

# Board of Directors Terms of Reference

<b>Document Owner: Joint Director of Corporate Affairs and Communications</b>
<b>Related Documents:</b> Constitution Standing Orders Scheme of Reservations and Delegations

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## 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 drive the implementation of the Trust strategy ensuring the equitable allocation of resources whenever possible to address health inequalities and improve the health of our population
- To promote commitment to equality diversity and human rights within an inclusive environment for both staff and service users
- 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 delegations.
- 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 the Group Board, 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
- at least four, but not more than seven other non-executive directors;
- at least four, but 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.

The Trust's Constitution states the following:

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 Joint Chief Executive, Joint Chief Medical Officer, Joint Chief Finance Officer, and Joint Chief Nursing Officer.

The Joint Executive Managing Director shall also be a voting member of the Board.

All other Executives shall be non-voting members of the Board.

Attendance at meetings will be monitored and shall be reported in the Annual Report. All members should aim to attend all scheduled meetings with attendance being reviewed annually. Attendance below 80% may result in discussions with the Chair.

## **6. Attendance**

Meetings of the Board of Directors may be attended by:

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- 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 no less than 4 Non-Executive Directors and 3 voting Executive Directors.

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.