



MEETING TITLE Board of Directors Meeting in Public		MEETING DATE 27/03/2018	
TITLE of PAPER	For Approval: Trust Secretary's Annual Report 2017/18: <ol style="list-style-type: none"> 1. Updated Standing Orders Including Scheme of Powers Delegated and Reserved to the Board and Standing Financial Instructions - V2.4 2. Updated Committee Terms of Reference (all) 3. Registers of Interest: <ol style="list-style-type: none"> a. Board of Directors b. Staff Band 8d & Above 4. Hospitality Register 5. Members Expenses 6. Fit & Proper Persons Declaration 7. Review of Use of the Trust Seal 	PAPER REF	6.1
STRATEGIC OBJECTIVE(S)	All		
PURPOSE OF THE PAPER	That the Board of Directors review and approve the: <ol style="list-style-type: none"> 1. Updated Standing Orders Including Scheme of Powers Delegated and Reserved to the Board and Standing Financial Instructions - V2.4 2. Updated Committee Terms of Reference (all) 3. Registers of Interest: <ol style="list-style-type: none"> a. Board of Directors b. Staff Band 8d & Above 4. Hospitality Register 5. Members Expenses 6. Fit & Proper Persons Declaration 7. Review of Use of the Trust Seal 		

For Approval		<input checked="" type="checkbox"/>	For Assurance		<input type="checkbox"/>	
For Decision		<input type="checkbox"/>	Discussion/Information		<input type="checkbox"/>	
AUTHOR / LEAD	Anne Allen, Trust Secretary		ACCOUNTABLE DIRECTOR	Rod Barnes, Chief Executive		
DISCUSSED AT / INFORMED BY – include date(s) as appropriate (free text – i.e. please provide an audit trail of the development(s)/proposal(s) subject of this paper): The Trust Executive Group and each of the relevant Committees reviewed their Terms of Reference in Dec/Jan 2017/18. The Audit Committee, 11 January 2018 reviewed the Standing Orders/Standing Financial Instructions, Registers of Interest and Members Expenses. These and the other items (4-7) are submitted for the Board's review and approval of their appropriateness.						
PREVIOUSLY AGREED AT:		Committee/Group: Audit Committee Board of Directors		Date: 11/01/2018 28/03/2017		
RECOMMENDATION(S)		That the Board of Directors review and approve the: <ol style="list-style-type: none"> 1. Updated Standing Orders Including Scheme of Powers Delegated and Reserved to the Board and Standing Financial Instructions - V2.4 2. Updated Committee Terms of Reference (all) 3. Registers of Interest: <ol style="list-style-type: none"> a. Board of Directors b. Staff Band 8d & Above 4. Hospitality Register 5. Members Expenses 6. Fit & Proper Persons Declaration 7. Review of Use of the Trust Seal 				
RISK ASSESSMENT					Yes	No
Corporate Risk Register and/or Board Assurance Framework amended <i>If 'Yes' – expand in Section 4. / attached paper</i>					<input type="checkbox"/>	<input checked="" type="checkbox"/>
Resource Implications (Financial, Workforce, other - specify) <i>If 'Yes' – expand in Section 2. / attached paper</i>					<input type="checkbox"/>	<input checked="" type="checkbox"/>
Legal implications/Regulatory requirements <i>If 'Yes' – expand in Section 2. / attached paper</i>					<input checked="" type="checkbox"/>	<input type="checkbox"/>
Diversity and Inclusion Implications <i>If 'Yes' – please attach to the back of this paper</i>					<input type="checkbox"/>	<input checked="" type="checkbox"/>
ASSURANCE/COMPLIANCE						
Care Quality Commission Choose a DOMAIN(s)				5: Well led		
NHSI Single Oversight Framework Choose a THEME(s)				3. Finance & Use of Resources 6. Leadership & Improvement Capability (Well-Led)		

Trust Secretary's Annual Report 2017/18

1. PURPOSE/AIM

1.1 That the Board of Directors review and approve the:

1. Updated Standing Orders Including Scheme of Powers Delegated and Reserved to the Board and Standing Financial Instructions - V2.4
2. Updated Committee Terms of Reference (all)
3. Registers of Interest:
 - a. Board of Directors
 - b. Staff Band 8d & Above
4. Hospitality Register
5. Members Expenses
6. Fit & Proper Persons Declaration
7. Review of Use of the Trust Seal

2. BACKGROUND/CONTEXT

In compliance with the Trust's *Standing Orders Including Scheme of Powers Delegated and Reserved to the Board and Standing Financial Instructions, 2017 (SO/SFIs)*, the Trust Secretary, delegated by the Chief Executive, provides annual assurance to the Board of Directors of the following legislative, regulatory or compliance requirements.

To fulfil that assurance, the Trust Executive Group and each of the relevant Committees reviewed their Terms of Reference in Dec/Jan 2017/18. The Audit Committee, 11 January 2018 reviewed the SOs/SFIs, Registers of Interest and Members Expenses. These and the other items (4-7) are submitted for the Board's review and approval of their appropriateness.

1. Updated Standing Orders Including Scheme of Powers Delegated and Reserved to the Board and Standing Financial Instructions - V2.4

The Trust's SO/SFIs were last approved by the Board of Directors in January 2017. Since then further amendments have been recommended by the Audit Committee (11 Jan 2018).

In summary proposed amendments to Appendix 11 of the SFIs include:

- i. Clarify the role of the Director of Fleet, Estates and Facilities.
- ii. Recognise that the rules governing consultancy expenditure are now set by NHS Improvement rather than the Department of Health.

Attached: **Appendix One.**

2. Updated Committee Terms of Reference (TOR)

If the Board is to be assured by the reports received from each of its key Committees, it is essential that the relevant TOR are kept under review, at least annually in line with SOs/SFIS, to ensure their validity and effectiveness.

The Trust's Committee TOR were last approved by the Board of Directors in January 2017. Since then further amendments have been recommended by the relevant Committee as follows:

- Trust Executive Group, 4 December 2017 and 5 February 2018
- Audit Committee (reference this and the Auditor Panel), 11 January 2018
- Quality and Finance & Investment Committees, 14 December 2017
- Remuneration & Terms of Service Committee, 28 November 2017
- Charitable Funds Committee, 23 November 2017

The changes appropriate to each are included in tracked change text (Appendices A(1), A(2), B, C, D, E) and summarised on each respective document's front cover.

- **Audit Committee:** 11 January 2018 received assurance its draft updated TOR are HFMA compliant and proposed limited changes:
 - i. At 4.4, quoracy clarified: three NEDs required;
 - ii. At 6.1, NHS Protect amended to NHS Counter Fraud Authority.
- **Auditor Panel:** the Audit Committee, 11 January 2018 proposed no changes to the **Auditor Panel** TOR which remain fit for purpose.
- **Quality Committee,** 14 December 2017: one amendment recommended, at 4.1: member's role title amended from Director of Planned & Urgent Care to Director of Urgent Care & Integration.
- **Finance and Investment Committee,** 14 December 2017: one amendment recommended, at 4.1: membership changed from Director of Planning & Development to Associate Director of Business Development.

- **Remuneration and Terms of Service Committee**, 28 November 2017 proposed amendments which are shown as ‘tracked changes’ and include:
 - i. Change of Committee title to ‘Remuneration Committee’
 - ii. VSM definition clarified (Sec 1.)
 - iii. Add CEO to attendees (Sec 4.2)
 - iv. Remove the requirement to annually review the size, composition, skills etc of the Board as these are the Chairman’s responsibility (Sec 6.2(a))
 - v. ‘succession planning’ replace with ‘talent management’ to reflect the Trust’s adopted terminology (Sec 6.2(b)).

- **Charitable Funds Committee**, 23 November 2017 proposed amendments shown as ‘tracked changes’ including:
 - At 4. Membership:**
 - i. NED membership remains at two; clarifies that one acts as Chairman with the other deputising
 - ii. A second member of the Trust Executive Team has been added
 - iii. **7. Frequency:** is amended to quarterly per annum (from two meetings)
 - iv. **8.2:** explicitly includes, ‘deliver the strategy for the charity approved by the Corporate Trustee’
 - v. **9.9:** explicitly states that two approvals are required.

Attached: **Appendix Two:**

3. Registers of Interest

The *NHS Code of Accountability*, the Trust’s *SOs/SFIs*, together with YAS’ *Business Conduct for Staff – Interest, Gifts, Hospitality, and Sponsorship Policy, 2017*, and in line with best practice of the *NHS Foundation Trust Code of Governance, Monitor, 2014*, requires the Chief Executive to ensure that a **Register of Interests** is established and maintained for:

- i. Board Members; and
- ii. Agenda for Change Trust Staff (officers) at Band 8d or Above (new requirement, since June 2017).

In particular, these Registers will include details of all directorships and other relevant and material interests (as defined in SOs, Section 6) which have been declared by relevant members and officers.

Any other employee of the Trust who has a pecuniary interest in an organisation with which the Trust associates or operates should declare

such an interest in the Corporate Register held by the Trust Secretary and available for public inspection.

Any declaration must be made in writing, the Register(s) maintained by the Trust Secretary and published annually: attached **Appendices A(1) and A(2)**.

4. Hospitality Register

The requirement to complete the **Hospitality Register** in line with the *Business Conduct for Staff – Interest, Gifts, Hospitality, and Sponsorship Policy, 2017* was facilitated by copies of the Policy and declaration forms being made available to all staff through the Intranet, at key locations throughout the Trust, and from line managers. Staff are reminded quarterly of their obligations through Operational Update.

Any declaration must be made in writing and the Register maintained by the Trust Secretary: attached: **Appendix B**.

5. Members' Expenses

The Trust's *SOs/SFIs* require the Chief Executive to report on **Board Members Expenses** annually. Expenses for 2017/18 have been recorded.

Any declaration must be made in writing, the record maintained by the Trust Secretary and published annually: attached **Appendix C**.

6. Fit & Proper Persons Declaration

Director positions or director-equivalent posts, i.e. Very Senior Managers (VSMs) are subject to *Regulation 5 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014*; in particular the requirement that board level appointments must be “**fit and proper persons**” set out in paragraph 3 of the Regulation. In addition they must not meet any of the ‘unfit’ criteria as specified in *Part 1 of Schedule 4 of the Regulations*.

The *Care Quality Commission (CQC) ‘Regulation 5: Fit and Proper Persons: directors – information for NHS Bodies, 2015’*, as amended from time to time, provides further guidance on the requirement.

In summary, the Trust shall not appoint, or permit to continue as a director, any person who is an unfit person. All such persons employed by YAS are required to complete a declaration on-employment and an annual declaration of compliance.

Any declaration must be made in writing and the Register maintained by the Trust Secretary: **The Trust Secretary has received in writing positive compliance with the Fit and Proper Persons Regulations from each**

relevant person during Q4 2017/18. The Trust is therefore compliant in this regard.

7. Review of the Use of the Trust Seal

The Trust's *SOs/SFIs* require the Chief Executive to ensure that a **Register of Use of the Trust Seal** is established and maintained.

This practice is also in line with guidance outlined in the *NHS Foundation Trust Code of Governance, Monitor, 2014*.

The Register is maintained by the Trust Secretary: attached: **Appendix D**.

3. PROPOSALS/NEXT STEPS

- 3.1 That the Board derives sufficient assurance for the purpose of its annual review that the Trust has appropriate systems and processes in place for the purposes described above, and approves the attached registers and declarations as accurate records of such disclosures: **Appendices A-D inclusive apply**.

4. RISK ASSESSMENT

- 4.1 That the Board fails to demonstrate compliance with its *SOs/SFIs*, 'Business Conduct Policy' and best practice in line with the *NHS Foundation Trust Code of Governance, Monitor, July 2014* and other relevant regulation.

5. RECOMMENDATIONS

- 5.1 That the Board of Directors review and approve the:
1. Updated Standing Orders Including Scheme of Powers Delegated and Reserved to the Board and Standing Financial Instructions - V2.4
 2. Updated Committee Terms of Reference (all)
 3. Registers of Interest:
 - a. Board of Directors
 - b. Staff Band 8d & Above
 4. Hospitality Register
 5. Members Expenses
 6. Fit & Proper Persons Declaration
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6. APPENDICES/BACKGROUND INFORMATION

- Appendix One: Standing Orders Including Scheme of Powers Delegated and Reserved to the Board and Standing Financial Instructions - V2.4
- Appendix Two: Updated Committee Terms of Reference:
Audit Committee
Auditor Panel
Finance & Investment Committee
Quality Committee
Remuneration Committee
Charitable Funds Committee
- Appendix A(1): Declaration of Board Members' Interests 2017/18
- Appendix A(2): Declaration of Interests Staff Band 8d and Above 2017/18
- Appendix B: Hospitality Register 2017/18
- Appendix C: Members Expenses 2017/18
- Appendix D: Review of Use of the Trust Seal 2017/18