

# Board of Directors Public

## SUMMARY REPORT

Meeting Date: 28 July 2021

Agenda Item: 23

<b>Report Title:</b>	<b>Corporate Governance Matters</b>	
<b>Author(s):</b>	David Walsh (Director of Corporate Governance)	
<b>Accountable Director:</b>	David Walsh (Director of Corporate Governance)	
<b>Other Meetings presented to or previously agreed at:</b>	<b>Committee/Group:</b>	Terms of reference were considered at the Board committees which took place in July 2021
	<b>Date:</b>	People Committee – 13 July 2021 Quality Assurance Committee – 14 July 2021 Finance & Performance Committee – 15 July 2021 Audit & Risk Committee – 20 July 2021
<b>Key Points recommendations to or previously agreed at:</b>	N/A	

### Summary of key points in report

This report consolidates several Corporate Governance related matters requiring consideration or approval by Board. It relates specifically to:

- The proposal to hold the Annual Members' Meeting on Thursday 23 September 2021 and for the meeting to be undertaken remotely, recorded and made available to view afterwards;
- The necessary annual declaration in relation to Fit and Proper Persons (Board-level compliance);
- The necessary declaration on use of the Official Seal;
- The approval of terms of reference for Board Committees following review.

### Recommendation for the Board/Committee to consider:

<b>Consider for Action</b>		<b>Approval</b>	<b>X</b>	<b>Assurance</b>	<b>X</b>	<b>Information</b>	<b>X</b>
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Board is recommended to:

- 1) **Approve** a date of 23 September 2021 for the Annual Members' Meeting, and **approve** that arrangements are made for the meeting to take place remotely and access to be provided for members' on request as well as a recording to be made available afterwards;
- 2) **Receive for assurance** the Fit and Proper Persons Annual Declaration;
- 3) **Receive for information** the declaration on use of the Official Seal;
- 4) **Approve** the terms of reference for People Committee, Quality Assurance Committee, Finance and Performance Committee and Audit and Risk Committee, subject to committee chairs having delegated authority to agree minor changes following consultation with the Director of Corporate Governance.

Please identify which strategic priorities will be impacted by this report:				
Covid-19 Getting through safely	Yes	X	No	
CQC Getting Back to Good	Yes	X	No	
Transformation – Changing things that will make a difference	Yes	X	No	
Partnerships – working together to make a bigger impact	Yes	X	No	
<b>Is this report relevant to compliance with any key standards ? State specific standard</b>				
Care Quality Commission	Yes	X	No	<p><b>“Good Governance - The provider of your care must have plans that ensure they can meet these standards.</b></p> <p><i>“They must have effective governance and systems to check on the quality and safety of care. These must help the service improve and reduce any risks to your health, safety and welfare.”</i></p>
IG Governance Toolkit	Yes		No	X
<b>Have these areas been considered ? YES/NO</b>				
				If Yes, what are the implications or the impact? If no, please explain why
Patient Safety and Experience	Yes	X	No	In relation to the ToRs for the Quality Assurance Committee
Financial (revenue & capital)	Yes	X	No	In relation to the ToRs for the Finance and Performance Committee
OD/Workforce	Yes	X	No	In relation to the ToRs for the People Committee
Equality, Diversity & Inclusion	Yes	X	No	<i>Please complete section 4.2 in the content of your report</i>
Legal	Yes	X	No	In relation to the ToRs for the Audit and Risk Committee; and in relation to the necessity to meet statutory obligations around the Annual Members’ Meeting and reporting of Fit and Proper Persons compliance and use of the Official Seal.

## Section 1: Analysis and supporting detail

### Annual Members' Meeting

- 1.1 The organisation holds an Annual Members' Meeting to which its full membership are welcome to attend. The meeting will reflect on the 2020/21 financial year, as reported in the Annual Report and Annual Accounts, with relevant reference to any up-to-date information.
- 1.2 Due to the restrictions in place last year, the Annual Members' Meeting took place remotely. Arrangements were made for limited attendance via the 'big screen' in a meeting room within Fulwood House.
- 1.3 The benefits of remote meetings have been one of the positive learning areas of the last 12 months and it is proposed to, once again, host the meeting online for this year's event. However, rather than recording the meeting and making it available after the event, it is proposed that this year's event will be streamed live via YouTube to maximise access for those who wish to attend. As with last year, limited seating can be made available within Fulwood House for the meeting to be broadcast for those who are unable to access it in their homes or elsewhere.

### Fit and Proper Persons Annual Declaration

- 1.4 We are required to ensure holders of specific senior posts comply with a statutory Fit and Proper Persons requirement under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.
- 1.5 In accordance with our own policy on this, this applies to both voting and non-voting Board directors, whether in executive or non-executive roles.
- 1.6 The last annual declaration of full compliance was made at the time of the previous report being written on 31 July 2020. I can confirm that at the time of this report being drafted on 21 July 2021, we remain fully compliant.
- 1.7 Board will recall that the CQC found weaknesses in the organisation's Fit and Proper Person arrangements during the visit in 2019-20. This prompted policy changes, approved by Board in May 2020, and actions resulting in the compliance since then. We can confirm that CQC inspectors reviewed Fit and Proper Person records upon their most recent visit and we were not alerted to any concerns in terms of their completeness.

### Register of Sealings

- 1.8 The use of the official seal is regulated by the Board of Directors Standing Orders and formally signifies the act of entering into the transactions evidenced by the documents to which it is fixed. This report covers use of the seal for the period 1 April 2020 to 31 March 2021. (Appendix 1)
- 1.9 Board is asked to note the use of the seal on the register under delegated powers, and for the Chair to sign this off.

### Terms of Reference for Board Committees

- 1.10 Following Board's approval of the governance structure in March 2021, committees have continued to develop reporting areas within their remit, including approval of terms of reference for reporting groups.

- 1.11 At the July round of Board committee meetings, the terms of reference for the committees themselves were approved. These were presented to the Audit and Risk Committee for completeness, and that committee also considered its own terms of reference.
- 1.12 It was noted at the Audit and Risk Committee meeting that a specific mention that committees were now welcoming members of the Lived Experience Group and Governors, in order that they could observe and feedback, was included in some Terms of Reference but not consistently across all of them. It was agreed that this paragraph should be added across all the documents, and this change features in the appendices.
- 1.13 All the terms of reference are now presented to Board for ratification and included at Appendices 2-5.
- 1.14 It should be noted that the terms of reference for the Mental Health Legislation Committee was recently approved in March 2021.

## Section 2: Risks

- 2.1 Failure to ensure proper arrangements are in place for the Annual Members' Meeting could result in members of the Foundation Trust becoming less engaged, resulting in low nominations and turnout at Council of Governor elections.
- 2.2 Failure to comply with the Fit and Proper Person requirements were previously cited as an area for improvement during the CQC inspection that took place in 2019-20.
- 2.3 Regular review of the committee terms of reference ensures effective assurance arrangements are in place across all services and areas.
- 2.4 None of the above potential risks are of sufficient seriousness to warrant inclusion as active risks on the team, directorate or corporate risk registers.

## Section 3: List of Appendices

Appendix 1 – Register of Sealings

Appendices 2-5 – Terms of Reference of Board Committees (excluding Mental Health Legislation Committee).



## Register of Sealings

Period April 2020 to March 2021

Register Entry	Date Signed / Sealed	Item	Signed by
0198	3 September 2020	Jordanthorpe Health Centre - Engrossment Deed of Surrender CHP Trust and SHSC	Phillip Easthope, Executive Director of Finance Clive Clarke, Deputy Chief Executive
0199	3 September 2020	Albert Terrace Road - Lease renewal Sheffield Hospital's Charity and SHSC	Phillip Easthope, Executive Director of Finance Clive Clarke, Deputy Chief Executive
0200	3 September 2020	Fitzwilliam Centre - Lease renewal Notts PA and SHSC	Phillip Easthope, Executive Director of Finance Clive Clarke, Deputy Chief Executive
0201	11 November 2020	Wardsend Road - Lease substation Northern Power Grid and SHSC	Phillip Easthope, Executive Director of Finance Dr Mike Hunter, Executive Medical Director
0202	24 November 2020	Sidney Street – Engrossment Lease USAF Management Ltd and SHSC	Jan Ditheridge, Chief Executive Phillip Easthope, Executive Director of Finance
0203	3 December 2020	Winter Street – Engrossment – Deed of Release of Rights to Light - Land and Buildings on NE side of building Casl Dart Square Property Owner Ltd and SHSC	Jan Ditheridge, Chief Executive Phillip Easthope, Executive Director of Finance
0204	7 January 2021	Fulwood House – Section 106 Agreement Sheffield City Council and SHSC	Phillip Easthope, Executive Director of Finance
0205	18 March 2021	Heeley Green Surgery – Transfer of Land Registry Primary Care Sheffield and SHSC	Jan Ditheridge, Chief Executive Phillip Easthope, Executive Director of Finance

Noted by the Board of Directors 28 July 2021

Signed by Chair: ..... Mike Potts

# Terms of Reference

Document History:	
Version Number:	1
Approved by:	Trust Board (pending – July 2021)
Date approved:	July 2021

Name of Committee	<b>Audit and Risk Committee</b>
Type of Committee	Board Committee reporting to Trust Board

<b>1.</b>	<b>Purpose of Committee</b>
	<p>The Audit &amp; Risk Committee (“the Committee”) has been established to provide assurance to the Board of Directors in consultation with the other Board Committees that adequate and appropriate governance structures, processes and controls are in place throughout the Trust.</p> <p>In carrying out this function, the Committee will primarily use the work of internal audit and other assurance functions, but will not be limited to these functions. It will also seek reports and assurances from directors and managers as appropriate.</p> <p>The Committee may request and review reports and assurances (positive or negative) from directors and managers on the overall arrangements for governance and risk management.</p> <p>The Committee shall provide assurance to the Board of Directors on the probity of the Trust and support the other Board Committees in the achievement of clinical effectiveness and safe outcome for service users, maintaining positive service users and carer experience and equality and inclusion.</p>
<b>2.</b>	<b>Scope</b>
	<p>The Committee will:</p> <ul style="list-style-type: none"> <li>• monitoring the integrity of the financial statements, assisting the Board of Directors in its oversight of risk management and the effectiveness of internal control, oversight of compliance with corporate governance standards and matters relating to the external and internal audit functions</li> <li>• provide the Board of Directors with a means of independent and objective review of financial and corporate governance, assurance processes and risk management across the whole of the Foundation Trust’s activities (clinical and non-clinical) both generally and in support of the annual governance statement.</li> </ul> <p>The Board of Directors is responsible for ensuring effective financial decision-making, management and internal control including:</p>

- management of the Foundation Trust's activities in accordance with statute and regulations;
- the establishment and maintenance of a system of internal control to give reasonable assurance that assets are safeguarded, waste or inefficiency avoided and reliable financial information produced, and that value for money is continuously sought.

### 3. Authority/Accountability

The Committee is constituted as a standing committee of the Board of Directors.

The Committee is authorised to establish and delegate powers to sub-committee(s) and work groups. The Committee will oversee the work of those sub-committee(s) and work groups.

The Committee is authorised by the Board of Directors to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any member of staff and all members of staff are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board of Directors to obtain outside independent professional advice. The Committee is authorised to request the attendance at a committee of individuals or authorities from outside the Foundation Trust with relevant experience and expertise if it considers this necessary or expedient to the carrying out of its functions. The Committee will advise the Board of Directors of any investigation being undertaken that instructs professional advisors and update the Board of Directors on progress.

### 4. Objectives of Committee

#### **Financial statements and the annual report**

- (i) The Committee will: monitor the integrity of the financial statements of the Foundation Trust, any other normal announcements relating to the Trust's financial performance, reviewing the significant financial reporting judgements contained in them
- (ii) review the Annual Statutory Accounts, before they are presented to the Board of Directors for approval, in order to determine their completeness, objectivity, integrity and accuracy. This review will cover but is not limited to:
  - the meaning and significance of the figures, notes and significant changes;
  - areas where judgement has been exercised;
  - adherence to accounting policies and practices;
  - explanation of estimates or provisions having material effect;
  - the schedule of losses and special payments;
  - any unadjusted statements; and
  - any reservations and disagreements between the external auditors and management which have not been satisfactorily resolved.
- (iii) recommend to the Board of Directors that the Annual Statutory Accounts are approved
- (iv) review the Annual Report and Annual Governance Statement and recommend to the Board of Directors that the documents are approved
- (v) review each year the accounting policies of the Trust and make appropriate recommendations to the Board of Directors

- (vi) Review all accounting and reporting systems for reporting to the Board of Directors, including in respect of budgetary control
- (vii) the Committee will be notified of and scrutinise losses, write-offs and compensation including special payments, ex-gratia payments and extra statutory or extra regulatory payments.

### **Internal Control and Risk Management**

The Committee will:

- (i) review the Foundation Trust's internal financial controls to ensure the provision and maintenance of an effective system of financial risk identification and associated controls, reporting and governance
- (ii) review and maintain an oversight of the Foundation Trust's general internal controls and risk management systems
- (iii) review processes to ensure appropriate information flows to the Committee from executive management and other Board committees in relation to the Trust's overall internal control and risk management position
- (iv) review the adequacy of the policies and procedures in respect of all counter-fraud work. Receive the annual report from counter fraud
- (v) review the adequacy of underlying assurance processes that indicate the degree of achievement of corporate objectives and the effectiveness of the management of principal risks, including the Board Assurance Framework (BAF).
- (vi) utilise and review the work of the internal audit, external audit and other assurance functions as well as reports and assurances sought from directors, managers, committee's and other investigatory outcomes so as to fulfil its functions in connection with these terms of reference.
- (vii) review the adequacy of policies and procedures for ensuring compliance with relevant regulatory, legal and conduct requirements.

### **Freedom to Speak Up: Raising Concerns (Whistleblowing)**

The Committee will:

- (i) review arrangements that allow staff and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety and other matters
- (ii) Ensure that arrangements are in place for the proportionate and independent investigation of such matters, and for appropriate follow-up action, and ensure safeguards are in place for those who raise concerns.

### **Emergency Planning Resilience and Response (EPRR)**

The Committee will:

- (i) review and monitor compliance with the NHS England EPRR core standards, Civil Contingencies Act 2004 and provide positive assurance to the Board of compliance.

### **Corporate Governance**

The Committee will:

- (i) monitor and provide assurance to the Board of Directors on corporate governance compliance (e.g. compliance with terms of the Licence, Constitution, Codes of Conduct, Standing Orders, Standing Financial Instructions, maintenance of Registers of Interests).



- (ii) consider the outcomes of significant reviews carried out by other bodies which include but are not limited to regulators and inspectors within the health and social care sector and professional bodies with responsibilities that relate to staff performance and functions.

### **Internal Audit**

The Committee will:

- (i) at least annually, monitor and review the effectiveness of the Foundation Trust's internal audit function, taking into consideration relevant UK professional and regulatory requirements
- (ii) review and approve the internal audit strategy and programme, ensuring that it is consistent with the needs of the organisation. This includes ensuring the programme covers the breadth of the internal control environment ensuring relevant coverage of Clinical Quality, Governance, Risk Management and Legislation, performance and Data Quality, Workforce and Finance
- (iii) oversee on an ongoing basis the effective operation of internal audit in respect of:
  - adequate resourcing;
  - its co-ordination with external audit;
  - meeting relevant internal audit standards;
  - providing adequate independence assurances;
- (iv) it having appropriate standing within the Foundation Trust; consider the major findings of internal audit investigations and management's response and their implications and monitor progress on the implementation of recommendations
- (v) consider the provision of the internal audit service, the cost of the audit and any questions of resignation and dismissal of internal audit staff
- (vi) where an audit report relates to a follow-up audit and high risk recommendations are still outstanding, the Executive Director shall attend the Committee meeting to provide an update on actions taken to address these recommendations
- (vii) an audit recommendation self-assessment report, which includes a log of audit reports submitted to the Committee and any outstanding actions, shall be submitted to each meeting of the Committee for review
- (viii) directors are responsible for providing an update at the Committee meetings on any outstanding actions that fall within their remit
- (ix) assuring itself that the management of the Trust has implemented the agreed recommendations of internal audit reports in a timely and effective way.

### **External Audit**

- (i) The Committee will: review and monitor the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements.
- (ii) assess the external auditor's work and fees each year. This assessment should include the review and monitoring of the external auditor's independence and objectivity and effectiveness of the audit process in light of relevant professional and regulatory standards
- (iii) oversee the conduct of a market testing exercise for the appointment of an auditor at least once every five years and, based on the outcome, support the the Council of Governors in the appointment of the external auditors
- (iv) the Council of Governors will take the lead in agreeing with the Committee the criteria for appointing, re-appointing and removing external auditors. To support them in this task, the Audit & Risk Committee should:

- provide information on the external auditor’s performance, including details such as the quality and value of the work, the timeliness of reporting and fees.
  - Advise the Council of Governors in respect of the appointment, re-appointment and removal of an external auditor and related fees as applicable. To the extent that advice is not adopted by the Council of Governors, this shall be included in the annual report, along with the reasons for non-adoption.
- (v) discuss with the external auditor, before the audit commences, the nature and scope of the audit, and ensure coordination, as appropriate, with other external auditors in the local health economy.
- (vi) review external audit reports, including the Annual Audit Letter, together with the management response, and to monitor progress on the implementation of recommendations.
- (vii) to develop and implement a policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance.

### **Standing Orders, Standing Financial Instructions and Standards Of Business**

The Committee will:

- (i) review Standing Orders, Standing Financial Instructions and any waiver or suspension on the documents
- (ii) review the reasons for such waivers or suspensions must be reported by the Lead Executive to the Board of Directors and reports shall be received by the Committee.
- (iii) review the Scheme of Delegation.

#### **Other**

The Committee will:

- (i) review performance indicators relevant to the remit of the Committee
- (ii) examine any other matter referred to the Committee by the Board of Directors and initiate investigation as determined by the Committee. Report back to the Board of Directors on any finding following an investigation
- (iii) the Chief Executive shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector. Reports shall be received by the Committee.

## **5. Membership**

The membership of the Committee will be:

- Three Non-Executive Directors, one of which, with recent and relevant financial experience, will be appointed by the Board of Directors to chair the meetings
- The Trust Chair should not be a member of the Committee,
- The Committee shall have sufficient skills amongst its members to be able to discharge its responsibilities

Executive Directors should not be appointed to the Committee. The role of the Executive is to attend, to provide information, and to participate in discussions, either for the whole duration of a meeting or for particular items.

## **6. Attendees**

Meetings of the Committee shall normally be attended by:

- Executive Director of Finance
- Director of Corporate Governance (Board Secretary)
- Deputy Director of Finance
- A representative of the external auditors and a representative of the internal auditors
- A representative of the local counter fraud service may be invited to attend meetings of the Audit & Risk Committee.

Other Non-executive Directors can attend as desired. Executive Directors will be invited to attend the Committee dependent on the business being discussed by the Committee.

In order to support the work of the Lived Experience Group and the Council of Governors, nominated observers are invited to attend the Committee. Their role as observers is to consider the work of the Committee in order to provide feedback to their respective bodies. Observers will be supported in their role by the Trust with training and access to Committee papers. Their feedback on the Committee's commitment to and effectiveness in considering the views of services users, carers and foundation trust members will form part of the annual effectiveness review carried out by Committee.

## 7. Chair, Quorum, Attendance and Meetings

### **Chair**

The NED Chair will preside at all meetings. In extraordinary circumstances where the Chair cannot attend, one of the Non-Executive Director members will chair the meeting.

### **Quorum**

The Committee is quorate when at least two members are present.

Deputies for Executive Directors may attend by exception but must be fully briefed.

On the occasions when the Committee has arranged to meet and the Committee is not quorate, business can be discussed and provisional decisions can be made, but those decisions must be taken back to the next meeting of the Committee for ratification.

### **Attendance**

Members are expected to attend all meetings. Apologies must be received by the Administrator in advance of the meetings. All members will be required to attend a **minimum** of two thirds of all meetings held annually. Members should not be absent for more than two consecutive meetings without the agreement of the Chair.

Any Committee member may participate in a meeting by way of telephone, computer or any other electronic means of communication provided that each person is able to hear and speak. A person participating in this way is deemed to be present in person although their actual location shall be noted in the minutes and is counted in a quorum and entitled to vote.

The meeting is deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the Chair of the meeting is located.

### **Meetings**

Where a specific matter is deemed to be of a confidential or commercially sensitive nature the Chair has the authority to restrict attendance at the meeting to members only and to ask all invitees to leave the meeting.

If any member or invitee has an interest, pecuniary or otherwise, in any matter and is present at the meeting at which the matter is under discussion, they will declare that interest as early as possible and shall not participate in the discussions. The Chair will have the power to request that member or invitee to withdraw until its consideration has been completed.

## 8. Frequency and Notice of Meetings

### Frequency

The Committee will normally meet five times per year. Additional meetings can be arranged for specific purposes as necessary, with agreement by the Chair.

If a matter of urgent business arises and an extraordinary meeting is required, this may be convened by the Chair, subject to the agreement of a quorum number of members. Decisions will be subject to achieving quorum attendance.

Where a decision needs to be taken outside the normal cycle of meetings, and where the matter is not deemed by the Chair to require an additional meeting to be called, the decision may be made via e-mail. The preference is for decisions to be taken at meetings. The decisions via e-mail process will be used on an exceptions basis. The process for decision via e-mail will be as follows:

- a) An e-mail setting out the matter for decision will be sent to all members on the same working day. This shall include a statement setting out how the members should signify what their view on the matter is and the deadline for doing so.
- b) Members will be given no less than five working days in which to respond.
- c) For a decision to be passed, all of the members must express the same view on the matter.
- d) Where members have comments on the proposed decision or recommendation/s these will be circulated to other Committee members by the Administrator within one working day of receipt.
- e) If any individual member wishes to debate an item proposed for decision via e-mail at a meeting instead they may ask the Chair to arrange an additional meeting or defer the item for decision until the next meeting (such agreement by the Chair not to be unreasonably withheld).
- f) Decisions via e-mail will be reported to the next meeting and the wording of the decision minuted. Any decision made in this manner will be effective from the date of agreement of all of the members and confirmed by email by the Administrator.

### Notice of meetings

Meetings shall be called by the Administrator at the request of the Chair or any of its members.

Unless otherwise agreed, notice of each meeting and agenda of items to be discussed, shall be forwarded to each member, any other person required to attend no later than five full working days before the date of the meeting. Supporting papers shall be sent to

members and to other attendees as appropriate, at the same time.

Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

A meeting workplan will be agreed on an annual basis, setting out the main work items to be carried out at each meeting to ensure that adequate time is given to the main objectives of the Committee.

## **9. Minutes and Reporting Arrangements**

The Committee will report to the Board on how it discharges its responsibilities. The Board will report back if it has any concerns about its adherence to the Terms of Reference.

The minutes of Committee meetings will be formally recorded and submitted to the Board. The Chair of the Committee will draw to the attention of the Trust Board any issues or decisions for disclosure or require executive action.

The Board will receive standing reports following each meeting and additional reports as part of the scheduled programme of annual reports.

In addition, the Committee will receive thematic 'deep dive' reports or reviews as required to enable greater discussion about specific issues and to facilitate in depth discussions between the members and those staff providing services.

The Board has ultimate responsibility for the effectiveness of its governance below Board. The Board will rely on the work of its Committees to provide assurance on the effectiveness of the governance structure.

## **10. Administrative arrangements**

The Committee will be supported by a nominated Administrator who will:

- produce a schedule of meetings and maintain the annual work plan for the Committee
- prepare the agenda and papers with the Chair and circulate five working days prior to the meeting;
- maintain accurate records of attendance, key discussion points and decisions taken and issue necessary action logs within five full working days of the meeting;
- draft minutes, recording where the Committee has delivered its purpose through relevant reports and subsequent discussion, debate and challenge, and where further information is required, for circulation to the meeting Chair within five full working days of the meeting;
- organise future meetings; and
- file and maintain records of the work of the Committee in the required corporate records folder.

## **11. Meeting effectiveness review**

The Committee shall at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Trust Board for approval.

The Committee shall undertake appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

A record of the frequency of attendance by members, quoracy and the frequency of meetings will be maintained. Any areas of concern will be highlighted to the Chair of the Committee.

<b>12.</b>	<b>Review to be conducted by Committee Chair</b>	
	<b>Date Committee established</b>	1 July 2008
	<b>Terms of Reference to be reviewed</b>	Annually
	<b>Date of last review</b>	April 2019
	<b>Date of next review</b>	July 2022

# Terms of Reference

Document History:	
Version Number:	1
Approved by: (parent Committee/group)	Trust Board
Date approved:	TBC
Name of author(s):	Claire Lea, Governance Consultant

Name of Committee/Group	Finance and Performance Committee
Type of Committee/Group i.e. Committee of Board, Group reporting to EDG, Time limited working group	Committee of the Board of Directors

1.	Purpose of Committee/Group
	<p>The Finance and Performance Committee and (“the Committee”) has been established to provide assurance to the Board of Directors (BoD) in consultation with the other Board Committees that adequate and appropriate governance structures, processes and controls are in place throughout the Trust to:</p> <ul style="list-style-type: none"> <li>• Over-arching review of financial risk</li> <li>• Overview of the Trust’s financial processes and monitoring returns to NHS England/Improvement, ensuring finances are managed within the allocated resources to deliver an efficient and effective service.</li> <li>• Provide assurance to the BoD on the financial controls of the Trust.</li> <li>• Oversee the Trust’s accountabilities in regard to data and information, establishing and regularly reviewing policy, procedures, practice and processes are effective, providing assurance to the BoD.</li> <li>• Provide assure of the Trust’s compliance with its regulatory and statutory duties pertaining to data and information and the effective governance of data and information within the Trust.</li> <li>• Provide assurance that the performance framework enables the Trust to proactively manage its Quality, Financial and People performance agenda including oversight through committees.</li> <li>• Oversee the Estates Strategy</li> </ul> <p>The Committee shall provide assurance to the BoD on the probity of the Trust and support the other Board Committees in the achievement of clinical effectiveness and safe outcome for service users, maintaining positive service users and carer experience and equality and inclusion.</p>

<p><b>2.</b></p>	<p><b>Scope</b></p> <p>The Committee will:</p> <ul style="list-style-type: none"> <li>• review and monitor the systems and processes for the financial activity within the organisation ensuring that decisions are in line with the Trust’s overall strategic direction and its financial frameworks, including the Financial Strategy, Treasury Management Policy, Procurement Strategy and the Estates Strategy.</li> <li>• Review and monitor the systems and processes of information governance within the organisation ensuring decisions are in line with the Trust’s overall strategic direction, regulatory frameworks and legislation, including the Digital Transformation Strategy.</li> <li>• Establish and maintain a performance framework that enables the Trust to proactively manage its, Quality, Financial and Workforce performance agenda including oversight through committees.</li> </ul> <p>In delivering this purpose the remit will be to formulate an annual programme of work.</p>
<p><b>3.</b></p>	<p><b>Authority/Accountability</b></p> <p>The Committee is constituted as a standing committee of the BoD.</p> <p>The Committee is authorised to establish and delegate powers to sub-committee(s) and work groups. The Committee will oversee the work of those sub-committee(s) and work groups.</p> <p>The Committee is authorised by the BoD to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any member of staff and all members of staff are directed to co-operate with any request made by the Committee.</p> <p>The Committee is authorised by the BoD to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The budget for such advice must be within agreed financial constraints.</p> <p>The Committee is authorised by the BoD to make decisions that are not of a significant matter to the parent body. Reference should be made, as appropriate to the Standing Orders and Standing Financial Instructions of the Trust.</p> <p>The following matters that must be referred to BoD:</p> <ul style="list-style-type: none"> <li>• Where there is significant revenue, capital or cash implications as determined by the Trust’s Standing Financial Instructions</li> <li>• Conflict with statutory obligations, or have significant governance implications</li> <li>• Likely to arouse significant public or media interest.</li> </ul>



#### 4. Objectives of Committee/Group

##### Financial Management and Performance

The Committee will:

- (i) establish and maintain a detailed knowledge of the Trust's overall strategic objectives
- (ii) establish and maintain an overview of the Trust's financial risks and ensure the effectiveness and implementation of the controls for financial risks. Provide assurance to the BoD that the controls are in place for any financial risks identified
- (iii) provide assurance to the Board on the Trust's financial resilience and sustainability through overview of the Trust's annual business priorities and the associated financial plans through the receipt of the Annual Plan,
- (iv) supervise the annual budget setting processes and financial information contained in the Annual Plan and provide assurance to the BoD on the process
- (v) monitor the Trust's activities in relation to the submission of offers for existing/new business opportunities in line with the agreed growth strategy. Provide regular updates to the BoD on the business opportunities being presented to the Committee monitor and provide assurance to the BoD on the Trust's affordability, profitability and return on investment of its core business and service developments
- (vii) review the most recent monthly finance report prepared for the BoD to enable an informed and focussed discussion at the Board meeting, making recommendations and priorities for discussion
- (viii) review in detail any major performance variation, in order to obtain assurance on behalf of the BoD as to the effectiveness of corrective actions and associated governance arrangements.
- (ix) oversee the on-going development of the finance report, to seek assurance that the measures incorporated meet the requirements of external stakeholders and provide assurance to the BoD that the Trust's Financial Strategy is being delivered
- (x) monitor and provide assurance to the BoD on the Cost Improvement/Cash Releasing Efficiency Savings Programme(s) as well as any agreed Disinvestment Programmes
- (xi) review the activity reports in respect of under/over performance against contracted targets. Escalate to the BoD any significant variations to contracts.
- (xii) review on a regular basis, the Trust's position in respect of contracts and any impact on overall Trust performance and financial stability
- (xiii) scrutinise details of movement in aged reports, specifically in relation to Losses category 3c (bad debts and claims abandoned) for assurance re the validity of information contained in financial reports
- (xiv) review, monitor and provide assurance to the BoD on the returns to NHS England/Improvement (as determined by their reporting processes)
- (xv) review the Trust Reference Cost submission and provide assurance to the BoD that the Committee is satisfied with the Trust's costing processes and systems, and that the Trust will submit its reference cost return in accordance with the guidance
- (xvi) review Reference Cost Index (measure of relative efficiency) on publication and provide assurance to the BoD on the value for money of services provided

- (i) consider the risks delegated to it via the Board Assurance Framework (BAF) and/or Corporate Risk Register (CRR). The Committee should determine if the appropriate level of risk has been identified, review the effectiveness of the controls in place relevant to the risks, review and challenge the strength of the assurances provided, identify any gaps in control or assurance and ensure that the risk lead identifies appropriate actions to address such gaps. The Committee should provide assurance to the BoD on the risks delegated to the Committee and highlight any key areas of concern identified by the Committee.
- (ii) act as the forum for financial risk to be discussed, and ensure that where serious concerns are raised, action is taken, and that action plans are carried through to completion, and the reporting loops closed. In doing so, ensuring that there are robust links across directorates to ensure a culture risk management is present throughout the organisation.

### **Capital Management**

The Committee will:

- (iii) review on behalf of the BoD the strategic five year capital programme and the annual capital budgets and recommend to the BoD approval of the documents as appropriate.
- (iv) review capital business cases identified within the annual capital budget to ensure that each business case is within the resources approved by the Board and that the business cases comply with the business case standards set by the Trust and outside regulators
- (v) approve capital business cases in accordance with the Trust's Detailed Scheme of Delegation (DSoD)
- (vi) provide assurance to the BoD on the functioning of the capital programme and associated business cases.

### **Treasury Management**

The Committee will:

- a. manage and review investment decisions in accordance with the Trust's Treasury Management Policy and Trust Objectives, and ensure safe harbouring of "cash", following the agreed controls and ensuring all investment is risk averse
- b. review the Trust's Treasury Management Policy and make recommendations to the BoD for approval
- c. review Trust finance applications including loan applications
- d. provide assurance to the BoD on all Treasury Management issues.

### **Investment Appraisal**

The Committee will:

- (i) review and approve the Trust Growth Strategy
- (ii) review and approve revenue business cases in accordance with limits in the Trust's DSoD and to make recommendations to the Board on those cases outside of its authority
- (iii) review the benefits realisation of business cases and post implementation reviews of business cases it approves to ensure that the standard of business case preparation is consistently high

- (iv) review and monitor the Trust's Business and Financial Performance by receiving high level monthly reports from the outputs of the Business Planning Group (BPG)
- (v) provide assurance to the BoD on all investment appraisal activity.

### **Digital Strategy**

The Committee will:

- (i) review and approve the Digital Transformation Strategy
- (ii) review and provide assurance regarding the implementation of the transformation programmes to deliver the Digital Strategy.

### **Other**

The Committee will:

- (i) Review the performance framework that enables the Trust to proactively manage its, Quality, Financial and People performance agenda, increasing triangulation to inform decision making
- (ii) review, approve and provide assurance to the BoD on the Trust Procurement Strategy
- (iii) review, approve and provide assurance to the BoD on the Trust Estate Strategy monitor and approve expenditure in respect of the Trust's Charitable and Endowment funds ensuring appropriate resource allocation
- (v) review the Trust's Standing Financial Instructions (SFI) and Standing Orders (SO) and where appropriate make recommendations regarding amendments to the Audit Committee for approval by the BoD
- (vi) notify the Audit and Risk (ARC) Committee of any statutory reporting concerns or identified system weaknesses
- (vii) review any matter referred to the Committee by the BoD
- (viii) prepare and share with the ARC and the BoD an Annual Report that outlines the work undertaken by the Committee during the year.

The Committee will uphold the values of the Trust in the work it does. In particular it will look for assurances that these values are being delivered in the Trust, as part of its overall governance role on behalf of the Board.

## **5. Membership**

The membership of the Committee will be:

- Three Non-Executive Directors (one of which will be appointed to chair the meetings and one of which will have financial experience)
- Executive Director of Finance (Lead Executive with ownership of the agenda and SIRO)
- Executive Director of Nursing, Professions and Operations

Other Non-Executive Directors and Executive Directors can attend as desired but will not form part of the permanent membership of this committee.

Membership will be reviewed annually.

## 6. Attendees

Meetings of the Committee shall normally be attended by:

- Deputy Director of Finance
- Director of Corporate Governance
- Committee Administrator

The Committee may invite other persons to attend a meeting so as to assist in deliberations. The Chairman shall be notified of this prior to the meeting.

Other directors or their deputies may be asked to attend meetings or part meetings for discussions on matters relating to their portfolio, if required. The provisions of the Trust's Standing Orders relating to acting up arrangements and joint members will apply to this Committee with respect to decision making authority.

The Director of Governance will provide advice to the Chair and members and ensure that the Committee has the appropriate administrative and secretarial support (an Administrator). A minute taker will also attend all Committee meetings and be stated as in attendance.

In order to support the work of the Lived Experience Group and the Council of Governors, nominated observers are invited to attend the Committee. Their role as observers is to consider the work of the Committee in order to provide feedback to their respective bodies. Observers will be supported in their role by the Trust with training and access to Committee papers. Their feedback on the Committee's commitment to and effectiveness in considering the views of services users, carers and foundation trust members will form part of the annual effectiveness review carried out by Committee

## 7. Chair, Quorum, Attendance and Meetings

### **Chair**

The Chair will preside at all meetings having been approved as the Chair by the BoD. In extraordinary circumstances where the Chair cannot attend, the Deputy Chair (similarly approved) will chair the meeting.

### **Quorum**

A quorum will be 3 members and must include 2 Non-Executive Director and 1 Executive Director including the Chair or Vice Chair.

If the Committee is not quorate the meeting may be postponed at the discretion of the Chair. If the meeting does take place and is not quorate no decisions shall be made at that meeting and such matters must be deferred until the next quorate meeting.

### **Attendance**

Members are expected to attend all meetings. Apologies must be received by the Administrator in advance of the meetings. All members will be required to attend a **minimum** of two thirds of all meetings held annually. Members should not be absent for more than two consecutive meetings without the agreement of the Chair.

Any Committee member may participate in a meeting by way of telephone, computer or any other electronic means of communication provided that each person is able to hear and speak. A person participating in this way is deemed to be present in person although their actual location shall be noted in the minutes and is counted in a quorum and entitled to vote. The meeting is deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the Chair of the meeting is located.

### **Meetings**

Where a specific matter is deemed to be of a confidential or commercially sensitive nature the Chair has the authority to restrict attendance at the meeting to members only and to ask all invitees to leave the meeting.

If any member or invitee has an interest, pecuniary or otherwise, in any matter and is present at the meeting at which the matter is under discussion, they will declare that interest as early as possible and shall not participate in the discussions. The Chair will have the power to request that member or invitee to withdraw until its consideration has been completed.

## **8. Frequency of meetings**

### **Frequency**

The Committee will meet every month. Additional meetings can be arranged for specific purposes as necessary, with agreement by the Chair or Deputy Chair.

If a matter of urgent business arises and an extraordinary meeting is required, this may be convened by the Chair, subject to the agreement of a quorum number of members. Decisions will be subject to achieving quorum attendance.

Where a decision needs to be taken outside the normal cycle of meetings, and where the matter is not deemed by the Chair to require an additional meeting to be called, the decision may be made via e-mail. The preference is for decisions to be taken at meetings. The decisions via e-mail process will be used on an exceptions basis. The process for decision via e-mail will be as follows:

- a) An e-mail setting out the matter for decision will be sent to all members on the same working day. This shall include a statement setting out how the members should signify what their view on the matter is and the deadline for doing so.
- b) Members will be given no less than five working days in which to respond.
- c) For a decision to be passed, all of the members must express the same view on the matter.
- d) Where members have comments on the proposed decision or recommendation/s these will be circulated to other Committee/Group members by the Administrator within one working day of receipt.
- e) If any individual member wishes to debate an item proposed for decision via e-mail at a meeting instead they may ask the Chair to arrange an additional meeting or defer the item for decision until the next meeting (such agreement by the Chair not to be unreasonably withheld).
- f) Decisions via e-mail will be reported to the next meeting and the wording of the decision minuted. Any decision made in this manner will be effective from the date of agreement of all of the members and confirmed by email by the Administrator.

### **Notice of meetings**

Meetings shall be called by the Administrator at the request of the Chair or any of its members.

Unless otherwise agreed, notice of each meeting and agenda of items to be discussed, shall be forwarded to each member, any other person required to attend no later than three full working days before the date of the meeting. Supporting papers shall be sent to members and to other attendees as appropriate, at the same time.

Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

A meeting calendar will be agreed on an annual basis, setting out the main work items to be carried out at each meeting to ensure that adequate time is given to the main objectives of the Committee.

## **9. Minutes and Reporting Arrangements**

The Committee will report to the BoD on how it discharges its responsibilities.

The BoD will report back if it has any concerns about its adherence to the Terms of Reference.

The minutes of Committee meetings will be formally recorded and submitted to the parent body by the Chair of the Committee. The Chair of the Committee will draw to the attention of the BoD any issues or decisions that require disclosure to the Trust Board, or require executive action.

Operational groups will report to the committee as agreed within the governance structure.

This assurance is provided through the provision of minutes and quarterly/bi-annual assurance reports which articulate how their duties and responsibilities have been discharged, highlighting any emerging risks and summarising recommendations and actions taken.

The Committee will receive standing reports following each meeting and additional reports as part of the scheduled programme of annual reports.

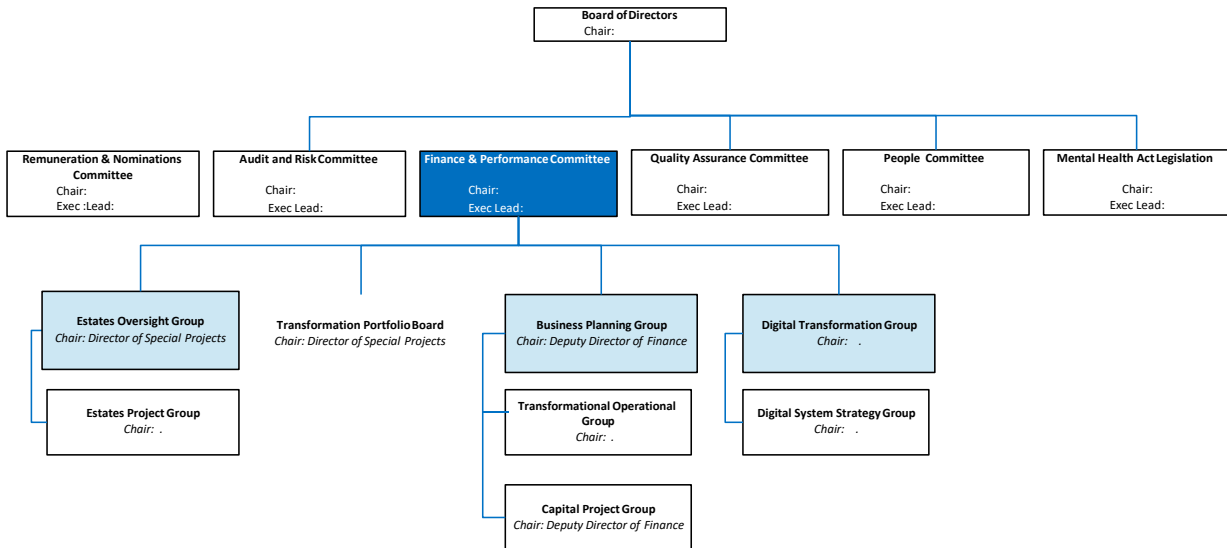
In addition, the Committee will receive thematic 'deep dive' reports or reviews as required to enable greater discussion about specific issues and to facilitate in depth discussions between the members and those staff providing services.

The Board has ultimate responsibility for the effectiveness of its governance below Board. The Board will rely on the work of its committees to provide assurance on the effectiveness of the governance structure. The Board Committees will use the reports and minutes outlined above to ensure that its underlying Committee is meeting its duties according to these terms of reference.

10.	<b>Administrative Arrangements</b>	
	<p>The Committee shall be supported administratively by the Committee Administrator whose duties in this respect will include:</p> <ul style="list-style-type: none"> <li>• produce a schedule of meetings and maintain the annual work plan for the Committee</li> <li>• prepare the agenda and papers with the Chair and circulate three working days prior to the meeting;</li> <li>• maintain accurate records of attendance, key discussion points and decisions taken and issue necessary action logs within five full working days of the meeting;</li> <li>• draft minutes, recording where the Committee has delivered its purpose through relevant reports and subsequent discussion, debate and challenge, and where further information is required, for circulation to the meeting Chair within five full working days of the meeting;</li> <li>• organise future meetings; and</li> <li>• file and maintain records of the work of the Committee in the required corporate records folder.</li> </ul>	
11.	<b>Meeting Effectiveness Review</b>	
12.	<b>Review to be conducted by Committee/Group Chair</b>	
	<b>Date Committee/Group established</b>	28 <sup>th</sup> July 2008
	<b>Terms of Reference to be reviewed e.g. Annually</b>	The terms of reference of the committee shall be reviewed by the Board when required, but at least annually.
	<b>Date of last review</b>	May 2021
	<b>Date of next review</b>	May 2022

# Governance Structure

## Board & Committee Governance Structure



Approved XXX  
Approved BoD XXXX 2021





# Terms of Reference

Document History:	
Version Number:	10
Approved by:	Trust Board (pending – July 2021)
Date approved:	July 2021

Name of Committee	Quality Assurance Committee
Type of Committee	Board Committee reporting to Trust Board

<b>1.</b>	<b>Purpose of Committee</b>
	<p>To oversee and ensure the effective delivery of:</p> <ul style="list-style-type: none"> <li>• safe care at all times;</li> <li>• timely access to effective care;</li> <li>• positive experience and outcomes for service users and carers;</li> <li>• effective quality assurance and improvement underpins all we do.</li> </ul> <p>The Committee shall provide assurance to the Board of Directors on the probity of the Trust and support the other Board Committees in the achievement of clinical effectiveness and safe outcomes for service users, maintaining positive service user and carer experience and equality and inclusion.</p>
<b>2.</b>	<b>Scope</b>
	The scope of the Committee is Trust-wide
<b>3.</b>	<b>Authority/Accountability</b>
	<p>The Committee is an assurance Committee of the Board of Directors for matters relating to quality assurance as stated in the purpose.</p> <p>The Committee reports to the Trust Board and sits within the portfolio of the Executive Director of Nursing, Professions and Operations.</p> <p>The Committee is authorised by the Trust 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.</p>

The Committee is authorised by the Trust Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The budget for such advice must be within agreed financial constraints.

The Committee is authorised to make decisions that are not reserved to the Trust Board. Reference should be made, as appropriate to the Standing Orders and Standing Financial Instructions of the Trust.

The following matters that must be referred to the Trust Board:

- Where there is significant revenue, capital or cash implications as determined by the Trust's Standing Financial Instructions
- Conflict with statutory obligations, or have significant governance implications
- Likely to arouse significant public or media interest.

#### 4. Objectives of Committee

The Committee will:

- ensure Trust-wide clinical governance, clinical risk management arrangements and quality improvement and assurance strategies are in place and fit for purpose;
- ensure clinical governance and clinical risk management systems and processes are continually developed and monitored to deliver high quality clinical care to the highest standards and minimise risk to service users;
- ensure that negotiations with commissioners and stakeholders are based on maintaining high quality standards;
- oversee the key performance indicators capable of demonstrating improvements in safety, effectiveness and service user experience and/or early warning of risk at all levels of the organisation;
- oversee development and review of the Annual Quality Report and recommend approval to the Board of Directors;
- seek assurance that service users and carers are engaged in the business of the organisation and have a voice in service provision, organisational change and service improvements;
- seek assurance that risk management processes are underpinned by a culture of openness and transparency;
- ensure robust mechanisms are in place to maintain its registration with any required regulatory bodies; oversee all risks delegated to the Committee via the Corporate Risk Register (CRR) and Board Assurance Framework (BAF);
- monitor improvement following visits by the Care Quality Commission, including evidence of practice being embedded where necessary;
- monitor the timely review of policies in relation to its area of responsibility following approval by the Policy Governance Group;
- review the outcome of audits relating to its area of responsibility and contribute views to the Audit and Risk Committee as required;
- uphold the values of the organisation in the work it does. In particular it will look for assurances that these values are being delivered as part of its overall governance role on behalf of the Board.

<b>5.</b>	<b>Membership</b>
	<p>Three Non-Executive Directors – one of which will be appointed chair.          Executive Director of Nursing, Professions and Operations          Executive Medical Director          Director of Quality</p>
<b>6.</b>	<b>Attendees</b>
	<p>Meetings will normally be attended by:</p> <ul style="list-style-type: none"> <li>• Director of Operations and Transformation</li> <li>• Clinical Directors, Heads of Service and Heads of Nursing for Acute &amp; Community and Rehab and Specialist Services as required</li> <li>• Head of Clinical Governance</li> <li>• Service User Representative</li> <li>• NHS Sheffield Clinical Commissioning Group (NHSSCCG) Head of Quality</li> <li>• Committee Administrator</li> </ul> <p>Other directors or their deputies may be asked to attend meetings or part meetings for discussions on matters relating to their portfolio, if required. The provisions of the Trust’s Standing Orders relating to acting up arrangements and joint members will apply to this Committee with respect to decision making authority.</p> <p>The Board Secretary will attend as required and provide advice to the Chair and members to ensure that the Committee has the appropriate administrative and secretarial support (an Administrator). A minute taker will also attend all Committee meetings and be stated as in attendance.</p> <p>In order to support the work of the Lived Experience Group and the Council of Governors, nominated observers are invited to attend the Committee. Their role as observers is to consider the work of the Committee in order to provide feedback to their respective bodies. Observers will be supported in their role by the Trust with training and access to Committee papers. Their feedback on the Committee’s commitment to and effectiveness in considering the views of services users, carers and foundation trust members will form part of the annual effectiveness review carried out by Committee</p>
<b>7.</b>	<b>Chair, Quorum, Attendance and Meetings</b>
	<p><b>Chair</b>          The NED Chair will preside at all meetings. In extraordinary circumstances where the Chair cannot attend, one of the Non-Executive Director members will chair the meeting.</p> <p><b>Quorum</b>          A quorum will be 3 members and must include 2 Non-Executive Directors and 1 Executive Director.</p> <p>If the Committee is not quorate the meeting may be postponed at the discretion of the Chair. If the meeting does take place and is not quorate no decisions shall be made at that meeting and such matters must be deferred until the next quorate meeting.</p> <p><b>Attendance</b>          Members are expected to attend all meetings. Apologies must be received by the Administrator in advance of the meetings. All members will be required to attend a</p>

**minimum** of two thirds of all meetings held annually. Members should not be absent for more than two consecutive meetings without the agreement of the Chair.

Any Committee member may participate in a meeting by way of telephone, computer or any other electronic means of communication provided that each person is able to hear and speak. A person participating in this way is deemed to be present in person although their actual location shall be noted in the minutes and is counted in a quorum and entitled to vote.

The meeting is deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the Chair of the meeting is located.

### **Meetings**

Where a specific matter is deemed to be of a confidential or commercially sensitive nature the Chair has the authority to restrict attendance at the meeting to members only and to ask all invitees to leave the meeting.

If any member or invitee has an interest, pecuniary or otherwise, in any matter and is present at the meeting at which the matter is under discussion, they will declare that interest as early as possible and shall not participate in the discussions. The Chair will have the power to request that member or invitee to withdraw until its consideration has been completed.

## **8. Frequency and Notice of Meetings**

### **Frequency**

The Committee will normally meet monthly. Additional meetings can be arranged for specific purposes as necessary, with agreement by the Chair.

If a matter of urgent business arises and an extraordinary meeting is required, this may be convened by the Chair, subject to the agreement of a quorum number of members. Decisions will be subject to achieving quorum attendance.

Where a decision needs to be taken outside the normal cycle of meetings, and where the matter is not deemed by the Chair to require an additional meeting to be called, the decision may be made via e-mail. The preference is for decisions to be taken at meetings. The decisions via e-mail process will be used on an exceptions basis. The process for decision via e-mail will be as follows:

- a) An e-mail setting out the matter for decision will be sent to all members on the same working day. This shall include a statement setting out how the members should signify what their view on the matter is and the deadline for doing so.
- b) Members will be given no less than five working days in which to respond.
- c) For a decision to be passed, all of the members must express the same view on the matter.
- d) Where members have comments on the proposed decision or recommendation/s these will be circulated to other Committee members by the Administrator within one working day of receipt.
- e) If any individual member wishes to debate an item proposed for decision via e-mail at a meeting instead they may ask the Chair to arrange an additional meeting or defer the item for decision until the next meeting (such agreement by

the Chair not to be unreasonably withheld).

- f) Decisions via e-mail will be reported to the next meeting and the wording of the decision minuted. Any decision made in this manner will be effective from the date of agreement of all of the members and confirmed by email by the Administrator.

### **Notice of meetings**

Meetings shall be called by the Administrator at the request of the Chair or any of its members.

Unless otherwise agreed, notice of each meeting and agenda of items to be discussed, shall be forwarded to each member, any other person required to attend no later than five full working days before the date of the meeting. Supporting papers shall be sent to members and to other attendees as appropriate, at the same time.

Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

A meeting workplan will be agreed on an annual basis, setting out the main work items to be carried out at each meeting to ensure that adequate time is given to the main objectives of the Committee.

## **9. Minutes and Reporting Arrangements**

The Committee will report to the Board on how it discharges its responsibilities. The Board will report back if it has any concerns about its adherence to the Terms of Reference.

The minutes of Committee meetings will be formally recorded and submitted to the Board. The Chair of the Committee will draw to the attention of the Trust Board any issues or decisions for disclosure or require executive action.

The Board will receive standing reports following each meeting and additional reports as part of the scheduled programme of annual reports.

In addition, the Committee will receive thematic 'deep dive' reports or reviews as required to enable greater discussion about specific issues and to facilitate in depth discussions between the members and those staff providing services.

The Board has ultimate responsibility for the effectiveness of its governance below Board. The Board will rely on the work of its Committees to provide assurance on the effectiveness of the governance structure.

## **10. Administrative arrangements**

The Committee will be supported by a nominated Administrator who will:

- produce a schedule of meetings and maintain the annual work plan for the Committee

- prepare the agenda and papers with the Chair and circulate five working days prior to the meeting;
- maintain accurate records of attendance, key discussion points and decisions taken and issue necessary action logs within five full working days of the meeting;
- draft minutes, recording where the Committee has delivered its purpose through relevant reports and subsequent discussion, debate and challenge, and where further information is required, for circulation to the meeting Chair within five full working days of the meeting;
- organise future meetings; and
- file and maintain records of the work of the Committee in the required corporate records folder.

#### 11. Meeting effectiveness review

The Committee shall at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Trust Board for approval.

The Committee shall undertake appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

A record of the frequency of attendance by members, quoracy and the frequency of meetings will be maintained. Any areas of concern will be highlighted to the Chair of the Committee.

#### 12. Review to be conducted by Committee Chair

<b>Date Committee established</b>	1 April 2011
<b>Terms of Reference to be reviewed</b>	Annually
<b>Date of last review</b>	June 2021
<b>Date of next review</b>	June 2022

# Terms of Reference

Document History:	
Version Number:	1
Approved by: (parent Committee/group)	Board
Date approved:	TBC
Name of author(s):	Heather Smith (Chair), Caroline Parry (Lead Executive), Helen Walsh (Committee Support)

Name of Committee/Group	People Committee
Type of Committee/Group	Board Committee

<b>1.</b>	<b>Purpose of Committee/Group</b>
	<p>The People Committee (“the Committee”) has been established to provide assurance to the Board in consultation with the other Board Committees that adequate and appropriate governance structures, processes and controls are in place in respect of the workforce, organisational development and any other matters that shall be determined to fall within its remit.</p> <p>The Committee has primary responsibility for receiving assurance regarding all aspects of strategic workforce and organisational development relating to staff in support of getting the best outcomes.</p> <p>The Committee will provide assurance to the Board regarding the following strategic areas: workforce, equality and diversity, recruitment and retention, staff development, role transformation, staff health, safety and wellbeing, organisation development and design, culture development, staff engagement, leadership development, talent management and succession planning.</p>
<b>2.</b>	<b>Scope</b>
	<p>The Committee will:</p> <ul style="list-style-type: none"> <li>• Assure the Board that the Trust is meeting its legal and regulatory and moral duties in relation to its employees.;</li> <li>• Receive assurance into any area of work within its remit on behalf of the Board.</li> </ul> <p>In fulfilling its obligations, the Committee will be mindful of the need to improve the diversity of the workforce so that it more accurately reflects the populations which the Trust serves.</p>

### 3. Authority/Accountability

The Committee is constituted as a standing committee of the Board, and it is to the Board that it reports.

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 member of staff and all members of staff are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The budget for such advice must be within agreed financial constraints.

The Committee is authorised by the Board to make decisions that are not of a significant matter to the parent body. Reference should be made, as appropriate to the Standing Orders and Standing Financial Instructions of the Trust.

The following matters must be referred to Board:

- Where there is significant revenue, capital or cash implications as determined by the Trust's Standing Financial Instructions
- Conflict with statutory obligations, or have significant governance implications
- Likely to arouse significant public or media interest.

### 4. Objectives of Committee/Group

The Committee will:

- (i) provide assurance to the Board of Directors that Committee members are assured that there is a positive working environment for staff that promotes psychological safety, a supportive, open culture that helps staff do their job to the best of their ability;
- (ii) provide assurance to the Board of Directors that Committee Members are assured that there is support and opportunities for staff to maintain their health, wellbeing and safety;
- (iii) be assured that staff engagement strategies are in place prior to consultation exercises with staff to enable staff to be fully engaged in the decision-making processes that affect them and the services they provide, individually, through representative organisations and through local partnership working arrangements.
- (iv) be assured that appropriate policies to raise issues, grievances and concerns are in place, are fit for purpose and allow fair and consistent treatment of staff.
- (v) review achievement against the following strategic areas – workforce, equality and diversity, recruitment and retention, staff health, safety and wellbeing, organisation development, and achievement of goals set out in the People Strategy Delivery Plan and Organisational Development Plan;
- (vi) be assured that there is an appropriate range and scope of training for all members of staff.

The Committee will uphold the values of the Trust in the work it does. In particular it will look for assurances that these values are being delivered in the Trust, as part of its overall governance role on behalf of the Board.



## 5. Membership

The voting membership of the Committee will be:

- Three Non-Executive Directors (one of which will chair the meeting)
- Executive Director of Nursing, Professions and Operations
- Executive Director of People (Committee Lead with ownership of the agenda)

Other Non-Executive Directors / Associate Non-Executive Directors and Executive Directors can attend as desired but will not form part of the permanent membership of the Committee.

Membership will be reviewed annually.

## 6. Attendees

Other directors or their deputies may be asked to attend meetings or part meetings for discussions on matters relating to their portfolio, if required. The provisions of the Trust's Standing Orders relating to acting up arrangements and joint members will apply to this Committee with respect to decision making authority.

Meetings of the Committee shall normally be attended by:

- Deputy Director of People
- Head of Education, Training and Development
- Head of Equality and Inclusion
- Committee Administrator

The Committee may invite other persons to attend a meeting so as to assist in deliberations. The Chair shall be notified of this prior to the meeting.

The Director of Governance will provide advice to the Chair and members and ensure that the Committee has the appropriate administrative support. A minute taker will also attend all Committee/Group meetings and be stated as in attendance.

In order to support the work of the Lived Experience Group and the Council of Governors, nominated observers are invited to attend the Committee. Their role as observers is to consider the work of the Committee in order to provide feedback to their respective bodies. Observers will be supported in their role by the Trust with training and access to Committee papers. Their feedback on the Committee's commitment to and effectiveness in considering the views of services users, carers and foundation trust members will form part of the annual effectiveness review carried out by Committee

## 7. Chair, Quorum, Attendance and Meetings

### Chair

The Chair will preside at all meetings having been approved as the Chair by the Board or appointed as such by the Trust Board Chair. In extraordinary circumstances where the Chair cannot attend, the Deputy Chair (similarly approved) will chair the meeting.

### Quorum

A quorum will be 3 members and must include 2 Non-Executive Directors (including the Chair or Vice Chair) and 1 Executive Director. Deputies attending the meeting on behalf of members will not count towards the quorum

If the Committee is not quorate the meeting may be postponed at the discretion of the Chair. If the meeting does take place and is not quorate no decisions shall be made at that meeting and such matters must be deferred until the next quorate meeting.

### **Attendance**

Members are expected to attend all meetings. Apologies must be received by the Administrator in advance of the meetings. All members will be required to attend a minimum of two thirds of all meetings held annually. Members should not be absent for more than two consecutive meetings without the agreement of the Chair.

Any Committee member may participate in a meeting by way of telephone, computer or any other electronic means of communication provided that each person is able to hear and speak. A person participating in this way is deemed to be present in person although their actual location shall be noted in the minutes and is counted in a quorum and entitled to vote. The meeting is deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the Chair of the meeting is located.

### **Meetings**

Where a specific matter is deemed to be of a confidential or commercially sensitive nature the Chair has the authority to restrict attendance at the meeting to members only and to ask all invitees to leave the meeting.

If any member or invitee has an interest, pecuniary or otherwise, in any matter and is present at the meeting at which the matter is under discussion, they will declare that interest as early as possible and shall not participate in the discussions. The Chair will have the power to request that member or invitee to withdraw until its consideration has been completed.

## **8. Frequency and Notice of Meetings**

### **Frequency**

The Committee will meet as required but at least quarterly. Additional meetings can be arranged for specific purposes as necessary, with agreement by the Chair or Deputy Chair.

If a matter of urgent business arises and an extraordinary meeting is required, this may be convened by the Chair, subject to the agreement of a quorum number of members. Decisions will be subject to achieving quorum attendance.

Where a decision needs to be taken outside the normal cycle of meetings, and where the matter is not deemed by the Chair to require an additional meeting to be called, the decision may be made via e-mail. The preference is for decisions to be taken at meetings. The decisions via e-mail process will be used on an exceptions basis. The process for decision via e-mail will be as follows:

- a) An e-mail setting out the matter for decision will be sent to all members on the same working day. This shall include a statement setting out how the members should signify what their view on the matter is and the deadline for doing so.
- b) Members will be given no less than five working days in which to respond.
- c) For a decision to be passed, all of the members must express the same view on the matter.
- d) Where members have comments on the proposed decision or recommendation/s these will be circulated to other Committee members by the Administrator within one working day of receipt.

- e) If any individual member wishes to debate an item proposed for decision via e-mail at a meeting instead they may ask the Chair to arrange an additional meeting or defer the item for decision until the next meeting (such agreement by the Chair not to be unreasonably withheld).
- f) Decisions via e-mail will be reported to the next meeting and the wording of the decision minuted. Any decision made in this manner will be effective from the date of agreement of all of the members and confirmed by email by the Administrator.

**Notice of meetings**

Meetings shall be called by the Administrator at the request of the Chair or any of its members.

Unless otherwise agreed, notice of each meeting and agenda of items to be discussed, shall be forwarded to each member, any other person required to attend no later than three full working days before the date of the meeting. Supporting papers shall be sent to members and to other attendees as appropriate, at the same time.

Notices, agendas and supporting papers will normally be sent in electronic form.

A meeting calendar will be agreed on an annual basis, setting out the main work items to be carried out at each meeting to ensure that adequate time is given to the main objectives of the Committee.

**9. Minutes and Reporting Arrangements**

The Committee will report to Board on how it discharges its responsibilities.

The Board will report back if it has any concerns about its adherence to the Terms of Reference.

The minutes of Committee meetings will be formally recorded and submitted to the parent body by the Chair of the Committee. The Chair of the Committee will draw to the attention of the parent body any issues or decisions that require disclosure to the Trust Board, or require executive action.

Operational Groups will provide assurance to the committee as agreed in the governance structure.

This assurance is provided through the provision of minutes and quarterly/bi-annual assurance reports which articulate how their duties and responsibilities have been discharged, highlighting any emerging risks and summarising recommendations and actions taken.

The Committee will receive standing reports following each meeting and additional reports as part of the scheduled programme of annual reports.

In addition, the Committee will receive thematic ‘deep dive’ reports or reviews as required to enable greater discussion about specific issues and to facilitate in depth discussions between the members and those staff providing services.

The Board has ultimate responsibility for the effectiveness of its governance below Board. The Board will rely on the work of its Committees to provide assurance on the effectiveness of the governance structure. The Board Committees will use the reports and minutes outlined above to ensure that its underlying Committee is meeting its

duties according to these terms of reference.

## 10. Administrative arrangements

The Committee will be supported by a nominated Administrator who will:

- produce a schedule of meetings and maintain the annual work plan for the Committee
- prepare the agenda and papers with the Chair and circulate three working days prior to the meeting;
- maintain accurate records of attendance, key discussion points and decisions taken and issue necessary action logs within five full working days of the meeting;
- draft minutes, recording where the Committee has delivered its purpose through relevant reports and subsequent discussion, debate and challenge, and where further information is required, for circulation to the meeting Chair within five full working days of the meeting;
- organise future meetings; and
- file and maintain records in the required corporate records folder.

## 11. Meeting effectiveness review

The Committee shall at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to its parent body for approval.

The Committee shall undertake appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

A record of the frequency of attendance by members, quoracy and the frequency of meetings will be maintained. Any areas of concern will be highlighted to the Chair of the Committee.

## 12. Review to be conducted by Committee/Group/Forum Chair

**Date Committee/Group established**

19<sup>th</sup> November 2013

**Terms of Reference to be reviewed**

Annually

**Date of last review**

July 2021

**Date of next review**

July 2022