

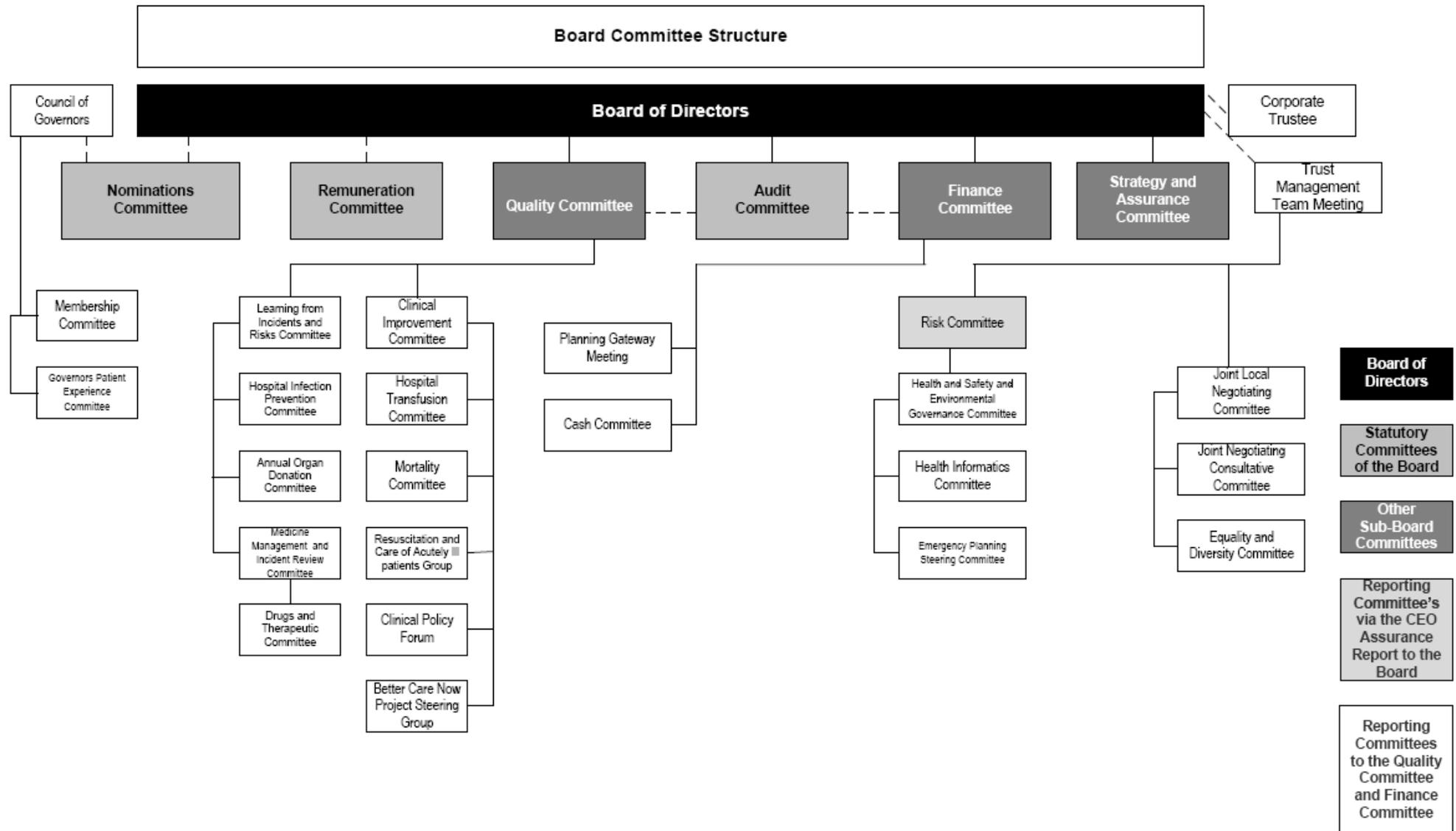
# **BOARD COMMITTEE STRUCTURE MANUAL AND TERMS OF REFERENCE**

**Approved by the Board on:** 31st July 2013

**To be reviewed no later than:** 30th July 2014

**BOARD COMMITTEE STRUCTURE MANUAL  
TERMS OF REFERENCE**

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**BOARD OF DIRECTORS**  
**TERMS OF REFERENCE****TERMS OF REFERENCE**

The terms of reference describe the role and working of the Board and are for the guidance of the Board, for the information of the Trust as a whole and serve as the basis of the terms of reference for the Board's own committees.

**ROLE AND PURPOSE**

The Trust exists to 'provide goods and services for any purposes related to the provision of services provided to individuals for, or in connection with, the prevention, diagnosis or treatment of illness, and the promotion and protection of public health.'

The Trust has a Board of Directors which exercises all the powers of the Trust on its behalf, but the Board may delegate any of those powers to a committee of directors or to the Chief Executive. The Board consists of Executive Directors, one of whom is the Chief Executive, and Non-Executive Directors, one of whom is the Trust Chairman. The nominated deputy for the Chief Executive and Chairman, upon appointment to a substantive or acting up role, must be formally recorded in the minutes.

**MEMBERSHIP**

Trust Chairman (Chairperson)

6 Non-Executive Directors

Chief Executive

Director of Finance

Medical Director

Director of Nursing and Quality

Director of Human Resources and Organisational Development

Director of Operations

Director of Clinical Support and Facilities Management

Managing Director for Community Development and Transformation

**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 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 corporation as a whole and for the public.

The practice and procedure of the meetings of the Board, and of its committees, are not set out here but are described in the Board's Standing Orders.

**GENERAL RESPONSIBILITIES****The general responsibilities of the Board are:-**

- To work in partnership with service users, carers, local health organisations, local government authorities and others to provide safe, accessible, effective and well governed services for patients and carers;
- To ensure that the Trust meets its obligations to the population served, its stakeholders and its staff in a way that is wholly consistent with public sector values and probity; and
- To exercise collective responsibility for adding value to the Trust by promoting its success through direction and supervision of its affairs in a cost effective manner.

In fulfilling its duties, the Board will work in a way that makes the best use of the skills of Non-Executive and Executive Directors.

## **LEADERSHIP**

### **The Board provides active leadership to the organisation by:-**

- Ensuring there is a clear vision and strategy for patient care for the Trust that people know about and that this is being implemented within a framework of prudent and effective controls which enable risk to be assessed and managed.
- Ensuring the Trust is an excellent employer by the development of a workforce strategy and its appropriate implementation and operation.

## **STRATEGY**

### **The Board:**

- Sets and maintains the Trust's strategic vision, aims and objectives, ensuring the necessary financial, physical and human resources are in place for it to meet its objectives.
- Monitors and reviews management performance to ensure the Trust's objectives are met.
- Oversees both the delivery of services and the achievement of objectives, monitoring performance to ensure corrective action is taken when required.
- Develops and maintains an annual business plan and ensures its delivery as a means of taking forward the strategy of the Trust to meet the expectations and requirements of stakeholders.
- Ensures that national policies and strategies are effectively addressed and implemented within the Trust.

## **CULTURE**

### **The Board:**

- Responsible for setting values, ensuring they are widely communicated and that the behaviour of the Board is entirely consistent with those values.

## **GOVERNANCE**

### **The Board:**

- Ensures that the Trust has comprehensive governance arrangements in place that guarantee the resources vested in the Trust are appropriately managed and deployed, that key risks are identified and effectively managed and that the Trust fulfils its accountability requirements.
- Ensures that the Trust complies with its governance and assurance obligations in the delivery of clinically effective, personal and safe services taking account of patient and carer experiences.
- Ensures compliance with the principles of corporate governance and with appropriate codes of conduct, accountability and openness applicable to Foundation Trusts.
- Formulates, implements and reviews Standing Orders and Standing Financial Instructions as a means of regulating the conduct and transactions of Foundation Trust business.
- Ensures the proper management of, and compliance with, Monitor's Provider Licence, the Health & Social Care Act 2012 and other statutory and regulatory requirements of the Board.
- Ensures that the statutory duties of the Trust are effectively discharged.
- Acts as corporate trustee for the Trust's charitable funds.
- Establishes appeals panels as required by employment policies particularly to address appeals against dismissal and final stage grievance hearings.

## **RISK MANAGEMENT**

### **The Board:**

- Ensures an effective system of integrated governance, risk management and internal control across the whole of the Trust's clinical and corporate activities.
- Ensures that there are sound processes and mechanisms in place to ensure effective user and carer involvement with regard to development of care plans, the review of quality of services provided and the development of new services.
- Ensures there are appropriately constituted appointment arrangements for senior positions such as Consultant Medical Staff and Executive Directors.

## **ETHICS AND INTEGRITY**

### **The Board:**

- Ensures that high standards of corporate governance and personal integrity are maintained in the conduct of Foundation Trust business.
- Ensures that directors and staff adhere to any codes of conduct adopted or introduced from time to time.

## **COMMITTEES**

The Board is responsible for maintaining committees of the Trust Board with delegated powers as prescribed by the Trust's Standing Orders and/or by the Board from time to time:

In general, the Board will delegate to committees the power to oversee the development (by the Chief Executive and Executive Directors) of strategy and policy; and the monitoring of the delivery of strategy and policy in the areas for which the committee is responsible. It will, however, require each committee to submit key strategies, policies and other specified items to the Board for approval and to provide assurance to the Board (through its Chairperson) that such strategies and policies are being successfully implemented, advising the Board of any areas where this is not occurring and drawing key issues to the Board's attention. More details of delegated powers and matters requiring Board approval are included in the sections which follow on each committee.

At the last meeting of each financial year, the Board will review the powers it has delegated to each committee and will make any changes it deems necessary to take effect in the next financial year. Every four years, it will set up a sub-group of the Board to draw evidence from Board members, committees and internal auditors so that it can thoroughly review the powers of delegation and make recommendations to the Board for any amendments deemed necessary.

Each committee will be responsible for developing clear powers of delegation to the Chief Executive and Executive Directors of matters which fall within the remit of the committee. These must be submitted to the Board for approval so that the Board is clearly apprised of matters which the committee has so delegated. The committee will be expected to review its powers of delegation at its last meeting of each financial year so that it can make recommendations to the Board concerning delegation for the following financial year. These powers will be thoroughly reviewed as part of the four yearly review set out in the previous paragraph.

## **COMMUNICATION**

### **The Board:**

- Ensures an effective communication channel exists between the Trust, its governors, members, staff and the local community.
- Ensures the effective dissemination of information on service strategies and plans and also provides a mechanism for feedback.
- Ensures that those Board proceedings and outcomes that are not confidential are communicated publically through Public Board meetings and also via the Trust's website.
- Publishes an Annual Report and Annual Accounts.

## **FINANCIAL AND QUALITY SUCCESS**

### **The Board:**

- Ensures that an effective system of finance and quality is embedded within the Trust.
- Ensures that the Trust operates effectively, efficiently and economically.
- Ensures the continuing financial viability of the organisation.
- Ensures the proper management of resources and that financial and quality of service responsibilities are achieved.
- Ensures that the Trust achieves the quality targets and requirements of stakeholders within the available resources.
- Reviews performance, identifying opportunities for improvement and ensuring those opportunities are taken.

## **ROLE OF THE TRUST CHAIRMAN**

The Chairman is responsible for leading the Board and for ensuring that it successfully discharges its overall responsibilities for the Trust as a whole.

The Trust Chairman reports to the Board of Directors and is responsible for the effective running of the Board and the Council of Governors.

The Trust Chairman is responsible for ensuring that the Board as a whole pays a full part in the development and determination of the Trust's strategy and overall objectives.

The Trust Chairman is the guardian of the Board's decision-making processes and provides general leadership of the Board and the Council of Governors.

### **ROLE OF THE CHIEF EXECUTIVE**

The Chief Executive (CEO) reports to the Trust Chairman and to the Board directly. All members of the management structure report either directly or indirectly to the CEO.

The CEO is responsible to the Board for running the Trust's business and for proposing and developing the Trust's strategy and overall objectives for approval by the Board.

The CEO is responsible for implementing the decisions of the Board and its committees, providing information and support to the Board and Council of Governors.

### **OTHER MATTERS**

The Board shall be supported administratively by the Trust Secretary whose duties in this respect will include:

- Agreement of agenda for Board and Board Committee Meetings with the Trust Chairman and Chief Executive.
- Collation of reports and papers for Board Meetings.
- Ensuring that suitable minutes are taken, keeping a record of matters arising and issues to be carried forward.
- Advising the Board on governance matters.

A full set of papers comprising the agenda, minutes and associated reports will be sent within the timescale set out in Standing Orders to all directors and others as agreed with the Trust Chairman and Chief Executive from time to time.

The Board shall self assess its performance at least annually.

The terms of reference for the Board will be reviewed at least annually.

### **DETAILS OF NOMINATED NAMED DEPUTIES**

<b>Membership</b>	<b>Nominated Named Deputies</b>
Trust Chairman (Chairperson)	Deputy Chairman (Chairperson)
Non-Executive Director	N/A
Chief Executive	Deputy Chief Executive
Director of Finance	Deputy Director of Finance
Medical Director	Deputy Medical Director
Director of Nursing and Quality	Deputy Director of Corporate Affairs and Governance
Director of HR & OD	Deputy Director of FR & OD
Director of Operations	Deputy Director of Operations
Director of Clinical Support and Facilities Management (non-voting member)	Deputy Director of Clinical Support and Facilities Management
Managing Director for Community Development and Transformation (non-voting member)	As designated by the Managing Director for Community Development and Transformation

**Approved by the Board on:** 31st July 2013

**To be reviewed no later than:** 30th July 2014

**NOMINATIONS (OF NON-EXECUTIVE DIRECTORS) COMMITTEE**  
**TERMS OF REFERENCE**

**MAIN AUTHORITY/LIMITATIONS**

The Council of Governors hereby resolves to establish a Committee of the Council to be known as the Nominations Committee (the Committee). The Committee is a Sub-Committee of the Council and will have the full, delegated authority to act on behalf of the Council in exercising the remit and functions described in the paragraphs below.

The Council of Governors is authorised under the Constitution to consult on the proper level of remuneration and allowances for the Chairman and other Non-Executive Directors of the Trust. It may from time to time, and at least every three years, consider consulting, at the Trust's expense, with external professional advisors.

The committee will report its recommendations to the Council of Governors for approval.

**MEMBERSHIP**

The Committee will comprise the Trust Chairman\*, two elected Governors and one appointed Governor.

\* When a Chairperson is being appointed, this will be the Deputy Chairperson unless they are standing for appointment when it will be another Non-Executive Director.

Trust Chairman (Chairperson)  
2 Elected Governors  
1 Appointed Governor

**ATTENDANCE**

The Committee will require the attendance of other representatives of the Trust at its meetings as appropriate, such as the Director of Human Resources and Organisation Development for appointments and determination of salary arrangements, and the Chief Executive and Senior Independent Director for issues related to whole Board development, evaluation and succession planning.

The Foundation Trust Secretary shall be the Nominations Committee Secretary.

**DEPUTY ATTENDANCE**

A nominated deputy mechanism shall be in place, whereby the meeting will elect a Chairperson for the purpose of the meeting.

**FREQUENCY OF ATTENDANCE BY MEMBERS**

The Committee requires attendance of 2 out of 3 meetings per annum by the individual committee member unless he/she has been given specific leave of absence as agreed by the Council of Governors.

**QUORUM**

A quorum shall require the attendance of at least three of the Committee members, which must include the Trust Chairman or their nominated deputy.

Committee decisions will be taken by a straight majority vote. In the event of a split decision the Chairperson of the committee will have the casting vote.

**FREQUENCY OF MEETINGS**

The frequency of meetings will be as required to meet the requirements of the recruitment and appointment processes, as well as those related to performance management and appraisal (approximately twice yearly).

## **DUTIES**

### **Recruitment and Appointment of Non-Executive Directors:-**

- To agree the skill mix and process for the appointment of Non-Executive Directors in accordance with the Trust's Terms of Authorisation and Monitor's requirements.
- To draw up person specifications for each of these posts to take account of general and specific requirements in terms of roles and responsibilities.
- To determine a schedule for advertising, short-listing, interviewing and appointing of candidates with requisite skills and experience. This will include identification of appropriate independent assessors for appointment panels.
- To recommend suitable people for appointments to be ratified by the Council of Governors.

### **Terms and Conditions – Trust Chairman and Non-Executive Directors:-**

- To recommend salary arrangements and related terms and conditions for the Trust Chairman and Non-Executive Directors for agreement by the Council or Governors.

### **Performance Management and Appraisal:-**

- To agree a process for the setting of objectives for Non-Executive Directors, subsequent appraisal by the Trust Chairman and feedback to the Council of Governors.
- To agree a mechanism for the evaluation of the Trust Chairman, which would be led by the Senior Independent Director.
- To address issues related to Board development and to ensure that plans are in place for succession to posts as they become vacant so that a balance of skills and experience is maintained.

## **RESPONSIBILITIES OF THE CHAIRPERSON OF THE NOMINATIONS COMMITTEE**

The duties of the Chairperson of the Nominations Committee will be to:

- Ensure that the Governors are informed as to the deliberations of the Committee;
- Ensure that minutes of the Committee are an accurate reflection of discussions;
- Attend or designate another member of the Committee to attend public meetings of the Council of Governors as appropriate, to answer any questions related to the work of the Committee;
- Submit a report on the work of the Committee to the Council of Governors; and
- Play an active role as a member of the Chair's Advisory Committee and work with the Trust Chairman to assess the performance of the Committee.

## **AGENDA ITEMS**

Items for the agenda should be submitted to the Secretary to the Committee a minimum of two weeks prior to the meeting. Members wishing to discuss an item on the agenda must attend the meeting. Members will be expected to provide reports as required at dates agreed.

## **STANDING AGENDA ITEMS**

The following will be annual standing agenda items:

- Remuneration of Trust Chairman
- Remuneration of Audit Chairperson
- Remuneration of other Non-Executive Directors

## **DISTRIBUTION OF MINUTES**

The minutes of the meetings shall be formally recorded and submitted to:

- All members of the Committee; and
- Council of Governors.

## **REPORTING RESPONSIBILITIES**

The Committee is accountable to, and reports to, the Council of Governors.

The Chairperson will report to the Board of Directors on appropriate issues relating to the work of the Nominations Committee.

## **REVIEW AND EVALUATION**

The membership of the Committee and the terms of reference will be reviewed every two years or as required.

**DETAILS OF NOMINATED NAMED DEPUTIES**

<b>Membership</b>	<b>Nominated Named Deputies</b>
Trust Chairman (Chairperson)	Deputy Chairman (Chairperson)
Elected Governor	N/A
Elected Governor	N/A
Appointed Governor	N/A

**Approved by the Board on:** 31st July 2013

**To be reviewed no later than:** 30th July 2014

**REMUNERATION (OF EXECUTIVE DIRECTORS) COMMITTEE**  
**TERMS OF REFERENCE**

**CONSTITUTION**

The Board hereby resolves to establish a Committee of the Board to be known as the Remuneration Committee (the Committee). The Committee is a non-executive Committee of the Board and will have the full-delegated authority to act on behalf of the Board in exercising the remit and functions described in the paragraphs below.

**MEMBERSHIP**

The Committee will comprise the Board Chairman and all Non-Executive Directors of the Trust. The Committee will appoint a Chairperson of the committee annually (but not the Trust Chairman).

Trust Chairman

6 Non-Executive Directors (one of whom will be the Chairperson).

**ATTENDANCE**

The Chief Executive and other Executive Directors (including non-voting Executive Directors) will not attend for discussions about their own remuneration and terms of service. The Director of Human Resources and Organisational Development shall attend meetings to act as Committee Secretary and to offer advice and guidance but he/she will withdraw from the meeting when discussions about his/her own recommendations and terms of service are held.

**DEPUTY ATTENDANCE**

All Non-Executive Directors are members of the Remuneration Committee, therefore it is not appropriate for a deputy to be nominated.

**FREQUENCY OF ATTENDANCE BY MEMBERS**

The Committee requires attendance of 50% per annum by the individual committee member unless he/she has been given specific leave of absence as agreed by the Board.

**QUORUM**

At least four members (including the Trust Chairman) must be present for a meeting of the Committee to be quorate. Where a quorum cannot be established the Committee will continue to meet but will be unable to approve any documentation.

**FREQUENCY OF MEETINGS**

Meetings will be held at least annually, however, additional meetings will be held in the event of any changes in personnel amongst the Executive Directors (including non-voting Executive Directors). In the absence of the Chairperson of the Committee, one of the other Non-Executive Directors will take on the role of Chairperson for that meeting.

The Chairperson of the committee may at any time convene additional meetings of the Committee to consider business which may require urgent consideration.

**CONDUCT**

In fulfilling its Terms of Reference, the Committee shall have regard to the following: -

- Remuneration packages must be such as to enable people of appropriately high quality to be recruited, retained and motivated – within levels of affordability;
- All NHS Foundation Trust bodies are part of the public sector and what they do, including the pay of their employees, must be publicly defensible;
- A proper defensible remuneration package requires a clear statement of responsibilities with rewards linked to their measurable discharge;
- Wherever possible it is advisable to seek independent advice with regard to labour market rates of pay.

## **DUTIES**

- To ensure that the Terms of Reference are adhered to.
- To determine, as delegated by the Board, appropriate remuneration and terms of service for the Chief Executive, other Executive Directors (including non-voting Executive Directors), and other senior managers who are on the senior management pay-scale including: -
  - All aspects of salary (including any performance related elements).
  - Provisions of other non-pay benefits including pensions.
  - Arrangements for termination of employment and other contractual terms.
- To determine, as delegated by the Board, the remuneration and terms of service of the Chief Executive, other Executive Directors (including non-voting Executive Directors), and other senior managers as determined by the Trust to ensure that they are fairly rewarded for their individual contribution to the Trust, having proper regard to the Trust's circumstances and performance and to the provisions of any national arrangements for such staff where appropriate.
- To monitor and evaluate, through the Trust Chairman, the performance of the Chief Executive and monitor and evaluate, through the Chief Executive, the performance of other Executive Directors (including non-voting Executive Directors) and monitor and evaluate, through Executive Directors, the performance of other senior managers as determined by the Trust.
- To advise on, and oversee, appropriate contractual arrangements for the Chief Executive, other Executive Directors (including non-voting Executive Directors), and other senior managers as determined by the Trust including the proper calculation and scrutiny of termination payments, taking account of such national guidance as is appropriate.
- To take into consideration any relevant guidance or direction supplied by the Department of Health, or any other relevant body, in the review of any remuneration or terms and conditions of employment of senior staff.
- To consider the time commitments arising from any external interests of the Executive Directors and whether any payments made by other organisations for the exercise of such duties should be retained by the Executive Directors or paid to the Trust in recognition of the time away from Trust duties.
- To disclose membership of the Committee in the Annual Report.
- To keep the Board and the Chief Executive informed (via the Chairperson) of any material matter which has come to the attention of the Committee.
- To be involved in the appointment of Interim Directors.

**Note:** The Trust will remunerate the Trust Chairman and Non-Executive Directors in accordance with the arrangements determined by the Council of Governors.

## **RESPONSIBILITIES OF THE CHAIRPERSON OF THE COMMITTEE**

The duties of the Chairperson of the Remuneration Committee will be to:

- Keep the Board of Directors informed of any material matter which has come to the attention of the Committee;
- Ensure that the minutes of the meetings are an accurate reflection of discussion;
- Attend or designate another member of the Committee to attend public meetings of the Trust, as appropriate, to answer questions about the Committee's work.

## **AGENDA ITEMS**

An annual timetable will be provided with dates for agenda items to be submitted. Items for the agenda should be submitted to the Secretary to the Committee a minimum of two weeks prior to the meeting. Members wishing to discuss an item on the agenda must attend the meeting. Members will be expected to provide reports as required at dates agreed.

## **MINUTES RECEIVED**

The Committee will receive reports and minutes from the following reporting Committees: -

- None

## **DISTRIBUTION OF MINUTES**

The minutes of the meeting shall be formally recorded and submitted to:

- All members of the Committee; and
- Retained on file by the Foundation Trust Secretary.

## **REPORTING RESPONSIBILITIES**

The Chairperson of the Committee will be responsible for ensuring the Committee adheres to its Terms of Reference.

The Chairperson of the Committee will be responsible for reporting to the Board of Directors and shall draw to the attention of the Board of Directors any issues that require disclosure or require action.

The proceedings of the Committee may be reviewed by the External Auditor as part of the planned annual audit work.

## **REVIEW AND EVALUATION**

The membership of the group and terms of reference will be reviewed every two years or as required.

## **DETAILS OF NOMINATED NAMED DEPUTIES**

<b>Membership</b>	<b>Nominated Named Deputies</b>
Trust Chairman (Chairperson)	Deputy Chairman (Chairperson)
Non-Executive Director	N/A

**Approved by the Board on:** 31st July 2013

**To be reviewed no later than:** 30th July 2014

**AUDIT COMMITTEE**  
**TERMS OF REFERENCE**

**MAIN AUTHORITY/LIMITATIONS**

The Board hereby resolves to establish a committee of the Board to be known as the Audit Committee ('the Committee'). The Committee is a non-executive committee of the Board and has no executive powers, other than those specifically delegated in these Terms of Reference.

The committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee. The committee is authorised to obtain outside legal or other independent professional advice, which shall be shared with the Board, and to secure the attendance of outsiders with relevant experience if it considers it necessary.

The committee will report to the Board annually on its work in support of the Annual Governance Statement, specifically commenting on the fitness for purpose of the Risk Register and Assurance Framework in the management of the Trust's significant risks; the completeness and embeddedness of risk management within the Trust, the integration of governance arrangements and the appropriateness of any self assessment declarations of compliance made by the Board.

Approved minutes of the committee are circulated to the Board for information and to those regularly in attendance. The committee Chairperson provides the Board with a brief summary of the committee's work at the first available Board meeting opportunity after each committee meeting. The Chairperson of the committee will escalate matters to the Board as deemed appropriate.

The Board has delegated to the Audit Committee the power to oversee the development of audit strategy and policy; and the monitoring of the delivery of audit strategy and policy. It will, however, require the committee to submit key strategies, policies and the specified items listed below to the Board for approval and to provide assurance to the Board (through its Chairperson) that such strategies and policies are being successfully implemented, advising the Board of any areas where this is not occurring and drawing key issues to the Board's attention.

**Specified Items for recommendation by the Audit Committee to the Board for approval:-**

- Annual Report & Annual Accounts
- Quality Accounts
- Annual Governance Statement
- Representation Letter
- Standing Orders/Standing Financial Instructions
- Scheme of Delegation

The committee will be responsible for developing clear powers of delegation to the Chief Executive and Executive Directors of matters which fall within the remit of the committee. These must be submitted to the Board for approval so that the Board is clearly apprised of matters which the committee has so delegated. The committee will be expected to review its powers of delegation at its last meeting of each calendar year so that it can make recommendations to the Board concerning delegation for the following financial year. These powers will be thoroughly reviewed as part of the four yearly review of powers of delegation which the Board will conduct.

The structure of the Board and its committees and the Terms of Reference for each of those committees are set out in the Board Committee Structure Manual which may be amended from time to time

The Trust's Standing Orders and Standing Financial Instructions apply to the operation of this committee.

### **MAIN PRIORITY**

The priority for the committee is to monitor the integrity of the Trust's financial statements and to review the Trust's financial and non-financial controls and management systems. The committee shall take a risk based approach to the overarching scrutiny of the Trust's assurance, risk and governance structures and processes so that the Board may be provided with assurance that the corporate objectives shall be met. In particular, the committee shall commission and scrutinise assurances that the Trust has operated, and shall continue to operate, in accordance with its Terms of Authorisation and that compliance requirements of Monitor and the Care Quality Commission shall be met, thereby ensuring that the Trust's licence to operate is maintained.

### **MEMBERSHIP**

The Committee shall be appointed by the Board and shall comprise of three Non-Executive Directors of the Trust (who do not attend the Finance Committee) with the exception of the Trust Chairman who shall not be a member of the Committee. A Non-Executive Director with relevant financial experience will be appointed Chairperson of the Committee by the Board and, in his/her absence, one of the remaining Non-Executive Directors may deputise.

Non-Executive Director (Chairperson)

2 Non-Executive Directors

### **ATTENDANCE**

The Director of Finance and appropriate Internal and External Audit representatives shall normally attend meetings. However, at least once a year the Committee should meet privately with the External Auditors and Internal Auditors.

The Chief Executive should be invited to attend, at least annually, to discuss with the Audit Committee the process for assurance that supports the Annual Governance Statement. He or she should also attend when the Committee considers the Draft Internal Audit Plan and the Annual Report and Accounts.

All other Executive Directors should be invited to attend, when the Committee is discussing areas of risk or operation that are the responsibility of that director.

### **DEPUTY ATTENDANCE**

Any Non-Executive Director who is not a nominated member of the Audit Committee will be asked to attend the Audit Committee in place of any Non-Executive Director who cannot attend, in order to ensure that the meeting is quorate.

### **FREQUENCY OF ATTENDANCE BY MEMBERS**

The Committee requires a minimum attendance of four out of six meetings per annum by the individual committee member unless he/she has been given specific leave of absence as agreed by the Board.

### **QUORUM**

A quorum shall be two members, however, every effort will be made for three members to be present. Where a quorum cannot be established the Committee will continue to meet but will be unable to approve any documentation.

### **FREQUENCY OF MEETINGS**

Meetings shall be held not less than six times a year. The External Auditor or Head of Internal Audit may request a meeting if they consider it necessary.

### **AUTHORITY**

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

### **DUTIES**

The duties of the Committee can be categorised as follows:-

## **Governance, Risk Management and Internal Control**

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

In particular, the Committee will review the adequacy and effectiveness of:-

All risk and control related disclosure statements (in particular the Annual Governance Statement and declarations of compliance with the Care Quality Commission Quality and Risk Standards), together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board.

The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements.

The policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self-certification.

The policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions and as required by the Counter Fraud and Security Management Service.

In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these services. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the over-arching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.

This will be evidenced through the Committee's use of an effective Assurance Framework to guide its work and that of the audit and assurance functions that report to it.

## **Internal Audit**

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

Consideration of the provision of the Internal Audit Service, the cost of the audit and any questions of resignation and dismissal;

Reviewing and approving the Internal Audit strategy, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation as identified in the Assurance Framework.

Consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the Internal Auditors and External Auditors to optimise audit resources.

Ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation.

Annual review of the effectiveness of internal audit.

## **External Audit**

The Committee shall review the work and findings of the External Auditors, appointed by the Council of Governors, and consider the implications and management's responses to their work. This will be achieved by:-

Consideration of the appointment and performance of the External Auditors, as far as the rules governing the appointment permit and recommendations to the Council of Governors.

Discussion and agreement with the External Auditor, before the audit commences, of the nature and scope of the audit as set out in the Annual Plan, and ensure co-ordination, as appropriate, with other External Auditors in the local health economy.

Discussion with the External Auditors of their local evaluation of audit risks and assessment of the Trust and associated impact on the audit fee.

Reviewing all External Audit reports including the report to those charged with governance, including agreement of the annual audit letter before submission to the Board and the Council of Governors and any work undertaken outside the annual audit plan, together with the appropriateness of management responses.

### **Other Assurance Functions**

The Audit Committee shall review the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications to the governance of the organisation.

These will include, but will not be limited to, any reviews by Department of Health Arms Length Bodies or Regulators/Inspectors (e.g. Care Quality Commission, NHS Litigation Authority, etc) professional bodies with responsibility for the performance of staff or functions, e.g. Royal Colleges, accreditation bodies, etc).

In addition, the Committee will review the work of other committees within the organisation, whose work can provide relevant assurance to the Audit Committee's own scope of work. In particular, this will include the Quality Committee and Risk Committee.

In reviewing the work of the Quality Committee, and issues around clinical risk management, the Audit Committee will wish to satisfy itself on the assurance that can be gained from the clinical audit function.

### **Counter Fraud**

The Committee shall satisfy itself that the organisation has adequate arrangements in place for countering fraud and shall review the outcomes of counter fraud work.

### **Management**

The Committee shall request and review reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control.

The Committee may also request specific reports from individual functions within the organisation (e.g. clinical audit), as they may be appropriate to the overall arrangements.

### **Financial Reporting**

The Audit Committee shall monitor the integrity of the financial statements of the Trust and any formal announcements relating to the Trust's financial performance.

The Committee should ensure that the system for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Board.

The Audit Committee shall review the Annual Report and Financial Statements before submission to the Board, focusing particularly on:-

- The wording in the Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee.
- Changes in, and compliance with, accounting policies, practices and estimation techniques.
- Unadjusted miss-statements in the financial statements.
- Significant judgements in preparation of the financial statements.
- Significant adjustments resulting from the audit.
- Letter of representation.
- Qualitative aspects of financial reporting.
- Major judgemental areas.

## RESPONSIBILITIES OF MEMBERS OF THE COMMITTEE

- Actively participate in discussions pertaining to committee business ensuring that solutions and action plans have multidisciplinary perspectives and have considered the impact Trust-wide;
- Disseminate the learning and actions from the meetings.

## AGENDA ITEMS

An annual timetable will be provided with dates for agenda items to be submitted. Items for the agenda should be submitted to the Secretary to the Committee a minimum of two weeks prior to the meeting. Members wishing to discuss an item on the agenda must attend the meeting. Members will be expected to provide reports as required by the agreed dates.

## MINUTES RECEIVED

- Quality Committee
- Risk Committee

The Chairperson of the Audit Committee can request minutes of any other Committee meetings. Alternatively, the Chief Executive can request the Audit Committee to review any items identified in committee minutes received by the Board.

## DISTRIBUTION OF MINUTES

The minutes of the meeting shall be formally recorded and submitted to:

- All members of the Committee; and
- Board of Directors.

## REPORTING RESPONSIBILITIES

The Chairperson of the Committee will be responsible for ensuring the Committee adheres to its Annual Work Plan and Annual Measurable Objectives.

The Chairperson of the Committee will be responsible for reporting to the Board of Directors and shall draw to the attention of the Board of Directors any issues that require disclosure to the full Board, or require executive action.

The Committee will report to the Board at least annually on its work in support of the Annual Governance Statement, specifically commenting on the fitness for purpose of the Assurance Framework, the completeness and 'embeddedness' of risk management in the organisation, the integration of governance arrangements, the appropriateness of the evidence compiled to demonstrate fitness to register with the Care Quality Commission and the robustness of the processes behind the Quality Accounts.

## REVIEW AND EVALUATION

The membership of the group and terms of reference will be reviewed annually or as requested.

## OTHER MATTERS

This will include enabling the development and training of Committee members.

The Committee shall be supported administratively by the PA to the Finance Director, whose duties in this respect will include:-

- Agreement of the agenda with Chairperson and attendees and collation of papers.
- Taking the minutes and keeping a record of matters arising and issues to be carried forward.
- Advising the Committee on pertinent areas.

## DETAILS OF NOMINATED NAMED DEPUTIES

Membership	Nominated Named Deputies
Non-Executive Director (Chairperson)	Deputy Chairperson
Non-Executive Director (Deputy Chairperson)	As designated by the Non-Executive Director
Non-Executive Director	As designated by the Non-Executive Director

Approved by the Board on: 31st July 2013

To be reviewed no later than: 30th July 2014

**QUALITY COMMITTEE**  
**TERMS OF REFERENCE**

**MAIN AUTHORITY / LIMITATIONS**

The Board hereby resolves to establish a committee of the Trust to be known as the Quality Committee ('the Committee'). The Quality Committee is a committee of the Board of Directors and is authorised by the Board to investigate any activities within the scope of its Terms of Reference and obtain any information required from relevant parties to facilitate its understanding of the issues.

The Board has delegated to the Quality Committee the power to oversee the development of a Quality Strategy and policies for assuring and delivering quality; and the monitoring of the delivery of the Quality Strategy and policy. It will, however, require the committee to submit the Quality Strategy and the specified items listed below to the Board for approval and to provide assurance to the Board (through its Chairperson) that the Quality Strategy is being successfully implemented, advising the Board of any areas where this is not occurring and drawing key issues to the Board's attention. (Where the Committee develops other major strategies or policies in order to carry out its responsibilities, it should submit these to the Board for approval only if these may have a significant impact on other aspects of the Trust's work. If not, the Committee can use its delegated powers to approve such strategies and policies but should, through its Chairperson, notify the Board that it has done so in order that the Board can be fully apprised of strategy and policies developed on its behalf).

**Specified Items for recommendation by the Quality Committee to the Board for approval:-**

- Quarterly Monitoring Return to Monitor (Quality and Governance)
- Compliance Monitoring Assurance Report
- Quality Schedule Contract
- Annual Reports

The committee will be responsible for developing clear powers of delegation to the Chief Executive and Executive Directors of matters which fall within the remit of the committee. These must be submitted to the Board for approval so that the Board is clearly apprised of matters which the committee has so delegated. The committee will be expected to review its powers of delegation at its last meeting of each calendar year so that it can make recommendations to the Board concerning delegation for the following financial year. These powers will be thoroughly reviewed as part of the four yearly review of powers of delegation which the Board will conduct.

The structure of the Board and its committees and the Terms of Reference for each of those committees are set out in the Board Committee Structure Manual which may be amended from time to time.

Approved minutes of the committee are circulated to the Board for information. The Committee Chairperson provides the Board with a brief summary of the committee's work at the first available opportunity after each committee meeting. The Chairperson of the Committee will escalate matters to the Board as deemed appropriate.

The Trust's Standing Orders and Standing Financial Instructions apply to the operation of this committee.

## **MAIN PRIORITY AND OBJECTIVES**

The main priority for the Quality Committee is to provide assurance to the Board that the highest possible standards in quality of care and patient safety are set and achieved by the Trust. To this end it will require the Chief Executive to provide a quarterly assurance report on the quality of care and patient safety in the Trust for consideration by the Committee so that it can decide the level of assurance it can give to the Board. It will also ensure that effective systems of clinical governance and clinical audit are embedded within the Trust and that it is under constant review and improvement. A major objective is to review all significant quality risks as required to ensure that the Chief Executive is taking action to manage these risks and to report to the Board accordingly.

## **MEMBERSHIP**

Non Executive Director (Chairperson)  
Chief Executive (Deputy Chairperson)  
Trust Chairman (Non Executive)  
Non-Executive Director  
Medical Director  
Director of Nursing and Quality  
Deputy Director of Corporate Affairs and Governance  
Divisional Representative from Unscheduled Care (DD, DDoP or ADoN)  
Divisional Representative from Scheduled Care, (DD, DDoP or ADoN)  
Divisional Representative from Families Division (HoD, HoM, ADoN or HoS)  
Divisional Representative from Adult and Long Term Conditions, (DCD, DALTC or ADoN)  
Governor  
Divisional Representative from Clinical Support and Facilities Management  
Head of Performance, Planning and Contracting

## **ATTENDANCE**

Other members of the Trust may be invited to attend as and when required.

## **DEPUTY ATTENDANCE**

It is the responsibility of each member of the committee to nominate a deputy (see attached list of nominated deputies). However, this will be the exception rather than the rule. In the event of a deputy attending the meeting, members must ensure they have been fully briefed and are able to inform decision making.

## **FREQUENCY OF ATTENDANCE BY MEMBERS**

The Committee requires a minimum attendance of 3 out of 4 meetings per annum by the individual committee member unless he/she has been given specific leave of absence as agreed by the Board.

## **QUORUM**

A quorum shall consist of 6 members. Where a quorum cannot be established the Committee will continue to meet but will be unable to approve any documentation (or confirm actions).

## **FREQUENCY OF MEETINGS**

Meetings will be held quarterly. An annual timetable will be provided with dates for agenda items to be submitted.

## **DUTIES**

### **Strategy:**

- To provide assurance to the Board that the highest possible standards in quality of care and patient safety are set and achieved by the Trust.
- To provide a quarterly assurance report, from the Chief Executive, on the quality of care and patient safety in the Trust for consideration by the Committee so that it can decide the level of assurance it can give to the Board.
- To ensure that effective systems of clinical governance and clinical audit are embedded within the Trust and that it is under constant review and improvement.
- To review all significant quality risks as required to ensure that the Chief Executive is taking action to manage these risks and to report to the Board accordingly.
- To oversee the work of the relevant objectives within the Strategic Framework.
- To oversee the development of Quality Governance and Performance clinical indicators for all services.

- To oversee the development of a local Quality Governance Strategy and Annual Work Programme that reflects the NHS Outcomes Framework.
- To oversee the development of the Integrated Governance Dashboards; CQUIN Schemes; and Quality Accounts.
- To influence quality improvement programmes as part of the Strategic Plan priorities such as Advancing Quality Initiatives; AQUA; Privacy and Dignity Programme.
- To identify opportunities to address quality improvement across integrated services.
- To consider the implications of national, regional and local guidance and service reviews.
- To oversee the implementation of accreditation and revalidation arrangements for relevant professional groups e.g. JACIE Accreditation; JAG Review.
- To liaise with the Risk Committee and Executive Directors Committee to ensure effective delivery of responsibilities across the integrated Quality Governance agenda.

### Quality Governance Monitoring

- To monitor the performance and compliance of CQUIN targets; PROMS; Advancing Quality initiatives and Quality Accounts.
- To monitor and review the CHKS Clinical Governance data on a quarterly basis and monitor Divisional actions taken to address areas identified for improvement.
- To monitor compliance with relevant national standards and statutory legislation requirements.
- To oversee the development of information analysis capacity and capability for measuring quality improvement.
- To review items of concern or exception which are being considered within the monthly Divisional Performance Review Meetings.
- To produce an Annual Quality Report for the public no later than June of each year to show progress on clinical quality improvements.
- To ensure the views and experiences of patients and carers have been built into the design and delivery of services.
- To review the findings of national and local surveys, complaints, PALS and other forms of feedback about the experience of patients of local health services.
- To ensure all issues discussed at the meeting which may suggest a risk score 12 or above (or deemed by the Committee to be of major significance) are appropriately escalated.
- To review and ratify all relevant quality strategies/policies and procedures.
- To verify and approve any relevant reports which have been developed.
- To keep the Risk Committee informed of any significant Quality Governance or patient safety concerns that may require remedial action.

### Reporting Committees

The Committee has the right to establish sub-committees to enable it to carry out its work but should report to the Board the establishment of any sub-committee and its terms of reference so that the Board is fully apprised of sub-committee activity. The Committee will scrutinise exception reports received from the reporting committees as detailed below and will challenge any areas of poor performance in order to provide a single assurance report to the Board in respect of quality in clinical care via the Chief Executive's Assurance Report:

Exception Report	Frequency
<ul style="list-style-type: none"> <li>• To receive a quarterly Organisational and Divisional CHKS Clinical Governance Report to identify any areas of poor performance and identify any action to address these areas of concern</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>• To receive a quarterly hospital Mortality Assurance Report and actions taken to reduce Mortality rates including investigations as a result of Care Quality Commission mortality outlier alerts.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>• To provide an overview on Infection Prevention activities at each of the meetings to ensure a sustained improvement and reduction in Healthcare Associated Infections.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>• To receive and monitor the minutes of the Divisional Governance Meetings and ensure continued focus until any issues of concern are resolved.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>• To receive a Divisional report on the assessment of compliance at least annually with national standards including the CQC essential standards.</li> </ul>	Annually
<ul style="list-style-type: none"> <li>• To receive a report on emerging risks on Complaints, Claims and Incidents and identify action to address these areas of concern.</li> </ul>	Quarterly

<ul style="list-style-type: none"> <li>To receive a quarterly assurance report on Medicines Management activities including prescribing governance processes and reviewing compliance with the Controlled Drugs Policy.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To receive an assurance report from the Clinical Improvement Committee on progress and action to address any potential lapses in implementation of NICE Guidance, Clinical Audit and Research Processes.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To provide a quarterly report on pressure ulcers, falls, etc, and identify any action to address any areas of concern.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To receive a report on emergent themes on Blood Transfusion Incidents and identify any action to address these areas of concern.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To receive a quarterly report on the reduction of Resuscitation activities.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To provide a quarterly Patient Experience Report and identify any action to address any areas of concern.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To receive a quarterly CQUIN report.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To receive a quarterly PROMS report.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To receive a quarterly Advancing Quality Initiative report.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To provide an assurance report on Safeguarding Children, Adults and Domestic Abuse activities and identify any action to address areas of concern.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To receive a 6 monthly Organ Donation Report on areas of activity.</li> </ul>	6 monthly
<ul style="list-style-type: none"> <li>To receive a quarterly Safeguarding Assurance Report.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To receive a quarterly Infection Prevention Assurance Report – including Hygiene Code Compliance Report.</li> </ul>	Quarterly
<ul style="list-style-type: none"> <li>To receive a quarterly Business Monitoring Report.</li> </ul>	Quarterly

### **RESPONSIBILITIES OF MEMBERS OF THE COMMITTEE**

Members and attendees are expected to:

- Actively participate in discussions pertaining to the Quality Committee, ensuring that solutions and action plans have multidisciplinary perspectives and have considered the impact across all of the directorates and departments.
- Disseminate the learning and actions from the meetings within the divisions.
- Communicate to the Quality Committee the risks, issues and solutions discussed in Divisional meetings to support organisational learning.

### **AGENDA ITEMS**

Items for the agenda should be submitted to the Secretary of the Committee a minimum of two weeks prior to the meeting. Members wishing to discuss an item on the agenda must attend the meeting.

Members will be expected to provide assurance reports to cover matters raised by members as required at dates agreed.

A list of minutes received will be noted on the agenda and each member will receive an e-mailed copy. The Secretary to the Committee will hold a master copy on file for reference.

A list of reports, circulars and documents received will be noted on the agenda and the Secretary of the Committee will hold master copies centrally.

An Annual Review of Effectiveness of the Committee must be undertaken.

### **MINUTES RECEIVED**

The Committee will receive minutes and exception reports via the quality report from each of the following reporting Committees: -

- Hospital Infection Prevention Committee
- Learning from Incidents and Risks Committee
- Medicines Management and Incident Review Committee
- Clinical Improvement Committee
- Hospital Transfusion Committee
- Governors' Patient Experience Committee
- Organ Donation Committee
- NHS Litigation Authority Risk Management Standards Steering Group
- Mortality Board
- Trauma Steering Group
- Joint Commissioning Quality Review Group
- Safeguarding Children, Young People and Adults Committee.

## DISTRIBUTION OF MINUTES

The minutes of the meeting shall be formally recorded and submitted to:

- All members of the Quality Committee; and
- Board of Directors

## REPORTING RESPONSIBILITIES

The Chairperson of the Committee will be responsible for making a report to the Board after each committee meeting, in order to provide assurance that the Quality Strategy is being successfully implemented, advising the Board of any areas where this is not occurring and drawing key issues to the Board's attention for disclosure or action. The report should also detail strategy, policy and other specific issues on which it is seeking Board approval (in line with the second paragraph of the section headed 'Main Authority/Limitations' above). The Chairperson of the Committee will be responsible for ensuring the Committee adheres to its Terms of Reference and Annual Work Plan.

The Committee will oversee the work of the reporting committees.

## REVIEW AND EVALUATION

The membership of the group and terms of reference will be reviewed every two years or as required.

## DETAILS OF NOMINATED NAMED DEPUTIES

<b>Membership</b>	<b>Nominated Named Deputies</b>
Non Executive (Chairperson)	As designated by the Non Executive
Chief Executive (Deputy Chairperson)	As designated by the Chief Executive
Trust Chairman (Non-Executive)	As designated by the Trust Chairman
Non-Executive Director	As designated by the Non-Executive
Medical Director	Deputy Medical Director
Director of Nursing and Quality	Deputy Director of Corporate Affairs and Governance
Deputy Director of Corporate Affairs and Governance	Governance, Patient Safety and Risk Manager
Divisional Representative from Unscheduled Care (DD, DDoP or ADoN)	Nominated Divisional Representative from Unscheduled Care
Divisional Representative from Scheduled Care, (DD, DDoP or ADoN)	Nominated Divisional Representative from Scheduled Care
Divisional Representative from Families Division, (HoD, HoM, ADoN or HoS)	Nominated Divisional Representative from Families Division
Divisional Representative from Adults and Long-Term Conditions, (DCD, DALTC or ADoN)	Nominated Divisional Representative from Adults and Long-Term Conditions
Governor	Nominated Governor
Head of Performance, Planning and Contracting	Planning Officer

**Approved by the Board on:** 31st July 2013

**To be reviewed no later than:** 30th July 2014

**FINANCE COMMITTEE**  
**TERMS OF REFERENCE**

**MAIN AUTHORITY / LIMITATIONS**

The Board hereby resolves to establish a committee of the Trust to be known as the Finance Committee ('the committee'). The Finance Committee is a committee of the Board of Directors and is authorised by the Board to investigate any activities within the scope of its Terms of Reference and obtain any information required from relevant parties to facilitate its understanding of the issues.

The Board has delegated to the Finance Committee the power to oversee the development of a Financial Strategy and policies for assuring and delivering quality; and the monitoring of the delivery of the Financial Strategy and policy. It will, however, require the committee to submit the Financial Strategy and the specified items listed below to the Board for approval and to provide assurance to the Board (through its Chairperson) that the Financial Strategy is being successfully implemented, advising the Board of any areas where this is not occurring and drawing key issues to the Board's attention. (Where the Committee develops other major strategies or policies in order to carry out its responsibilities, it should submit these to the Board for approval only if these may have a significant impact on other aspects of the Trust's work. If not, the Committee can use its delegated powers to approve such strategies and policies but should, through its Chairperson, notify the Board that it has done so in order that the Board can be fully apprised of strategy and policies developed on its behalf).

**Specified Items for recommendation by the Finance Committee to the Board for approval:-**

- Quarterly Monitoring Return to Monitor (Finance)
- Annual Plan
- Financial Contract
- Capital Plan
- Estates Strategy Funding
- Working Capital Facility
- FT Financing Facility Loan Agreement
- Directors and Officers Liability Insurance
- Information Governance Toolkit
- Standing Orders/Standing Financial Instructions
- Scheme of Delegation

The committee will be responsible for developing clear powers of delegation to the Chief Executive and Executive Directors of matters which fall within the remit of the committee. These must be submitted to the Board for approval so that the Board is clearly apprised of matters which the committee has so delegated. The committee will be expected to review its powers of delegation at its last meeting of each financial year so that it can make recommendations to the Board concerning delegation for the following financial year. These powers will be thoroughly reviewed as part of the four yearly review of powers of delegation which the Board will conduct.

The structure of the Board and its committees and the Terms of Reference for each of those committees are set out in the Board Committee Structure Manual which may be amended from time to time.

Approved minutes of the committee are circulated to the Board for information. The Committee Chairperson provides the Board with a brief summary of the committee's work at the first available opportunity after each committee meeting. The Chairperson of the committee will escalate matters to the Board as deemed appropriate.

The Trust's Standing Orders and Standing Financial Instructions apply to the operation of this committee.

## **MAIN PRIORITY AND OBJECTIVES**

The main priority for the Finance Committee is to be responsible for ensuring that an effective system of financial governance is embedded within the Trust and that it is under constant review and improvement. It will make regular reports to the Board and to the Strategy and Assurance Committee setting out the level of assurance it can provide to the Board on financial issues. To this end the committee will require the Finance Director to provide a regular assurance report to the committee so that it can discuss this and determine the level of assurance it can provide through its Chairperson. The committee will act as the point of initial scrutiny of financial plans and its main objective is to review all significant financial risks as required and report to the Board accordingly.

## **MEMBERSHIP**

The committee will include four Non-Executive Directors (who do not attend the Audit Committee) and four Executive Directors. The Committee will be chaired by a Non-Executive Director. Other members of the Trust may be invited to attend as and when required.

Trust Chairman (Chairperson)

3 Non-Executive Directors

Chief Executive

Director of Finance

Director of Operations

Managing Director of Community Development and Transformation

Director of HR & OD (to attend when required)

## **ATTENDANCE**

The Director of HR & OD will be invited to attend meetings as required.

Other members of the Trust may be invited to attend as and when required.

## **DEPUTY ATTENDANCE**

It is the responsibility of each executive member of the Committee to nominate a deputy to ensure that the meeting is quorate. However, this will be the exception rather than the rule. In the event of a deputy attending the meeting, members must ensure they have been fully briefed.

## **FREQUENCY OF ATTENDANCE BY MEMBER**

The committee requires a minimum of 9 out of 12 (75%) meetings per annum by the individual committee member unless he/she has been given specific leave of absence.

## **QUORUM**

To be quorate a minimum of six members will be present, two of whom will be Non-Executive Directors. Where a quorum cannot be established the Committee will continue to meet but will be unable to approve any documentation.

## **FREQUENCY OF MEETINGS**

The Committee shall meet at least eight times a year. The Chairperson may request that meetings are held more regularly if it is considered necessary.

## **DUTIES**

The Committee will review the financial and operational performance of the Trust to ensure that it meets its obligations as a Foundation Trust.

The Finance Director will provide an assurance report to cover the following items discussed at each of its meetings:-

- The financial performance of the Trust, including the risks to non-delivery of target performance.
- The QuIPP report from the Programme Management Office.
- A cash and liquidity report including a 24 month rolling forecast.

The Committee will review on a periodic basis:-

- The development of an Annual Plan. This will include a review and agreement of the annual budget before submission for approval to the Board of Directors.
- The proposed contracts with Commissioners.

- Progress on the Trust's Capital Programme including an assessment of funding and affordability of plans for future years.
- Proposed accounting treatments that have a material impact prior to submission to the Audit Committee.
- Any other matters that may be referred by the Board of Directors.

In addition Divisional teams may be invited to discuss their performance with the Committee as appropriate.

#### **RESPONSIBILITIES OF MEMBERS OF THE COMMITTEE**

- Actively participate in discussions pertaining to finance performance strategy ensuring that solutions and action plans have multidisciplinary perspectives and have considered the impact across relevant directorates and departments.
- Communicate the outcomes of discussions at the Committee to relevant colleagues, teams and involved parties.
- Ensure all issues discussed at the meeting which may suggest a risk score 12 or above (or deemed by the Committee to be of major significance) are appropriately escalated.
- Review and ratify all relevant quality strategies/policies and procedures.

#### **AGENDA ITEMS**

Items for the agenda should be submitted to the secretary of the committee a minimum of 2 weeks prior to the meeting. It is expected that the Finance Director will provide an assurance report to cover items discussed on the agenda.

Members wishing to discuss an item on the agenda must attend the meeting.

A list of reports, circulars and documents received will be noted on the agenda and copies held centrally by the secretary.

An Annual Review of Effectiveness of the committee must be undertaken.

#### **STANDING AGENDA ITEMS**

The following will be standing agenda items which will be included in the Finance Director's assurance report:

- Finance Report
- Contract Update
- Income and Expenditure Performance including EBITDA Performance
- Financial Risk Rating (FRR)/COS

#### **REPORTING COMMITTEES**

The Committee has the right to establish sub-committees to enable it to carry out its work but should report to the Board the establishment of any sub-committee and its terms of reference so that the Board is fully apprised of subcommittee activity. The reporting committees are detailed below and any issues from these reporting committees will be included in the Finance Director's assurance report:

- Minutes of the Cash Committee
- Minutes of the Transformation and QulPP Programme Board
- Minutes of the Gateway Meeting

#### **DISTRIBUTION OF MINUTES**

The minutes of the meeting shall be formally recorded and submitted to:

- All members of the Committee; and
- Board of Directors.

#### **REPORTING RESPONSIBILITIES**

The Chairperson of the Committee will be responsible for making a report to the Board after each committee meeting, in order to provide assurance that the Finance Strategy is being successfully implemented, advising the Board of any areas where this is not occurring and drawing key issues to the Board's attention for disclosure or action. The report should also detail strategy, policy and other specific issues on which it is seeking Board approval (in line with the second paragraph of the section headed 'Main Authority/Limitations' above).

The Chairperson of the Committee will be responsible for ensuring the Committee adheres to its Terms of Reference and Annual Work Plan.

The Committee will oversee the work of the reporting committees.

#### **REVIEW AND EVALUATION**

The membership of the group and terms of reference will be reviewed annually or as required.

#### **DETAILS OF NOMINATED NAMED DEPUTIES**

<b>Membership</b>	<b>Nominated Named Deputies</b>
Chairman (Chairperson)	Deputy Chairman (Chairperson)
Non-Executive Director	As designated by the Non-Executive Director
Non-Executive Director	As designated by the Non-Executive Director
Non-Executive Director	As designated by the Non-Executive Director
Chief Executive	Deputy Chief Executive
Director of Finance	Deputy Director of Finance
Director of Operations	Deputy Director of Operations
Managing Director for Community Development and Transformation	As designated by the Managing Director for Community Development and Transformation

**Approved by the Board on:** 31st July 2013

**To be reviewed no later than:** 30th July 2014

**STRATEGY AND ASSURANCE COMMITTEE**  
**TERMS OF REFERENCE**

**MAIN AUTHORITY / LIMITATIONS**

The Board hereby resolves to establish a committee of the Trust to be known as the Strategy and Assurance Committee ('the Committee'). The Strategy and Assurance Committee is a committee of the Board of Directors and is authorised by the Board to investigate any activities within the scope of its Terms of Reference and obtain any information required from relevant parties to facilitate its understanding of the issues.

The Board has delegated to the Strategy and Assurance Committee the power to oversee the development and implementation of strategy and policies for the management of the Trust; and for taking action on behalf of the Board in between Board meetings where it would not be in the interests of the Trust to delay decisions until the next Board meeting occurs. (Such requests to the Committee for immediate action may come from the Chief Executive or from other Committees of the Board). It will, however, require the committee to provide a report to each Board meeting setting out the actions which the Committee has taken on its behalf. The Committee is not authorised to act on behalf of the Board with respect to approving the specified items listed below. These must instead be submitted to the Board for approval,

**Specified Items for recommendation by the Strategy and Assurance Committee to the Board for approval:-**

- Corporate Objectives
- Trust Constitution
- Review of Board Effectiveness
- Board Committee Structure Manual and Terms of Reference
- Confirmation of Chairman's Action
- Common Seal
- Significant Transactions – Merger/Acquisition/Separation/Dissolution

The structure of the Board and its committees and the Terms of Reference for each of those committees are set out in the Board Committee Structure Manual which may be amended from time to time.

Approved minutes of the committee are circulated to the Board for information. The Committee Chairperson provides the Board with a summary of the committee's work at the first available opportunity after each committee meeting. The Chairperson of the committee will escalate matters to the Board as deemed appropriate.

The Trust's Standing Orders and Standing Financial Instructions apply to the operation of this committee.

**MAIN PRIORITY AND OBJECTIVES**

The main priority for the Strategy and Assurance Committee is to be responsible for taking action to enable the Board to fulfil its responsibilities for the organisation's mission, vision and strategic direction. The committee will ensure that an effective system of governance is embedded within the Trust and that it is under constant review and improvement. It will also keep the Board informed of all actions which it takes on behalf of the Board.

**MEMBERSHIP**

The Committee will comprise the Trust Chairman, all Non-Executive Directors and all Executive Directors (including non-voting Executive Directors). The membership will also include the Deputy Director of Corporate Affairs and Governance.

Trust Chairman (Chairperson)  
6 Non-Executive Directors  
Chief Executive  
Director of Finance  
Medical Director

Director of Nursing and Quality  
Director of Human Resources and Organisational Development  
Director of Operations  
Director of Clinical Support and Facilities Management  
Managing Director for Community Development and Transformation  
Deputy Director of Corporate Affairs and Governance

### **ATTENDANCE**

Other members of the Trust may be invited to attend as and when required.

### **DEPUTY ATTENDANCE**

It is the responsibility of each executive member of the committee to nominate a deputy. However, this will be the exception rather than the rule. In the event of a deputy attending the meeting, members must ensure they have been fully briefed and are able to inform decision making.

### **FREQUENCY OF ATTENDANCE BY MEMBERS**

The Committee requires a minimum attendance of 6 out of 8 (75%) meetings per annum by the individual committee member unless he/she has been given specific leave of absence as agreed by the Board.

### **QUORUM**

A quorum shall consist of 6 members. Where a quorum cannot be established the Committee will continue to meet but will be unable to approve any documentation (or confirm actions).

### **FREQUENCY OF MEETINGS**

Meetings will be held eight times a year. An annual timetable will be provided with dates for agenda items to be submitted.

### **DUTIES**

The committee will assist the Board in the following areas:

- 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.
- Contributing in shaping a positive culture for the Board and the organisation.
- Setting and maintaining the Trust's strategic vision, aims and objectives, ensuring the necessary financial, physical and human resources are in place for it to meet its objectives.
- Delivering planned services and the achievement of objectives, monitoring performance to ensure corrective action is taken when required.

### **RESPONSIBILITIES OF MEMBERS OF THE COMMITTEE**

As a member of the Committee, individuals represent clinical and corporate departments and are expected to:

- Actively participate in decisions pertaining to the Strategy and Assurance Committee ensuring that solutions and action plans have multidisciplinary perspectives and have considered the impact across all of the divisions/directorates and departments.

### **AGENDA ITEMS**

Items for the agenda should be submitted to the Secretary of the Committee a minimum of two weeks prior to the meeting. Members wishing to discuss an item on the agenda must attend the meeting. The main agenda items will be presented via a brief Chief Executive's Assurance Report.

Members will be expected to provide reports as required at dates agreed.

A list of minutes received will be noted on the agenda and each member will receive an e-mailed copy. The Secretary to the Committee will hold a master copy on file for reference.

A list of reports, circulars and documents received will be noted on the agenda and the Secretary of the Committee will hold master copies centrally.

An Annual Review of Effectiveness of the Committee must be undertaken.

## MINUTES RECEIVED

The Committee will receive minutes and exception reports from each of the following reporting Committees:-

- None

## DISTRIBUTION OF MINUTES

The minutes of the Strategy and Assurance Committee meetings will be formally recorded and forwarded to:

- All members of the committee; and
- Board of Directors.

## REPORTING RESPONSIBILITIES

The Chairperson of the Committee will be responsible for providing assurance and reporting to the Board and shall draw to the attention of the Board any issues that require disclosure or action.

## REVIEW AND EVALUATION

The membership of the group and terms of reference will be reviewed every two years or as required.

## DETAILS OF NOMINATED NAMED DEPUTIES

Membership	Nominated Named Deputies
Chairman (Chairperson)	Deputy Chairman (Chairperson)
Non-Executive Director	N/A
Chief Executive	Deputy Chief Executive
Director of Finance	Deputy Director of Finance
Medical Director	Deputy Medical Director
Director of Nursing and Quality	Deputy Director of Corporate Affairs and Governance
Director of HR & OD	Deputy Director of FR & OD
Director of Operations	Deputy Director of Operations
Director of Clinical Support and Facilities Management	Deputy Director of Clinical Support and Facilities Management
Managing Director for Community Development and Transformation	As designated by the Managing Director for Community Development and Transformation
Deputy Director of Corporate Affairs and Governance	As designated by the Deputy Director of Corporate Affairs and Governance

**Approved by the Board on:** 31st July 2013

**To be reviewed no later than:** 30th July 2014

**RISK COMMITTEE**  
**TERMS OF REFERENCE**

**MAIN AUTHORITY / LIMITATIONS**

The Risk Committee is accountable to the Chief Executive with minutes provided to the Board for information. The Executive Team will be advisory to the Chief Executive and will inevitably report to the Chief Executive. The Chief Executive will report to the Board on workforce matters via the CEO Assurance Report.

The Board has delegated to the Risk Committee the power to oversee the way in which the Trust is determining and managing key risks on its behalf. It will, however, require the committee to submit the Trust's Risk Strategy and the specified items listed below to the Board for approval and to provide assurance to the Board (through its Chairperson – normally via his/her Assurance Report to the Board) that the Risk Strategy is being successfully implemented, advising the Board of any areas where this is not occurring and drawing key issues to the Board's attention. (Where the Committee develops other major strategies or policies in order to carry out its responsibilities, it should submit these to the Board for approval only if these may have a significant impact on other aspects of the Trust's work. If not, the committee can use its delegated powers to approve such strategies and policies but should, through its Chairperson, notify the Board that it has done so in order that the Board can be fully apprised of strategy and policies developed on its behalf).

**Specified Items for recommendation by the Risk Committee to the Board for approval:-**

- Board Assurance Framework
- Corporate Risk Register
- Strategies/Policies/Plans/Guidelines

Approved minutes of the Committee are circulated to the Board and to the Audit Committee for information. The Committee Chairperson provides the Board with a written summary of the committee's work (normally within his/her assurance report) at the first available Board meeting after each Committee meeting. The Chairperson of the Committee will escalate matters to the Board as deemed appropriate.

**PURPOSE**

Members of the Committee will provide reports to the Audit Committee on assurances relating to the effective operation of controls and, in the event of a significant risk arising, the risk will be reported to the Chairperson of the Committee (or his/her deputy). The Chairperson (or his/her deputy) will determine the most appropriate course of action to manage the risk and report the risk to the Executive Team and, where appropriate, to the Board (normally through the CEO Assurance Report) at the earliest opportunity.

**MEMBERSHIP****Chairperson**

The Chief Executive shall be the Chairperson of the Risk Committee. The Finance Director shall be the Deputy Chairperson. In the absence of both Chairperson and Deputy Chairperson, a decision will be taken in advance of the meeting who will Chair that particular meeting.

Chief Executive (Chairperson)

Medical Director (Deputy Chairperson)

Trust Chairman

Finance Director

Director of Clinical Support and Facilities Management

Director of Nursing and Quality

Director of Human Resources and Organisational Development

Director of Operations

Managing Director for Community Development and Transformation

Deputy Director of Corporate Affairs and Governance

## **ATTENDANCE**

Members and attendees are expected to:

- Actively participate in discussions pertaining to risk, ensuring that solutions and action plans have multidisciplinary perspectives and have considered the impact across all of the directorates and departments.
- Disseminate the minutes from this meeting appropriately and inform divisional management and speciality meetings of the issues discussed.
- Share the learning gained from division and corporate incident reviews within divisions to ensure that organisational learning occurs.
- Communicate to the Risk Committee risks and solutions discussed in divisional meetings to support organisational learning.
- Present to the Risk Committee divisional/departmental progress with reducing directorate/departmental risks.

Other members of the Trust may be invited to attend as and when required.

## **DEPUTY ATTENDANCE**

It is the responsibility of each member of the Committee to nominate a deputy to ensure that the meeting is quorate. However, this will be the exception rather than the rule. In the event of a deputy attending the meeting, attendees must ensure they have been fully briefed. In the absence of the Chairperson of the Committee a deputy must be identified who will assume the responsibilities of the Chairperson for an agreed period only.

## **FREQUENCY OF ATTENDANCE BY MEMBER**

The committee requires a minimum attendance of 3 out of 4 (75%) meetings per annum by the individual committee member unless he/she has been given specific leave of absence.

## **QUORUM**

In order for decisions taken by the Committee to be valid, the meeting must be quorate. A quorum shall be not less than three members. Each member shall be entitled the right of one vote. Any resolution of the Committee shall require a simple majority of those present and voting. In the event of an equality of votes the Chairperson shall have a casting vote. Where a quorum cannot be established, the Committee will continue to meet but will be unable to approve any documentation.

## **FREQUENCY OF MEETINGS**

The Committee shall meet no less than four times per year (quarterly). In case of necessity, meetings may be held as and when required.

## **MAIN PRIORITY AND OBJECTIVES**

- To maximise patient safety through an effective control system.
- To champion and promote highly-effective risk management and ensure that the risk management process and culture are embedded throughout the Trust on an annual basis.
- To oversee the risk management activities on an annual basis.
- To minimise the exposure to risk of the Trust, its patients, staff and stakeholders and to protect the health and safety of all those to whom the Trust has a duty of care.
- To improve the standard of decision making on risk management.

## **MAIN DUTIES AND RESPONSIBILITIES**

In order to achieve its objectives, the Committee shall:

- Receive reports following relevant investigations or failures in healthcare provision within other organisations and to discuss and agree actions required within the Trust;
- Ensure the correct strategy is adopted for managing each key risk; controls are present and effective; and action plans are robust for those risks which remain intolerant.
- Satisfy itself and the Board that the structures, processes and responsibilities for identifying and managing key risks to patients, staff and the organisation are adequate.

- Monitor, evaluate and scrutinise all risks placed on the Trust risk register which are scored 12 or above as defined by the Trust's risk matrix and escalate to the Board any unresolved risks or those that pose a significant threat to the operations, resources or reputation of the Trust.
- Oversee the population and management of the Board Assurance Framework which should be presented to the Board of Directors at least quarterly.
- Oversee compliance with NHSLA risk management standards across general and maternity services. In particular, review and promote compliance with the NHSLA Risk Management Standards for Governance and Safe Environment.
- Review and approve the Trust's Risk Management Strategy and Health & Safety Procedural documents.
- Ensure all requirements are met for the Chief Executive to sign the Annual Governance Statement.
- Approve the Terms of Reference and membership of its reporting sub-committees and oversee the work of those sub-committees, receiving reports from them for consideration and action as necessary.
- Review trends in adverse event reports on a quarterly basis (including incidents, complaints and claims) and take decisions regarding appropriate steps to reduce re-occurrence.
- Review and approve Trust-wide policies and procedures on behalf of the Trust regarding Risk Management and related matters.
- Work closely with the Quality Committee and the Audit Committee.
- Attend an annual meeting with the Audit Committee to provide assurance on the appropriateness of risk management structures. In addition, make recommendations concerning the annual programme of Internal Audit work, to the extent that it applies to matters that fall within these Terms of Reference.
- Ensure that all risks are escalated in line with the Trust's Risk Management Strategy & Policy.

#### **AGENDA ITEMS**

The following standing items are reviewed at each meeting of the Committee unless otherwise stated:

- Board Assurance Framework and Dashboard
- Corporate Risk Register and Dashboard
- Divisional Risk Registers Exception Reports
- Governance Reports:
  - NHSLA Risk Management Standards Compliance Report
  - CNST Compliance Report
  - Claims Summary Report
- Annual Governance Statement Sign Off
- Annual Risk Management Report
- Legal Briefing
- Emergency Planning Assurance Report
- Health and Safety Minutes/Assurance Report (including Fire Report)
- Annual Review of Effectiveness of Meeting

Items for the agenda should be submitted to the Secretary of the Committee a minimum of ten days prior to the meeting. Members wishing to discuss an item on the agenda must attend the meeting.

Members will be expected to provide reports as required at dates agreed.

A list of reports, circulars and documents received will be noted on the agenda and the minutes and the Secretary of the Committee will hold copies centrally.

#### **RESPONSIBILITIES OF MEMBERS OF THE COMMITTEE**

Members and attendees are expected to:

- Actively participate in discussions pertaining to risk, ensuring that solutions and action plans have multidisciplinary perspectives and have considered the impact across all of the directorates and departments.
- Disseminate the minutes from this meeting appropriately and inform divisional management and speciality meetings of the issues discussed.

- Share the learning gained from divisional and corporate incident reviews within the divisions to ensure that organisational learning occurs.
- Communicate to the Risk Committee risk and solutions discussed in divisional meetings to support organisational learning.
- Present to the Risk Committee divisional/directorate/departmental progress with reducing divisional/directorate/departmental risks.
- Ensure all issues discussed at the meeting which may suggest a risk score 12 or above (or deemed by the Committee to be of major significance) are appropriately escalated.
- Review and ratify all relevant quality strategies/policies and procedures.

#### **MINUTES RECEIVED**

The Committee will receive reports and minutes from the following reporting Committees: -

- Health and Safety and Environmental Committee
- Emergency Planning Committee
- Health Informatics Committee
- NHSLA Steering Group

#### **DISTRIBUTION OF MINUTES**

The minutes of the Risk Committee meetings will be formally recorded and submitted to: -

- All members of the Risk Committee; and
- Audit Committee to highlight high risk issues

#### **REPORTING RESPONSIBILITIES**

The Deputy Director of Corporate Affairs and Governance will be responsible for reporting to the Audit Committee.

The Chairperson of the Committee will be responsible for reporting to the Board.

#### **REVIEW AND EVALUATION**

The membership of the group and the Terms of Reference will be reviewed every two years or as required.

The Risk Committee will review annually its own performance, including the extent to which it has operated in satisfaction of its terms of reference, and in particular compliance with reporting arrangements to the Board, Audit Committee and Risk Committee, and monitoring thereof.

#### **DETAILS OF NOMINATED NAMED DEPUTIES**

<b>Membership</b>	<b>Nominated Named Deputies</b>
Chief Executive (Chairperson)	As designated by the Chief Executive
Finance Director (Deputy Chairperson)	As designated by the Finance Director
Trust Chairman	As designated by the Trust Chairman
Medical Director	Associate Medical Director for Clinical Quality
Director of Clinical Support and Facilities Management	Assistant Director of Facilities
Director of Nursing and Quality	Deputy Director of Corporate Affairs & Governance
Director of HR & OD	Deputy Director of Human Resources
Director of Operations	Deputy Director of Operations
Managing Director for Community Development and Transformation	Director of Community Services
Deputy Director of Corporate Affairs & Governance	Governance, Patient Safety and Risk Manager
Governance, Patient Safety and Risk Manager	Physical Risk Manager/Local Security Management Specialist
Clinical Director - Obstetrics & Gynaecology	Head of Midwifery
Emergency Planning Officer	Governance, Patient Safety and Risk Manager

**Approved by the Board on:** 31st July 2013

**To be reviewed no later than:** 30th July 2014