

Meeting Title: Board of Directors (Public)
Meeting Date: 28 November 2024
Agenda Item 4.2



Report Title	Review of Trust Standing Orders
Author (name and title)	David O'Brien, Director of Corporate Services and Company Secretary
Accountable Director	Marc Thomas, Deputy Chief Executive
Previous committees/groups	TEG, 06 November 2024. Audit and Risk Committee, 12 November 2024.
Recommended action(s) Approval, Assurance, Information	Approval
Purpose of the paper	This paper presents the output of a periodic review of the Trust's Standing Orders (including the Standing Financial Instructions).
Recommendation(s)	The Board of Directors approves the proposed amendments to the Trust Standing Orders

Executive Summary

The Trust's Standing Orders, together with the Standing Financial Instructions (SFIs), provide framework of rules and procedures through which to control and regulate the decision-making and governance processes of the Board and the wider Trust. When applied properly this framework upholds good governance and due process, protects the interests of the Trust as a legal and corporate entity, and protects the interests and propriety of individual members of staff.

A full review of the Trust's Standing Orders and SFIs is expected to take place every two years. The Standing Orders have been reviewed via a desktop exercise led by the Director of Corporate Services and Company Secretary. Input and advice from other subject matter experts has been incorporated. In addition, the review has ensured that where appropriate the Standing Orders align with the expectations of the NHS Code of Governance (2023).

Appendix A sets out a schedule of proposed amendments to the Standing Orders. The proposed amendments address:

- Elements of the Standing Orders that are now out of date
- Errors or unwarranted omissions in the existing Standing Orders
- Changes to legislative and regulatory frameworks within which the Trust operates
- An expected future change to the Trust's Establishment Order

The proposed amendments are recommended for approval by the Board of Directors at its meeting in Public on 28 November.

Strategic ambition(s) this supports. Provide brief bullet point details of link to Trust strategy.	Our Patients	Achieve the highest possible rating of 'outstanding' by the health and social care regulator (Care Quality Commission, CQC).
	Our People	
	Our Partners	
	Our Planet and Pounds	Use our resources wisely and ensure value for money
Link with the BAF Include reference number. (board and level 2 committees only)		All BAF risks

Board of Directors (Public)
28 November 2024
Review of Trust Standing Orders

David O'Brien
Director of Corporate Services and Company Secretary

1. Purpose

- 1.1 This paper presents the output of a review of the Trust's Standing Orders (including the Standing Financial Instructions).

2. Background

- 2.1 The Trust's Standing Orders, together with the Standing Financial Instructions (SFIs), provide a framework of rules and procedures through which to control and regulate the decision-making and wider governance activities of the Trust. When applied properly this framework upholds good governance and due process, protects the interests of the Trust as a legal and corporate entity, and protects the interests and propriety of individual members of staff.
- 2.2 The Standing Orders primarily concern the regulation of the proceedings and business of the Board of Directors. However, the principles and processes enshrined in the Standing Orders are applicable to all governance activities of the wider Trust.
- 2.3 A full review of the Trust's Standing Orders and SFIs is scheduled to take place every two years. Some elements of the SFIs have been reviewed and updated more recently than this: separate updates to the Scheme of Financial Delegation were approved by the Board of Directors in October 2023 and in April 2024.
- 2.4 Note that the Standing Orders and SFIs document is 109 pages long. The document is not enclosed with this report. Appendix A signposts the reader to the relevant page(s) and section(s) for each proposed amendment. The existing Trust Standing Orders document can be accessed via the policy library on Pulse.

3.0 Review of Standing Orders

- 3.1 The Standing Orders have been reviewed via a desktop exercise led by the Director of Corporate Services and Company Secretary. Input and advice from other subject matter experts has been incorporated. In addition, the review has ensured that where appropriate the Standing Orders align with the expectations of the NHS Code of Governance (2023).

- 3.2 The review outputs have been considered by the Trust Executive Group (06 November 2024) and the Audit and Risk Committee (12 November 2024). The Audit and Risk Committee recommended one further change to the Standing Orders: that decisions regarding the provision or dismissal of an internal audit provider is a matter reserved to the Board of Directors rather than be delegated to an individual Executive Director (as suggested by the existing document).
- 3.3 Appendix A sets out the schedule of proposed amendments to the Standing Orders. The following paragraphs summarise the main categories of proposed amendments (these are not exhaustive – the appendix lists all proposed amendments).
- 3.4 Many of the proposed amendments replace existing content that for a variety of reasons is now out of date. This includes:
- Updating the job titles of Directors (for example, replacing the Executive Director of Operations with the Chief Operating Officer).
 - Updating the names of governance bodies within the Trust (for example, replacing the Finance and Investment Committee with the Finance and Performance Committee).
 - Updating the titles of external roles (for example, ensuring that both the Secretary State and the Department of State are afforded the title 'Health and Social Care' and not just 'Health').
 - Updating the names of external organisations (for example, replacing NHS Improvement with NHS England).
 - Updating the delegated responsibilities of certain leadership roles within the Trust (for example, risk management is now the responsibility of the Deputy Chief Executive via the Director of Corporate Services and Company Secretary, whereas the Standing Orders refer to these functions being led by the Executive Director of Quality Governance and Performance Assurance).
 - Updating the names of key Trust policies (for example, the previous Declaration of Interests Policy has been replaced with the Standards of Business Conduct Policy).
- 3.5 Some proposed amendments reflect updates in the legislative and regulatory environment within which the Trust operates. These include:
- Procurement Act, 2023
 - Data Protection Act, 2018
 - NHS Code of Governance, 2023
 - NHS capital approval limits
- 3.6 Some proposed amendments correct errors or unwarranted omissions in the existing document. These include:
- Adding the People Committee to a list of Board assurance committees.

- Confirming that the membership of Board assurance committees comprises three Non-Executive Directors and two Executive Directors (the existing Standing Orders are silent regarding Executive Director membership of these committees).
- Correcting the arrangements for public attendees at Board meetings (the existing document states that members of the public may attend all meetings of the Board of Directors, which is not the case).

4.0 Future Updates of the Standing Orders: Trust Establishment Order

- 4.1 The existing Standing Orders document reflects the Trust's current Establishment Order (which sets out the permitted composition of the Board of Directors). In terms of full voting Board members, the current Establishment Order permits the Trust to appoint six Non-Executive Directors (the Chair plus five others) and five Executive Directors.
- 4.2 The Establishment Order is subject to secondary legislation and proposed changes require Ministerial approval. At the time of this review the arrangement described at 4.1 above is correct and reflects the Trust's current Establishment Order.
- 4.3 The Trust has requested an extension to its Establishment Order to permit the appointment of one additional Non-Executive Director (taking the total to the Chair plus six others). Draft legislation setting out this amendment has been prepared and now awaits Ministerial approval.
- 4.4 Upon approval of the amended Establishment Order the Trust's Standing Orders will be updated to include the additional Non-Executive Director (proposed change number 5). It is not proposed to bring that update to the Board of Directors for approval: the approval of the proposed amendments in this report are considered to future-proof the Standing Orders against the anticipated change to the Establishment Order.

5.0 Next Steps

- 5.1 Amendments to the Trust's Standing Orders must be approved by the Board of Directors meeting in Public, at which at least two-thirds of the Non-Executive Directors are present.
- 5.2 Subject to approval by the Board of Directors, the amended Standing Orders will be published on Pulse.
- 5.3 Further amendments to the Standing Orders can be proposed at any time in reflect changes in the legal, governance, regulatory and financial frameworks within which the Trust operates. Full periodic reviews of the Standing Orders are scheduled to take place every two years. The next such review will take place in 2026.

6.0 Financial Implications

- 6.1 This report has no direct financial implications.

7.0 Risk

- 7.1 Failure to operate in accordance with an up-to-date and fit-for-purpose set of Standing Orders could put the Trust in breach of legal, financial and corporate governance regulations.
- 7.2 Failure to routinely review and update the Standing Orders could result in the Trust's corporate governance arrangements not being compliant with the expectations of regulatory frameworks and codes of practice.
- 7.3 Failure to routinely review and update the Standing Orders could result in the Standing Orders failing to reflect changes in the governance arrangements in place in the Trust.

8.0 Recommendations

- 8.1 The Board of Directors approves the proposed amendments to the Trust Standing Orders.

Supporting Information

Appendix A: Standing Orders – Proposed Amendments (November 2024)

David O'Brien
Director of Corporate Services and Company Secretary

14 November 2024

APPENDIX A: STANDING ORDERS – PROPOSED AMENDMENTS (November 2024)

Ref No.	Page(s)	Section(s)	Issue	Proposed Revision
1	Multiple	Multiple	Refers to the Department of Health. This should be the Department of Health and Social Care.	Amend to read Department of Health and Social Care.
2	11	1.2	Refers to NHS Code of Accountability (2013). This has been superseded by the Code of Governance for NHS Provider Trusts (2023)	Amend to read Code of Governance for NHS Provider Trusts (2023)
3	Multiple	Multiple	Refers to the Secretary of State for Health. This should be the Secretary of State for Health and Social Care.	Amend to read Secretary of State for Health and Social Care
4	Multiple	Multiple	Refers to NHS Improvement. NHS Improvement became part of NHS England in 2022 and at that point ceased to exist as a separate entity.	Remove references to NHS Improvement. Insert references to NHS England if relevant and where the text does not already refer to NHS England.
5	13	2.1	<p>The composition of the Board of Directors is stated as 6 Non-Executives (Chair plus five). This is correct.</p> <p>The Trust has an amended Establishment Order pending that will permit an additional Non-Executive Director to be appointed to the Board. This will require a corresponding amendment to the Standing Orders. Approval of the new Establishment Order awaits Ministerial approval.</p>	Upon approval of the new Establishment Order, this section of the Standing Orders will be automatically updated to reflect the new composition of the Board of Directors.

Ref No.	Page(s)	Section(s)	Issue	Proposed Revision
6	15	3	<p>States that when the Chief Executive is absent the Deputy Chief Executive becomes responsible for discharging the duties of the Chief Executive, but that the Chief Executive retains the obligations of the Accountable Officer.</p> <p>This is the default position. However, as an alternative course of action the Chief Executive is able to transfer the status of Accountable Officer to the Deputy Chief Executive for the period of the absence. The Standing Orders are silent on this matter,</p>	Add text to confirm that during periods of absence the Chief Executive may choose to transfer the status of Accountable Officer to the Deputy Chief Executive (or other appropriate Executive Director).
7	26	3.18(1)	<p>States that members of the public and representatives of the press may attend <u>all</u> meetings of the Board.</p> <p>This is not the case; it applies only to those meetings of the Board that are designated as 'meetings held in public' (including the Annual General Meeting)</p>	<p>Amend the text to clarify that</p> <ul style="list-style-type: none"> - Members of the public and representatives of the press may attend <u>all</u> meetings of the Board that are designated as 'meetings held in public' - Members of the public and representatives of the press may attend the Annual General Meeting - Members of the public and representatives of the press may not attend meetings of the Board that are designated as 'meetings held in private'

Ref No.	Page(s)	Section(s)	Issue	Proposed Revision
8	30	4.6.3	States that membership of the Finance and Performance Committee shall be three Non-Executive Directors. This statement is incomplete: the Finance and Performance Committee membership comprises three Non-Executive Directors <u>and</u> two Executive Directors	Amend the text to clarify that the Finance and Performance Committee membership comprises three Non-Executive Directors and two Executive Directors
9	30	4.6.4	States that membership of the Quality Committee shall be three Non-Executive Directors. This statement is incomplete: the Quality Committee membership comprises three Non-Executive Directors <u>and</u> two Executive Directors	Amend the text to clarify that the Quality Committee membership comprises three Non-Executive Directors and two Executive Directors
10	32	4.6.7	States that membership of the People Committee shall be three Non-Executive Directors. This statement is incomplete: the People Committee membership comprises three Non-Executive Directors <u>and</u> two Executive Directors	Amend the text to clarify that the People Committee membership comprises three Non-Executive Directors and two Executive Directors
11	36	6.1	Refers to the Trust's Declaration of Interests Policy. A policy of this name does not exist. The Trust's arrangements regarding declaration of interests are covered by the Standards of Business Conduct Policy.	Amend the text to refer to the Standards of Business Conduct Policy

Ref No.	Page(s)	Section(s)	Issue	Proposed Revision
12	Multiple	Multiple	Refers to the Remuneration and Terms of Service Committee. This governance body is called the Remuneration and Nominations Committee.	Amend the text to refer to the Remuneration and Nominations Committee.
13	45	9.1.3 (10)	Refers to the Board having a reserved power to approve contracts with a value above £500k. This value was increased to £1m following a review of the SFIs in 2023.	Amend the text to refer to contracts with a value of £1m or more
14	48	9.2	A list of Board Committees omits the People Committee	Amend the list of Board Committees to include the People Committee
15	58	9.2	Refers to job titles that are out-of-date: <ul style="list-style-type: none"> - Executive Director, Quality Governance and Performance Assurance - Director of Workforce and Organisational Development - Associate Director of Corporate Affairs 	Insert the current job titles: <ul style="list-style-type: none"> - Executive Director of Quality and Chief Paramedic - Director of People and Organisational Development - Director of Corporate Services and Company Secretary
16	67	11.4	Incorrectly states that the Trust's requirements regarding receipt and declaration of gifts and hospitality are set out in the Code of Conduct policy: these are set out in the Standards of Business Conduct Policy.	Amend to the text to refer to the Standards of Business Conduct Policy

Ref No.	Page(s)	Section(s)	Issue	Proposed Revision
17	72	12.4.11	Refers to the Director of Workforce and Organisational Development	Replace with Director of People and Organisational Development
18	73	13.1.1	States that the Audit and Risk Committee should follow guidance issued in the NHS Audit and Risk Committee Handbook 2016. The 2016 handbook has been superseded by the 2024 edition.	Amend the text to read 'guidance issued in the most recent NHS Audit and Risk Committee Handbook' This will future proof the Standing Orders against future new editions of the handbook.
19	73	13.1.3	States that responsibility for provision of an internal audit service rests with the Executive Director of Quality Governance and Performance Assurance. Following the new operating model changes the Executive responsibility the internal audit service rests with the Deputy Chief Executive, via the Director of Corporate Services and Company Secretary. However, decisions regarding the appointment or dismissal of internal audit providers should be reserved to the Board of Directors.	Amend the text to read that Executive responsibility for the internal audit service rests with the Deputy Chief Executive, via the Director of Corporate Services and Company Secretary. Add to the text to clarify that decisions regarding the appointment or dismissal of internal audit providers should be reserved to the Board of Directors.
20	74	13.3.1	States that the Executive Director of Quality Governance and Performance Assurance is the designated Security Management Director. This role title has changed to Executive Director of Quality and Chief Paramedic.	Amend the text to read Executive Director of Quality and Chief Paramedic

Ref No.	Page(s)	Section(s)	Issue	Proposed Revision
21	76, 80, 88	15.1.1 A2.2.3 A3.9.1	Refers to Associate Director of Procurement and Logistics. This role does not exist. The relevant role is the Head of Procurement and Logistics.	Amend the text to read Head of Procurement and Logistics
22	76	15.1.2	States that all contracts must comply with EU directives. This will change when the Procurement Act 2023 comes into force (February 2025).	Revise the statement to read: All contracts must comply with the Procurement Act 2023
23	83	A.2.3	Refers to the Finance and Investment Committee	Amend the text to refer to the Finance and Performance Committee
24	91	A4.1.2	Refers to the Data Protection Act 1998. This Act has been superseded by the Data Protection Act 2018.	Amend the text to refer to the Data Protection Act 2018
25	91	A4.1.6	Refers to the Associate Director of Corporate Affairs	Replace with Director of Corporate Services and Company Secretary
26	99	A7	States that responsibility maintaining risk management arrangements is delegated to the Executive Director of Quality Governance and Performance Assurance. Following the new operating model changes and subsequent organisational changes the responsibility for risk management is delegated to the Deputy Chief Executive, via the Director of Corporate Services and Company Secretary	Amend the text to state that the responsibility for risk management is delegated to the Deputy Chief Executive, via the Director of Corporate Services and Company Secretary

Ref No.	Page(s)	Section(s)	Issue	Proposed Revision
27	Multiple	Multiple	Refers to the NHS Litigation Authority. This body has been replaced by NHS Resolution	Amend the text to refer to NHS Resolution
28	103	A9.2	<p>Business cases for capital projects: the existing SFIs require that any project with a value of £100k or more has a full business case that sets out an options appraisal, benefits analysis, professionally certified costs and project governance and control arrangements.</p> <p>This £100k limit is considered low by current standards and does not align with other elements of the SFIs or Scheme of Financial Delegation. A limit of £500k is considered more appropriate.</p>	<p>Amend the SFIs to require that any capital project with a value of £500k or more must have a full business case as described opposite.</p> <p>(note that this does not mean that projects with a value lower than £500k cannot also be required to produce such a business case)</p>
29	104	A9.11-A9.13	The SFIs set out delegated limits for capital expenditure approvals that are not consistent with the current NHSE scheme of delegation for capital expenditure.	Update the delegated limits for capital expenditure approvals to align with the current NHSE scheme of delegation.