including	Chief Executive / Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services / Assistant Director of Finance - Procurement / Finance Systems Manager	SFI 9.1.2 / 9.2 - 9.7
<ul style="list-style-type: none"> • procedural instructions; • certification that goods / services have been received and that accounts are in order for payment, prior to payment; and 			

<ul style="list-style-type: none"> instructions regarding the manner of payments to suppliers within the Finance Department 			
b) Maintaining a list of managers authorised to approve requisitions and payments, and their financial limits	Chief Executive	Assistant Director of Finance - Financial Services / Finance Systems Manager	SFI 9.1.2
c) Maintaining petty cash instructions and records, including financial limits by seniority and types of purchase	Director of Finance	Assistant Director of Finance - Financial Services / Treasury Services Manager	SFI 9.7
d) Approving requisitions and petty cash purchases (exceptional circumstances)		Refer to Financial Limits	SFI 9.2.3 / 9.7
e) Approving prepayments (payment in advance of receipt of goods / services) - exceptional cases only	Director of Finance	Director of Finance	SFI 9.5
9. Audit arrangements			
a) Making recommendations to the Council of Governors in respect of the appointment, re-appointment, remuneration and removal of the external auditor	Audit Committee (<i>for recommendation to the Council of Governors for approval</i>)	Director of Finance	SFI 2.1.6 / 2.4.3
b) Appointing the internal auditor	Audit Committee	Audit Committee, advised by Director of Finance	SFI 2.1.7
c) Monitoring / reviewing the operational effectiveness and cost-effectiveness of the internal audit and counter-fraud functions	Audit Committee	Director of Finance	SFI 2.1.7 / 2.2.1
d) Monitoring / reviewing the external auditor's fees, independence and objectivity and the effectiveness of the audit process, market-testing at least once every five years	Audit Committee	Director of Finance	SFI 2.4.3
e) Providing a view on internal control and probity	Audit Committee	Internal auditor / external auditor	SFI 2.1.3 / 2.3.5
f) Monitoring actions taken by management in response to audit recommendations	Audit Committee	Board Secretary / Director of Finance	SFI 2.3.6
g) Undertaking remedial action regarding accepted audit recommendations in an timely manner	Chief Executive	Relevant managers	SFI 2.3.6

10. Fraud and security management			
a) Appointing the Local Anti-Fraud Specialist (LAFS)	Audit Committee (contract of service)	Director of Finance	SFI 2.5.2
b) Providing the <i>Anti-Fraud and Corruption Policy and Response Plan</i> . Monitoring and ensuring compliance with the NHS Standard Contract and Service Conditions on fraud, bribery and corruption including the Bribery Act 2010 requirements	Chief Executive and Director of Finance	LAFS	SFI 1.4.5 / 2.5.1
c) Reporting of suspected fraud (usually directly to LAFS or Director of Finance)	All staff	All staff	SFI 2.5.5 / 13.1.2
d) Notifying NHS Counter Fraud Authority of suspected fraud, and external auditor of verified fraud	Director of Finance	LAFS (<i>NHS CFA only</i>)	SFI 2.5.3 / 13.1.3 / 13.1.7
e) Appointing the Local Security Management Specialist (LSMS)	Chief Executive	Associate Director of Estates	SFI 2.6.3
f) Providing the Trust's <i>Security Policy</i> . Monitoring and ensuring compliance with relevant legislation and guidance	Chief Executive	LSMS	SFI 2.6.1
g) Reporting of suspected security incident or breach to LSMS	All staff	All staff	SFI 2.6.3 / 13.1.5
<i>Where property loss / damage is suspected, including theft or criminal damage (including burglary, arson, and vandalism) to staff / patient / NHS property or equipment, the Chief Executive or Director of Finance must be informed</i>			
11. Reporting incidents to the police			
a) Immediately reporting to the police where arson or theft are suspected	Director of Finance	Director of Finance	SFI 13.1.6
b) Reporting after advice, if fraud is suspected (reporting to NHS Counter Fraud Authority in the first instance)	Director of Finance	LAFS	SFI 13.1.3

c) Deciding at what stage to involve the police in cases of other irregularities not covered by a) or b)	Chief Executive / Director of Finance	Director of Finance, or another relevant Executive Director	SFI 2.2.1 / 13.1.6
d) Calling the police during a security incident - seeing or suspecting that a crime is taking place (<i>Security Policy and Procedure</i>)	All staff	All staff	SFI 13.1.6
12. Asset management (including capital assets and stock), including disposals and condemnations, and security			
a) Responsibility for security of Trust assets	Chief Executive	All staff	SFI 1.4.8 / 12.3
b) Approving asset control procedures (including fixed assets, cash, cheques, and negotiable instruments, and also including donated assets)	Director of Finance	Assistant Director of Finance - Financial Services / Treasury Services Manager	SFI 12.3.2
c) Non-stock assets			
<ul style="list-style-type: none"> Maintaining an asset register for capital assets, including the periodic verification of entries and reconciliation to financial ledger 	Chief Executive / Director of Finance	Assistant Director of Finance - Financial Services	SFI 12.2
<ul style="list-style-type: none"> Maintaining an asset register for medical equipment assets, including the periodic verification of entries 	Chief Executive / Director of Finance	Chief Operating Officer	SFI 12.2
<ul style="list-style-type: none"> Notifying the Director of Finance (Procurement and Financial Accounts) when capital assets are lost or damaged 	Department heads (all staff)	Department heads (all staff)	SFI 12.2 / 13.1.4
<ul style="list-style-type: none"> Approving procedures for reconciling balances on fixed assets accounts in the financial ledger against balances on fixed asset registers 	Director of Finance	Assistant Director of Finance - Financial Services	SFI 12.2.5
<ul style="list-style-type: none"> Assessing and applying depreciation / impairment to capital assets, and processing revaluations of the Trust's built estate. 	Director of Finance	Assistant Director of Finance - Financial	SFI 12.2.6 / 12.2.7
<ul style="list-style-type: none"> Developing detailed procedures for the disposal / sale / condemnation of assets and advising staff on disposal procedures 	Director of Finance	Assistant Director of Finance - Procurement	SFI 12.4.1 / 12.4.2 / 12.4.5
<ul style="list-style-type: none"> Approving condemnation or disposal of items which are obsolete, redundant, irreparable or which cannot be repaired cost-effectively 	Director of Finance	Director of Finance <i>Proformas are pre-approved by an authorised condemning officer. The sale of medical equipment requires additional pre-approval by the Head of</i>	SFI 12.4.4 / 12.4.6

		<i>Procurement in conjunction with the EBME Manager</i>	
d) Control of stores, including minimising stockholdings, annual physical checks and the condemnation, disposal and replacement of unserviceable articles			
• Controlling pharmaceutical stocks	Chief Executive	Director of Pharmacy & MM / Chief Pharmacist	SFI 11.2
• Designing and implementing (non-Pharmacy) stock control arrangements, including stocktaking procedures, and procedures for the receipt of goods, issues from stores, and returns to suppliers	Director of Finance	Director of Pharmacy & MM / Chief Pharmacist / Department heads	SFI 11.2
• Controlling fuel stocks	Chief Executive / Director of Finance	Associate Director of Estates	SFI 11.2
• Controlling other stocks / stores	Chief Executive / Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Procurement	SFI 11.2
e) Notifying asset and stock discrepancies to the Director of Finance (via Procurement and Financial Accounts), and/or LSMS/LAFS if a security management / fraud event is suspected	All staff	All staff	SFI 2.5.5 / 2.6.3 / 12.3.5 / 13.1.4
f) Formally reporting asset and stock losses to the Audit Committee	Director of Finance	Assistant Director of Finance - Financial Services	SFI 13.1.14
13. Losses and special payments - including debt write-offs and ex gratia payments			
a) Designing and implementing procedures for recording and reporting losses and special payments, including maintenance of Losses Register and general reporting to Audit Committee	Director of Finance	Assistant Director of Finance - Financial Services	SFI 13.1.1 / 13.1.13 / 13.1.14
b) Reporting of suspected fraud losses (usually directly to LAFS or Director of Finance)	All staff	All staff	SFI 2.5.5 / 13.1.2
c) Reporting of all non-fraud losses (not including invoiced debts) to the Chief Executive / Director of Finance (via Financial Services)	All staff (via Department heads or Security Team / LSMS)	All staff (via Department heads or Security Team / LSMS)	SFI 13.1.4
d) Referring novel, contentious or repercussive cases to DHSC for approval	Director of Finance	Director of Finance / Deputy Director of Finance / Assistant Director of Finance -	SFI 13.1.7

		Financial Services	
e) Referring non-Treasury-approved severance payments to NHSI	Director of Finance	Deputy Director of Finance / Deputy Director of Finance / Assistant Director of Finance - Financial Services	SFI 13.1.7
f) Approval of losses and special payments	Board, via Audit Committee	Refer to Financial Limits	SFI 13.1.9
g) Reviewing options for financial redress and insurance claims	Director of Finance	Deputy Director of Finance	SFI 13.1.11
14. Treasury management - bank accounts, cash, investments and borrowings			
a) Approving banking arrangements, and loans > 1 month and additional PDC (in advance of drawdown) which exceed £100k	Trust Board	Not delegated further	SFI 5.1.2 / 14.2.2
b) Managing the Trust's and Charitable Funds cash-handling and banking arrangements, including	Director of Finance	Assistant Director of Finance - Financial Services / Treasury Services Manager <i>(on behalf of, and approved by, Director of Finance)</i>	SFI 5.1.1 / 5.1.3 / 5.2.1 / 5.3 / 5.5
<ul style="list-style-type: none"> establishing/administering bank mandates and signatories; 			
<ul style="list-style-type: none"> providing advice on the provision of banking services and the operation of accounts; 			
<ul style="list-style-type: none"> preparing instructions on the operation of accounts, including limits and authorities for staff, and procedures for cash-handling; and undertaking cash management processes, including moving funds between accounts and short-term instruments 			
c) Reviewing commercial banking arrangements at regular intervals, as appropriate	Director of Finance	Assistant Director of Finance - Financial Services / Treasury Services Manager <i>(on behalf of Director of Finance)</i>	SFI 5.4
d) Minimising finance costs and liquidity risk, in the use of loan instruments	Director of Finance	Assistant Director of Finance - Financial Services / Treasury Services Manager	SFI 14.2.1
e) Authorising drawdown of loans or PDC via lender / DHSC mandates	Director of Finance	Director of Finance / Deputy Director of Finance / Assistant Director of Finance - Financial Services (PDC)	SFI 14.1.2 / 14.2.4 / 14.2.7

<i>Loans > 1 month, including any working capital facility, and PDC must be approved by the Board in advance of drawdowns</i>		Director of Finance / Deputy Director of Finance (loans)	
f) Calculating and paying PDC dividend and interest on borrowings	Director of Finance	Assistant Director of Finance - Financial Services	SFI 14.1.4 / 14.2.6
g) Monitoring the liquidity risk presented by the maturity date of existing facilities.	Director of Finance	Assistant Director of Finance - Financial Services	SFI 14.2.1
h) Maximising returns and minimising credit risk associated with investments	Director of Finance	Assistant Director of Finance - Financial Services	SFI 14.3.3
15. Patients' property - cash and valuables			
a) Design and implementation of procedures for the administration / handling of patients' monies and property	Director of Finance	Treasury Services Manager	SFI 15.1.3
b) Ensuring patients and guardians are informed about patients' monies and property procedures on admission	Chief Executive	Ward Managers	SFI 15.1.2
c) Informing staff of their duties in respect of patients' monies and property	Director of Finance, through a), above	Matrons / Ward Managers	SFI 15.1.4
d) Retaining, releasing or disposing of the property of deceased patients in accordance with the legal framework	Director of Finance	Treasury Services Manager / Assistant Director of Finance - Procurement Cashiers (Cash Offices)	SFI 15.4
16. Charitable funds			
a) Approving fundraising and related activity, and advising on the acceptance of gifts and donations, including donor wishes and imposed trusts	Director of Finance	Head of Fundraising Assistant Director of Finance - Financial Services	SFI 16.1 / 16.5.12
b) Designing and implementing the financial systems of the Charity	Director of Finance	Assistant Director of Finance - Financial Services	SFI 16.3
c) Designing and implementing financial procedures, and creating staff-facing policies for the collection of income and the expenditure of funds	Director of Finance	Assistant Director of Finance - Financial Services Head of Fundraising	SFI 16.3

d) Timely expenditure, avoiding unnecessary accumulation of funds	Charitable Funds Committee	Fund-holders	SFI 16.4
e) Approval of any charitable expenditure	Charitable Funds Committee	Director of Finance	SFI 16.4
		Assistant Director of Finance - Financial Services (technical approval of ERFs)	
		Fund-holders following technical approval of ERFs (financial limits approval per Appendix 2 - Matrix of Financial Limits)	
f) Creation of a new fund or sub-fund	Charitable Funds Committee	<i>Only the Charitable Funds Committee can approve the creation of funds</i>	SFI 16.5
g) Approval for fundraising appeals - includes any documentation or communication which states ' <i>we are collecting donations for purpose X</i> '	Charitable Funds Committee	<i>Only the Charitable Funds Committee can approve appeals</i>	SFI 16.5
h) Maximising compliant revenues under HMRC Gift Aid scheme	Director of Finance	Assistant Director of Finance - Financial Services / Head of Fundraising / Treasury Services Manager	SFI 16.5
i) Liaising with executors and solicitors regarding legacies, negotiating terms where necessary / beneficial	Director of Finance	Head of Fundraising	SFI 16.5
j) Designing and implementing an appropriate <i>Treasury Management Policy</i> for the Charity, including investment policy and reserve policy elements	Charitable Funds Committee / Director of Finance	Assistant Director of Finance - Financial Services	SFI 16.6
k) Maintenance of Charity Commission registration	Director of Finance	Head of Fundraising	SFI 16.8
l) Creating plans or targets for the Charity, and monitoring performance against those targets/plans	Charitable Funds Committee / Director of Finance	Head of Fundraising	SFI 16.9
m) Preparing an Annual Report and Accounts and submission of the Trustee's Annual Return to the Charity Commission	Director of Finance	Assistant Director of Finance - Financial Services	SFI 16.9
17. Information technology - financial systems			

a) Ensuring the accuracy and security of the Trust's computerised financial data, through designing and implementing controls, policies and procedures	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services / Finance Systems Manager	SFI 20.1.1
b) Developing and implementing new financial systems (in line with the Trust's IM&T strategy), ensuring they are developed in a controlled manner and thoroughly tested	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services / Finance Systems Manager	SFI 20.1.2
c) Ensuring that contracts for computer services for financial applications define responsibility re: security, privacy, accuracy, completeness and timeliness of data during processing and storage	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services /	SFI 20.2.2
		Finance Systems Manager / Assistant Director of Finance - Procurement	
d) Seeking third party assurances regarding financial systems operated externally	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services /	SFI 20.2.3
		Finance Systems Manager	
e) Ensuring that risks arising from the use of IT are effectively identified and considered, and appropriate action is taken to mitigate or control risk	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services / Finance Systems Manager	SFI 20.3
f) Reviewing the form, and ensuring the adequacy of, the financial records of all departments	Director of Finance	Deputy Director of Finance	
18. Risk management - insurance			
a) Ensuring that appropriate insurance arrangements exist in accordance with DHSC/NHSI guidance	Director of Finance	Director of Corporate Affairs / Chief Nurse	SFI 21.1.5
b) Approval of all commercial insurance policies	Director of Finance	Director of Finance	SFI 21.1.6
c) Ensuring that the Board is informed of the nature and extent of the risks associated with self-insurance (not using the risk-pooling schemes administered by NHSR)	Director of Finance	Director of Finance	SFI 21.2.2

d) Ensuring that documented procedures cover the management of claims and payments below the excess / deductible	Director of Finance	Deputy Director of Finance / Assistant Director of Finance - Financial Services	SFI 21.2.3
18. HR and pay			
Framework			
a) Developing HR policies and strategies for approval by the Board including training and industrial relations	Chief Executive	Chief People Officer	
b) Nominating officers to award	Chief Executive	Chief People Officer	
or			
<ul style="list-style-type: none"> • contracts of employment regarding staff, • agency staff / consultancy service contracts 			
c) Advising the Board about appropriate remuneration and conditions of service of very senior managers	Remuneration Committee	Remuneration Committee	SFI 19.1.2
d) Presenting proposals to the Board for the setting of remuneration and conditions of service for those staff not covered by the Remuneration Committee	Chief Executive	Chief People Officer	SFI 19.3.2
e) Administration / governance of salary sacrifice schemes	Chief Executive	Chief People Officer	SFI 19.9
Establishment, recruitment, contracts and variations			
f) Filling a vacancy within the funded establishment <i>Subject to establishment control / vacancy control processes</i>	Chief Executive	Budget managers in conjunction with divisional finance teams	SFI 19.2 / 19.3
g) Adding staff to the agreed establishment <i>Subject to establishment control / vacancy control processes</i>	Chief Executive	Executive team member	SFI 19.2 / 19.3
h) Ensuring that all employees are issued with a contract of employment, in a form approved by the Board, and which complies with employment legislation	Chief Executive	Chief People Officer / HRWBS Service	SFI 19.8

i) Granting additional increments to staff, outside the annual cycle, within budget	Chief Executive	Budget managers in conjunction with divisional finance & HR teams, with SMT approval	
j) Re-grading, in accordance with Trust procedures	Chief Executive	Budget managers	SFI 19.3
k) Renewing fixed-term contracts	Chief Executive	Budget managers in conjunction with divisional finance & HR teams, plus relevant Executive Director	
l) Approving local pay variations	Chief People Officer	Chief People Officer	
Payroll requests			
m) Approving forms effecting new starters, variations and leavers	Chief People Officer	Budget managers in conjunction with divisional finance teams	
n) Prompt 'hiring' of new staff and termination of leavers within ESR system	Hiring managers	Hiring managers	
o) Completing and authorising payroll reporting forms (SVLs)	Chief People Officer	Matrons / Ward and departmental managers	SFI 19.4.5 / 19.5.3
p) Authorising overtime	Chief People Officer	Budget managers	
q) Authorising expenses reimbursed via payroll	Chief People Officer	Budget managers	
Leave			
r) Approving annual leave	Chief Executive	Line managers	
		<i>as per departmental procedure</i>	
s) Approving annual leave carry forward	Chief Executive	Line managers	
<i>for AfC employees, this is granted in exceptional circumstances only, and only with written consent</i>			
t) Approving time off in lieu	Chief Executive	General managers / departmental managers	
u) Approving	Chief Executive	General managers / departmental managers / Associate Medical Directors	
• compassionate leave;			

<ul style="list-style-type: none"> • special leave arrangements for domestic/personal/family reasons - paternity leave, carer leave, adoption leave; 			
<ul style="list-style-type: none"> • other special leave including jury service; and 			
<ul style="list-style-type: none"> • leave without pay 			
v) Approving leave of absence for medical staff - paid and unpaid	Chief Executive	Medical Director / Associate Medical Directors	
w) Approving maternity leave - paid and unpaid	Chief Executive	<i>Automatic approval, with guidance</i>	
Sick leave			
x) Extending paid sick leave	Chief People Officer	General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse in conjunction with divisional HR teams	
		General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse in conjunction with divisional HR teams	
y) Approving part-time return to work, on full pay, to assist recovery	Chief People Officer		
Study leave			
aa) Approving study leave outside the UK	Chief Executive	Relevant Executive Director	
bb) Approving medical staff study leave (UK) - consultant / non-career-grade	Medical Director	Associate Medical Director	
	Medical Director	Post Graduate Tutor	
cc) Approving medical staff study leave (UK) - career-grade			
dd) Approving all other study leave (UK)	Chief Executive	Budget manager (in budget) and Training and Development Manager	
Staff benefits			
ee) Approving relocation expenses up to a maximum of £8,000 under HMRC rules	Chief People Officer	SMT member	
ff) Approving regular user allowance	Chief People Officer	Associate Medical Director / Deputy Chief Nurse	
<i>(no longer available for non-medical staff)</i>		in conjunction with divisional HR teams	

gg) Approving mobile phones and other mobile devices	Director of IT and Information	General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse	
Staff retirement			
hh) Authorising return to work in a part-time capacity under the <i>flexible retirement scheme</i> .	Chief People Officer	General managers / departmental managers / Associate Medical Director / Deputy Chief Nurse	SFI 19.10
ii) Deciding to pursue retirement on the grounds of ill-health, following advice from the Occupational Health Department	Chief People Officer	General managers / departmental managers /	
		Associate Medical Director / Deputy Chief Nurse	
jj) Approving early retirement	Chief People Officer	General managers / departmental managers /	
		Associate Medical Director / Deputy Chief Nurse	
Exit packages		Refer to Financial Limits	
Bank / agency staffing, off-payroll / IR35 engagements			
i) Ensuring that procedures are in place to ensure that the correct tax / NI arrangements and tax assurance are secured for off-payroll engagements	Chief Executive	Chief People Officer	
ii) Approvals of any bank/agency staffing, potentially involving NHSP or Plus Us	Chief Executive	Director of Finance <i>Particular caution to be applied for engagements at over £100 per hour, or off- framework or over-cap proposals</i>	SFI 19.10

6. Scheme of delegation of powers outside of SOs or SFIs

Delegated matter	Duties delegated	Delegated to	Operational responsibility
	Authorisation of Clinical Trials and Research Projects	Medical Director	Clinical Governance Group

Trials & Research Projects	Financial Management of Clinical Trials and Research Projects in accordance with all Trust financial policies and procedures	Chief Finance Officer	Deputy Chief Finance Officer with relevant clinicians and budget managers
	Authorisation of product trials	Chief Executive	Medical Director
Authorisation of New Drugs	Authorisation of new drugs	Chief Executive	Chief Pharmacist
Clinical Audit	Responsibility for clinical audit	Chief Executive	Medical Director
Complaints (Patients & Relatives)	Overall responsibility for ensuring that all complaints are dealt with effectively	Chief Executive	Medical Director
	Responsibility for ensuring complaints relating to a division / department are investigated thoroughly	Chief Executive	Medical Director
Confidential Information	Review of the Foundation Trust's compliance with the Caldicott report on protecting patients' confidentiality in the NHS	Chief Executive	Director of Informatics / Associate Medical Director
	Freedom of Information Act compliance code	Chief Executive	Chief Information Officer
	Data Security Arrangements	Chief Executive	Chief Information Officer
Data Protection Act	Review of Foundation Trust's compliance	Chief Executive	Chief Information Officer
Declaration of Interest	Maintaining a register of interests	Director of Corporate Affairs	Board Secretary
	To ensure Board of Directors / Senior Managers / Senior Clinicians / Department Heads / all senior staff have declared relevant and material interest.	Director of Corporate Affairs	Board Secretary
Environmental Regulations	Review of compliance with environmental regulations, for example those relating to clean air and waste disposal	Chief Executive	Director of Estates, Facilities and Capital Planning

Fire precautions	Ensure that the Fire Precautions and prevention policies and procedures are adequate, and that fire safety and integrity of the estate is intact.	Chief Executive	Director of Estates, Facilities and Capital Planning
Health and Safety	Review of all statutory compliance with legislation and Health and Safety requirements including control of Substances Hazardous to Health Regulations	Chief Executive	Director of Estates, Facilities and Capital Planning / Chief Pharmacist
Hospitality/Gifts	Keeping of hospitality register	Director of Corporate Affairs	Board Secretary
	Applies to both individual and collective hospitality receipt items. See Table B for limits.		All staff declaration required in Foundation Trust's Hospitality Register coordinated by the Board Secretary
Infectious Diseases & Notifiable Outbreaks	Responsibility for infectious diseases and notifiable outbreaks	Chief Executive	Director of Infection Prevention and Control
Legal Proceedings	Engagement of Foundation Trust's Solicitors / Legal Advisors	Chief Executive	Director of Corporate Affairs/Chief Finance Officer/Chief People Officer
	Approve and sign all documents which will be necessary in legal proceedings, i.e. executed as a deed.	Chief Executive	Chief Finance Officer
	Sign on behalf of the Foundation Trust any agreement or document not requested to be executed as a deed.	Chief Executive	Nominated Executive Director
Medical	Clinical Governance arrangements	Medical Director	Deputy Medical Director
	Medical Leadership	Medical Director	Deputy Medical Director

	Programmes of medical education	Medical Director	Deputy Medical Director
	Medical staffing plans	Medical Director / Chief People Officer	Deputy Medical Director
	Consultant Pay Progression (Schedule 15)	Chief Executive	Medical Director
	Medical Research	Medical Director	Deputy Medical Director
Nursing	Compliance with statutory and regulatory arrangements relating to professional nursing practice.	Chief Nurse	Deputy Chief Nurse / Matrons
	Matters involving individual professional competence of nursing staff.	Chief Nurse	Deputy Chief Nurse / Matrons
	Compliance with professional training and development of nursing staff.	Chief Nurse	Deputy Chief Nurse / Matrons
	Quality assurance of nursing processes.	Chief Nurse	Deputy Chief Nurse / Matrons
Patient Services Agreements	Negotiation of Foundation Trust Contract and Non Commercial Contracts	Chief Executive	Chief Finance Officer
	Quantifying and monitoring out of area treatments	Chief Finance Officer	Deputy Chief Finance Officer
	Reporting actual and forecast income	Chief Executive	Chief Finance Officer
	Costing Foundation Trust Contract and Non Commercial Contracts	Chief Finance Officer	Deputy Chief Finance Officer
	Reference costing / Payment by Results	Chief Finance Officer	Deputy Chief Finance Officer
	Ad hoc costing relating to changes in activity, developments, business cases and bids for funding	Chief Finance Officer	Deputy Chief Finance Officer
Risk Management	Ensuring the Foundation Trust has a Risk Management Strategy and a programme of	Chief Executive	Medical Director / Director of Corporate Affairs

	risk management		
	Developing systems for the management of risk.	Medical Director	Deputy Director of Quality Governance
	Developing incident and accident reporting systems	Medical Director	Deputy Director of Quality Governance
	Compliance with the reporting of incidents and accidents	Medical Director	All staff
Seal	The keeping of a register of seal and safekeeping of the seal	Chief Executive	Director of Corporate Affairs
	Attestation of seal in accordance with Constitution	In advance by Board / Director of Estates, Facilities and Capital Planning	Director of Corporate Affairs
	Property transactions and any other legal requirement for the use of the seal.	In advance by Board / Director of Estates, Facilities and Capital Planning	Director of Corporate Affairs
Medicines Inspectorate Regulations	Responsibility for review of regulations	Chief Executive	Medical Director/Chief Pharmacist

7. Delegated financial limits

All thresholds are inclusive of VAT irrespective of recovery arrangements and details of procurement thresholds are provided (net of VAT). If the Chief Executive is absent powers delegated to them may be exercised by the nominated officer(s) acting in their absence after taking appropriate financial advice, two Executive Directors will be required to ratify any decisions within the Chief Executive's thresholds.

Refer to the Standing Financial Instructions, Appendix 2 – Matrix of Financial Limits, for further authorisations.

Proposed Financial Limits (subject to funding available in budget)	Financial Limit	Delegated Authority
Requisitioning of all goods, works and services		
Approval of revenue requisitions	Up to £1000	Deputy Department Managers/Ward Managers
	>£1000 - £5000	Department Managers/Matrons
	>£5000 - £10000	Directorate Managers/Assistant Managers
	>£10000 - £30000	Divisional Directors, Divisional Medical Leads, Senior Corporate Managers
	>£30,000 up to the PCR2015 threshold	All Very Senior Managers or Deputy CFO
	Greater than the PCR 2015 threshold	CEO/COO/CFO or Deputy CEO
Approval of capital requisitions	Up to £30,000	Financial Services
	>£30,000 up to the PCR2015 threshold	Deputy CFO
	Greater than the PCR 2015 threshold	CFO
Approval of annual call-off requisitions	Greater than the PCR 2015 threshold	CEO/COO/CFO or Deputy CEO
Approval for payment of consignment goods	Greater than the PCR 2015 threshold	CEO/COO/CFO or Deputy CEO
Drugs inventory and other Pharmacy purchasing		
	Up to £25000	Authorised pharmacy officers per a signatory list

Proposed Financial Limits (subject to funding available in budget)	Financial Limit	Delegated Authority
	>£25000 - £50000	Pharmacy support services Operational Manager/Team Leader, Pharmacy Clinical Support Services
	>£50000 - £100000	Director of Pharmacy and Medicines Management/Deputy Director of Pharmacy
	>£100000	CEO or CFO
Authorisation of waivers		
<i>Refer to Matrix of Financial Limits for requirements on tenders/procedures</i>	Up to £30000	Deputy CFO
	>£30000	CEO & CFO
Contract Award		
<i>Refer to Matrix of Financial Limits for requirements on tenders/procedures</i>	>£5000 - £30000	Budget manager, of a level higher than the opener
	>£30000 – EU Threshold	Budget Manager
	>EU threshold - £250,000	Deputy CFO
	>£250,000 - £500,000	CEO/CFO
	>£500,000 - £1,000,000	CEO
	>£1,000,000	Board
Approval of revenue only business cases		
	Up to £50,000	CEO or CFO
	>£50,000 - £250,000	Finance Business Performance Committee
	>£250,000	Board
Approval of capital or lease business cases within Board approved Programme		

Proposed Financial Limits (subject to funding available in budget)	Financial Limit	Delegated Authority
	Up to £250,000	CEO or CFO
	>£250,000 - £1,000,000	Finance Business Performance Committee
	>£1,000,000	Board
Approval of capital or lease business cases NOT within Board approved Programme		
	Up to £50,000	CEO or CFO
	>£50,000 - £250,000	Finance Business Performance Committee
	>£250,000	Board
Approval of any proposal or case involving management consultants		
	Up to £10,000	Executive Directors
	>£10,000 - £50,000	CEO or CFO
	>£50,000	Board with NHSE approval required
Charitable funds “bids”		
	Up to £30,000	CFO, or Fund holders if the spend is against their delegated fund
	>£30,000	Charitable Funds Committee
Petty Cash Withdrawal Approval		
	Up to £30	Deputy CFO
	>£30	CFO
Debt Write Offs		
	Up to £1000	Deputy CFO

Proposed Financial Limits (subject to funding available in budget)	Financial Limit	Delegated Authority
	>£1000 - £10,000	CFO
	>£10,000	Audit Committee
Non-Clinical Negligence Payments (made on advice of NHSLR)		
<i>Limits below refer to net payments.</i>		
Employer liability	<£10,000	Legal Services Manager
Public liability	<£3000	Legal Services Manager
All other registered losses		
<i>Including losses of cash, salary overpayment write-offs, damage to or loss of Trust assets including stock write-offs, and ex-gratia payments. Audit Committee to be notified in all cases.</i>	Up to £5000	CFO
	>£5000 - £10,000	CEO
	>£10,000	CEO & CFO
Litigation Claims		
Approval of payments following other legal advice that are patient-related (<i>Excluding non-clinical negligence payments</i>)	<£10,000	Legal Services Manager
	>£10,000	Associate Medicate Director
Approval of proposals for action on litigation against, or on behalf of, the Trust	<£100,000	Deputy Director of Quality Governance (and list determined by said role)
	>£100,000	Board
Income contracts		
Signing contracts	Up to £250,000	Deputy CFO
	>£250,000	CEO or CFO

Proposed Financial Limits (subject to funding available in budget)	Financial Limit	Delegated Authority
<i>(Board consulted in advance for anything over £1m.)</i>		
Non Trading Income		
Approving non-clinical grant applications with divisional sign-off	Up to £50,000	Divisional Director
	>£50,000	CFO



Wirral University Teaching Hospital
NHS Foundation Trust

Accountability and Performance Framework

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1. Introduction

Good governance is essential to the provision of safe, sustainable and high quality care for patients. Accountability and performance management are core components of our governance framework and enable the Board to fulfil its obligations in the effective management of the organisation.

This Accountability and Performance Framework sets out the key enabling structures and processes to support the delivery and achievement of our Vision and strategic objectives, our Annual Plan and our key 'enabling strategies'.

“Accountability typically refers to a relationship involving answerability, an obligation to report, to give an account of actions and ‘non-actions’.

This indicates that there is an assumed expectation of the need to report and explain, either in person or in writing.”

Kings Fund, 2011

2. Accountability and Responsibility

The main difference between responsibility and accountability is that responsibility can be shared while accountability cannot. Being accountable not only means being responsible for something also ultimately being answerable for your actions.

Individuals and teams are held to account only after a task is done or not done whereas individuals and teams can be responsible before and/or after a task.

- The **accountable person** is the individual who is ultimately answerable for the activity or decision. This includes 'yes' or 'no' authority and 'veto' power. Only one accountable person can be assigned to an action.
- The **responsible person** is the individual/s who complete the task. The responsible person is responsible for action/implementation and this responsibility can be shared. The degree of responsibility is determined by the individual with accountability.

3. Well Led Framework

Whilst recognising that our strategy is under constant review and development, the table below describes how this Framework will support us to monitor, assure and improve performance against the Well Led Framework:

No.	Well Led Domain	Impact of Framework
1.	Is there the leadership capacity and capability to deliver high quality, sustainable care?	<ul style="list-style-type: none">• Accountabilities and responsibilities are clearly defined for individuals and enable effective delegation.• Leaders understand the challenges to quality and sustainability.• Clear priorities for ensuring sustainable, compassionate, inclusive and effective leadership are understood.
2.	Is there a clear vision and credible strategy to deliver high quality, sustainable care to people and robust plans to deliver?	<ul style="list-style-type: none">• Progress against delivery of the strategy and local plans is monitored and reviewed and there is evidence to show this.• The Vision, Values and Strategy has been developed using a structured planning process in collaboration with staff, people who use services and external partners.
3.	Is there a culture of high quality, sustainable care?	<ul style="list-style-type: none">• Action is taken to address behaviour and performance that is inconsistent with the Vision and Values, regardless of seniority.• Staff and teams work collaboratively, share responsibility, and resolve conflict quickly and constructively.
4.	Are there clear responsibilities, roles, and system of accountability to support good governance and financial management?	<ul style="list-style-type: none">• Effective structures, processes and systems of accountability are in place to support the delivery of the strategy, and these are regularly reviewed and improved.• Staff at all levels are clear about their roles and they understand what they are accountable for and to whom.

No.	Well Led Domain	Impact of Framework
5.	Are there clear and effective processes for managing risks, issues, and performance?	<ul style="list-style-type: none"> There are comprehensive assurance systems and performance issues are escalated appropriately through clear structures and processes. There are processes to manage current and future performance. These are regularly reviewed and improved.
6.	Is appropriate and accurate information being effectively processed, challenged, and acted upon?	<ul style="list-style-type: none"> There is a holistic understanding of performance, which covers and integrates people's views with information on quality, operations, and finances. There are clear and robust service performance measures which are reported and monitored.
7.	Are the people who use services, the public, staff, and external partners engaged and involved to support high quality sustainable services?	<ul style="list-style-type: none"> There are positive and collaborative relationships with external partners which build a shared understanding of challenges within the system and the needs of the relevant population and to deliver services to meet those needs. There is transparency and openness with all stakeholders about performance.
8.	Are there robust systems and processes for learning, continuous improvement, and innovation?	<ul style="list-style-type: none"> Participation in and learning from internal and external reviews – learning is shared effectively and used to make improvements. All staff regularly take time out to work together to resolve problems and to review individual and team objectives, processes, and performance – this leads to improvements and innovation.

4. Culture of High Performance

As illustrated below, a culture of high performance is defined by continued improvement, leadership development, and empowerment to act, providing clear direction through a credible strategy, objectives/values and ensuring effective systems for appraisal and feedback. There is a strong and established evidence base demonstrating the link between cultures of compassionate and inclusive leadership and stronger organisational performance in terms of patient experience, innovation, finances, staff retention and staff engagement.

Achieving a culture of high performance is dependent upon performance management being an integral part of our organisational environment and is recognised as a positive, not punitive activity. The implementation of this Framework will support us in delivering our objectives and our strategies and will provide clarity on our expectations.



5. Our Strategy and Objectives

5.1 Our 2026 Vision and Values

For us to realise our ambition it is essential that all business and work programmes are clearly aligned to our Vision, Values, Strategic and Corporate Objectives. Clear lines of sight from these down to individual objectives will support all staff in identifying how to contribute to overall achievement. Our Vision and Values are:



5.2 Our Strategic Objectives

Our Vision is underpinned by 6 key Strategic Objectives (SO):





5.3 Our Corporate Objectives

Our Vision, Strategic Objectives and Values are aligned and are reflected in our Corporate Objectives, which support the future strategic development of our hospital.

6. Corporate Governance

6.1 Policies and Procedures

There are several core governance policies and procedures which have been set by the Board, defining how we operate at an organisational level, in accordance with the regulatory framework. These policies are:

- Standing Orders.
- Scheme of Matters Reserved to the Board / Scheme of Delegation.
- Standards of Business Conduct.
- Standing Financial Instructions.
- Risk Management Strategy.
- The Trust Constitution

These policies will be subject to regular cyclical review and enhancement.

6.2 Board Assurance Framework (BAF)

The Board Assurance Framework (BAF) provides a structure and process which enables the Board to focus on the key strategic risks which might compromise the achievement of our Strategic and Corporate Objectives. We have adopted a '3 lines of defence' approach which highlights the levels of control in place and assurance obtained, both internally and externally, along with clear identification of those accountable for further actions to be taken to reduce risk.

6.3 Corporate Governance Structure

Our Corporate Governance Structure was refreshed in 2022. The structure defines the meetings through which we monitor and seek assurance, from an operational level through to the Board.

Committees of the Board are chaired by our Non-Executive Directors, who play a key role in holding Executive Directors to account. The chairs of our committees provide assurance to the Board through a report which identifies:

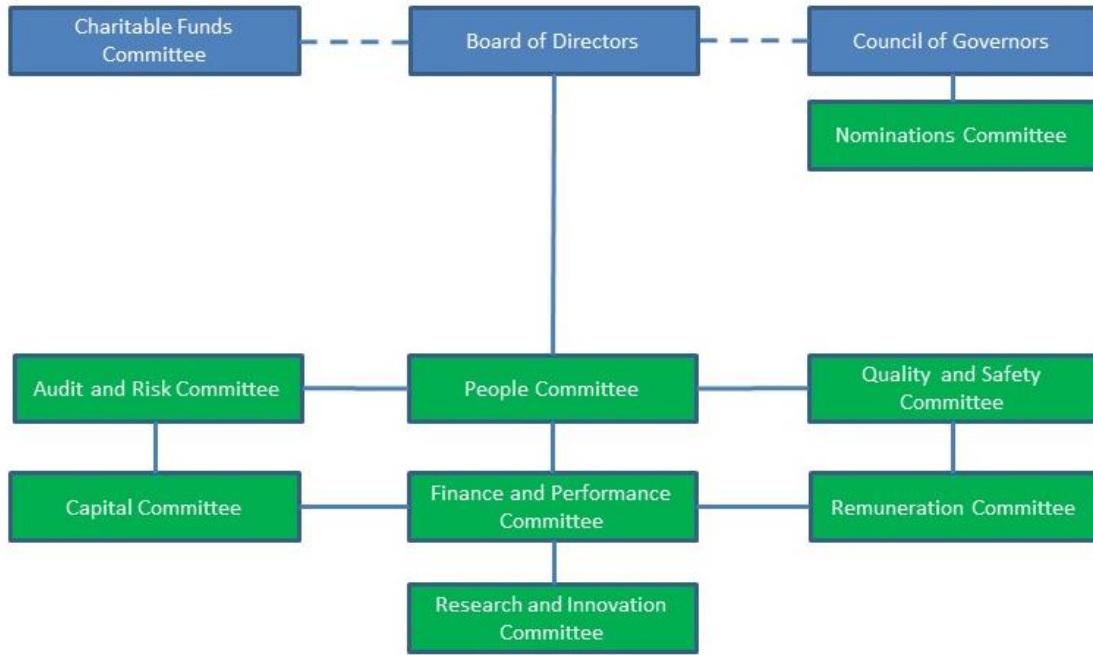
- Areas of concern/matters to escalate.
- Areas of good practice.
- Key actions agreed/work underway.
- Decisions made.

Reporting into our Committees are a series of 'Executive Groups'. These provide the means by which the Executive Team seek action and assurance and report to Committees of the Board in the same way as described above, thus enabling the 'Golden Thread' of reporting required. They have a core set of responsibilities as defined within their Terms of Reference which are focussed on Performance, Risk, Strategy and Governance.

Reporting into our Executive Groups are a series of 'Operational Groups'. These provide operational oversight and ensure delivery against specific priorities and objectives.

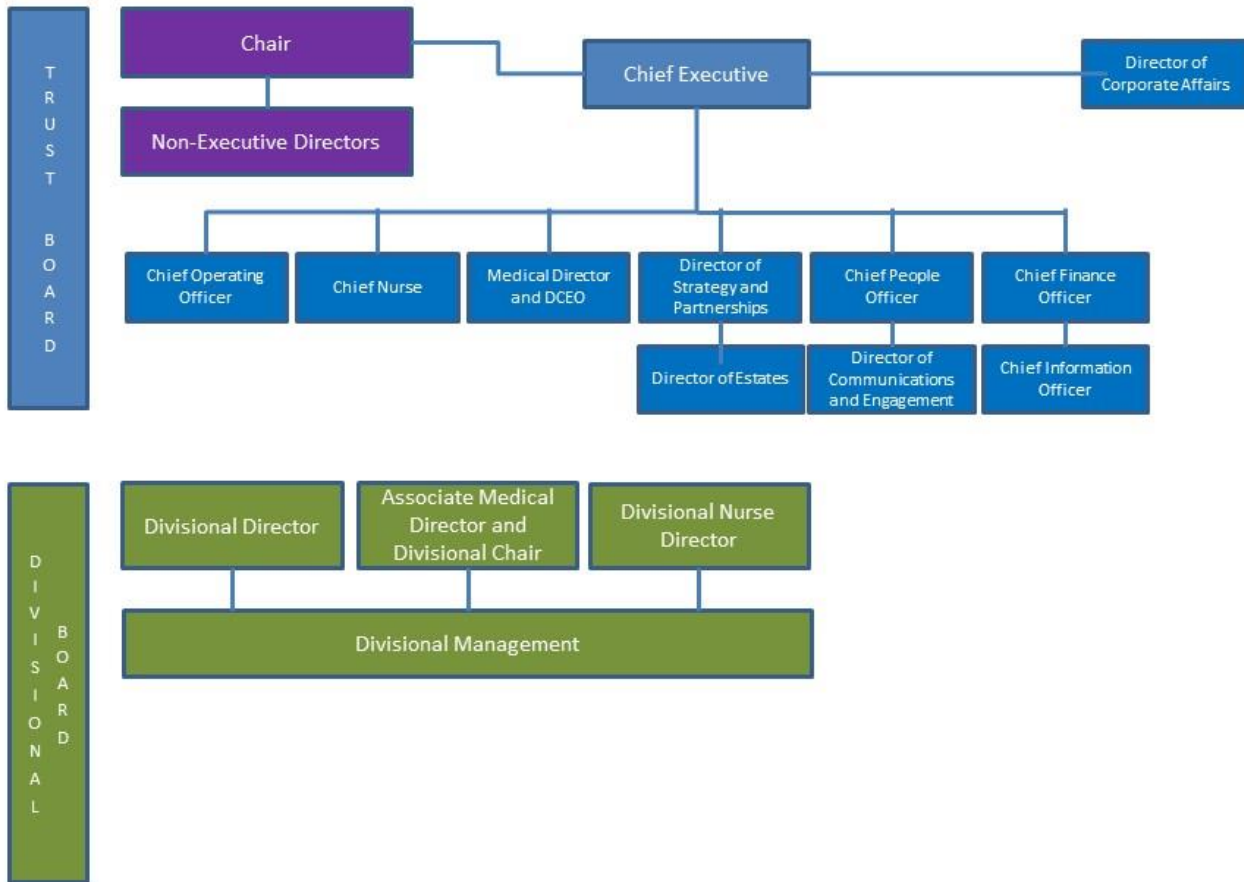
Terms of Reference and Membership are in place (or being refreshed) for all meetings identified within our structure, which define their objectives and responsibilities. An annual cycle of effectiveness reviews will be undertaken to provide opportunity to reflect, learn and continuously improve.

The current Corporate Governance Structure is illustrated below:



7. Accountabilities

Effective governance requires defined accountabilities, roles and responsibilities and clear ownership. The below diagram outlines the lines of accountability at Board and Divisional level.



The table below outlines the distinction between Executive and Non-Executive roles of the Board:

	Chair	Chief executive	Non-executive director	Executive director
Formulate Strategy	Ensures board develops vision, strategies and clear objectives to deliver organisational purpose	Leads strategy development process	Brings independence, external skills and perspectives, and challenge to strategy development	Takes lead role in developing strategic proposals – drawing on professional and clinical expertise (where relevant)
Ensure Accountability	Holds CE to account for delivery of strategy Ensures board committees that support accountability are properly constituted	Leads the organisation in the delivery of strategy Establishes effective performance management arrangements and controls Acts as Accountable Officer	Holds the executive to account for the delivery of strategy Offers purposeful, constructive scrutiny and challenge Chairs or participates as member of key committees that support accountability	Leads implementation of strategy within functional areas
Shape Culture	Provides visible leadership in developing a positive culture for the organisation, and ensures that this is reflected and modelled in their own and in the board's behaviour and decision making Board culture: Leads and supports a constructive dynamic within the board, enabling contributions from all directors	Provides visible leadership in developing a positive culture for the organisation, and ensures that this is reflected in their own and the executive's behaviour and decision making	Actively supports and promotes a positive culture for the organisation and reflects this in their own behaviour Provides a safe point of access to the board for whistle-blowers	Actively supports and promotes a positive culture for the organisation and reflects this in their own behaviour
Context	Ensures all board members are well briefed on external context	Ensures all board members are well briefed on external context		
Intelligence	Ensures requirements for accurate, timely & clear information to board/ directors (and governors for FTs) are clear to executive	Ensures provision of accurate, timely & clear information to board/ directors (and governors for FTs)	Satisfies themselves of the integrity of financial and quality intelligence	Takes principal responsibility for providing accurate, timely and clear information to the board
Engagement	Plays key role as an ambassador, and in building strong partnerships with: <ul style="list-style-type: none"> • Patients and public • Members and governors (FT) • Clinicians and Staff • Key institutional stakeholders • Regulators 	Plays key leadership role in effective communication and building strong partnerships with: <ul style="list-style-type: none"> • Patients and public • Member and governors (FT) • Clinicians and Staff • Key institutional stakeholders • Regulators 	Ensures board acts in best interests of the public Senior independent director is available to members and governors if there are unresolved concerns (FTs)	Leads on engagement with specific internal or external stakeholder groups

7.1 Board Accountability

The Board plays a key role in shaping the strategy, vision and purpose of the organisation. They hold the Chief Executive and the Executive Team to account for the delivery of the strategy and ensure value for money. They are also responsible for assuring that risks to the organisation and the public are managed and mitigated effectively. The Board is led by an independent chair and composed of a mixture of both executive and non-executive directors; the Board is a unitary Board who make decisions as a single group, sharing responsibility and liability for all Board decisions, with collective responsibility for the performance of the organisation.

7.2 Trust Chair

The Chair is accountable for leading the Board and is responsible for its overall effectiveness in directing the Trust. The Chair is accountable to the Secretary of State, through NHSIE, for giving leadership to the Board, ensuring the Trust provides high quality, safe services and value for money within NHS resources. This includes:

- Promoting the highest standards of integrity, probity and corporate governance throughout the organisation and particularly the Board.
- Promoting a healthy culture for the organisation so that staff have a safe point of access to the Board for raising concerns.
- Demonstrating visible and ethical personal leadership by modelling the highest standards of personal behaviour and ensuring that the Board follows this example.
- Leading the Board in establishing effective decision making processes and acting as the guardian of due process.
- Making sure the Board understands its own accountability for governing the organisation.

- Ensuring the Board Committees that support accountability are properly constituted.
- Leading the Board in being accountable.

7.3 Non-Executive Directors

Non-Executive Directors have a duty to ensure that the Trust has sufficient control measures in place to be able to effectively manage risk and ensure the governance structure is fit for purpose.

- The Audit Committee, which is a Non-Executive Director Committee, has the delegated responsibility from the Board for ensuring an effective system of integrated governance, risk management and internal controls is in place.
- Non-Executive Directors are members of and Chair other Board level Committees and fora.

7.4 Chief Executive Officer

The Chief Executive Officer is accountable for:

- Maintaining a sound system of internal control that supports the achievement of the Trust’s policies, aims and objectives, whilst safeguarding public funds and departmental assets.
- Ensuring that the Trust is administered prudently and economically, that resources are applied efficiently and effectively and that there are adequate arrangements in place for the discharge of statutory functions.
- Ensuring that there is robust risk management across all organisational, financial and clinical activities.

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. The Chief Executive helps create the strategy and vision for the Board and the organisation to modernise and improve services and 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.

7.5 Executive Directors

Executive Directors are the executive ‘arm’ of the Board. They meet as a group weekly and have oversight of the efficient and effective management of the Trust by ensuring that there is robust strategic development and operational plans in place to facilitate the achievement of the Trust’s objectives and Board decisions.

This includes providing direction and support, monitoring delivery, and considering and ensuring action upon risks and mitigations. Specific responsibilities are outlined below:

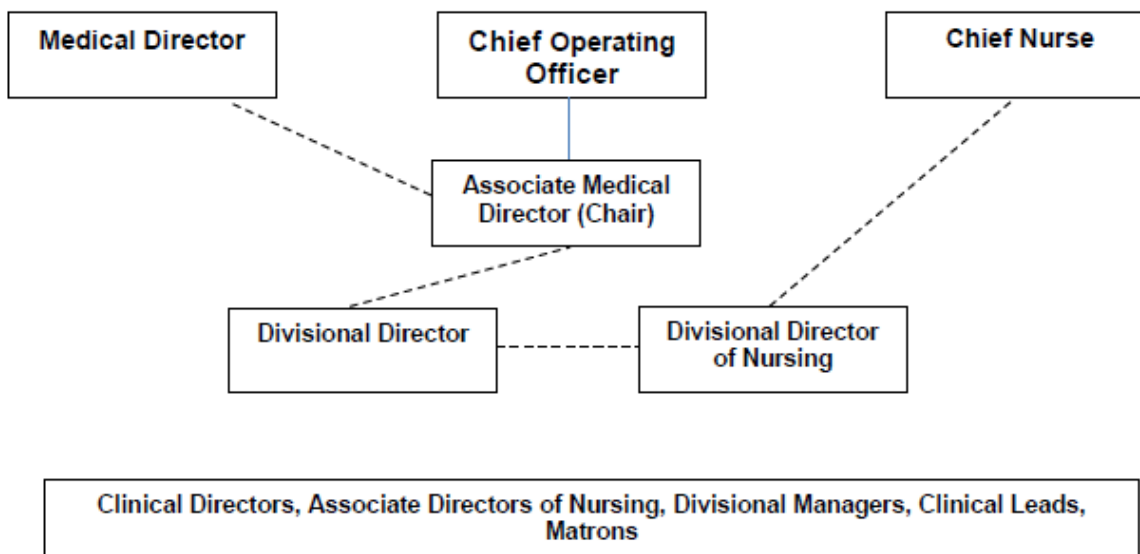
Executive Director	Responsibility and Accountability
Director of Strategy & Partnerships	<ul style="list-style-type: none"> • Leading the development and delivery of the organisation wide strategy, incorporating the coherence annual planning and business development strategy • Co-ordination, production and oversight of the delivery of enabling strategies, business cases and annual plans • Lead executive for system wide working
Chief Nurse	<ul style="list-style-type: none"> • Quality, including the systems, processes (such as Quality Improvement) and behaviours by which quality is governed • Contributes to the development and implementation of key objectives to deliver efficient services and effective, high quality patient care • Professional leadership of nurses / midwives and AHPs, provision of professional advice and assurance to the Board, infection prevention and control, public and patient experience, compliance with Care Quality Commission standards • Driving professional accountability in delivering key performance indicators and engendering effective clinical leadership
Chief Finance Officer	<ul style="list-style-type: none"> • Financial strategy and ensuring effective financial management and control • Providing financial leadership by setting, evaluating and developing organisation wide service and financial frameworks within which operational services can be delivered • Effective operation of the financial performance and accountability framework
Chief Operating Officer	<ul style="list-style-type: none"> • Development and implementation of key objectives to deliver services that provide optimum patient care, efficient use of resources and promotion of a culture that is progressive, inclusive and values driven • Providing operational leadership through setting, evaluating and developing effective systems and processes which ensure the smooth running of the organisation and achievement of NHS constitutional targets • Accountability for the management and performance of clinical divisions
Medical Director	<ul style="list-style-type: none"> • Quality, including the systems, processes and behaviours by which quality is governed

Executive Director	Responsibility and Accountability
	<ul style="list-style-type: none"> • Contributes to the development and implementation of key objectives to deliver efficient services and effective, high quality patient care • Professional leadership of the medical workforce and for medicines optimisation, including accountability for the Clinical Director of Pharmacy • Driving professional accountability in delivering key performance indicators and engendering effective medical leadership
Chief People Officer	<ul style="list-style-type: none"> • Leading the development and delivery of strategies relating to all aspects of employment, workforce and organisational development, ensuring this link into other strategies and are aimed at enhancing clinical care and outcomes • Provide workforce advice to the Board, ensuring compliance with all legal and social obligations to employees • Shape and implement the strategic direction of the Trust through the introduction, development and maintenance of human resource practices

7.6 Clinical Divisional Triumvirate – Divisional Chair (Associate Medical Director), Divisional Director and Divisional Nurse Director

Our Clinical Divisions are managed by clinically led triumvirates comprised of a Divisional Chair (Associate Medical Director), Divisional Director and Divisional Nurse Director. These individuals have responsibility and accountability for specific aspects of the Divisional portfolio. The triumvirates are directly accountable to members of the Executive Team:

- The Divisional Directors are directly accountable to the Chief Operating Officer.
- The Divisional Chairs (Associate Medical Directors) are directly and professionally accountable to the Medical Director.
- The Divisional Nurse Directors are directly and professionally accountable to the Chief Nurse.



Divisions are held accountable through Divisional Performance Review Meetings, which are chaired by the Chief Executive, at level four, and the Chief Operating Officer or Deputy Chief Executive for all other levels. The triumvirate have responsibility for ensuring delivery of agreed organisational policies, objectives and key performance indicators and the governance, oversight, and co-ordination of performance within and across all Directorates. In addition, they are responsible for the development and implementation of robust remedial plans for areas of underperformance and escalating to the Executive Team key areas of risk that may affect delivery of organisational objectives and strategy.

The Divisional Management Team comprises a wider team who are accountable to the Divisional Triumvirate including clinical directors, divisional managers and clinical leadership roles who have a portfolio and objectives as agreed by the Division.

7.7 Divisional Management Teams

Our divisions are also led by a team comprised of a Clinical Director, Divisional Manager and Associate Director of Nursing. These individuals have responsibility and accountability for specific aspects of the Directorate portfolio. The teams are directly accountable to members of the Divisional Triumvirate and are supported by clinical leads operational managers and key nursing roles. These teams will be held to account by the Divisional Triumvirate via a review process to be agreed in each division and via the Divisional Performance Review process.

7.8 All Staff

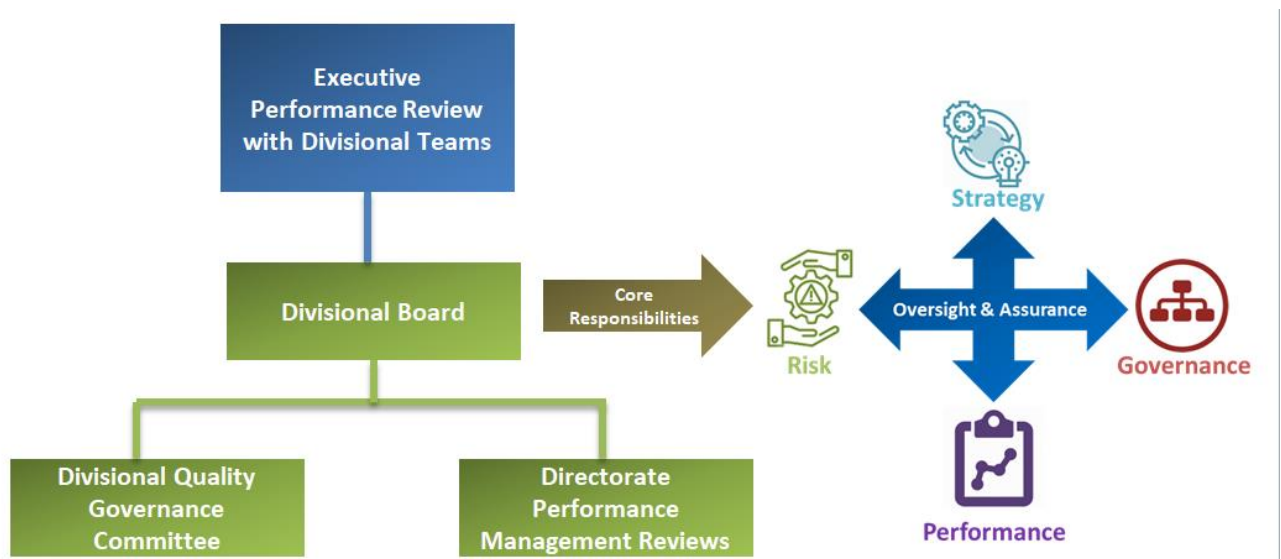
All staff have a responsibility for performance management and improvement, relevant to their role and are supported to identify improvement opportunities and to take action required.

8. Divisional Governance

Divisions are expected to have a clear and cohesive structure in place which sets out the framework within which the performance of the division is governed. Whilst it is recognised that divisional structures need to be tailored to meet the governance needs of each Division, as a minimum they must have:

- A clear line of accountability into the Corporate Governance Structure through the Divisional Performance Management Reviews.
- A fully constituted Divisional Board comprising the Divisional Management Team, with documented and approved Terms of Reference and Membership, with meetings being held monthly covering all aspects of divisional strategy, performance, finance, risk and governance (a template can be found at appendix 1)
- A Divisional Quality Governance Committee, with documented and agreed Terms of Reference and Membership, directly accountable to the Divisional Board.
- A documented and approved process for the management, escalation, and oversight of risk, in accordance with the Risk Management Policy.
- Directorate Performance Management Reviews, which align with the Performance Management Framework set out within this document.

The minimum structure required is illustrated below:



8.1 Divisional Board – Core Responsibilities

To ensure consistency across the organisation, each Divisional Board should have a core set of responsibilities which enable the effective oversight and scrutiny of their division. These are outlined below and are covered within the template Terms of Reference at appendix 1.

Strategy

- Oversee development and implementation of strategy and operational plans at a Divisional level and associated Key Performance Indicators (KPIs), ensuring the adoption of best practice where available.
- Develop and oversee implementation of a Divisional Strategy and Annual Plan.
- Consult upon and agree any relevant policies, procedures, guidelines, standard operating procedures, and protocols and monitor their implementation, where relevant, at a Divisional level.

Performance

- Receive assurance on the delivery of strategy and relevant key performance indicators, ensuring the appropriate allocation of resource.

- Monitor the operational systems and processes which ensure competent management within the Division.
- Identify, delegate, and review relevant actions to improve performance.
- Report any exceptions to the Annual Plan, delivery of strategy or areas of underperformance to the Executive Team via the Trust Management Board.

Risk Management

- Where relevant, monitor Root Cause Analysis / trends relating to adverse incidents, ensuring that appropriate action is taken, and lessons are learned (this may be delegated to the Divisional Quality Group although the Divisional Board will retain responsibility for oversight).
- Ensure that any risks are managed and reviewed via the Risk Register and in accordance with the Risk Management Strategy and Policy.

Governance

- To review national legislation, guidance and best practice and address local implications of such guidance as appropriate.
- Oversee/monitor implementation of actions plans arising from internal/external review, audit, assessment, or accreditation.
- Undertake an annual self-assessment of effectiveness to inform any changes to Terms of Reference and Membership.

9. Performance Management Framework

9.1 Definition of Performance Management

Performance management is a process of setting goals, monitoring of progress towards delivery and ensuring goals are consistently met in an efficient and effective manner. The goal of performance management is to ensure that all parts of the organisation are optimally working together and taking action in response to actual performance to improve the outcomes for our patients and users.

Performance management requires both good management systems and processes, and an organisational culture that supports and integrates them into the daily work of frontline staff and managers to promote the continuous improvement of services.

9.2 Key Performance Indicators

Performance management is integral to our Corporate Governance Structure. We have agreed a broad range of Key Performance Indicators (KPI's) which form the basis of our performance management framework. These KPI's are aligned to our Strategic Objectives and take into account all NHS constitutional patient access targets and statutory obligations, along with targets we have agreed locally to support the delivery of our overarching Vision and supporting strategies. **The full selection of KPI's can be found at appendix 2.**

9.3 Statistical Process Control (SPC)

Statistical Process Control (SPC) is an analytical technique that plots data over time, helping us to understand variation in performance, in order to inform decision making and appropriate action planning. We use SPC in our performance reporting to:

- Alert us to a situation that may be deteriorating
- Show if a situation is improving
- Demonstrate how capable a system is of delivering a standard or target
- Show if a process that we depend upon is reliable and in control

We are adopting a model of SPC reporting which enables us to draw two main observations of our performance data:

- Variation: Are we seeing significant improvement, decline or no significant change?
- Assurance: How assured of consistently meeting the target can we be?

The below key and icons are used to describe what our data is telling us:

Variation			Assurance		
Common cause – no significant change	Special cause of concerning nature or higher pressure due to (H)igher or (L)ower values	Special cause of improving nature or lower pressure due to (H)igher or (L)ower values	Variation indicates inconsistently hitting passing and falling short of the target	Variation indicates consistently (P)assing the target	Variation indicates consistently (F)alling short of the target

9.4 Board / Committee Oversight, Scrutiny and Accountability

As the **Board** has ultimate responsibility for performance of the organisation, we have determined a 'core set' of KPI's which are scrutinised and monitored by the Board through the Board dashboard report. The report is owned by the Executive Directors and is presented to the Board each month. This, along with a selection of other assurance reports agreed by the Board as part of their annual Business Cycle, form the basis upon which Executive Directors are held to account.

For **Committees** reporting to the Board, we have determined a more granular detail of KPI's which are specific to each element of our strategy (i.e., quality, workforce, finance, operational delivery). These are monitored by each of our core Committees through a bi-monthly Reports, which is owned by the lead Executive Director/s and again presented at each meeting for oversight and scrutiny, along with a selection of additional 'assurance reports' which have been agreed by the Board as part of the annual Business Cycle.

9.5 Performance Management Reviews of Central Functions / Estates, Facilities, People and Finance Division

A framework is being developed for Performance Management Reviews of non-clinical divisions, which are the responsibility of respective members of the Executive Team. These reviews will commence during 2022/23 and will be led by the Chief Executive, supported by representatives of clinical divisions. Reviews will focus on the effectiveness of these functions in their delivery of key priorities, management of risk and support provided to clinical divisions.

The arrangements outlined above are illustrated below:

9.6 Overview of Performance Management Framework

	Performance Forum	Accountability	Frequency	Information
CORPORATE PERFORMANCE	Trust Board	NEDs	Monthly	Dashboard and Committee Reports
	Quality and Safety Finance and Performance People Audit and Risk	NEDs and Executives	Bi-Monthly	Committee Reports
DIVISIONAL PERFORMANCE	Divisional Performance Review	Executive Directors	When required	DPR Dashboard
	Divisional Board	Divisional Boards and Triumvirates	Monthly	Board Dashboard and Performance Reports
	Corporate Directorates Review	Divisional Boards	6 monthly	Directorate Dashboards

9.7 Divisional Performance Reviews

As previously discussed, Executive Divisional Performance Reviews between the Divisional Board and the Executive Directors are the formal checkpoint at which progress against the achievement of divisional KPI's / annual plans / key objectives are reviewed. Performance issues brought to the attention of Executive Directors through Operational/Executive Groups/Committees and the Board (as per Corporate Governance Structure) are also raised with Divisions through the Executive Divisional Performance Review process.

The reviews seek to ensure that each Division is balancing patient safety and staff wellbeing with the pressure of financial and operational delivery and the overall sustained health of the Division. At each review, the Divisional Board is required to identify areas of risk to delivery and to have identified appropriate actions to mitigate any risk and recover performance. It is expected that each Division will replicate the same discipline within its own Directorate Performance Meetings.

9.8 Escalation, Oversight, Intervention and Support

The table below sets out the framework that we are working towards in order to ensure a consistent approach to escalation, oversight, intervention and support. This requires corporate teams to ensure the timeliness and accuracy of information to support Executive Divisional Performance Reviews.

Rating	Characteristics	Oversight Frequency	Outcome
Level 1 "Outstanding Performance" Recognition	<ul style="list-style-type: none"> Consistent delivery against operational plan requirements Substantial achievement of Key Performance Indicators and Service Measures, with limited breach of targets. Evidence of plans in place to improve performance against any non-achieving KPIs. 	Quarterly	<ul style="list-style-type: none"> Increased autonomy and decision making Quarterly meetings No additional escalation required
Level 2 "Good Performance" Limited material concern	<ul style="list-style-type: none"> Significant achievement of the majority of Key Performance Indicators and Service Measures. Either breach of a minor number of Tier KPIs for one month or continual breach of a singular Tier KPI. Evidence of plans and trajectories in place to improve performance against any non-achieving KPIs. 	Bi-Monthly	<ul style="list-style-type: none"> Meeting with Executive monthly Maintain current autonomy and decision making Limited additional in-month escalation required
Level 3 "Immediate Concerns" Support	<ul style="list-style-type: none"> Either breach of multiple KPIs for one month or continual breach of a singular or multiple KPIs. Variance in implementation of plans to improve performance against any non-achieving KPIs. 	Monthly	<ul style="list-style-type: none"> Plan developed to improve performance against any non-achieving KPIs and/or variance in financial performance Brief to Chief Executive detailing plans for improvement and individual Executive Director oversight and support
Level 4 "Material Issues" Dedicated Support	<ul style="list-style-type: none"> Either breach of multiple KPIs for one month or continual breach of a multiple KPIs. Significant continual variance in implementation of plans to improve performance against any non-achieving KPIs. Limited plans for improvement 	Monthly, with weekly calls	<ul style="list-style-type: none"> Turnaround plan developed to improve performance against any non-achieving KPIs and/or variance in financial performance Assigned Executive Director for support and advice, with Deputy to provide 'on the ground' management support to Division Chief Executive to chair Divisional meeting Monitoring and meeting with Executive – up to weekly Reduction of autonomy and decision making

10. Review of Accountability and Performance Framework

This Performance and Accountability Framework will be reviewed on an annual basis by the Director of Corporate Affairs and will be submitted to the Board for approval, for implementation each financial year.

The annual review will include a review of the KPI's identified as part of the Performance Management Framework, in order that any changes can be reflected within our performance reporting.

Appendix 1:

Divisional Board Template Governance Pack

A) Divisional Board Terms of Reference and Membership Template

Xx Divisional Board

Terms of Reference and Membership

Date

Constitution and Authority

The Trust Executive Team hereby resolves to establish a Divisional Board within each of the Clinical Divisions, to support oversight, scrutiny and assurance at a divisional level in accordance with the Trust's Performance and Accountability Framework.

Membership

- Associate Medical Director/Divisional Chair (Chair)
- Divisional Director
- Divisional Nurse Director
- Others as decided by the Triumvirate

Attendance at Meetings

Other staff members or external experts may be asked to attend by the Chair for all or part of any meeting, as and when appropriate / necessary, particularly when the Group is discussing an issue that is the responsibility of that person.

Substantive members are expected to attend 75% of meetings on an annual basis. This will be monitored through the inclusion of an Attendance Matrix within the minutes of each meeting.

Quorum

A quorum for the Group will be the chair (or vice chair), 50% of Clinical Directors, 50% Matrons and 50% Directorate Managers, from the above list of membership (or their nominated deputies).

Frequency of Meetings

The Group will meet on a monthly basis. However, the Chair may at any time convene additional meetings of the group to consider business that requires urgent attention.

Reporting

The Divisional Board will report to the Executive Team through Performance Management Review meetings on how it discharges its responsibilities and will also provide monthly updates to the Trust Management Board. This will include any matters requiring escalation for information or requiring executive support.

The Group will undertake an annual effectiveness evaluation against their Terms of Reference and Membership, the outcome of which will be reported to the Executive Team. This process will be supported by the Corporate Governance Team as required.

The Divisional Board should receive reports from the committees and groups reporting to it, by means of escalation and assurance.

Administrative Support

The Group shall be supported administratively by the Divisional PA, whose duties in respect of this include:

- Calling of meetings
- Agreement of agendas with the Chair in line with the Business Cycle and preparation, collation, and circulation of papers no later than five working days before the next meeting
- Ensuring that those invited to each meeting, attend, or provide apologies / nominate a deputy in advance
- Taking the minutes for approval at the next meeting
- Keeping a record of matters arising and action points to be carried forward between meetings through use of the Post Meeting Action Log

Duties

The primary aim of the Divisional Board is to ensure scrutiny, assurance, and delivery of all objectives / targets, to monitor, control and escalate risks as appropriate and develop and oversee implementation of strategies and plans for all services within the Division.

The Divisional Board will consider all items in accordance with the Business Cycle, which will inform the monthly agenda.

Strategy

- Oversee development and implementation of strategy and operational plans at a Divisional level and associated Key Performance Indicators (KPIs), ensuring the adoption of best practice where available
- Develop and oversee implementation of an Annual Plan
- Consult upon and agree any relevant policies, procedures, guidelines, standard operating procedures, and protocols and monitor their implementation, where relevant, at a Divisional level

Performance

- Receive assurance on the delivery of strategy and relevant key performance indicators, ensuring the appropriate allocation of resource
- Monitor the operational systems and processes which ensure competent management within the Division
- Identify, delegate, and review relevant actions to improve performance
- Report any exceptions to the Annual Plan, delivery of strategy or areas of underperformance to the Executive Team via the Performance Management Review process
- Monitor and recommend areas for improvement in relation to the financial performance of the division and its cost improvement activity/planning.

Risk Management

- Where relevant, monitor Root Cause Analysis / trends relating to adverse incidents, ensuring that appropriate action is taken, and lessons are learned (this may be delegated to the Divisional Governance Group although the Divisional Board will retain responsibility for oversight)
- Ensure that any risks are managed and reviewed via the Risk Register and in accordance with the Risk Management Policy

Governance

- To review national legislation, guidance and best practice and address local implications of such guidance as appropriate
- Oversee / monitor implementation of actions plans to arise from internal / external review, audit, assessment, or accreditation
- Undertake an annual self-assessment of effectiveness to inform any changes to Terms of Reference and Membership

Relationship with Other Executive Groups

The Group has a key relationship with all Executive Groups as defined within the approved Corporate Governance Structure.

Approval and Review

These Terms of Reference were approved on xx and will be reviewed on an annual basis.

Annual Schedule of Meetings

Date	Time	Venue	Deadline for Papers

Annual Business Cycle

Title of Paper	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Strategy												
Annual Plan												
Business Cases / Reviews												
Divisional Strategies												
Performance												
Patient / Staff Story or Reward / Recognition												
Divisional Integrated Performance Report												
Financial Performance												
Risk Management												
Risk Register												
Risk Management Audit Findings												
Governance												
Policies for Consultation												
Annual Effectiveness Review												
Terms of Reference and Membership												
6 monthly Fraud Update												
6 monthly Equality / Diversity / Inclusion / Freedom to Speak Up (Corporate Lead to attend)												

Xx Divisional Board
Meeting held on xx at xx am to xx pm
Venue, Site or via Microsoft Teams

AGENDA

Time	No.	Agenda Item	Purpose	Lead	Format
PROCEDURAL ITEMS					
	1.	Chair's Welcome, Apologies and Quoracy	Information		Verbal
	2.	Declarations of Interest	Assurance		Verbal
	3.	Minutes of the Meeting held xx xx	Approval		Enclosure
	4.	Matters Arising via the Post Meeting Action Log	Assurance		Enclosure
	5.	Escalations from DQB			
STRATEGY					
	6.	e.g. business plans and IT requirements			
	7.				
PERFORMANCE					
	8.				
	9.				
	10.				
RISK MANAGEMENT					
	11.				
	12.				
	13.				
GOVERNANCE					
	14.				
	15.				
	16.				
CLOSING MATTERS					
	17.	Any Other Business			
	18.	Review of Meeting Effectiveness			Verbal
	19.	Agreement of Items for Escalation			
DATE AND TIME OF NEXT MEETING					

Xx Divisional Board

Meeting held on xx 2019 at xx to xx
Venue, Site or via Microsoft Teams

MINUTES OF MEETING

Members:

xxx

xxx

xxx

xxx

xxx

xxx

In Attendance:

xxx xx Personal Assistant (minutes)

xxx xx xxx

xxx xx xxx

No.	Agenda Item	Action
1.	Chair's Welcome, Apologies and Confirmation of Quoracy	
2.	Title	
	xx	
3.	Title	
	xx	
4.	Title	
	xx	
5.	Date and Time of Next Meeting	
	Date / Date / Time / Venue	

D) Divisional Board Annual Effectiveness Evaluation Template

Annual Effectiveness Evaluation

Divisional Board:	
Chair:	
Accountable to:	Executive Team
Date of Effectiveness Review:	

Processes

To be completed by the Chair on an annual basis (with the assistance of the Corporate Governance Team if required) and presented to Executive Team.

Area / Question	Yes	No	Comments/Action
Composition, establishment and duties			
Are items for escalation agreed at each meeting and escalated accordingly?			
Are meeting papers distributed in sufficient time for members to give them due consideration?			
Has the Divisional Board been quorate for each meeting this year?			

Committee Effectiveness

To be completed by each member of the Divisional Board for to submission to the Chair.

Statement	Number of Respondents					Comments / Action
	Strongly Agree	Agree	Disagree	Strongly Disagree	Unable to answer	
Theme 1 – Focus						
The Divisional Board has set itself a series of objectives for the year						
The Divisional Board has made a conscious decision about the information it would like to receive						
Divisional Board members contribute regularly to the issues discussed						
The Divisional Board is aware of the key sources of assurance and who provides them						
Theme 2 –Team Working						
The Divisional Board has the right balance of experience, knowledge, and skills to fulfil its role						
The Divisional Board ensures that the relevant members attend meetings to enable it to understand the reports and information it receives						
Management fully briefs the members on key risks and any gaps in control						
The Divisional Board environment enables people to express their views, doubts, and opinions						

Statement	Number of Respondents					Comments / Action
	Strongly Agree	Agree	Disagree	Strongly Disagree	Unable to answer	
Members hold their assurance providers to account for late or missing assurances						
Decisions and actions are implemented in line with the timescale set down						
Theme 3 –Effectiveness						
The quality of papers received allows members to perform their roles effectively						
Members provide real and genuine challenge – they do not just seek clarification and/or reassurance						
Debate is allowed to flow, and conclusions reached without being cut short or stifled						
Each agenda item is closed off appropriately so that the group is clear of the conclusion, who is doing what, when and how and how it is being monitored						
At the end of each meeting, the group discuss the outcomes and reflect on decisions made and what worked well or not so well						
Theme 4 –Engagement						
The Divisional Board challenges management and other assurance providers to gain a clear understanding of their findings						
Theme 5 –Leadership						
The chair has a positive impact on the performance of the group						
Meetings are chaired effectively						
The chair is visible within the Division and beyond and is considered approachable						
The chair allows debate to flow freely and does not assert his/her own views too strongly						
The chair provides clear and concise information to the relevant Board Committee on the Divisional Board's activities						

Xx Divisional Quality BoardMeeting held on xx at xx am to xx pm
Venue, Site or via Microsoft Teams**AGENDA**

Time	No.	Agenda Item	Purpose	Lead	Format
PROCEDURAL ITEMS					
	1.	Chair's Welcome, Apologies and Quoracy	Information		Verbal
	2.	Declarations of Interest	Assurance		Verbal
	3.	Minutes of the Meeting held xx xx	Approval		Enclosure
	4.	Matters Arising via the Post Meeting Action Log	Assurance		Enclosure
STRATEGY					
	5.				
	6.				
	7.				
PERFORMANCE					
	8.				
	9.				
	10.				
RISK MANAGEMENT					
	11.				
	12.				
	13.				
GOVERNANCE					
	14.				
	15.				
	16.				
CLOSING MATTERS					
	17.	Any Other Business			
	18.	Review of Meeting Effectiveness			Verbal
	19.	Agreement of Items for Escalation			
DATE AND TIME OF NEXT MEETING					

Xx Divisional Quality Board

Meeting held on xx at xx to xx
Venue, Site or via Microsoft Teams

MINUTES OF MEETING

Members:

xxx

xxx

xxx

xxx

xxx

xxx

In Attendance:

xxx xx Personal Assistant (minutes)

xxx xx xxx

xxx xx xxx

No.	Agenda Item	Action
1.	Chair's Welcome, Apologies and Confirmation of Quoracy	
2.	Title	
	xx	
3.	Title	
	xx	
4.	Title	
	xx	
5.	Date and Time of Next Meeting	
	Date / Date / Time / Venue	

BOARD OF DIRECTORS CODE OF CONDUCT

1. Introduction

The purpose of this code of Conduct (“the Code”) is to provide clear guidance on the standards of conduct and behaviour expected of all Wirral University Teaching Hospital NHS Foundation Trust (WUTH) Board members, whether Executive or Non-Executive.

The Trust is an apolitical public benefit organisation that seeks to promote social inclusion. The promotion of any personal or political view that is at odds with this principle will be grounds for dismissal from the Board. Given the confidential, and often sensitive nature, of the issues considered by the Board, Directors both individually and collectively must always act with total discretion and integrity, and in the interests of the greater good of the Trust and the people who use its services.

This code, with the Code of Conduct for Governors and the NHS constitution, forms part of the framework designed to promote the highest possible standards of conduct and behaviour within the foundation trust. The code is intended to operate in conjunction with the Code of Governance, the constitution and with Standing Orders. The code applies at all times when directors and employees are carrying out the business of the foundation trust or representing the foundation trust.

Any conflict between this code and the code of conduct for Executives as employees of the organisation will be superceded by the code for employees.

2. Seven Principles of Public Life

All directors are expected to abide by the Nolan principles of: selflessness, integrity, objectivity, accountability, honesty, transparency and leadership:

Selflessness

Holders of public office should act solely in terms of the public interest: they should not do so in order to gain financial or other benefits for themselves, their family or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to 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 alone.

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 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.

Leadership

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

3. Corporate Values

In addition to the Seven Nolan Principles, WUTH has four values that underpin everything it does:

- **caring** for everyone
- **respect** for all
- embracing **teamwork**
- committed to **improvement**

WUTH Directors should exhibit these values in delivering their statutory duties and when representing the Trust.

4. General principles

Foundation Trust Boards of Directors have a duty to conduct business with probity, to respond to staff, patients and suppliers impartially, to achieve value for money from the public funds with which they are entrusted and to demonstrate high ethical standards of personal conduct. The general duty of the Board of Directors, and of each director individually, is to act with a view to promoting the success of the corporation so as to maximise the benefits for the members of the corporation as a whole and for the public. The Board of Directors therefore undertakes to set an example in the conduct of its business and to promote the highest corporate standards of conduct. The Board of Directors will lead in ensuring that the provisions of the constitution, the Standing Orders, Standing Financial Instructions and accompanying Scheme of Delegation conform to best practice and serve to enhance standards of conduct. The Board of Directors expects that this Code will inform and govern the decisions and conduct of all directors.

5. Confidentiality & access to information

Directors and employees must comply with the Foundation Trust's confidentiality policies and procedures. Directors and employees must not disclose any confidential information, except in specified lawful circumstances.

Information on decisions made by the Board of Directors and information supporting those decisions should be made available in a way that is understandable. Positive responses should be given to reasonable requests for information and in accordance with the Freedom of Information Act 2000 and other applicable legislation and directors and employees must not seek to prevent a person from gaining access to information to which they are legally entitled.

The Foundation Trust has adopted policies and procedures to protect confidentiality of personal information and to ensure compliance with the Data Protection Act, the Freedom of

Information Act and other relevant legislation which will be followed at all times by the Board of Directors and all staff.

6. Conflicts of Interest

Directors have a statutory duty to avoid a situation in which they have (or can have) a direct or indirect interest that conflicts (or possibly may conflict) with the interests of the Foundation Trust. Directors have a further statutory duty not to accept a benefit from a third party by reason of being a director or for doing (or not doing) anything in that capacity.

If a director has in any way a direct or indirect interest in a proposed transaction or arrangement with the corporation, the director must declare the nature and extent of that interest to the other directors. If such a declaration proves to be, or becomes, inaccurate or incomplete, a further declaration must be made. Any such declaration must be made at the earliest opportunity and before the trust enters into the transaction or arrangement.

The Chair will advise directors in respect of any conflicts of interest that arise during board of directors meetings, including whether the interest is such that the director should withdraw from the meeting for the period of the discussion. In the event of disagreement it is for the Board of Directors to decide whether a director must withdraw from the meeting. The Director of Corporate Affairs and/or the Board Secretary will provide advice on any conflicts that arise between meetings.

Directors are required to register all relevant interests on the Foundation Trust's register of interests in accordance with the provisions of the constitution, and the Managing Conflicts of Interest Policy. It is the responsibility of each director to update their register entry if their interests change, or to confirm each year that their interests have not changed. The register is available via the Declare portal, with details available from the Trust Secretariat.

Failure to register a relevant interest in a timely manner may constitute a breach of this Code.

7. Bribery

The Board of Directors has a responsibility to protect both the Trust and the wider NHS from bribery or corruption.

Directors shall at all times comply with the Bribery Act 2010 and with the Trust's policy.

Directors will not request or receive a bribe from anybody, nor imply that such an act might be considered. This means not agreeing to receive or accept a financial or other advantage from any source as an incentive or reward to perform improperly the function or activities of WUTH.

8. Gifts & hospitality

The Board of Directors will set an example in the use of public funds and the need for good value in incurring public expenditure. The use of the Foundation Trust for hospitality and entertainment, including hospitality at conferences or seminars, will be carefully considered. All expenditure on these items should be capable of justification as reasonable in the light of the general practice in the public sector. The Board of Directors is conscious of the fact that expenditure on hospitality or entertainment is the responsibility of management and is open to be challenged by the internal and external auditors and that ill-considered actions can damage the reputation of the Foundation Trust in the eyes of the community.

The Board of Directors has adopted a policy on gifts and hospitality which will be followed at all times by directors and all employees. Directors and employees must not accept gifts or hospitality other than in compliance with this policy, and ensuring that an entry is completed in the Trust register.

9. Whistle-blowing

The Board of Directors acknowledges that staff must have a proper and widely publicised procedure for voicing complaints or concerns about maladministration, malpractice, breaches of this Code and other concerns of an ethical nature. The Board of Directors has adopted a whistle-blowing policy on raising matters of concern which will be followed at all times by directors and all staff.

10. Personal Conduct

Directors are expected to conduct themselves in a manner that reflects positively on the Foundation Trust and not to conduct themselves in a manner that could reasonably be regarded as bringing their office or the Foundation Trust into disrepute.

Specifically directors must:

- Act in the best interests of the Foundation Trust and adhere to its values and this Code of Conduct.
- Respect others and treat them with dignity and fairness.
- Seek to ensure that no one is unlawfully discriminated against and promote equal opportunities and social inclusion.
- Be honest and act with integrity and probity.
- Contribute to the workings of the Board of Directors as a Board of Directors member in order for it to fulfil its role and functions.
- Recognise that the Board of Directors is collectively responsible for the exercise of its powers and the performance of the foundation trust
- Raise concerns and provide appropriate challenge regarding the running of the Trust or a proposed action where appropriate.
- Recognise the differing roles of the Chair, Senior Independent Director, Chief Executive, Executive Directors and Non-Executive Directors.
- Make every effort to attend meetings where practicable.
- Adhere to good practice in respect of the conduct of meetings and respect the views of others.
- Take and consider advice on issues where appropriate.
- Acknowledge the responsibility of the Council of Governors to represent the interests of the Foundation Trust's members and partner organisations in the governance and performance of the Foundation Trust, and to have regard to the views of the Council of Governors.
- Not use their position for personal advantage or seek to gain preferential treatment; nor seek improperly to confer an advantage or disadvantage on any other person.
- Accept responsibility for their performance, learning and development.

11. Training and Development

WUTH is committed to providing appropriate training and development opportunities for Directors to enable them to carry out their role effectively. Directors are expected to participate in training and development opportunities that have been identified as appropriate for them. Directors are required to participate in any review processes both in terms of their own contribution and the wider effectiveness of the Board.

12. Dealing with the Media

Non-Executive Directors should not engage with the media, or make any comments, over matters relating to WUTH, and any Non-Executive Director approached by the media for comment should immediately notify the Trust's Director of Corporate Affairs.

Executive Directors will engage with the media in line with corporate policy, in their roles as employees of the organisation.

13. Interpretation and Concerns

Questions and concerns about the application of the Code should be raised with the Director of Corporate Affairs. At meetings the Chair will be the final arbiter of interpretation of the Code.

14. Review and Revision of the Code

This Code has been agreed by the Board. The Director of Corporate Affairs will ensure that the Code is reviewed periodically, although it is for the Board to agree to any amendments or revisions.

15. Undertaking and Compliance

The members of the Board of Directors will satisfy themselves that the actions of the Board of Directors and Directors in conducting Board of Directors' business fully reflect the values, general principles and provisions in this Code and, as far as is reasonably practicable, that concerns expressed by staff or others are fully investigated and acted upon. All Directors, on appointment, will be required to give an undertaking to abide by the provisions of this Code of Conduct.

16. Personal Declaration

I..... (Please print full name) have read, understood, and agree to abide by the Code of Conduct for the Board of Directors of WUTH FT

Signature

Date

GOVERNORS CODE OF CONDUCT

1. Introduction

The purpose of this code of Conduct (“the Code”) is to provide clear guidance on the standards of conduct and behaviour expected of all Wirral University Teaching Hospital NHS Foundation Trust (WUTH) Governors, whether elected or appointed. The code applies at all times when Governors are carrying out the business of the Foundation Trust or representing the Foundation Trust.

Governors must recognise that the Trust is an apolitical public benefit organisation that seeks to promote social inclusion. The promotion of any personal or political view that is at odds with this principle will be grounds for dismissal from the Council of Governors. Given the confidential, and often sensitive nature, of the issues considered by the Council of Governors, Governors both individually and collectively must always act with total discretion and integrity, and in the interests of the greater good of the Trust and the people who use its services.

Elected Governors who are members or affiliates of any trade union body, political party, or other organisation that seeks to influence public opinion, must recognise that they will not be representing the views of such organisations: rather, they are elected to represent the views of their constituency’s members.

The Code, together with the Code of Conduct for Directors and employees, and the NHS Constitution, forms part of the framework designed to promote the highest standards of conduct and behaviour within WUTH. The Code is intended to operate in conjunction with the Code of Governance, Guide for Governors, and the Trust’s Constitution (and the standing orders contained within).

The Code applies at all times when Governors are (or might be seen) carrying out the business of WUTH or representing WUTH, and will include all circumstances in which Governors are directly engaging with members of the public, Trust employees, and other key stakeholders.

2. Seven Principles of Public Life

WUTH strongly promotes the Seven Nolan Principles of Public Life, and expects that its Governors, in keeping the Board members and officers, will apply the principles at all times. The Seven Nolan Principles are:

Selflessness

Holders of public office should act solely in terms of the public interest: they should not do so in order to gain financial or other benefits for themselves, their family or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to 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 alone.

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 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.

Leadership

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

3. Corporate Values

In addition to the Seven Nolan Principles, WUTH has four values that underpin everything it does:

- **caring** for everyone
- **respect** for all
- embracing **teamwork**
- committed to **improvement**

WUTH FT Governors should exhibit these values in delivering their statutory duties and when representing the Trust.

4. Council of Governors' Statutory Duties

The role of the Council of Governors is to:

- represent the interests of the members of the Trust as whole and the interests of the public;
- hold the Non-Executives individually and collectively to account for the performance of the Board of Directors.

In representing the interests of the members of the Trust as a whole and the interests of the public, Governors will actively engage with their constituents and will not seek to promote or pursue issues of personal interest. Governors also may not vote under instruction from the membership of their constituency and must make independent decisions.

The role of the Council of Governors, including their statutory duties, is set out in detail in the Trust Constitution (including standing orders), NHS England (formerly Monitor) Code of Governance, and NHS England's (formerly Monitor's) Guide for Governors.

In carrying out its work, the Council of Governors needs to take account of and respect the statutory duties and liabilities of the Board of Directors and individual Directors. This means recognising that the Executive Directors are responsible for the day-to-day running of the Trust, and that they are held to account by the Non-Executive Directors. The role of Governors is to then hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors.

5. Confidentiality

Governors must comply with the Trust's confidentiality policies and procedures. Governors must not disclose any confidential information, unless specifically permitted in writing from the Chair, Director of Corporate Affairs or Board Secretary, and must not seek to prevent a person from gaining access to information to which they are legally entitled.

In turn, the Trust will highlight whether any information provided to Governors is of a confidential nature, and issue any specific instructions in terms of safe retention and disposal (linked to the Data Protection Act).

6. Declarations of Interest

Governors have a duty to avoid a situation in which they have a direct or indirect interest that conflicts or may conflict with the interests of the Trust ("interests" are defined in the Trust Constitution).

It is also important from a Governor's perspective that they are not seen to be conflicted or in a situation where, in delivering their statutory duties, their judgement is perceived as being impaired or inappropriately affected.

The requirement for Governors is set out in Section 7 of the Standing Orders for the Council of Governors (as included in the WUTH Constitution), and includes the following:

- Governors are required to register, via the Director of Corporate Affairs, all relevant interests on the Trust's register of interests in accordance with the Trust Constitution. It is the responsibility of each Governor to update the Trust if their interests change at the earliest opportunity.
- If a Governor has a pecuniary, personal or family interest, whether that is actual or potential, direct or indirect, in any proposed contract or other matter which is under consideration or is to be considered by the Council of Governors, the Governor shall disclose that interest to the members of the Council of Governors as soon as he/she becomes aware of it.
- Governors are expected to be fully mindful of any interests they have during meetings and in the delivery of their statutory duties. Governors should generally not be involved, either on an employed or self-employed basis, in any contractual arrangements with the Trust, linked to the supply of goods and services. Where there is a potential for this situation to arise, the Governor will discuss the issue with the Trust Chair to determine whether it is likely to conflict the governor in carrying out their role.

Linked to the Bribery Act 2010, Governors must neither accept/offer a benefit from / to a third party by reason of being a Governor for doing / not doing anything in that capacity.

Failure to comply with the arrangements for disclosing details of interests is likely to constitute a breach of this Code.

7. Meetings

Governors have a responsibility to attend formal meetings of the Council of Governors, and any meetings of sub-committees of which that Governor is a member, and be appropriately engaged.

When it is not possible to attend a particular meeting, apologies should be submitted to the Director of Corporate Affairs in advance of the meeting.

A Governor's term of office may be terminated by the Council of Governors if he / she has failed to attend three consecutive meetings of the Council of Governors unless the Council of Governors is satisfied the absence was due to a reasonable cause and that the governor will resume attendance at meetings of the Council of Governors within such period as it considers reasonable.

8. Personal Conduct

Governors are expected to conduct themselves in a manner that reflects positivity on the Trust and not to conduct themselves in a manner that could reasonably be regarded as bringing their office or the Trust into disrepute.

Specifically Governors must:

- Treat fellow Governors, staff, members, and those with whom Governors interact, with respect
- Adhere to good practice in respect of conduct at meetings, respecting the views of fellow Governors and channelling questions through the Chair so that business can be conducted in an orderly fashion
- Be mindful of conduct which could be deemed to be unfair or discriminatory (the Trust seeks to promote social inclusion and therefore Governors will not discriminate against any part of the communities they serve, on any grounds)
- Recognise the respective roles of the Board of Directors and the Council of Governors, and that both parties have a common interest in the success of the Trust
- Demonstrate and evidence to the Council of Governors that they are engaged with Trust members and members of the public, and, in the case of elected public Governors, can genuinely represent the wider views of the public rather than purely their own or those of a small circle (it is important in this respect that Governors do not have, and are not seen to have, a personal interest that conflicts them or inappropriately influences their judgement)
- Seek to ensure that the memberships of the public constituency, staff constituency, or partner organisation that they represent are properly informed and that their views are fed back to the Trust.
- Deliver the requirements, on an annual basis, set out in the Governors Charter of Expectation including in relation to duties, attendance at meetings (see also section 7 – meetings-above) and training. Governors must attend training which is defined as mandatory, including in relation to induction.
- Demonstrate active commitment by attending and participating at meetings, or providing input to meetings by submitting view where a Governor is unable to attend a meeting
- Not seek to use their position improperly to confer an advantage or disadvantage on any person and must comply with the Trust's rules on the use of resources
- Comply with Trust policies which are applicable to the Governor role and duties

- Have due regard to advice provided by the Chair and Director of Corporate Affairs pursuant to their statutory duties.

9. Training and Development

WUTH is committed to providing appropriate training and development opportunities for Governors to enable them to carry out their role effectively. Governors are expected to participate in training and development opportunities that have been identified as appropriate for them. Governors are required to participate in any review processes both in terms of their own contribution and the wider effectiveness of the Council of Governors.

10. Dealing with the Media

Governors should not engage with the media, or make any comments, over matters relating to WUTH, and any Governor approached by the media for comment should immediately notify the Trust’s Director of Corporate Affairs.

11. Liaison with NHS England (formerly Monitor)

NHS England has stated that in exceptional circumstances (for example, where they have concerns over the functioning of the Board of Directors) they may wish to make contact with the Council of Governors. The Governors have nominated a Lead Governor to take on the role of having any direct contact with NHS England, and this will be co-ordinated through the Director of Corporate Affairs. If the Council of Governors or a Governor is concerned that the Trust has failed, or is failing to act in accordance with its Constitution, any proposed question and referral should be discussed first with the Director of Corporate Affairs who can advise on due process.

12. Interpretation and Concerns

Questions and concerns about the application of the Code should be raised with the Director of Corporate Affairs. At meetings the Chair will be the final arbiter of interpretation of the Code.

13. Review and Revision of the Code

This Code has been agreed by the Council of Governors. The Director of Corporate Affairs will ensure that the Code is reviewed periodically, although it is for the Governors to agree to any amendments or revisions.

14. Undertaking and Compliance

Governors are required to give an understanding that they will comply with the provisions of this Code and the provisions of the Trust’s Constitution. Failure to comply with the Code may result in action taken in accordance with Annex 5 of the Trust Constitution, including a written warning as to future conduct or potential termination of office.

15. Personal Declaration

I..... (Please print full name) have read, understood, and agree to abide by the Code of Conduct for the Council of Governors of WUTH FT

Signature

Date

Board of Directors Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Constitution Standing Orders Scheme of Reservations and Delegations

Review Date: November 2025
Issue Date: September 2023
Version: 1.0
Authorisation Date: September 2024

1. Constitution

The Board of Directors is established to set the strategic direction of the Trust, to set and guide the delivery of the Trust's values, mission, and culture, and is responsible for the overall performance of the Trust. It is derived from NHS Act 2006 and as amended by the Health and Social Care Acts 2012 and 2022. This document should be read in conjunction with the Acts and the Trust Constitution.

2. Authority

The Board of Directors' authority is set out in the Trust Constitution and is derived from the legislation noted above.

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 Board within the scope of its authority.

The Board is authorised to instruct professional advisers and request the attendance of individuals authorities from outside the Trust with relevant experience and expertise if it considers it necessary or expedient to the exercise of its functions.

In addition, the Board will establish Committees with delegated authority to carry out specific functions and may request that any item be considered first or further by a Committee.

3. Objectives and Duties

The general duty of the Board of Directors and of each Director individually is to act with a view to promoting the success of the Trust, so as to maximise the benefits for the members of the Trust and as a whole for the public.

The Board leads the Trust by undertaking three key roles:

- Formulating strategy

- Ensuring accountability by holding the organisation to account for the delivery of the strategy and through seeking assurance that systems of control are robust and reliable
- Shaping a positive culture for the Board and the organisation

The main duties of the Board of Directors, underpinning these three roles, are as follows:

- To set the strategic direction of the Trust within the overall policies both regionally and nationally, to define its annual and longer-term objectives, and to agree sufficiently resourced plans to achieve these
- To oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken when necessary
- To ensure effective financial stewardship through value for money, financial control and financial planning and strategy, and taking approvals in line with the Scheme of Reservation and Delegation.
- To ensure that high standards of corporate governance are implemented and maintained, to support compliance with its statutory and regulatory requirements, and to support high standards of transparency, probity, and integrity in the conduct of the business of the whole Trust
- To ensure that high standards of clinical governance are implemented and maintained, to ensure clinical services are effective and safe, and take into account patient experience
- To appoint, appraise and remunerate senior Executives
- To ensure that there is effective dialogue and partnership working between the Trust and the local community on its plans and performance and that these are responsive to the community's needs

The Board of Directors delegates duties and responsibilities to Board Committees and to the Trust Executive Team in accordance with the Trust's Standing Orders, Schemes of Reservations and Delegations and Standing Financial Instructions.

4. Equality and Diversity

The Board of Directors will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision making processes, and in representing these values in all areas it touches. The Board will have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Constitution requires that the Board of Directors shall consist of:

- a Non-Executive Chair; and
- not more than seven other Non-Executive Directors; and
- not more than seven Executive Directors,

At least half of the Board of Directors, excluding the Non-Executive Chair, shall at all times comprise Non-executive Directors.

One of the Executive Directors shall be the Chief Executive. The Chief Executive shall be the Accounting Officer.

One of the Executive Directors shall be the Director of Finance.

One of the Executive Directors is to be a registered medical practitioner or a registered dentist (within the meaning of the Dentists Act 1984).

One of the Executive directors is to be a registered nurse or a registered midwife.

The Trust chooses to interpret these four constitutional roles to mean the Chief Executive, Medical Director, Chief Finance Officer, and Chief Nurse.

Attendance at meetings will be monitored and shall be reported in the Annual Report.

6. Attendance

Meetings of the Board of Directors may be attended by:

- Director of Corporate Affairs
- Board Secretary
- Other officers of the Trust as requested by the Board of Directors.

Meetings of the Board of Directors shall be held in public may be attended by any member of the Trust, the public, or staff who have notified the Board Secretary in advance.

Meetings of the Board of Directors in private, held under the provision of Section 1, Subsection 2 of the Public Bodies (Admissions to Meetings) Act 1960, may be attended by a non-Board member, only at the request of the Board.

7. Conflicts of Interest

Notwithstanding the definition of material interests applicable to Directors as set out in the constitution, due consideration of interests will be regularly monitored.

Both Executive and Non-Executive Directors may not take part in any discussions or decisions which pertain to their own employment, performance, or remuneration.

It will be for the Chair of the Board to determine whether or not it is appropriate for Directors to be in attendance to advise on these matters. In such circumstances where that person is in attendance, they will not have a vote or participate in the decision of the Committee.

8. Quorum and Frequency

A quorum shall be six Directors, including at least three executive Directors (one of whom must be the Chief Executive, or another executive Director nominated by the Chief Executive) and at least three non-executive Directors (one of whom must be the Chair or the Deputy Chair).

An Officer in attendance for an executive Director but without formal acting up status may not count towards the quorum.

Meetings of the Board of Directors shall be held at least three times in each financial year at such times and places that the Board of Directors may determine.

Meetings shall be open to the public unless the Board of Directors in its absolute discretion decides otherwise in relation to all or part of such meetings for reasons of commercial confidentiality or on other proper grounds. Private sessions of the Board will be held under the provision of Section 1, Subsection 2 of the Public Bodies (Admissions to Meetings) Act 1960.

9. Reporting

The Board of Directors will develop a Cycle of Business where scheduled items throughout the year will be presented.

The minutes of all meetings shall be formally recorded and presented to the next meeting for approval.

The agenda prior to any meeting of the Board of Directors will be provided to the Council of Governors, and a copy of the approved minutes as soon as is practicable afterwards.

The agenda and supporting papers of each meeting shall be displayed on the Trust website.

The Board has established a number of assurance Committees and will receive regular Chair's updates from those Committees.

The Trust reports activity externally through Trust's annual report and accounts. This shall be laid before Parliament annually and published in line with national guidance.

10. Conduct of Meetings

The agenda and supporting papers will be sent out at least four working days prior to the Board of Directors, unless there are exceptional circumstances authorised by the Chair.

Authors of papers must use the standard template.

Presenters of papers can expect all Members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Members may question the presenter.

11. Other Committees

The Board of Directors acting as corporate Trustee has established the Charitable Funds Committee.

12. Effectiveness Review

As part of the annual performance review process outlined in the Board Effectiveness and Evaluation Policy, the Board of Directors shall review its collective effectiveness annually.

13. Review

The Board of Directors shall review its Terms of Reference as required and at least annually.

Council of Governors

Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Constitution Standing Orders Scheme of Reservations and Delegations National Health Service Act 2006

Review Date: July 2025
Issue Date: July 2023
Version: 1.0
Authorisation Date: July 2024

1. **Constitution**

The Council of Governors is established in line with legislation to discharge two main statutory duties: to hold the non-executive Directors to account (both collectively and individually) for the performance of the Board of Directors; and to represent the interests of the members of the Trust as a whole and the interests of the public.

The Council of Governors is derived from NHS Act 2006 and as amended by the Health and Social Care Acts (2012 and 2022). This document should be read in conjunction with the Acts.

2. **Authority**

The Council of Governors' powers are set out in the Trust Constitution, and are in line with the legislation indicated above. The Council derives authority from this legislation, and is accountable to Trust members.

The Council of Governors may establish Committees and delegate authority to them to carry out the detailed work of its ad hoc duties, but may not delegate its two statutory duties, nor the final approval of those areas it has delegated.

3. **Objectives and Duties**

The Council of Governors will deliver the following statutory duties:

- To hold the non-executive Directors to account (both collectively and individually) for the performance of the Board of Directors; and
- To represent the interests of the members of the Trust as a whole and the interests of the public.

The Council of Governors will seek the views of members and stakeholders and keep them informed through the mechanisms set out within the Membership Strategy and by holding an Annual Members' Meeting.

The Council of Governors will undertake the other ad hoc duties in line with legislation:

- Appoint and, if appropriate, remove the Trust chair and other non-executive directors
- Decide the remuneration and allowances and other terms and conditions of office of the chair and the other non-executive directors
- Approve (or not) any new appointment of a chief executive
- Appoint and, if appropriate, remove the Trust's auditor
- Receive the Trust's Annual Report, including Annual Accounts, at a general meeting of the Council of Governors
- Provide views on the Trust's forward plan
- Hold the non-executive directors, individually and collectively, to account for the performance of the Board of Directors
- Represent the interests of the members of the Trust as a whole and the interests of the public
- Approve significant transactions (example Acquisitions and Mergers)
- Approve an application by the Trust to enter into a merger, acquisition, separation, or dissolution
- Decide whether the Trust's non-NHS work would significantly interfere with its principal purpose, which is to provide goods and services for the health service, or performing its other functions
- Approve amendments to the Trust's constitution

4. Equality and Diversity

The Council of Governors will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision-making processes, and in representing these values in all areas it touches. It will have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Council of Governors shall be composed as per the provisions in the Trust Constitution:

- Thirteen Public Governors from the following areas of the Public Constituency:
 - Bebington and Clatterbridge
 - Bidston and Claughton
 - Birkenhead, Tranmere, and Rock Ferry
 - Bromborough and Eastham
 - Greasby, Frankby, Irby, Upton and Woodchurch
 - Heswall, Pensby and Thingwall
 - Leasowe, Moreton and Saughall Massie
 - Liscard and Seacombe
 - Neston, Little Neston, Parkgate, Riverside, Burton, Ness, Willaston and Thornton
 - New Brighton and Wallasey
 - North West and North Wales
 - Oxtton and Prenton
 - West Wirral
- Five Staff Governors from the following classes:
 - Registered medical practitioners and registered dentists
 - Registered nurses and registered midwives
 - Other healthcare professional staff

- Other Trust staff
- Two Local Authority Governors to be appointed by Wirral Borough Council
- Two Governors to be appointed by:
 - Liverpool University
 - Wirral Third Sector Assembly

Attendance at meetings will be monitored by the Board Secretary and shall be reported in the Annual Report. In line with the Trust Constitution and the Code of Conduct for Governors, unexcused attendance at three consecutive meetings of the Council may constitute grounds for discussions with the Chair.

6. Attendance

Meetings of the Council of Governors may be attended by one or more of the Directors to obtain information about the Trust's performance of its functions or the Directors' performance of their duties.

7. Conflicts of Interest

Notwithstanding the definition of material interests applicable to Governors as set out in the Constitution, due consideration of interests will be regularly monitored.

Attendees, including Non-Executive Directors, may not be present for discussions which pertain to their performance, tenure, or remuneration.

8. Quorum and Frequency

A quorum shall be at least eight Governors including not less than five Public Governors are present.

The Council of Governors should meet sufficiently regularly to discharge its duties. The Council of Governors would be expected to meet as a full Council at least four times a year (plus the Annual Members' Meeting). Governors should make every effort to attend the meetings of the Council of Governors.

9. Rights and Voting Powers

Governors should use their rights and voting powers from the 2012 Act to represent the interests of members and the public at large on major decisions taken by the Board of Directors. These voting powers require:

- More than half the members of the Board of Directors who vote and more than half the members of the Council of Governors who vote to approve a change to the Constitution of the NHS foundation trust
- More than half the Governors who vote to approve a significant transaction.
- More than half the Governors to approve an application by a trust for a merger, acquisition, separation, or dissolution
- More than half the Governors who vote to approve any proposal to increase the proportion of the Trust's income earned from non-NHS work by 5% a year or more. For example, Governors will be required to vote where an NHS foundation trust plans to increase its non-NHS income from 2% to 7% or more of the Trust's total income
- Governors to determine together whether the Trust's non-NHS work will significantly interfere with the Trust's principal purpose, which is to provide goods and services for the health service in England, or its ability to perform its other functions

10. Reporting

The minutes of all meetings shall be formally recorded and presented to the next meeting of the Council of Governors for approval.

The agenda and supporting papers of each meeting shall be displayed on the Trust website.

11. Conduct of Meetings

The agenda and supporting papers will be sent out at least four working days prior to the Council of the Governors, unless there are exceptional circumstances authorised by the Chair.

Authors of papers should use the standard template.

Presenters of papers can expect all members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Governors may question the presenter.

12. Performance Evaluation

As part of the Council of Governors performance review process, and in line with the guidance on Governors' duties, the Council of Governors shall review its collective performance at least once every three years.

13. Review

These terms of reference shall be reviewed as required and at least annually.

Nominations Committee

Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Constitution NHS Code of Governance

Review Date: September 2025
Issue Date: June 2011
Version: 3
Authorisation Date: October 2024

1. Constitution

The Committee is established as a Sub Committee of the Council of Governors. Its purpose is to establish and manage processes governing the appointment or re-appointment of the Chair and Non-Executive Directors, and to make recommendations to the Council of Governors, in consultation with the Board of Directors. The Committee will also oversee the process for the annual appraisal of the Chair and Non-Executive Directors; review the remuneration and terms and conditions of service applicable to the Chair and Non-Executive Directors; and make appropriate recommendations on these matters to the Council of Governors.

2. Authority

The Committee must act in accordance with the Constitution and be guided by the NHS Code of Governance and the latest reference guide for NHS FT Governors. It may seek independent advice following consultation with the Chief Executive, Chief People Officer, or Director of Corporate Affairs, in order to ensure that best practice is followed.

3. Objectives

The Committee will deliver the following objectives, along with any others that are assigned by the Council of Governors during the course of the year:

3.1 Chair/Non-Executive Director vacancies

- 3.1.1 To recommend and agree with the Council of Governors a process for nomination of a new Chair or Non-Executive Director.
- 3.1.2 To receive role description/s and person specification/s defining the role and capabilities required, from the Board of Directors.
- 3.1.3 To agree the arrangements for advertising / raising awareness of the post/s and ensuring a process of open competition (this may involve consideration of the appointment of a Head Hunter).
- 3.1.4 To arrange for shortlisting applicants against agreed criteria.

- 3.1.5 To appoint a Selection Panel, drawn from the Committee Members, and comprising not less than the required quorum, which will conduct the selection process, including formal interview, and make recommendations of the successful candidate/s to the Council of Governors for approval.

3.2 Re-appointments

- 3.2.1 To make recommendations to the Council of Governors following receipt of confirmation from the Chair (in the case of NED re-appointments) and Senior Independent Director (in the case of the Chair's re-appointment) that the performance of the individual continues to be effective.
- 3.2.2 To undertake an interview with the individual concerned to inform any recommendation to the Council of Governors, if deemed necessary

3.3 Annual Appraisal of the Chair and Non-Executive Directors

- 3.3.1 To oversee a process, agreed by the Council of Governors, for the annual appraisal of the Chair and the outcome of the Chair's annual appraisal will be reported to the Council of Governors. The Senior Independent Director will lead this process.
- 3.3.2 The Chair will conduct the annual appraisal of each Non-Executive Director and report to the Committee on each Non Executive Director's performance. The outcome of the appraisals will be reported to the Council of Governors.

3.4 Chair/Non-Executive Director Remuneration and Terms of Conditions

- 3.4.1 To discuss and recommend an approach to remuneration, should NHSE guidance on Chair/NED remuneration structures change.
- 3.4.2 To discuss and recommend an approach to setting terms of conditions, based on guidance and advice from the Chief People Officer, and/or an appropriate external body.

3.5 Succession Planning

- 3.5.1 To give full consideration to succession planning, taking into account the future challenges, risks and opportunities facing the Trust, and the skills and expertise required within the Board of Directors, specifically the Non-Executive Directors to meet them.
- 3.5.2 To review the structure, size, and composition of the Board of Directors, specifically the Non-Executive Directors and recommend changes where appropriate.

4. Equality and Diversity

The Committee will have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Committee shall consist of:

- The Chair of the Foundation Trust
- Senior Independent Director
- Three Elected Public Governors
- One Elected Staff Governor
- One Appointed Governor

The Committee will be Chaired by the NHS Foundation Trust Chair. However, where the Chair has a conflict of interest, for example, when the Committee is considering the Chair's re-appointment or remuneration / terms of service, then the Chair shall withdraw from the meeting and the Committee will be chaired by the

Senior Independent Director. If the Senior Independent Director wishes to stand for the appointment of Chair, then the Committee will be chaired by another Non-Executive Director appointed by the Board of Directors.

The Chief People Officer will lead on discussions relating to remuneration of Non-Executive Directors.

6. Attendance

Meetings of the Committee may, at the request of the Chair, be attended by:

- Chief Executive
- Chief People Officer
- Director of Corporate Affairs

Other officers of the Trust will be invited to attend as requested by the Committee.

Any Selection Panel may include an external facilitator who will act in an advisory capacity (non-voting), and, in line with the NHS Code of Governance, should also include one external assessor from NHS England and/or a representative from the ICB.

7. Conflicts of Interest

Notwithstanding the definition of material interests applicable to Directors as set out in the constitution, due consideration of interests will be regularly monitored.

It will be for the Chair of the Committee to determine whether or not it is appropriate for Directors to be in attendance to advise on these matters. In such circumstances where that person is in attendance, he/she will not have a vote or participate in the decision of the Committee.

8. Quorum and Frequency

The quorum shall be a minimum of three members of the Committee, at least two of whom shall be Governors.

The Committee will meet at least annually and then as required to fulfil its responsibilities, as determined by the Chair.

9. Reporting

The minutes of all meetings shall be formally recorded.

The Chair will report on the proceedings of each meeting to the next meeting of the Council of Governors. This part of the meeting will be held in private i.e. not open to members of the public, when the names and details of individuals are being discussed.

The Chair will attend the Annual Members' Meeting to report on the activities of the Committee in the previous 12 months, including the announcement of any Non-Executive Director appointments/re-appointments made during the course of the year.

The Annual Report will describe the process followed by the Council of Governors to appoint the Chair and Non-Executive Directors.

10. Conduct of Committee Meetings

The agenda and supporting papers will be sent out at least four working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.

Authors of papers must use the standard template and indicate the purpose of the paper – e.g. decision, discussion, assurance, approval.

Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.

11. Performance Evaluation

As part of the Council of Governors performance review process, the Committee shall review its collective performance as required.

12. Review

The terms of reference of the Committee shall be reviewed by the Council of Governors when requested but at least annually.

Audit and Risk Committee Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Scheme of Reservation and Delegation Standing Financial Instructions Trust Constitution

Review Date: September 2025
Issue Date: April 2014
Version: 5.0
Authorisation Date: December 2024

1. Constitution

The Committee is established as an Assurance Committee of the Board of Directors to ensure effective governance in respect of annual reporting, strategic risk oversight, and the amendment of governance documents. The Committee will also seek assurance that the Trust has robust systems and controls in place via an internal and external audit programme.

The Committee is a Non-executive Committee of the Board and has no powers other than those specifically delegated in these Terms of Reference.

2. Authority

The Committee is authorised by the Board of Directors 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.

Matters for consideration by the Committee may be nominated by any member of the Committee or Executive Director of the Trust.

The Committee is authorised to instruct professional advisers and request the attendance of individuals authorities from outside the Trust with relevant experience and expertise if it considers it necessary or expedient to the exercise of its functions.

In addition, the Committee is authorised to request that another Committee or the Board review, monitor, or approve any item that may be better suited to, or overlap with, their responsibility.

3. Objectives

The role of the Committee will be to take a wide responsibility for the overarching scrutiny for the Trust's risk and assurance structures and processes which affect all aspects of the Trust's business.

The Committee will deliver the following objectives, along with any others that are assigned by the Board of Directors during the course of the year:

3.1 Governance, Risk Management, and Internal Control

- 3.1.1 To 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) that supports the achievement of the organisation's objectives. This includes reviewing the effectiveness of the organisation's committee structure.
- 3.1.2 To review the adequacy of all risk and control related disclosure statements (in particular the Annual Governance Statement), together with any accompanying Internal Audit opinion, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board.
- 3.1.3 To review the adequacy of 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.
- 3.1.4 To review the adequacy of policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self certification.
- 3.1.5 To review the integrity of the statutory financial statements of the Trust and any formal announcements relating to the Trust's financial performance, reviewing statutory financial reports and judgements contained therein.
- 3.1.6 To review on behalf of the Board of Directors the operation of, and proposed changes to the Governance manual including standing financial instructions, scheme of delegation, the constitution, codes of conduct and standards of business conduct, including maintenance of registers.
- 3.1.7 To examine the circumstances of any significant departure from the requirements of any of the foregoing, whether those departures relate to a failing, an overruling or a suspension.
- 3.1.8 To monitor and seek assurance on compliance against the procurement strategy.
- 3.1.9 To monitor and seek assurance on the digitalisation agenda, along with the controls in place specifically relating to digital controls and cyber security.

3.2 Internal Audit

3.2.1 The Committee shall ensure that there is an effective Internal Audit function established by management, which meets mandatory NHS Internal Audit Standards and provides appropriate independent assurance to the Audit Committee, Chief Executive and Board.

3.2.2 This will be achieved by:

- ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation;
- consideration of the provision of the Internal Audit service, the cost of the audit and any questions of resignation and dismissal;

- review and approval of the Internal Audit charter, strategy, audit operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation as identified in the Board Assurance Framework;
- consideration of the major findings of internal audit work, management's response, and progress on the implementation of recommendations;
- ensuring co-ordination between the Internal and External Auditors to optimise audit resources;
- ensuring adequate independent assurances are provided; and
- annual review of the effectiveness of internal audit.

3.2.3 The Committee will involve the Chief Finance Officer in the selection process of the Internal Auditor.

3.2.4 The internal auditors will have a right of access to the Chair of the Audit and Risk Committee.

3.3 External Audit

3.3.1 To make a recommendation on behalf of the Committee to the Council of Governors in respect of the appointment, re-appointment and removal of an external auditor. To the extent that that recommendation is not adopted by the Council of Governors, this shall be included in the annual report, along with the reasons that the recommendation was not adopted.

3.3.2 To discuss with the external auditor, before the audit commences, the nature and scope of the audit, and ensure co-ordination, as appropriate, with other external auditors in the local health economy.

3.3.3 To assess the external auditor's work and fees on an annual basis and, based on this assessment, make a recommendation to the Council of Governors with respect to the re-appointment or removal of the auditor. This assessment should include the review and monitoring of the external auditor's independence and objectivity and effectiveness of the audit process in light of relevant professional and regulatory standards.

3.3.4 To oversee the conduct of a market testing exercise for the appointment of an auditor at least once every five years and, based on the outcome, make a recommendation to the Council of Governors with respect to the appointment of the auditor.

3.3.5 To review external audit reports, including the report to those charged with governance, agreement of the annual audit letter before submission to the Board and any work undertaken outside the annual audit plan, together with the appropriateness of management responses.

3.3.6 To develop and implement a policy on the engagement of the external auditor to supply non-audit services.

3.3.7 To receive a statutory report and opinion on the annual report and accounts.

3.4 Counter Fraud

3.4.1 To review the adequacy of policies and procedures for all work related to counter fraud and as required by NHS Counter Fraud Authority, as well as reviewing the outcomes of counter fraud work.

- 3.4.2 To review the adequacy of annual plans / reports from the Local Counter Fraud Specialist and the Local Security Management Specialist.
- 3.4.3 To satisfy itself that the organisation has adequate arrangements in place for countering fraud and reviewing the outcomes of counter fraud work.

3.5 Other Assurance Functions

- 3.5.1 The Committee shall review the findings of other assurance functions, both internal and external to the organisation, and consider any governance implications.
- 3.5.2 These will include, but will not be limited to, any reviews by Department of Health arms length bodies or Regulators/Inspectors (e.g. Care Quality Commission, NHS Resolution, etc.), professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges, accreditation bodies etc.).
- 3.5.3 To ensure the effective use of the Board Assurance Framework to guide the Committee's work. This will include utilising and reviewing the work of the Internal Audit, External Audit and other assurance functions and reports and assurances sought from Directors and managers and other investigatory outcomes so as to fulfil its functions in connection with these terms of reference.
- 3.5.4 To consider the outcomes of significant reviews carried out by other bodies which include but are not limited to regulators and inspectors within the health sector and professional bodies with responsibilities that relate to staff performance and functions.
- 3.5.5 In addition, the Committee will work closely with the other Committees and be informed particularly on the work of risk through regular updates from the Risk Management Committee.
- 3.5.6 The Committee will review on an annual basis the effectiveness of the arrangements in place for allowing staff to raise (in confidence) concerns about possible improprieties in financial, clinical or safety matters and ensure that any such concerns are investigated proportionately and independently.

3.6 Annual Accounts Review

- 3.6.1 To review the annual statutory accounts, before they are presented to the Board of Directors, to determine their completeness, objectivity, integrity, and accuracy. At this time the Committee will also receive the Annual Report which summarises the outcome of the external audit. This review will cover but is not limited to:
- The rigour with which the Auditor has undertaken the audit;
 - the meaning and significance of the figures, notes and significant changes;
 - areas where judgment has been exercised;
 - changes in, and compliance with, accounting policies and practices;
 - explanation of estimates or provisions having material effect;
 - the schedule of losses and special payments;
 - any unadjusted statements;

- any reservations and disagreements between the external auditors and management which have not been satisfactorily resolved; and
- letter of representation.

3.6.2 To annually review the accounting policies of the Trust and make appropriate recommendations to the Board of Directors.

3.6.3 To review the Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee before they are submitted to the Board of Directors to determine completeness, objectivity, integrity, and accuracy.

4. Equality and Diversity

The Committee will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision making processes, and in representing these values in its areas of activity.

The Committee will also have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Committee shall consist of:

- Non-Executive Director (Chair)
- 2 other Non-Executive Directors

Members will be appointed by the Board from amongst the Non-Executive Directors of the Trust (excluding the Chairman) and at least one member shall have recent and relevant financial experience.

The composition of the Committee should be given in the Trust's Annual Report.

6. Attendance

Attendance (in a non-voting capacity) will also be expected from the following members of the Trust:

- Chief Finance Officer (Nominated Deputy – Deputy Chief Finance Officer)
- Director of Corporate Affairs
- A Governor to observe

Other senior managers will attend when they have papers to present or when the Committee is discussing areas of risk or operation that are the responsibility of that Director/officer.

The Chief Executive will be invited to attend, at least annually, to discuss with the Audit and Risk Committee the process for assurance that supports the Annual Governance Statement.

Attendance is also anticipated from Internal and External Auditors and the Local Counter Fraud Specialist.

The Director of Corporate Affairs will make arrangements to ensure that the Committee is supported administratively. Duties in this respect will include taking minutes of the meeting and providing appropriate support to the Chairman and Committee members.

All members should aim to attend all scheduled meetings with attendance being reviewed annually. Attendance below 80% may result in discussions with the Committee Chair.

Where non-voting members are unable to attend, they should send a designated nominated deputy.

7. Conflicts of Interest

It will be for the Chair of the Committee to determine whether or not it is appropriate for a member to be in attendance to advise on these matters. In such circumstances where that person is in attendance, he/she will not have a vote or participate in the decision of the Committee.

8. Quorum and Frequency

A quorum shall be two members.

Meetings shall be held as required but not less than four times per year. Meetings may be added, stood down, or rescheduled with the approval of the Chair.

The Internal or External Auditors may request additional meetings if they consider such a meeting necessary.

Both the Internal and External auditors shall be afforded the opportunity at least once per year to meet with the Audit and Risk Committee without Executive Directors present.

9. Reporting

The minutes of all meetings shall be formally recorded. The Committee will report to the Board following each meeting via a Chair's report.

The Committee will also update the Council of Governors on recent Committee activity via the appropriate template.

The Trust's Annual Report shall include a section describing the work of the Audit and Risk Committee in discharging its responsibilities.

10. Conduct of Meetings

The agenda and supporting papers will be sent out four working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.

Authors of papers should use the standard template.

Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.

11. Performance Evaluation

As part of the Board's annual performance review process, the Committee shall review its collective performance each year.

12. Review

The terms of reference of the Committee shall be reviewed as required and at least annually.

Quality Committee Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Scheme of Reservation and Delegation Standing Financial Instructions Trust Constitution

Review Date: November 2025
Issue Date: April 2013
Version: 4.0
Authorisation Date: January 2025

1. Constitution

The Committee is established as an Assurance Committee of the Board of Directors to provide assurance in relation to clinical quality and effectiveness, patient safety and patient experience (including complaints and serious incident learning); the effectiveness of the quality governance framework; and learning and quality improvement. The Committee shall also provide assurance concerning clinical Health and Safety arrangements which ensure a safe environment for patients.

2. Authority

The Committee is authorised by the Board of Directors 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.

Matters for consideration by the Committee may be nominated by any member of the Committee or Executive Director of the Trust.

The Committee is authorised to instruct professional advisers and request the attendance of individuals authorities from outside the Trust with relevant experience and expertise if it considers it necessary or expedient to the exercise of its functions.

In addition, the Committee is authorised to request that another Committee or the Board review, monitor, or approve any item that may be better suited to, or overlap with, their responsibility.

3. Objectives

The Committee will deliver the following objectives, along with any others that are assigned by the Board of Directors during the course of the year:

- 3.1.1 To review the policies and practices that relate to patient safety and experience, clinical health and safety, and quality governance.
- 3.1.2 To review and approve the Trust's Quality Strategy and Patient Experience Strategy, recommending them to the Board for final approval, and to seek assurance that the associated actions are being implemented.
- 3.1.3 To provide scrutiny of the Trust's patient safety record, clinical outcomes, patient experience ratings, compliance with fundamental standards of care, and learning effectiveness.
- 3.1.4 To provide scrutiny of the frameworks and processes in place for managing patient safety and quality governance. This may include reviewing operational challenges, resourcing, clinical audit programmes, and other key areas of quality control.
- 3.1.5 To consider and seek further assurance regarding any potential quality impact arising from Trust activities, as referred by other Committees.
- 3.1.6 To receive relevant reports as required by guidance or regulation and any other matters referred by the Patient Safety Quality Board, including Divisional quality performance.
- 3.1.7 To provide review and recommend the Quality Account/Report to the Board for approval on an annual basis.
- 3.1.8 To provide to the Board such assurances as it may reasonably require regarding compliance by the Trust with all CQC and other quality regulations or legal obligations to which they are subject. This will include assurance on the outcomes of CQC and other quality related inspections.
- 3.1.9 To monitor and review the BAF in accordance with the Risk Management Strategy, in particular the risks associated with patient safety, quality governance.
- 3.1.10 To consider any findings of major investigations of internal control over safety critical matters, clinical effectiveness, patient concerns, or clinical health and safety matters and agree subsequent actions required to keep residual risk under prudent control.
- 3.1.11 To consider and review the Trust's compliance with the statutory duty of candour, and to be satisfied that the Trust is being open, honest, and effectively engaging and supporting with patient's and relatives who have been victims of moderate or serious harm.

3. Equality and Diversity

The Committee will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision making processes, and in representing these values in its areas of activity.

The Committee will also have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

4. Membership

The Committee shall consist of:

- Three Non-Executive Directors, one of whom shall be appointed the Chair
- Medical Director (Nominated Deputy – Deputy Medical Director)
- Chief Nurse (Nominated Deputy – Deputy Chief Nurse)

All members should aim to attend all scheduled meetings with attendance being reviewed annually. Attendance below 80% may result in discussions with the Committee Chair.

Where members are unable to attend, they should send a designated nominated deputy.

5. Attendance

Meetings of the Committee will generally be attended by:

- Deputy Director of Quality Governance
- Director of Corporate Affairs
- A Governor to observe
- A representative from Healthwatch Wirral
- Other members of the Executive Team on a rotational basis

The Committee may invite other persons to attend a meeting as required, and the Chair will be informed of these additions where possible prior to the meeting.

No officer shall be present for discussions about his/her own remuneration.

6. Conflicts of Interest

It will be for the Chair of the Committee to determine whether or not it is appropriate for a member to be in attendance to advise on these matters. In such circumstances where that person is in attendance, he/she will not have a vote or participate in the decision of the Committee.

7. Quorum and Frequency

A quorum shall be at least 2 Non-Executive Directors and either the Medical Director or Chief Nurse (or their deputy).

Meetings shall be held as necessary and at least 4 times annually. Meetings may be added, stood down, or rescheduled with the approval of the Chair.

There will be a scheduled meeting each year to approve the Quality Account.

8. Reporting

The minutes of all meetings shall be formally recorded. The Committee will report to the Board following each meeting via a Chair's report.

The Committee will also update the Council of Governors on recent Committee activity via the appropriate template.

The Committee will report annually on its work in support of the Annual Governance Statement and Quality Account/Report, as laid out in the reporting guidance for the creation of those documents.

9. Conduct of Meetings

The agenda and supporting papers will be sent out at least four working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.

Authors of papers should use the standard template.

Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.

10. Performance Evaluation

As part of the Board's annual performance review process, the Committee shall review its collective performance each year.

11. Review

The terms of reference of the Committee shall be reviewed as required and at least annually.

Research and Innovation Committee

Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Research and Innovation Strategy 2021-2026 Research Policies and SoPs UK Policy Framework for Health and Social Care

Review Date: September 2025
Issue Date: October 2022
Version: 2.0
Authorisation Date: December 2024

1. Constitution

The Committee is established as an Assurance Committee of the Board of Directors to ensure effective governance in respect of Research and Innovation activity across the Trust.

2. Authority

The Committee is authorised by the Board of Directors 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.

Matters for consideration by the Committee may be nominated by any member of the Committee or Executive Director of the Trust.

The Committee is authorised to instruct professional advisers and request the attendance of individuals authorities from outside the Trust with relevant experience and expertise if it considers it necessary or expedient to the exercise of its functions.

In addition, the Committee is authorised to request that another Committee or the Board review, monitor, or approve any item that may be better suited to, or overlap with, their responsibility.

3. Objectives and Duties

The Committee will deliver the following objectives, along with any others that are assigned by the Board of Directors during the course of the year:

- 3.1 The primary purpose of the Committee is to drive, promote and support both the research and innovation cultures across the Trust and to ensure strong governance in line with relevant frameworks, policies, procedures and guidelines.

- 3.2 The Committee is responsible for developing and fostering a close and meaningful relationship between research activity and clinical practice. To this end, the core purpose of the committee is to create an environment across all parts to the Trust to support excellent clinical delivery and promote a culture of service innovation and evidence-based practice.
- 3.3 The Committee will lead decision-making regarding overall responsibility for research including sponsorship, study prioritisation and resolution of barriers to delivery.

The Committee will undertake the following duties:

3.4 To develop, review and update the strategic direction and business planning for research and innovation by:

- 3.4.1 Leading, contributing, and supporting the delivery of the Trusts strategic objectives, priorities and ambitions;
- 3.4.2 Developing and delivering the research and innovation strategy, promoting, and establishing collaborative relationships with universities, NHS partners, research and innovation networks and other key stakeholders such as social care and service user and carer groups;
- 3.4.3 identifying and reviewing changes in legislation and policy or guidance that impacts on the local delivery and management of Research and/or Innovation;
- 3.4.4 ensuring that service users/carers are involved with research and innovation activities;
- 3.4.5 monitoring outcomes arising from research and innovation carried out within the Trust and support the integration of findings, outcomes, R&I intelligence into business planning for clinical and corporate divisions;
- 3.4.6 overseeing, reviewing, and steering research and innovation finance and funding including management of any Research and Innovation fund;
- 3.4.7 embedding research and innovation at every level of the organisation.

3.5 To develop and promote NIHR portfolio research by:

- 3.5.1 monitoring the Trust's performance against DHSC high level objectives and regional metrics the NIHR high level objectives, including recruitment to portfolio studies;
- 3.5.2 providing infrastructure to support grant applications primarily for (but not exclusively) NIHR grant applications;
- 3.5.3 ensuring the communication of key messages regarding the importance of research and innovation as a routine part of clinical practice;
- 3.5.4 ensuring that a research advice and support service is provided to all Trust staff as required and contributes to new and innovative ways to support research and research related activity.

3.6 To oversee and direct the activities which support the development of a research into action culture, bringing research and clinical application closer. Activities include:

- 3.6.1 ensuring information is widely available regarding all research undertaken within the Trust;
- 3.6.2 ensuring that headlines from research, evaluation, and research related activity are regularly publicised, to include early findings, progress, and final outcomes;

- 3.6.3 profiling good practice regarding service improvements based on research findings;
- 3.6.4 ensuring that the library service resource is fully utilised to enable research application in clinical practice.

3.7 To oversee and coordinate the activities relating to the development and promotion of innovation within WUTH. These activities will include:

- 3.7.1 distributing and maintaining a Trust innovations framework and associated guidance;
- 3.7.2 developing regular communications to WUTH staff members to ensure they are aware of how to submit ideas and how to apply for innovation funding;
- 3.7.3 linking with individual staff, teams and/or service areas to generate and prioritise innovative ideas which align to the Trust objectives or which are designed to solve problems which have been identified in our clinical settings;
- 3.7.4 establishing WUTH as a leading organisation for innovation through a variety of methods e.g. networking, relevant event attendance, hosting of conferences;
- 3.7.5 identification of potential collaborative partners through external networks.

3.8 To assure high robust management and governance of research and innovation:

- 3.8.1 develop, monitor, and regularly review the Trust's Research and Innovation policies and procedures;
- 3.8.2 ensure that other research-related policies, guidelines, and standard operating procedures are developed and ratified as and when necessary;

4. Equality and Diversity

The Committee will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision making processes, and in representing these values in its areas of activity.

The Committee will also have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Committee shall consist of:

- A Non Executive Director (Chair)
- 3 other Non Executive Directors
- Medical Director (Nominated Deputy – Deputy Medical Director)
- Chief Strategy Officer (Nominated Deputy – Deputy Chief Strategy Officer)

Where members are unable to attend, they should send a designated nominated deputy.

6. Attendance

Attendance (in a non-voting capacity) will also be expected from the following members of the Trust:

- Deputy Medical Director
- Clinical Lead for Research
- Research and Innovation Manager

Other officers and staff of the Trust will be invited to attend the meeting as appropriate when an issue relating to their area of operation or responsibility is being discussed.

Governors may attend to observe.

Representatives from partner organisations or other external bodies may be invited to attend as appropriate. Such representatives will not have voting rights.

All members should aim to attend all scheduled meetings with attendance being reviewed annually. Attendance below 80% may result in discussions with the Committee Chair.

7. Conflicts of Interest

It will be for the Chair of the Committee to determine whether or not it is appropriate for a member to be in attendance to advise on these matters. In such circumstances where that person is in attendance, he/she will not have a vote or participate in the decision of the Committee.

8. Quorum and Frequency

A quorum shall be at least two Non-Executive Directors (including the Chair or Deputy Chair) and one Executive Director.

Meetings shall be held as required but not less than four times per year. Meetings may be added, stood down, or rescheduled with the approval of the Chair.

9. Reporting

The minutes of all meetings shall be formally recorded. The Committee will report to the Board following each meeting via a Chair's report.

The Committee will also update the Council of Governors on recent Committee activity via the appropriate template.

10. Conduct of Committee Meetings

The agenda and supporting papers will be sent out four working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.

Authors of papers should use the standard template.

Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.

11. Performance Evaluation

As part of the Board's annual performance review process, the Committee shall review its collective performance each year.

12. Review

The terms of reference of the Committee shall be reviewed as required and at least annually.

Remuneration Committee Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Scheme of Reservation and Delegation Standing Financial Instructions Trust Constitution

Review Date: September 2024
Issue Date: April 2013
Version: 2.0
Authorisation Date: December 2023

1. Constitution

The Committee is established as an Assurance Committee of the Board of Directors in order to ensure effective governance in respect of Executive Director and other Executive Team Member appointments, succession planning and the remuneration of the same.

2. Authority

The Committee is authorised by the Board of Directors to investigate any activity within its terms of reference. It is authorised to seek information it requires of any employee (or contractor working on behalf of the Trust) and all employees (or contractors working on behalf of the Trust) are directed to co-operate with any request made by the Committee. The Committee is authorised to obtain legal advice or other professional advice from internal or external sources.

In addition, the Committee is authorised to request that another Committee or the Board review, monitor, or approve any item that may be better suited to, or overlap with, their responsibility.

3. Objectives

The Committee will deliver the following objectives, along with any others that are assigned by the Board of Directors during the course of the year:

3.1 Appointments – Executive Directors and other Executive Team Members:

3.1.1 To be responsible for identifying and appointing candidates to fill all Executive Director positions on the Board and for determining their remuneration and other conditions of service. When appointing the Chief Executive, the committee shall be the committee described in all relevant legislation.

- 3.1.2 To monitor and review the composition of Executive Directors and other Executive Team members in terms of size and balance of experience, skills and qualifications.
- 3.1.3 Consider and make plans for succession planning for the Chief Executive and other Executive Directors taking into account the challenges and opportunities facing the Trust and the skills and expertise needed on the Board in the future.
- 3.1.4 To ensure compliance with the terms of the Trust's constitution and best governance practice with regard to the processes for making Executive Director and other Executive Team Member appointments to the Board of Directors.
- 3.1.5 To authorise release dates following resignation/removal of an Executive Director or other Executive Team Member from office, where these are earlier than completion of the contractual notice period, having regard to a full risk assessment of the circumstances, including consideration of potential 'Acting Up' arrangements.
- 3.1.6 To keep under review Executive Team Member development and succession planning.
- 3.1.7 To review and approve any interim Executive Director appointments in accordance with relevant guidance.
- 3.1.8 Ensure that proposed appointees disclose any business interests that may result in a conflict of interest prior to appointment and that any future business interests that could result in a conflict of interest are reported.
- 3.1.9 Ensure that all relevant appointees are subject to a full Fit and Proper Persons test prior to commencement.
- 3.1.10 Consider any matter relating to the continuation in office of any Executive Director including the suspension or termination of service of an individual as an employee of the Trust, subject to the provisions of the law and their service contract.

3.2 Remuneration

The Committee has delegated responsibility for setting remuneration for all Executive Directors, including pension rights and any compensation payments. The Committee should also recommend and monitor the level and structure of remuneration for senior management (normally the first layer of management below board level) however decisions regarding the remuneration for individual senior managers should be made by the Executive Directors (subject to the proviso outlined in section 3.2.3 below).

- 3.2.1 To decide and review the terms and conditions of service of the Trust's Executive Directors and other Executive Team Members in accordance with all relevant Trust policies, including:
 - All aspects of salary (including and performance-related elements/bonuses).
 - Provisions for other benefits, including pensions and cars.
 - Allowances.

- 3.2.2 To monitor and evaluate the performance of individual Executive Team Members.
- 3.2.3 To review and decide on proposals relating to the remuneration of the other Executive Directors and senior managers on locally determined pay e.g. VSM.
- 3.2.4 To adhere to all relevant laws, regulations, and NHS policy in all respects, including (but not limited to) determining levels of remuneration that are sufficient to attract, retain and motivate Executive Directors / other Executive Team Members whilst remaining cost effective.
- 3.2.5 To approve contractual arrangements for Executive Directors and other Executive Team Members, including but not limited to termination payments.
- 3.2.6 To consider these items in respect of all staff where the Trust has discretion in respect of Terms of Service and/or benefits (e.g. discretionary bonuses).
- 3.2.7 To formulate and review any relevant policies.

4. Equality and Diversity

The Committee will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision making processes, and in representing these values in all areas it touches.

The Committee will also have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Committee shall consist of:

- The Trust Chair (who will Chair the Committee) – nominated deputy is the Deputy Chair;
- All Non-Executive Directors; and
- The Chief Executive (in the appointment of Executive Directors other than the Chief Executive).

6. Attendance

Meetings of the Committee may, at the request of the Chair, be attended by:

- Chief People Officer;
- Director of Corporate Affairs (to advise on constitutional matters);
- Any other person who has been invited to attend the Committee so as to assist in deliberations.

No officer shall be present for discussions about his/her own remuneration.

All members should aim to attend all scheduled meetings with attendance being reviewed annually. Attendance below 80% may result in discussions with the Committee Chair.

Where members are unable to attend, they should consider sending a designated nominated deputy. In the case of this Committee, no member or attendee may send a deputy without permission of the Chair.

7. Conflicts of Interest

Notwithstanding the definition of material interests applicable to Directors as set out in the constitution, the Chief Executive will through the nature of his/her role, be deemed to have an interest in the following matters:

- i) The appointment and removal of the Chief Executive
- ii) The remuneration of the Chief Executive

It will be for the Chair of the Committee to determine whether or not it is appropriate for the Chief Executive to be in attendance to advise on these matters. In such circumstances where the Chief Executive is in attendance, he/she will not have a vote or participate in the decision of the Committee.

8. Quorum and Frequency

A quorum shall be at least three Non-Executive Directors (including the Chair or Deputy Chair).

Meetings shall be held as necessary. Meetings may be added, stood down, or rescheduled with the approval of the Chair.

There will be a scheduled meeting each year to receive the outcome of Executive Team appraisals, any recommendations on remuneration and to review the Executive Team succession plan.

9. Reporting

The minutes of all meetings shall be formally recorded. The Committee will report to the Board following each meeting via a Chair's report.

The Committee will also update the Council of Governors on recent Committee activity via the appropriate template.

There are no groups reporting to this Committee.

10. Conduct of Committee Meetings

The agenda and supporting papers will be sent out at least four working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.

Authors of papers should use the standard template.

Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.

11. Performance Evaluation

As part of the Board's annual performance review process, the Committee shall review its collective performance each year.

12. Review

The terms of reference of the Committee shall be reviewed as required and at least annually.

People Committee Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Scheme of Reservation and Delegation Standing Financial Instructions Trust Constitution

Review Date: September 2025
Issue Date: December 2018
Version: 5.0
Authorisation Date: December 2024

1. Constitution

The Committee is established as an Assurance Committee of the Board of Directors in order to ensure effective governance in respect of the delivery of the People Strategy and other workforce-related initiatives, and the strategic monitoring of people-related issues, including medical education. The Committee will also seek assurance that the Trust has robust systems and processes to deliver a positive working environment to in turn deliver safe and high quality patient care.

2. Authority

The Committee is authorised by the Board of Directors 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.

Matters for consideration by the Committee may be nominated by any member of the Committee or Executive Director of the Trust.

The Committee is authorised to instruct professional advisers and request the attendance of individuals authorities from outside the Trust with relevant experience and expertise if it considers it necessary or expedient to the exercise of its functions.

In addition, the Committee is authorised to request that another Committee or the Board review, monitor, or approve any item that may be better suited to, or overlap with, their responsibility.

3. Objectives

The Committee will deliver the following objectives, along with any others that are assigned by the Board of Directors during the course of the year:

3.1 Risk and Assurance

- 3.1.1 To monitor internal workforce performance indicators on behalf of the Board of Directors and report to the Board via the integrated performance report and on an exception basis;
- 3.1.2 To monitor and review the risks associated with the people agenda, workforce issues, and strategy as set out in the BAF, and recommend any new risks to the Board for inclusion;
- 3.1.3 To monitor progress on the Internal Audit Report actions that are relevant to workforce – related risks and provide progress updates to Audit and Risk Committee.

3.2 Strategy and Policy

- 3.2.1 To inform the direction and priorities for the development of workforce strategies, including approval of the Trust's People Strategy and monitoring its effectiveness on an ongoing basis.
- 3.2.2 To review reports relating to staff engagement and employee voice, including annual staff survey report, against the Trust's People Strategy, monitor progress and outcomes, and advise the Board.
- 3.2.3 To influence and drive improvements across the integrated workforce agenda, working with our partners across health and social care.

3.3 Regulation

- 3.3.1 To receive and monitor the implementation of Equality and Delivery statutory delegations under the single Equality Duty (2011). These include annual review of the Equality Delivery system, Equality Duty Assurance Report, Workforce Race Equality Standard (WRES) and other relevant reports. The Committee is to act as the Trust's champion for all workforce-related Equality and Diversity issues.
- 3.3.2 To receive any relevant reports as required by guidance or regulation.

3.4 Workforce

- 3.4.1 To oversee and monitor the evolution of a positive, forward thinking, people-focused culture in the Trust, including the embedding of just and learning culture principles. This will include consideration of the experiences of our staff and how we engage with them and will be underpinned by a focus on Trust values.
- 3.4.2 To oversee the development of workforce safeguards

4. Equality and Diversity

The Committee will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision making processes, and in representing these values in all areas it touches.

The Committee will also have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Committee shall consist of:

- Non-Executive Director (Chair)
- 2 other Non- Executive Directors
- Chief People Officer (Nominated Deputy – Deputy Chief People Officer)
- Chief Nurse (Nominated Deputy – Deputy Chief Nurse)
- Deputy Medical Director – Professional Standards

All members should aim to attend all scheduled meetings with attendance being reviewed annually. Attendance below 80% may result in discussions with the Committee Chair.

Where members are unable to attend, they should send a designated nominated deputy.

6. Attendance

Meetings of the Committee may be attended by:

- Medical Director
- Deputy Chief People Officer
- Head of People Experience
- Head of Learning and Organisational Development
- Head of HR
- Head of Occupational Health and Wellbeing
- Head of Employment Services
- Governor Representative

The Committee may invite other persons to attend a meeting as required, and the Chair will be informed of these additions where possible prior to the meeting.

7. Conflicts of Interest

Notwithstanding the definition of material interests applicable to Directors as set out in the constitution, Executive Directors may not take part in any discussions or decisions which pertain to their own employment or performance.

It will be for the Chair of the Committee to determine whether or not it is appropriate for Directors to be in attendance to advise on these matters. In such circumstances where that person is in attendance, he/she will not have a vote or participate in the decision of the Committee.

8. Quorum and Frequency

The quorum shall be a minimum of three members, including two Non-Executive Directors, and the Chief People Officer (or their nominated deputy).

Meetings shall be held as necessary and at least 4 times annually. Meetings may be added, stood down, or rescheduled with the approval of the Chair.

9. Reporting

The minutes of all meetings shall be formally recorded. The Committee will report to the Board following each meeting via a Chair's report.

The Committee will also update the Council of Governors on recent Committee activity via the appropriate template.

10. Conduct of Committee Meetings

The agenda and supporting papers will be sent out at least four working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.

Authors of papers should use the standard template.

Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.

11. Performance Evaluation

As part of the Board's annual performance review process, the Committee shall review its collective performance each year.

12. Review

The terms of reference of the Committee shall be reviewed as required and at least annually.

Finance Business Performance Committee Terms of Reference

Document Owner: David McGovern, Director of Corporate Affairs
Related Documents: Corporate Governance Manual (including Scheme of Reservation and Delegation and Standing Financial Instructions)

Review Date: October 2025
Issue Date: October 2017
Version: 5.0
Authorisation Date: December 2024

1. Constitution

The Committee is established as an Assurance Committee of the Board of Directors to seek assurance about the Trust's financial and operational performance, delivery of the in-year plans and the development of future plans within the context of the requisite licence regulatory requirements, statutory obligations, and Trust strategy.

2. Authority

The Committee is authorised by the Board of Directors 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.

Matters for consideration by the Committee may be nominated by any member of the Committee or Executive Director of the Trust.

The Committee is authorised to instruct professional advisers and request the attendance of individual authorities from outside the Trust with relevant experience and expertise if it considers it necessary or expedient to the exercise of its functions.

In addition, the Committee is authorised to request that another Committee or the Board review, monitor, or approve any item that may be better suited to, or overlap with, their responsibility.

3. Objectives

The Committee will deliver the following objectives, along with any others that are assigned by the Board of Directors during the course of the year:

3.1 Financial Management and Assurance

- 3.1.1 To review the adequacy of the budget setting process and assumptions at Divisional and Corporate Services Level ahead of recommending the financial plan to the Board for approval.
- 3.1.2 To review the Trust's Financial Plan in accordance with agreed timescales and in line with the Trust's strategic objectives, making appropriate recommendations to the Board of Directors.
- 3.1.3 Consider the robustness of the M12 and year-end out turn ahead of review of the Annual Accounts by the Audit and Risk Committee to provide assurance on the reliance of these.
- 3.1.4 To review and recommend business, operational, and financial plans to the Board of Directors.
- 3.1.5 To seek assurance of effective due diligence in respect of business cases, including alignment to Trust strategies, approving those within the financial limits delegated and referring those in excess of delegated limits to the Board with recommendations. The limits currently set out in the Standing Financial Instructions, as approved in October 2022 are:
 - Approval of revenue only business cases: up to £250k
 - Approval of Capital or leave business cases within Board approval capital programme: up to £1m
 - Approval of capital or lease business cases from contingency funds: up to £250k
- 3.1.6 To consider future options for all non NHS income with specific reference to private patient income and ensure that income derived from activities related to the Trust's principal purpose of the NHS meets the limits as set by national governing bodies.
- 3.1.7 To review, monitor and seek assurance on the achievement of value for money through use of benchmarking data, including reference costs and the work of the model hospital.
- 3.1.8 To monitor and seek assurance on provider to provider and third party contractor SLA's that present a material risk to the organisation.
- 3.1.9 To review and seek assurance on the development, implementation, and clinical engagement in the Service Line Management (SLM) process through Divisional representation.
- 3.1.10 To seek assurance on the Trust overall cash management position
- 3.1.11 Review proposed new investments, undertake due diligence, and make recommendations to the Board for approval in line with scheme of delegation.

3.2 Performance and Improvement

- 3.2.1 To monitor the operational financial performance and agree, as necessary, corrective action.
- 3.2.2 To instigate investigation into any aspect of performance that gives cause for concern, providing exception reports to the Board of Directors.
- 3.2.3 To monitor and seek assurance on compliance with the Agency Cap focussing particularly on recurrent risks and resource utilisation.
- 3.2.4 To review, monitor and seek assurance on the financial performance of the Trust including, income, expenditure, activity, oversight framework metrics and contract performance ensuring that actions are taken as necessary to remedy adverse variation.
- 3.2.5 To monitor the implementation of the Trust efficiency programme, and to receive assurance that any potential impact of that programme has been risk assessed with mitigations identified. Any areas of impact that are considered a concern may be referred to another relevant Board Committee for further assurance.
- 3.2.6 To monitor delivery and seek assurance of the CIP.

- 3.2.7 To review and seek assurance on the capital programme and expenditure as required.
- 3.2.8 To monitor delivery and seek assurance of digital healthcare performance.

3.3 Strategy

- 3.3.1 To review the Trust's Finance Strategy, recommending it to the Board of Directors for final approval, and to seek assurance that the associated areas of the annual operational plan actions are being implemented.

3.4 Risk

- 3.4.1 To review any areas of specific risk or assurance highlighted within the Board Assurance Framework and make recommendations for amendment if required.
- 3.4.2 Receive assurance on all aspects of the effective outturn delivery of financial, specified operational performance targets and significant variances to planned levels of achievement.
- 3.4.3 Review or undertake a "Deep dive" into areas of concern raised by the Board at the preceding meeting with a view to providing assurance to a subsequent Board meeting.

3.5 Governance

- 3.5.1 To review and seek assurance on compliance against relevant legislation.
- 3.5.2 To consider and seek assurance on the implementation and compliance of relevant national guidance, including directives from NHSI, CQC, DHSC, and national and local commissioning guidance where these have a new or significant financial impact on the Trust.
- 3.5.3 To approve the establishment, work plans, duration and ensure the effectiveness of Groups reporting to the Committee.
- 3.5.4 Ratify and review policies required for effective management of financial, performance and business development practice across the Trust.

The Committee will promote a holistic approach to managing risk that will encourage all staff to integrate the management of finance into achieving their objectives in order to provide safe, effective, timely and efficient care to patients.

The Committee Chair and Chief Finance Officer will work with the Executive Management Team and Board to integrate clinical, financial, and organisational governance and risk management processes and systems.

The Committee will work with other Committees including the Audit and Risk Committee to provide assurances required to support the Annual Governance statement.

4. Equality and Diversity

The Committee will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision making processes, and in representing these values in all areas it touches.

The Committee will also have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Committee shall consist of:

- Nominated Non-Executive Director (Chair)

- Two additional nominated Non-Executive Directors
- Chief Finance Officer (Nominated Deputy – Deputy Chief Finance Officer)
- Chief Operating Officer (Nominated Deputy – Deputy Chief Operating Officer)
- Chief Strategy Officer (Nominated Deputy – Deputy Chief Strategy Officer)

6. Attendance

Meetings of the Committee may be attended by:

- Deputy Chief Finance Officer
- Chief Information Officer
- A senior clinical representative e.g., the Medical Director or Chief Nurse, or their deputy.
- A Governor to observe

Other officers of the Trust will be invited to attend as requested by the Committee.

All members should aim to attend all scheduled meetings with attendance being reviewed annually. Attendance below 80% may result in discussions with the Committee Chair.

Where members are unable to attend, they should consider sending a designated nominated deputy.

7. Conflicts of Interest

It will be for the Chair of the Committee to determine whether or not it is appropriate for a member to be in attendance to advise on these matters. In such circumstances where that person is in attendance, they will not have a vote or participate in the decision of the Committee.

8. Quorum and Frequency

The quorum shall be four members, to include two Non Executive Directors, and the Chief Finance Officer (or Nominated Deputy).

The Committee shall meet as needed and at least 4 times annually.

9. Reporting

The minutes of all meetings shall be formally recorded. The Committee will report to the Board following each meeting via a Chair's report.

The Committee will also update the Council of Governors on recent Committee activity via the appropriate template.

10. Conduct of Meetings

The agenda and supporting papers will be sent out four working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.

Authors of papers must use the standard template and indicate the purpose of the paper – e.g., decision, discussion, assurance, approval.

Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.

11. Performance Evaluation

The Committee shall review its collective performance each year.

12. Review

The terms of reference of the Committee shall be reviewed at least annually.

Estates and Capital Committee Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Scheme of Reservation and Delegation Standing Financial Instructions Trust Constitution

Review Date: October 2025
Issue Date: October 2020
Version: 4.0
Authorisation Date: December 2024

1. Constitution

The Committee is established as an Assurance Committee of the Board of Directors to seek assurance with regards to the design, development and delivery of the Trust's capital programmes, and health and safety monitoring and compliance.

This includes the financial and operational delivery of capital programmes and development of future capital and estates plans, within the context of the requisite licence regulatory requirements and statutory obligations. This is a Non-Executive chaired committee.

2. Authority

The Committee is authorised by the Board of Directors to investigate any activity within its terms of reference. It is authorised to seek information it requires of any employee (or contractor working on behalf of the Trust) and all employees (or contractor working on behalf of the Trust) are directed to cooperate with any reasonable request made by the Committee. The Committee is authorised to obtain legal advice or other professional advice from internal or external sources within the delegated limits of the Committees members.

In addition, the Committee is authorised to request that another Committee or the Board review, monitor, or approve any item that may be better suited to, or overlap with, their responsibility.

3. Objectives

The Committee will deliver the following objectives, along with any others that are assigned by the Board of Directors during the course of the year:

3.1 Risk and Performance

- 3.1.1 To receive, monitor and seek assurance on risks relating to capital, estates, and estates related safety management, as set out in the BAF and in accordance with the Risk Management Strategy.
- 3.1.2 To review the policies and risks associated with estates and capital related to maintenance, health and safety, fire, security, and other related areas.
- 3.1.3 To receive audit reports and action plans as relate to capital and estates management areas.
- 3.1.4 To agree a set of key performance indicators for the assessment of capital programmes, estates delivery, and health and safety compliance.
- 3.1.5 Review or undertake a “Deep dive” into areas of concern raised by the Board at the preceding meeting with a view to providing assurance to a subsequent Board meetings.

3.2 Estates Management

- 3.2.1 Ratify and review policies required for effective management the estates function and compliance across the Trust, and where appropriate delegate responsibility for this to associated groups and respond to requests which come from those groups.
- 3.2.2 To review the Trust’s Estates Strategy, recommending it to the Board of Directors for final approval, and to seek assurance that the associated areas of the annual operational plan actions are being implemented.
- 3.2.3 Approval of the Campus Master Plans and strategies for estates and capital
- 3.2.4 To keep under review the land holdings of the Trust, advise the Board on acquisitions and disposals, and monitor progress against schemes.

3.1 Health and Safety

- 3.1.1 Ratify and review policies required for effective management the health and safety across the Trust, and where appropriate delegate responsibility for this to associated groups and respond to requests which come from those groups.
- 3.1.2 To approve the Trust’s Health and Safety plan, recommending it to the Board for final approval.
- 3.1.3 To consider any findings of major investigations of internal control over safety critical matters, as delegated by the Board or on the Committee’s initiative and management’s response.
- 3.1.4 To review the effectiveness of the Trust’s frameworks for and to provide scrutiny of occupational health and safety compliance, safety outcomes and achievement of KPI’s, safety culture and staff experience/ satisfaction in relation to workplace safety, and any compliance disclosure made or to be made by the Board.

3.2 Capital Programme

- 3.2.1 Review proposed new developments and investments, undertake due diligence, and make recommendations to the Board for approval in line with scheme of delegation.
- 3.2.2 Ratify and review policies and procedures required for effective management of capital programme.
- 3.2.3 Receive assurance on all aspects of the delivery of capital programme and significant variances to planned levels of achievement.
- 3.2.4 To monitor the development of capital commercial opportunities across the Trust.
- 3.2.5 To monitor and review business cases associated with major and minor capital developments, and to approve as necessary those business cases that fall within the capital budget.
- 3.2.6 To approve and recommend to the Board the strategy for capital works, and to monitor the implementation of the capital strategy and annual capital plan.

3.2.7 To monitor capital delivery against plan.

4. Equality and Diversity

The Committee will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision making processes, and in representing these values in all areas it touches.

The Committee will also have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Committee shall consist of:

- Nominated Non-Executive Director (Chair)
- Three additional nominated Non-Executive Directors
- Chief Executive
- Chief Finance Officer (Nominated Deputy – Deputy Chief Finance Officer)
- Chief Operating Officer (Nominated Deputy – Deputy Chief Operating Officer)
- Chief Strategy Officer (Nominated Deputy – Deputy Chief Strategy Officer)

All members should aim to attend all scheduled meetings with attendance being reviewed annually. Attendance below 80% may result in discussions with the Committee Chair.

Where members are unable to attend, they should send a designated nominated deputy.

6. Attendance

Meetings of the Committee may, at the request of the Chair, be attended by:

- Director of Capital Planning, Estates and Facilities
- Deputy Director of Estates, Facilities & Capital Planning
- Associate Director of Estates, Engineering and Capital Delivery
- Director of Corporate Affairs
- A Governor to observe

Other officers of the Trust will be invited to attend as requested by the Committee.

7. Conflicts of Interest

It will be for the Chair of the Committee to determine whether or not it is appropriate for a member to be in attendance to advise on these matters. In such circumstances where that person is in attendance, he/she will not have a vote or participate in the decision of the Committee.

8. Quorum and Frequency

The quorum shall be a minimum of four members, including two Non-Executive Directors.

The Committee shall meet as needed and at least 4 times per year.

9. Reporting

The minutes of all meetings shall be formally recorded. The Committee will report to the Board following each meeting via a Chair's report.

Where members are unable to attend, they should send a designated nominated deputy.

10. Conduct of Meetings

The agenda and supporting papers will be sent out at least four working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.

Authors of papers should use the standard template.

Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.

11. Performance Evaluation

As part of the Board's annual performance review process, the Committee shall review its collective performance each year.

12. Review

The terms of reference of the Committee shall be reviewed as required and at least annually.

Charitable Funds Committee Terms of Reference

Document Owner: Director of Corporate Affairs
Related Documents: Scheme of Reservation and Delegation Standing Financial Instructions Trust Constitution Charities Acts Trustee Acts Charity Treasury Management Policy

Review Date: November 2025
Issue Date: October 2017
Version: 4.0
Authorisation Date: December 2024

1. Constitution

The Committee is established as an Assurance Committee of the Board of Directors in order to ensure that the Trust's duty as Corporate Trustee of its Charitable Funds has been discharged. Its purpose is to oversee management, investment, and use of charitable funds within regulations provided by the Charity Commission and ensures compliance with charity law, including responsibility for the charity's fundraising activities. It does not remove from the Board the overall responsibility and legal obligation for this area but provides a forum for a more detailed consideration of charitable matters.

The Charitable Funds Committee has delegated responsibility, from the Corporate Trustee, within the limits set out in these Terms of Reference, the charitable funds sections of the Scheme of Reservation and Delegations and Standing Financial Instructions for the efficient governance and running of the Wirral University Teaching Hospital (WUTH) Charity.

2. Authority

The Charitable Funds Committee has delegated authority from the Corporate Trustee to investigate any activity within its terms of reference. It is authorised to seek information it requires of any employee (or contractor working on behalf of the Trust) and all employees (or contractor working on behalf of the Trust) are directed to cooperate with any request made by the Committee. The Committee is authorised to obtain legal advice or other professional advice from internal or external sources. The Committee has delegated authority from the Board to:

- i) Maintain the Charity's governing document and registration with the Charity Commission.

- ii) Review and advise on those aspects of Standing Orders and Standing Financial Instructions that appertain to the charity and its operation.
- iii) Apply all charitable funds in accordance with the NHS Acts, Charities Acts and good practice (including but not limited to WUTH Charity Expenditure Policy) and ensure that decisions on the use of investments of such funds are restricted to the explicit conditions or purpose of each donation, bequest, or grant.
- iv) Make decisions involving the use of charitable funds for investments subject to the powers laid down in the "Declaration of Trust" and with regard to the Trustee Acts and any subsequent legislation.
- v) Consider the appointment of investment advisors and monitor the performance of the charitable fund portfolio and consider changes when deemed necessary.
- vi) To oversee the Investment Policy of the Charitable Funds as required by the Trustee Acts and the NHS Acts.
- vii) Act as the control mechanism for any approved fundraising appeals which may be initiated and to be aligned to the Charity Income and Fundraising Guidance Policy. Appointment and control of fundraisers will be in line with the Charities Acts.
- viii) Oversee and monitor the functions with regards to the investment, accounting and reporting on the use of charitable funds.
- ix) Receive Annual Accounts and Annual Reports of the Trust's charitable funds for consideration and recommendation for final approval to the Board of Directors.
- x) To develop the strategy, policies, and objectives for the Charity for consideration and approval by the Corporate Trustee.

3. Objectives

Act as the Committee that discharges the Board's responsibilities (as sole Corporate Trustee) as they relate to Charitable Funds under the Trust's custodianship.

3.1 Risk

3.1.1 To ensure that unacceptable risks and inadequate levels of assurance related to financial performance of the Charitable Fund or associated investments are reported to the Board for consideration.

3.2 Statutory duties

3.2.1 Ensure the approval and submission of statutory returns, annual accounts, and Trustee's Report in accordance with the Charity Commissions Statement of Recommended Practice.

3.2.2 Invest and apply the income, funds, and property of the Charity in accordance with the governing document and complies with all legal relevant requirements including the Charities Acts and agreed expenditure policy.

3.2.3 Maintain the solvency and continuing effectiveness of the Charity.

3.2.4 Safeguard permanent endowments.

3.3 Strategy

3.3.1 To review the Charity Strategy, recommending it to the Board of Directors for final approval, and to seek assurance that the associated areas of the annual operational plan actions are being implemented.

3.4 Other Duties

- 3.4.1 Invest and review the investment funds not needed for immediate applications, in accordance with the Charity's investment objectives and the principles outlined in the Treasury Management Policy.
- 3.4.2 Monitor the performance of fundraising and marketing activity, ensuring that the return on investment is satisfactory and that income targets are met.
- 3.4.3 Review and monitor the effectiveness derived from grants of money and property to the Trust.
- 3.4.4 Operate a visible and transparent decision making process for grants of money and property.

3.5 Governance

- 3.5.1 Ratify and review policies and procedures required for effective management of the Charity. This will incorporate oversight of associated compliance arrangements such as those required by the Charity Commission.
- 3.5.2 Ensure the Charity Treasury Management Policy including any other applicable policies are adhered to when considering related actions.
- 3.5.3 Give the Board assurance on an annual basis that the systems, policies, and procedures they have put in place to deliver Charitable Funds plans are operating in compliance with appropriate standards, are effective, are focused on key risks and are driving the delivery of the Trust's objectives.
- 3.5.4 Consider, interpret, and disseminate guidance from relevant bodies including the Charity Commission and other regulatory/advisory bodies relating to the Charitable Funds agenda.
- 3.5.5 Approve the establishment, work plans, duration and effectiveness of sub-committees and working groups.
- 3.5.6 To review and respond to any areas escalated from the Trust Board or its Committees.

4. Equality and Diversity

The Committee will seek to promote and enhance equality, diversity, and inclusion across the Trust, both in the discharge of its duties and decision making processes, and in representing these values in its areas of activity.

The Committee will also have regard for the NHS Constitution and ensure that it complies with relevant legislation and best practice in the conduct of its duties.

5. Membership

The Committee shall consist of:

- Nominated Non-Executive Director (Chair)
- Two additional Non-Executive Directors
- Chief Finance Officer (Nominated Deputy – Deputy Chief Finance Officer)
- Chief People Officer (Nominated Deputy – Deputy Chief People Officer)

6. Attendance

Meetings of the Committee may be attended by:

- Assistant Director of Finance (Financial Services)
- Deputy Chief People Officer
- Head of People Experience
- Director of Corporate Affairs
- Medical Director or Chief Nurse, or their deputy
- A Governor to observe

A nominated lay person, with appropriate experience, may attend upon invitation by the Chair.

Other officers of the Trust will be invited to attend on an ad-hoc basis to present papers or to advise the committee. Professional advisors regarding investments may be invited to attend, when deemed necessary.

The Trust Chair and all Non-Executive Directors have a right to attend the Committee.

All members should aim to attend all scheduled meetings with attendance being reviewed annually. Attendance below 80% may result in discussions with the Chair.

Where members are unable to attend, they should consider sending a designated nominated deputy.

7. Conflicts of Interest

It will be for the Chair of the Committee to determine whether or not it is appropriate for a member to be in attendance to advise on these matters. In such circumstances where that person is in attendance, he/she will not have a vote or participate in the decision of the Committee.

8. Quorum and Frequency

The quorum shall be three members, to include the Chair (or nominated deputy) and one Executive Lead/member of the Senior Management Team.

The Committee will meet at least four times a year. Meetings may be added, stood down, or rescheduled with the approval of the Chair.

9. Reporting

The Committee will report to the Board following each meeting via a Chair's report and will present a comprehensive annual report to the Corporate Trustee.

The Committee will also update the Council of Governors on recent Committee activity via the appropriate template.

There are no groups reporting to this Committee.

10. Conduct of Meetings

The agenda and supporting papers will be sent out four working days prior to the Committee, unless there are exceptional circumstances authorised by the Chair.

Authors of papers should use the standard template.

Presenters of papers can expect all committee members to have read the papers and should keep to a verbal summary outlining the purpose of the report and its recommendations. Committee members may question the presenter.

11. Performance Evaluation

As part of the Board's annual performance review process, the Committee shall review its collective performance each year.

12. Review

The terms of reference of the Committee shall be reviewed as required and at least annually.