



MEETING TITLE Board of Directors Meeting in Public		MEETING DATE 28/03/2019	
TITLE of PAPER	For Approval: Trust Secretary's Annual Report 2018/19	PAPER REF	6.1
STRATEGIC OBJECTIVE(S)	All		
PURPOSE OF THE PAPER	<p>The purpose of the paper is to approve the Trust Secretary's Annual Report 2018/19:</p> <ol style="list-style-type: none"> 1. Updated Committee Terms of Reference for: <ul style="list-style-type: none"> • <i>Audit Committee</i> • <i>Auditor Panel</i> • <i>Finance and Investment Committee</i> • <i>Quality Committee</i> • <i>Remuneration Committee</i> 2. Registers of Interest: <ol style="list-style-type: none"> a. Board of Directors b. Staff Band 8d & Above 3. Hospitality Register 4. Members Expenses 5. Fit & Proper Persons Declaration 6. 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	Joanne Lancaster, Executive Coordinator	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: see also guidance 3. overleaf]: Audit Committee January 2019			
PREVIOUSLY AGREED AT:	Committee/Group: N/A		Date:
RECOMMENDATION(S)	<p>The Board is asked to approve the Trust Secretary's Annual Report 2018/19:</p> <ol style="list-style-type: none"> 1. Updated Committee Terms of Reference for: <ul style="list-style-type: none"> • <i>Audit Committee</i> • <i>Auditor Panel</i> 		

	<ul style="list-style-type: none"> • Finance and Investment Committee • Quality Committee • Remuneration Committee <ol style="list-style-type: none"> 2. Registers of Interest: <ol style="list-style-type: none"> a. Board of Directors b. Staff Band 8d & Above 3. Hospitality Register 4. Members Expenses 5. Fit & Proper Persons Declaration 6. 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"/>
Equality Impact Assessment - <i>[New]</i> <i>If 'Yes' – expand in Section 2. / 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"/>
ASSURANCE/COMPLIANCE			
Care Quality Commission Choose a DOMAIN(s)	5: Well led Choose an item.		
NHSI Single Oversight Framework Choose a THEME(s)	6. Leadership & Improvement Capability (Well-Led) Choose an item.		

Trust Secretary's Annual Report 2018/19

1. PURPOSE/AIM

1.1 That the Board of Directors review and approve the:

1. Updated Committee Terms of Reference for:
 - **Audit Committee**
 - **Auditor Panel**
 - **Finance and Investment Committee**
 - **Quality Committee**
 - **Remuneration Committee**
2. Registers of Interest:
 - a. Board of Directors
 - b. Staff Band 8d & Above
3. Hospitality Register
4. Members Expenses
5. Fit & Proper Persons Declaration
6. 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 Jan/March 2018/19. The Audit Committee, 17 January 2019 reviewed the 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. Standing Orders Including Scheme of Powers Delegated and Reserved to the Board and Standing Financial Instructions - V2.5

The Trust's SO/SFIs were last approved by the Board of Directors on 24 May 2018. There have been no changes since that date. Amendments will be required to align the Standing Orders to the agreed and planned changes to Committee Terms of Reference. A number of additional minor changes are also needed to reflect movements of responsibility within the Executive Team. Reference to the EU tender regulations may need to be amended if the UK leaves the EU. It is therefore proposed that the Standing Orders / Standing Financial Instructions should be brought back to the

Board in May along with remaining Terms of Reference to agree the necessary updates.

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 Public in March 2018. Since then the Board of Directors have approved the TOR for the following Committees in February 2019:

- Audit Committee, 28 February 2019;
- Auditor Panel, 28 February 2019;
- Quality and Finance & Investment Committees, 28 February 2019;

The Remuneration Committee approved the following TOR:

- Remuneration Committee, 28 February 2019.

The TOR were updated to provide clarity of membership, quoracy and administration arrangements.

The TOR for the Charitable Funds Committee will be approved at a later date pending the outcome of a recent corporate restructure.

Attached: **Appendix 1**

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 2(a) and 2(b)**.

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 3**.

5. Members' Expenses

The Trust's *SOs/SFIs* require the Chief Executive to report on **Board Members Expenses** annually. Expenses for 2018/19 have been recorded.

Any declaration must be made in writing, the record maintained by the Trust Secretary and published annually: attached **Appendix 4**.

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 for Q4 2018/19**. The Trust is therefore compliant in this regard.

The Trust is also cognisant of the recent Kark Review of the Fit and Proper Person Test and that further review of internal arrangements may be required during 2019/20, as the recommendations for the review are progressed.

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 5**.

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 2-5 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 Committee Terms of Reference for
 - Audit Committee
 - Auditor Panel
 - Finance and Investment Committee
 - Quality Committee
 - Remuneration Committee
2. Registers of Interest:
 - a. Board of Directors
 - b. Staff Band 8d & Above
3. Hospitality Register
4. Members Expenses
5. Fit & Proper Persons Declaration
6. Review of Use of the Trust Seal

6. APPENDICES/BACKGROUND INFORMATION

Appendix 1: Updated Committee Terms of Reference:

- Audit Committee
- Auditor Panel
- Finance & Investment Committee
- Quality Committee
- Remuneration Committee

- Appendix 2(A) Declaration of Board Members' Interests 2018/19
- Appendix 2(B): Declaration of Interests Staff Band 8d and Above 2018/19
- Appendix 3: Hospitality Register 2018/19
- Appendix 4: Members Expenses 2018/19
- Appendix 5: Review of Use of the Trust Seal 2018/19