

## Board of Directors

<b>Date:</b>	25 September 2019	<b>Attachment:</b>	13																
<b>Title of Report:</b>	<b>Company Secretary's Report</b>																		
<b>Purpose of the report and the key issues for consideration/decision:</b>	<p>This report brings together a number of items that evidence or strengthen the corporate governance arrangements and systems of internal control within the Trust. In particular, it contains</p> <ul style="list-style-type: none"> <li>• Draft Board terms of reference</li> <li>• The Trust Board work programme.</li> </ul>																		
<b>Prepared by:</b>	Stella Jackson, Head of Corporate Governance																		
<b>Presented by:</b>	Victoria Pickles, Associate Director of Corporate Affairs																		
<b>Strategic Objective(s) supported by this paper:</b>	<table border="1"> <tr> <td><b>Financial Sustainability</b></td> <td>X</td> <td><b>Empower &amp; Engage Staff</b></td> <td>X</td> </tr> <tr> <td><b>Quality of Care</b></td> <td>X</td> <td></td> <td></td> </tr> </table>			<b>Financial Sustainability</b>	X	<b>Empower &amp; Engage Staff</b>	X	<b>Quality of Care</b>	X										
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<b>Quality of Care</b>	X																		
<b>Is this on the Trust's risk register:</b>	<table border="1"> <tr> <td><b>No</b></td> <td>X</td> <td><b>Yes</b></td> <td></td> <td><b>If Yes, Score</b></td> <td></td> </tr> </table>			<b>No</b>	X	<b>Yes</b>		<b>If Yes, Score</b>											
<b>No</b>	X	<b>Yes</b>		<b>If Yes, Score</b>															
<b>Which CQC Standards apply to this report:</b>	Well-led domain																		
<b>Have all implications related to this report been considered: (please X)</b>	<table border="1"> <tr> <td><b>Finance Revenue &amp; Capital</b></td> <td></td> <td><b>Equality &amp; Diversity</b></td> <td></td> </tr> <tr> <td><b>National Policy/Legislation</b></td> <td></td> <td><b>Patient Experience</b></td> <td></td> </tr> <tr> <td><b>Human Resources</b></td> <td></td> <td><b>Terms of Authorisation</b></td> <td></td> </tr> <tr> <td><b>Governance &amp; Risk Management (BAF)</b></td> <td>X</td> <td><b>Other:</b></td> <td></td> </tr> </table>			<b>Finance Revenue &amp; Capital</b>		<b>Equality &amp; Diversity</b>		<b>National Policy/Legislation</b>		<b>Patient Experience</b>		<b>Human Resources</b>		<b>Terms of Authorisation</b>		<b>Governance &amp; Risk Management (BAF)</b>	X	<b>Other:</b>	
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<b>Action Required: (please X)</b>	<table border="1"> <tr> <td><b>Approve</b></td> <td>X</td> <td><b>Discuss</b></td> <td>X</td> <td><b>Receive for information</b></td> <td></td> <td><b>Decision</b></td> <td></td> </tr> </table>			<b>Approve</b>	X	<b>Discuss</b>	X	<b>Receive for information</b>		<b>Decision</b>									
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<b>Previously Considered By:</b>	<table border="1"> <tr> <td><b>N/A</b></td> <td><b>Date:</b></td> <td></td> </tr> </table>			<b>N/A</b>	<b>Date:</b>														
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<b>Recommendations:</b>	<p>That the Board:</p> <ul style="list-style-type: none"> <li>• Approves the draft Trust Board terms of reference; and</li> <li>• Considers whether i) any items should be added to/removed from the Board work programme; and ii) any items should be re-timetabled.</li> </ul>																		

# Company Secretary's Report

## 25 September 2019

### 1. Trust Board Terms of Reference

It is good practice for trust boards to develop terms of reference for the Board. Whilst Airedale abides by its constitution and other regulatory requirements, terms of reference have not previously been developed and a draft is, therefore, attached (at Annex A) for consideration/approval by the Board.

### 2. Board Work plan

The Board of Directors meeting work programme is attached at Annex B. This has been refreshed following approval by the Board to reduce the number of Public and Private Board meetings and this has resulted in a number of items being brought forward on the work programme. Board colleagues are invited to contact the Associate Director of Corporate Affairs should the timetabling of these items need amending. The programme covers the period October 2019 to September 2020. The Board is asked to consider whether there are any other items they would like to add to/remove from the programme.

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

The Trust has Standing Orders for the practice and procedures of the Board of Directors (Appendix 7 of the Constitution). For the avoidance of doubt, those Standing Orders take precedence over these Terms of Reference, which do not form part of the Trust's Constitution.

### **1. CONSTITUTION**

These terms of reference describe the role and work of the Board. They are intended to provide guidance to 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. The practice and procedure of the meetings of the Board of Directors – and of its committees – are not set out here but are described in the Board's Standing Orders.

### **2. PURPOSE**

The principle purpose of the Trust is to 'provide goods and services for the purpose of the health service in England 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.'

Every NHS foundation trust should be headed by an effective board of directors. The Board is collectively responsible for the performance of the trust. The Board of Directors which exercises all the powers of the Trust on its behalf and may delegate any of those powers to a committee of directors or to an executive director. In addition, certain decisions are made by the Council of Governors and some decisions of the Board of Directors require the approval of the Council of Governors. The Board consists of executive directors, one of whom is the Chief Executive, and non-executive directors, one of whom is the Chair.

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.

### **3. DUTIES**

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

The Board of Directors collectively and individually has a duty of candour, meaning they must be open and transparent with service users about their care and treatment, including when it goes wrong.

Each director also has a duty to avoid conflicts of interest and not to accept benefits from third parties (as well as to declare interests in proposed transactions or arrangements with the Trust).

As part of their role as members of a unitary board, non-executive directors should constructively challenge and help develop proposals on strategy. Non-executive directors should also promote the functioning of the board as a unitary board.

## **4. RESPONSIBILITIES**

In fulfilling its responsibilities, the Board of Directors will work in a way that makes the best use of the skills of non- executive and executive directors.

### **4.1. General Responsibilities**

The general responsibilities of the Board are:

- To work in partnership with patients, service users, carers, members, local health organisations, local government authorities and others to provide safe, accessible, effective and well governed services for patients, [service users, 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.

### **4.2. Leadership**

The Board provides active leadership to the organisation by:

- Ensuring there is a clear vision and strategy for the Trust that people know about and that 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.

### **4.3. Quality**

The Board:

- Ensures that the Trust's quality of service responsibilities for clinical effectiveness, patient safety and patient experience, are achieved;
- Has an intolerance of poor standards, and fosters a culture which puts patients first;
- Ensures that it engages with all its stakeholders including patients and staff on quality issues and that issues are escalated and dealt with appropriately.

### **4.4. 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;
- Determines the nature and extent of the risk it is willing to take in achieving its strategic objectives;
- Monitors and reviews management performance to ensure the Trust's objectives are met;
- Oversees both the delivery of planned 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.
- Ensure that national policies and strategies are effectively addressed and implemented within the Trust.

#### **4.5. Culture**

The Board:

- Is responsible for setting values, ensuring they are widely communicated and that the behaviour of the Board is entirely consistent with those values;
- Promotes a patient centred culture of openness, transparency and candour;
- Ensures that high standards of corporate governance and personal integrity are maintained in the conduct of Foundation Trust business;
- Ensures the application of appropriate ethical standards in sensitive areas such as research and development;
- Ensures that directors and staff adhere to any codes of conduct adopted or introduced from time to time.

#### **4.6. Governance / Compliance**

The Board:

- Ensures compliance with relevant principles, systems and standards of good corporate governance and has regard to guidance on good corporate governance (as may be issued by NHS Improvement from time to time) and appropriate codes of conduct, accountability and openness applicable to foundation Trusts;
- Ensures that all elements of the Trust's licence relating to the Trust's governance arrangements are complied with;
- Ensures that the Trust has comprehensive governance arrangements in place that guarantee that 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 that all required returns and disclosures are made to the regulators;
- Formulates, implements and reviews standing orders and standing financial instructions as a means of regulating the conduct and transactions of foundation Trust business.
- Agrees the schedule of matters reserved for decision by the Board of directors;
- Ensures that the statutory duties of the Trust are effectively discharged;
- Acts as a corporate trustee for the Trust's charitable funds.

#### **4.7. Risk management**

The Board:

- Ensures an effective system of integrated governance, risk management and internal control is in place 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.

#### **4.8. Committees**

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

#### **4.9. Communication**

The Board:

- Ensures an effective communication channel exists between the Trust, its Governors, members, staff and the local community.
- Meets its engagement obligations in respect of the Council of Governors and members and ensures that governors are equipped with the skills and knowledge they need to undertake their role;
- Holds its meetings in public except where the public is excluded for stated reasons;
- Ensures the effective dissemination of information on service strategies and plans and also provides a mechanism for feedback;
- Holds an annual meeting of its members which is open to the public;
- Ensures that those Board proceedings and outcomes that are not confidential are communicated publically, primarily via the Trust's website.
- Publishes an annual report and annual accounts.

#### **4.10. Finance**

The Board:

- Ensures that the Trust operates effectively, efficiently, 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;
- Ensure that the Trust achieves the targets and requirements of stakeholders within the available resources;
- Reviews performance, identifying opportunities for improvement and ensuring those opportunities are taken.

### **5. ROLE OF THE CHAIR**

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

The Chair reports to the Board of Directors and is responsible for the effective running of the Board and Council of Governors and ensuring they work well together.

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

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

### **6. ROLE OF THE CHIEF EXECUTIVE**

The Chief Executive (CEO) reports to the Chair 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.

## **7. ACCOUNTABILITY TO THE COUNCIL OF GOVERNORS'**

The non-executive directors are accountable to the Council of Governors' for the performance of the Board of Directors. To execute this accountability effectively, the non-executive directors will need the support of their executive director colleagues. A well-functioning accountability relationship will require the non-executive directors to provide Governors with a range of information on how the Board has assured itself on key areas of quality, operational and financial performance; to give an account of the performance of the Trust. The non-executive directors will need to encourage questioning and be open to challenge as part of this relationship. The non-executives should also ensure that the Board as a whole allows Council of Governors' time to discuss what they have heard, form a view and feedback.

## **8. FREQUENCY OF MEETINGS**

The Board of Directors will meet at least 6 times a calendar year.

## **9. QUORUM**

Six directors including not less than three executives and not less than three Non-Executive Directors shall form a quorum.

## **10. ATTENDANCE**

A register of attendance will be maintained and reported in the Annual Report. The Chair will follow up any issues related to the unexplained non-attendance of members.

## **11. ADMINISTRATION**

The Board of Directors shall be supported administratively by the Head of Corporate Governance whose duties in this respect will include:

- Agreement of agenda for Board and Board committee meetings with the Chair 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
- Supporting the Chair in ensuring there are good information flows within and between the Board, its committees, the Council of Governors and senior management
- Supporting the Chair on matters relating to induction, development and training for directors

A full set of papers comprising the agenda, minutes and associated reports and papers will be sent within the timescale set out in standing orders to all directors and others as agreed with the chair and chief executive from time to time.

## **12. REVIEW**

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

## **13. EFFECTIVENESS**

In order that the Board can be assured that it is operating at maximum effectiveness in discharging its responsibilities as set out in these terms of reference it shall self assess its performance following each Board meeting. Once a year a full review of effectiveness will be undertaken including attendance, decision making, assessment against responsibilities and completion of the business cycle.



Date of meeting	8/1/20	4/3/20	6/5/20	Date tbc May 20	1/7/20	2/9/20	30/10/19	27/11/19
Board of Directors terms of reference review						✓		
Board work plan	✓	✓	✓		✓	✓	✓	✓
<b>ANNUAL ITEMS</b>								
Certification on AHSCs and Governance					✓			
Certification on training of governors					✓			
Corporate Governance Statement					✓			
Fit and Proper Person declaration					✓			
Register of interests			✓					
Use of trust seal			✓					
Committee Annual Reports: Audit and Risk; Finance, Performance and Digital; Quality and Safety					✓			
Sub-committee terms of reference review					✓			
Implementing Responsible Officer Regulations					✓			
Charitable Funds Annual Report and Annual Governance Statement						✓		✓
Data Protection Officer Report					✓			
Emergency Planning Report					✓			
Gender Pay Gap Report		✓						
Safeguarding						✓		
Staff Survey Report		✓						
EPRR					✓			
Annual Report and Accounts including: <ul style="list-style-type: none"> <li>Annual Report</li> <li>Annual Accounts</li> <li>Annual Governance Statement</li> <li>Annual Audit Letter</li> <li>Quality Accounts</li> </ul>				✓				
AGH Solutions' Annual Accounts								✓
Infection Control						✓		
Revalidation Report					✓			
Risk Appetite Statement							✓	
Winter Plan (draft then final)					✓	✓		
<b>REPORTS AND MINUTES FROM SUB-COMMITTEES</b>								
Audit and Risk Committee	✓	✓	✓		✓		✓	





ONE-OFF ITEMS

IT Joint Venture (date of discussion tbc)								
Commercial Strategy								✓

**BOARD STRATEGY MEETINGS: OCTOBER 2019 – SEPTEMBER 2020**

<b>Date of meeting</b>	<b>5/2/20</b>	<b>8/4/20</b>	<b>3/6/20</b>	<b>14/11/19</b>
Date of agenda setting / feedback to Execs				
Date final presentations/papers required	28/1/20	31/3/20	26/5/20	n/a
<b>FOCUS OF MEETING</b>				
Annual Plan	✓			
Progression toward an accountable care organisation				
Employee inclusion and reciprocal mentoring (BAME)				
Digital Strategy and its implications on the workforce and estate			✓	
Pathology – learning at WYAAT level				
Review of refreshed governance structure				
Governance: revised model constitution, Kark review, revised FT Code of Governance				
Well-Led Development Review				
Integrated Performance Report Workshop			✓	
Review of BAF and Risk Register				
Airedale NHSFT Ambitions: Long Term Plan including digital developments and artificial intelligence			✓	