



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Standing Orders

Reservation & Delegation of Powers
for

Velindre NHS Trust

[Incorporating Standing Financial Instructions at Schedule 2.1 &
Standing Orders for the NHS Wales Shared Services Committee at
Schedule 5]

v.20

May 2016

Velindre NHS Trust Standing Orders, Reservation and Delegation of Powers

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Foreword

These Standing Orders are based on the Model Standing Orders issued by Welsh Ministers to NHS Trusts using powers of direction provided in section 19 (1) of the National Health Service (Wales) Act 2006. National Health Service Trusts (“NHS Trusts”) in Wales must agree Standing Orders (SOs) for the regulation of their proceedings and business. They are designed to translate the statutory requirements set out in the National Health Service Trusts (Membership and Procedure) Regulations 1990 (S.I.1990/2024) into day to day operating practice, and, together with the adoption of a Schedule of decisions reserved to the Board of Directors; a Scheme of Decisions to Officers and Others; and Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of the Trust.

These documents form the basis upon which the Trust’s governance and accountability framework is developed and, together with the adoption of the Trust’s Values and Standards of Behaviour framework, is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

All Trust Board members and officers must be made aware of these Standing Orders and, where appropriate, should be familiar with their detailed content. The Trust's Board Secretary will be able to provide further advice and guidance on any aspect of the Standing Orders or the wider governance arrangements within the Trust.

Further information on governance in the NHS in Wales may be accessed at www.wales.nhs.uk/governance-emanual/

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Section: A – Introduction

Statutory framework

- i) Velindre National Health Service Trust (“the Trust”) is a statutory body that came into existence on 1st December 1993 under **The Velindre National Health Service Trust (Establishment) Order 1993 (S.I.1993/2838)** “the Establishment Order”.
- ii) The principal place of business of the Trust is – Velindre NHS Trust Headquarters, 2 Charnwood Court, Parc Nantgarw, Cardiff, CF15 7QZ.
- iii) All business shall be conducted in the name of Velindre National Health Service Trust, and all funds received in trust shall be held in the name of the Trust as a corporate Trustee.
- iv) NHS Trusts are corporate bodies and their functions must be carried out in accordance with their statutory powers and duties. Their statutory powers and duties are mainly contained in the **NHS (Wales) Act 2006** (c.42) which is the principal legislation relating to the NHS in Wales. Whilst the **NHS Act 2006** (c.41) applies equivalent legislation to the NHS in England, it also contains some legislation that applies to both England and Wales. The NHS (Wales) Act 2006 and the NHS Act 2006 are a consolidation of the NHS Act 1977 and other health legislation which has now been repealed. The NHS (Wales) Act 2006 contains various powers of Welsh Ministers to make subordinate legislation and details how NHS Trusts are governed and their functions.
- v) The National Health Service Trusts (Membership and Procedure) Regulations 1990 (S.I.1990/2024) as amended (“the Membership Regulations”) set out the membership and procedural arrangements of the Trust.
- vi) Sections 18 and 19 of and Schedule 3 to the 2006 Act provide for Welsh Ministers to confer functions on NHS Trusts and to give directions about how it exercises those functions. NHS Trusts must act in accordance with those directions. The NHS Trust’s statutory functions are set out in their Establishment Order but many functions are also contained in other legislation such as the NHS (Wales) Act 2006.
- vii) However, in some cases, the relevant function may be contained in

other legislation. In exercising their powers NHS Trusts must be clear about the statutory basis for exercising such powers.

- viii) In addition to directions, the Welsh Ministers may from time to time issue guidance which NHS Trusts must take into account when exercising any function.
- ix) As a statutory body, NHS Trusts have specified powers to contract in its own name and to act as a corporate trustee.
- x) The National Health Service Bodies and Local Authorities Partnership Arrangements (Wales) Regulations 2000 (S.I.2000/2993) (W.193) made under section 33 of the NHS (Wales) Act 2006 enable LHBs, NHS Trusts and Local Authorities to enter into any partnership arrangements to exercise certain NHS functions and health related functions as specified in the Regulations. The arrangement can only be made if it is likely to lead to an improvement in the way in which NHS functions and health-related functions are exercised and the partners have consulted jointly with all affected parties and fulfil the objectives set out in the health improvement plan of the relevant health body.
- xi) Section 72 of the NHS Act 2006 places a duty on NHS bodies to co-operate with each other in exercising their functions.
- xii) Section 82 of the NHS Act 2006 places a duty on NHS bodies and local authorities to co-operate with one another in order to secure and advance the health and welfare of the people of England and Wales.
- xiii) Section 5 of the Welsh Language Act 1993 (.c38) places a duty on public bodies to implement a Welsh Language Scheme which outlines how NHS Trusts will comply with their statutory responsibility to provide services through the medium of Welsh. The Welsh Language (Wales) Measure 2011 (2011 nawm 1) makes provision with regard to the development of standards of conduct relating to the Welsh Language Schemes provided for by the 1993 Act.
- xiv) Paragraph 18 of Schedule 23 to the NHS (Wales) Act 2006 provides for NHS Trusts to enter into arrangements for the carrying out, on such terms as considered appropriate, of any of its functions jointly with any Strategic Health Authority, Local Health Board or other NHS Trust, or any other body or individual.
- xv) NHS Trusts are also bound by any other statutes and legal provisions, which govern the way they do business. The powers of NHS Trusts established under statute shall be exercised by NHS Trusts meeting in

public session, except as otherwise provided by these SOs).

- xvi) NHS Trusts shall issue an indemnity to any Chair and Independent Member in the following terms: “A Board [or Committee] member, who has acted honestly and in good faith, will not have to meet out of their personal resources any personal liability which is incurred in the execution of their Board function. Such cover excludes the reckless or those who have acted in bad faith.

NHS Framework

- xvii) In addition to the statutory requirements set out above, NHS Trusts must carry out all business in a manner that enables them to contribute fully to the achievement of the Assembly Government’s vision for the NHS in Wales and its standards for public service delivery. The governance standards set for the NHS in Wales are based upon the Welsh Government’s Citizen Centred Governance principles. These principles provide the framework for good governance and embody the values and standards of behaviour that is expected at all levels of the service, locally and nationally.
- xviii) Adoption of the principles will better equip NHS Trusts to take a balanced, holistic view of their organisations and their capacity to deliver high quality, safe healthcare services for all its citizens within the NHS framework set nationally.
- xix) The overarching NHS governance and accountability framework incorporates these SOs: the Scheme of Reservation and Delegation of Powers: SFIs together with a range of other frameworks designed to cover specific aspects. These include the NHS Values and Standards of Behaviour Framework; the ‘Doing Well, Doing Better: Standards for Health Services in Wales’ (formally the Healthcare Standards Framework, the NHS Risk and Assurance Framework and the NHS planning and performance management systems.
- xx) The Welsh Ministers, reflecting their constitutional obligations, has stated that sustainable development should be the central organisation principle for the public sector and a core objective for the restructured NHS in all it does.
- xxi) Full, up to date details of the other requirements that fall within the NHS framework – as well as further information on the Welsh Government’s Citizen Centred Governance principles - are provided on the NHS Wales Governance e-manual which can be accessed at www.wales.nhs.uk/governance-emanual/. Directions or guidance on

specific aspects of NHS Trusts business are also issued in hard copy, usually under cover of a Ministerial letter.

NHS Trust Framework

- xxii) Schedule 2 provides details of the key documents that, together with these SOs, make up the NHS Trust's governance and accountability framework. These documents must be read in conjunction with these SOs and will have the same effect as if the details within them were incorporated within the SOs themselves.
- xxiii) NHS Trusts will from time to time agree and approve policy statements which apply to the Trust's Board of directors and/or all or specific groups of staff employed by Velindre National Health Service Trust and others. The decisions to approve these policies will be recorded and, where appropriate, will also be considered to be an integral part of the Trust's SOs and SFIs. Details of the Trust's key policy statements are also included in Schedule 2.
- xxiv) NHS Trusts shall ensure that an official is designated to undertake the role of the Board Secretary.
- xxv) For the purposes of the SOs, the Trust Board of directors shall collectively to be known as 'the Board' or "Board Members"; the executive and non executive directors shall be referred to as Executive Directors and Independent Members respectively; and the Chief Officer and the Chief Finance Officer shall respectively be know the Chief Executive and the Director of Finance – SO 1.1.2.refers.

Applying Standing Orders

- xxvi) The SOs of NHS Trusts (together with SFIs and the Values and Standards of Behaviour Framework), will, as far as they are applicable, also apply to meetings of any formal Committees established by the Trust, including any sub-committees and Advisory Groups, These SOs may be amended or adapted for the Committees as appropriate, with the approval of the Board. Further details on committees may be found in Schedule 3 of these SOs.
- xxvii) Full details of any non compliance with these SOs, including an explanation of the reasons and circumstances must be reported in the first instance to the Board Secretary, who will ask the Audit Committee to formally consider the matter and make proposals to the Board on any action to be taken. All Board members and Trust officers have a duty to report any non compliance to the Board Secretary as soon as

they are aware of any circumstance that has not previously been reported. **Ultimately, failure to comply with SOs without justifiable cause could be a disciplinary matter that could result in an individual's dismissal from employment or removal from the Board.**

Variation and amendment of Standing Orders

- xxviii) Although SOs are subject to regular, annual review by the NHS Trust, there may, exceptionally, be an occasion where it is necessary to vary or amend the SOs during the year. In these circumstances, the Board Secretary shall advise the Board of the implications of any decision to vary or amend SOs, and such a decision may only be made if:
- The variation or amendment is in accordance with regulation and does not contravene a statutory provision or direction made by the Welsh Ministers.
 - The proposed variation or amendment has been considered and approved by the Audit Committee and is the subject of a formal report to the Board; and
 - A notice of motion under Standing Order 6.5.14 has been given.

Interpretation

- xxix) During any Board meeting where there is doubt as to the applicability or interpretation of the SOs, the Chair of the Trust shall have the final say, provided that his or her decision does not conflict with rights, liabilities or duties as prescribed by law. In doing so, the Chair shall take appropriate advice from the Board Secretary and, where appropriate the Chief Executive or the Director of Finance (in the case of SFIs).
- xxx) The terms and provisions contained within these SOs aim to reflect those covered within all applicable health legislation. The legislation takes precedence over these SOs when interpreting any term or provision covered by legislation.

The role of the Board Secretary

- xxxi) The role of the Board Secretary is crucial to the ongoing development and maintenance of a strong governance framework within NHS Trusts, and is a key source of advice and support to the NHS Trust Chair and other Board members. Independent of Trust members, the

Board Secretary acts as the guardian of good governance within NHS Trusts:

- Providing advice to the Board as a whole and to individual Board members on all aspects of governance;
- Facilitating the effective conduct of NHS Trust business through meetings of the Board, its Advisory Groups and Committees;
- Ensuring that Board members have the right information to enable them to make informed decisions and fulfil their responsibilities in accordance with the provisions of these SOs;
- Ensuring that in all its dealings, the Board acts fairly, with integrity, and without prejudice or discrimination;
- Contributing to the development of an organisational culture that embodies NHS values and standards of behaviour; and.
- Monitoring the NHS Trust's compliance with the law, SOs and the governance and accountability framework set by the Welsh Ministers.

xxxii) As advisor to the Board, the *Board Secretary's* role does not affect the specific responsibilities of Board members for governing the organisation. The Board Secretary is directly accountable for the conduct of their role to the Chair [and Chief Executive], and reports on a day to day basis to the Chief Executive.

xxxiii) Further details on the role of the Board Secretary within Velindre NHS Trust, including details on how to contact them, are available via Velindre NHS Trust Headquarters.

Section: B – Standing Orders

1. THE TRUST

1.0.1 The Trust's principal role is to;

- a) own and manage Velindre Hospital, Velindre Road, Whitchurch, Cardiff CF14 2TL and associated hospitals and premises and there to provide and manage hospital accommodation and services;
- b) own and manage Welsh Blood Service Headquarters, Ely Valley Road, Talbot Green, Pontyclun CF72 9WB and associated premises and there to provide and manage services relating to the collection, screening and processing of blood and its constituents and to the preparation and supply of blood, plasma and other blood products;
- c) to manage and provide to or in relation to the health service in Wales a range of information technology systems and associated support and consultancy services, desktop services, web development, telecommunications services, healthcare information services and services relating to prescribing and dispensing;
- d) to manage and provide Shared Services to the health service in Wales; and
- e) to own or lease the premises associated with the provision of the services in paragraph (d).

1.0.2 **The Trust was established by and its functions are contained in the Velindre National Health Service Trust (Establishment) Order 1993 (S.I. 1993/2838).** The Trust must ensure that all its activities are in exercise of those functions or other statutory functions that are conferred on it.

1.0.3 To fulfil this role, the Trust will work with all its partners and stakeholders in the best interests of its population.

1.1 Membership of the Trust

1.1.1 The membership of the Trust shall comprise the Chair, 6 non-executive directors and 5 executive directors.

1.1.2 For the purposes of these SOs, the Trust Board of directors shall collectively be known as “The Board” or “Board Members”; the executive and non executive directors (which will include the Chair) shall be referred to as Executive Directors and Independent Members respectively. The Chief Officer and the Chief Finance Officer shall respectively be known as the Chief Executive and the Director of Finance. All such members shall have full voting rights.

1.1.3 The Minister for Health and Social Services shall appoint the Chair and the Board (with involvement of the Chief Executive, NHS Wales) shall appoint the Chief Executive.

Executive Directors

1.1.4 A total of 5 appointed by the relevant committee and consist of the, Chief Executive, the Director of Finance, a medical or dental practitioner (to be known as the Medical Director), a registered nurse or registered midwife (to be known as the Nurse Director) and 1 other. Executive Directors may have other responsibilities as determined by the Board and set out in the scheme of delegation to officers.

Non Executive Directors [to be known as Independent Members]

1.1.5 A total of 6, (excluding the Chair) appointed by the Minister for Health and Social Services.

Use of the term ‘Independent Members’

1.1.6 For the purposes of these SOs, use of the term ‘Independent Members’ refers to the following voting members of the Board:

- Chair
- Vice Chair
- Non Executive Directors

unless otherwise stated.

1.2 Joint Directors

1.2.1 Where a post of Executive Director of the Trust is shared between more than one person because of their being appointed jointly to a post:

- i) Either or both persons may attend and take part in Board meetings;
- ii) If both are present at a meeting they shall cast one vote if they agree;
- iii) In the case of disagreement no vote shall be cast; and
- iv) The presence of both or one person will count as one person in relation to the quorum.

1.3 Tenure of Board Members

- 1.3.1 The Chair and Independent Members appointed by the Minister for Health and Social Services shall be appointed as Trust members for a period specified by Welsh Ministers, but for no longer than 4 years in any one term. These members can be reappointed. Time served need not be consecutive and will still be counted towards the total period even where there is a break in the term.
- 1.3.2 Executive Directors' tenure of office as Board members will be determined by their contract of appointment.
- 1.3.3 All Board members' tenure of appointment will cease in the event that they no longer meet any of the eligibility requirements so far as they are applicable, as specified in regulation 11 of the Membership Regulations. Any member must inform the Chair as soon as is reasonably practicable to do so in respect of any issue which may impact on their eligibility to hold office. The Chair will advise the Minister in writing of any such cases immediately.
- 1.3.4 The Trust will require Board members to confirm in writing their continued eligibility on an annual basis.

1.4 The Role of the Trust, its Board and responsibilities of individual members

Role

- 1.4.1 The principal role of the Trust is set out in SO 1.0.1. The Board's main role is to add value to the organisation through the exercise of strong leadership and control, including:
 - Setting the organisation's strategic direction
 - Establishing and upholding the organisation's governance and accountability framework, including its values and standards of behaviour
 - Ensuring delivery of the organisation's aims and objectives

through effective challenge and scrutiny of the Trust's performance across all areas of activity.

Responsibilities

- 1.4.2 The Board will function as a corporate decision-making body, Executive Directors and Independent Members being full and equal members and sharing corporate responsibility for all the decisions of the Board.
- 1.4.3 Independent Members who are appointed to bring a particular perspective, skill or area of expertise to the Board must do so in a balanced manner, ensuring that any opinion expressed is objective and based upon the best interests of the health service. Similarly, Board members must not place an over reliance on those individual members with specialist expertise to cover specific aspects of Board business, and must be prepared to scrutinise and ask questions about any contribution that may be made by that member.
- 1.4.4 All Board members must comply with their terms of appointment. They must equip themselves to fulfil the breadth of their responsibilities by participating in appropriate personal and organisational development programmes, engaging fully in Board activities and promoting the Trust within the communities it serves.
- 1.4.5 **The Chair** – The Chair is responsible for the effective operation of the Board, chairing Board meetings when present and ensuring that all Board business is conducted in accordance with these SOs. The Chair may have certain specific executive powers delegated by the Board and set out in the Scheme of Delegation.
- 1.4.6 The Chair shall work in close harmony with the Chief Executive and, supported by the Board Secretary, shall ensure that key and appropriate issues are discussed by the Board in a timely manner with all the necessary information and advice being made available to the Board to inform the debate and ultimate resolutions.
- 1.4.7 **The Vice-Chair** – The Vice-Chair shall deputise for the Chair in their absence for any reason, and will do so until either the existing chair resumes their duties or a new chair is appointed.
- 1.4.8 **Chief Executive** – The Chief Executive is responsible for the

overall performance of the executive functions of the Trust. They are the appointed Accountable Officer for the Trust and shall be responsible for meeting all the responsibilities of that role, as set out in their Accountable Officer Memorandum.

1.4.9 **Lead roles for Board members** – The Chair will ensure that individual Board members are designated as lead roles or “champions” as required by the Welsh Ministers or as set out in any statutory or other guidance. Any such role must be clearly defined and must operate in accordance with the requirements set by the Trust, the Welsh Ministers or others. In particular, no operational responsibilities will be placed upon any Independent Member fulfilling such a role. The identification of a Board member in this way shall not make them more vulnerable to individual criticism, nor does it remove the corporate responsibility of the other Board members for that particular aspect of Board business.

2. RESERVATION AND DELEGATION OF TRUST FUNCTIONS

2.0.1 Subject to any directions that may be given by the Welsh Ministers, the Board shall make arrangements for certain functions to be carried out on its behalf so that the day to day business of the Trust may be carried out effectively and in a manner that secures the achievement of its aims and objectives. In doing so, the Board must set out clearly the terms and conditions upon which any delegation is being made.

2.0.2 The Board’s determination of those matters that it will retain, and those that will be delegated to others shall be set out in a:

- i) Schedule of matters reserved to the Board;
- ii) Scheme of delegation to committees and others; and
- iii) Scheme of delegation to officers.

all of which must be formally adopted by the Board in full session and form part of these SOs.

2.0.3 Subject to Standing Order 2.0.4. the Trust retains full responsibility for any functions delegated to others to carry out on its behalf. Where Trusts have a joint duty e.g. the provision of Shared/Hosted Services, the Trust remains fully responsible for its part, and shall agree through the determination of a written Partnership Agreement the governance and assurance arrangements for the partnership, setting out respective responsibilities, ways of working, accountabilities and sources of assurance of the partner organisations.

2.0.4 NHS Wales Shared Services

Background Information

In 2011 the NHS bodies in Wales, together with the Welsh Assembly Government (as it then was) decided to bring together various support services functions across the NHS in Wales under a single management team as a “virtual” Shared Services entity.

In September 2011 the Welsh Ministers gave authority to proceed with the transfer of responsibility for the provision of Shared Services from the virtual model to an NHS body in Wales.

Following an invitation to all NHS bodies to express an interest in becoming the host organisation, Velindre NHS Trust was confirmed as the host organisation on 22nd November 2011.

Arrangements from 1st June 2012

From 1st June 2012 the function of managing and providing Shared Services to the health service in Wales will be given to Velindre NHS Trust. The Trust’s Establishment Order has been amended to reflect the fact that the function of managing and providing shared services to the health service in Wales has been conferred on it.

The **Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012** (S.I.2012/1261 (W.156)) (the “Shared Services Regulations”) require the Trust to establish a Shared Services Committee which will be responsible for exercising the Trust’s Shared Services functions. The Shared Services Regulations prescribe the membership of the Shared Services Committee in order to ensure that all LHBs and Trusts in Wales have a member on the Shared Services Committee and that the views of all the NHS organisations in Wales are taken into account when making decisions in respect of Shared Services activities.

The Director of Shared Services will be designated as Accountable Officer for Shared Services.

These new arrangements also necessitate putting in place a new Memorandum of Co-operation Agreement and a Hosting Agreement between all LHBs and Trusts setting out the obligations of NHS bodies to participate in the Shared Services Committee and to take collective responsibility for setting the policy and delivery of the Shared Services to the health service in Wales. Responsibility for the exercise of the Shared Services functions will not rest with the Board of Velindre NHS Trust but will be a shared responsibility of all

NHS bodies in Wales.

The Shared Services Committee is to be known as the Shared Services Partnership Committee for operational purposes.

2.1 Chair's action on urgent matters

2.1.1 There may, occasionally, be circumstances where decisions which would normally be made by the Board need to be taken between scheduled meetings, and it is not practicable to call a meeting of the Board. In these circumstances, the Chair and the Chief Executive, supported by the Board Secretary, as appropriate, may deal with the matter on behalf of the Board - after first consulting with at least two other Independent Members. The Board Secretary must ensure that any such action is formally recorded and reported to the next meeting of the Board for consideration and ratification. A schedule of expected decisions will be drawn up by the Board Secretary to reduce the number of 'urgent' decisions arising for the Chair's action.

2.1.2 Chair's action may not be taken where either the Chair or the Chief Executive has a personal or business interest in an urgent matter requiring decision. In this circumstance, the Vice-Chair or the Executive Director acting on behalf of the Chief Executive will take a decision on the urgent matter, as appropriate.

2.2 Delegation of Board functions

2.2.1 The Trust shall delegate its Shared Services functions (that is, the provision and management of Shared Services to the health services in Wales) to the Shared Services Partnership Committee which they are required to establish and confer such functions on in accordance with the Shared Services Regulations.

Subject to Standing Order 2.2.0, the Board shall agree the delegation of any of their functions to Committees and others, setting any conditions and restrictions it considers necessary and in accordance with any directions or regulations given by the Welsh Ministers. These functions may be carried out:

- i By a committee, sub Committee or officer of the Trust (or of another Trust); or
- ii. By another LHB; NHS Trust; Strategic Health Authority or Primary Care Trust in England; Special Health Authority; or
- iii. With one or more bodies including local authorities through a sub Committee

2.2.2 The Board shall agree and formally approve the delegation of specific executive powers to be exercised by Committees or Sub- Committees which it has formally constituted.

2.3 Delegation to Officers

2.3.1 The Board will delegate certain functions to the Chief Executive. For these aspects, the Chief Executive, when compiling the Scheme of Delegation to officers, shall set out proposals for those functions they will perform personally and shall nominate other officers to undertake the remaining functions. The Chief Executive will still be accountable to the Board for all functions delegated to them irrespective of any further delegation to other officers.

2.3.2 This must be considered and approved by the Board (subject to any amendment agreed during the discussion). The Chief Executive may periodically propose amendment to the Scheme of Delegation to Officers and any such amendments must also be considered and approved by the Board.

2.3.3 Individual Executive Directors are in turn responsible for delegation within their own directorates/departments/localities in accordance with the framework established by the Chief Executive and agreed by the Board.

3. COMMITTEES

3.1 NHS Trust Committees

3.1.1 The Board may and, where directed by the Welsh Ministers must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees. The Board shall, wherever possible, require its committees to hold meetings in public unless there are specific, valid reasons for not doing so.

Use of the term 'Committee'

3.1.2 For the purposes of these SOs, use of the term 'Committee' incorporates the following:

- Board Committee
- Sub Committee

unless otherwise stated.

3.2 Sub - Committees

3.2.1 A Committee appointed by the Board may establish a sub-Committee to assist it in the conduct of its business provided that the Board approves such action. Where the Board has authorised a Committee to establish sub Committees they cannot delegate any executive powers to the sub Committee unless authorised to do so by the Board.

3.3 Committees established by the Trust

3.3.1 The Board shall establish a Committee structure that it determines best meets its own needs, taking account of any regulatory or Welsh Government requirements. As a minimum, it must establish Committees which cover the following aspects of Board business:

- Quality and Safety
- Audit
- Information Governance and IM&T
- Charitable Funds
- Remuneration and Terms of Service
- Research & Development
- Planning & Performance
- Workforce and Organisational Development
- Transforming Cancer Services in South East Wales Programme Management Committee
- Advisory Appointment Consultants Committee

3.3.2 In designing its Committee structure and operating arrangements, the Board shall take full account of the need to:

- Embed corporate standards, priorities and requirements, e.g., equality and human rights across all areas of activity;
- Maximise cohesion and integration across all aspects of governance and assurance.

Full details of the Committee structure established by the Board, including detailed terms of reference for each of these Committees are set out in Schedule 3.

3.3.3 Each Committee established by or on behalf of the Board must have its own SOs or detailed terms of reference and operating arrangements,

which must be formally approved by the Board. These must establish its governance and ways of working, setting out, as a minimum:

- The scope of its work (including its purpose and any delegated powers and authority);
- Membership and quorum;
- Meeting arrangements;
- Relationships and accountabilities with others (including the Board, its Committees and any Advisory Groups);
- Any budget and financial responsibility, where appropriate;
- Secretariat and other support;
- Training, development and performance; and
- Reporting and assurance arrangements.

3.3.4 In doing so, the Board shall specify which aspects of these SOs are not applicable to the operation of the Committee, keeping any such aspects to the minimum necessary. Detailed terms of reference and operating arrangements for the Committees established by the Board are set out in Schedule 3.

3.3.5 The membership of any such Committees - including the designation of Chair; definition of member roles and powers and terms and conditions of appointment (including remuneration and reimbursement) - will usually be determined by the Board, based on the recommendation of the Trust Chair, and subject to any specific requirements directions or regulations made by the Welsh Ministers. Depending on the Committee's defined role and remit, membership may be drawn from the Board, its staff (subject to the conditions set in Standing Order 3.4.6) or others not employed by the Trust.

3.3.6 Executive Directors or other Trust officers shall not normally be appointed as Committee Chairs.

3.4 Other Committees

3.4.1 The Board may also establish other Committees to help the Trust in the conduct of its business.

3.5 Confidentiality

3.5.1 Committee members and attendees must not disclose any matter dealt with by or brought before a Committee in confidence without the permission of the Committee's Chair.

3.6 Reporting activity to the Board

3.6.1 The Board must ensure that the Chairs of all Committees operating on its behalf report formally, regularly and on a timely basis to the Board on their activities. Committee Chairs' shall bring to the Boards specific attention any significant matters under consideration and report on the totality of its activities through the production of minutes or other written reports.

4. ADVISORY GROUPS

4.0.1 The Trust may and, where directed by the Welsh Ministers must, appoint Advisory Groups to the Trust to provide advice to the Board in the exercise of its functions.

4.0.2 Details of the Trust's Advisory Groups, should they be established, their membership and terms of reference will be set out in a Schedule to these Standing Orders.

4.0.3 The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out by others to advise it in the conduct of its business. The Board shall, wherever possible, require its Advisory Groups to hold meetings in public unless there are specific, valid reasons for not doing so.

4.1 Advisory Groups established by the Trust

4.1.1 The Trust has established the following Advisory Groups:

- Advisory Consultants Appointments Committee.

4.2 Confidentiality

4.2.1 Advisory Group members and attendees must not disclose any matter dealt with by or brought before a Group in confidence without the permission of the Advisory Group Chair.

4.3 Reporting activity

4.3.1 The Board shall ensure that the Chairs of all Advisory Groups report formally, regularly and on a timely basis to the Board on their activities. Advisory Group Chairs' shall bring to the Board's specific attention any significant matters under consideration and report on the totality of its activities through the production of minutes or other written reports.

4.3.2 Each Advisory Group shall also submit an annual report to the Board through the Chair within 6 weeks of the end of the reporting year setting out its activities during the year and detailing the results of a review of its performance and that of any sub groups it has established.

4.3.3 Each Advisory Group shall report regularly on its activities to those whose interests they represent.

4.4 Terms of reference and operating arrangements

4.4.1 The Board must formally approve terms of reference and operating arrangements in respect of any Advisory Group it has established. These must establish its governance and ways of working, setting out, as a minimum:

- The scope of its work (including its purpose and any delegated powers and authority);
- Membership (including member appointment and removal, role, responsibilities and accountabilities and terms and conditions of office) and quorum;
- Meeting arrangements;
- Communications;
- Relationships with other (including the Board, its Committees and Advisory Groups) as well as community partnerships such as Local Service Boards;
- Any budget and financial responsibility;
- Secretariat and other support;
- Training, development and performance and
- Reporting and assurance arrangements.

4.4.2 In doing so, the Board shall specify which of these SOs are not applicable to the operation of the Advisory Group, keeping any such aspects to the minimum necessary. Detailed terms of reference and operating arrangements for any the Trust Advisory Group established will be set out in a Schedule to these Standing Orders.

4.4.3 The Board may determine that any Advisory Group it has set up should be supported by sub-groups to assist it in the conduct of its work or the Advisory Group may itself determine such arrangements, provided that Board approves such action.

4.5 The Local Partnership Forum (LPF)

4.5.1 The LPF's role is to provide a formal mechanism where the Trust, as

employer, and trade unions/professional bodies representing Trust employees (hereafter referred to as staff organisations) work together to improve health services for the citizens served by the Trust – achieved through a regular and timely process of consultation, negotiation and communication. In doing so, the LPF must effectively represent the views and interests of the Trust’s workforce.

4.5.2 It is the forum where the Trust and staff organisations will engage with each other to inform, debate and seek to agree local priorities on workforce and health service issues; and inform thinking around national priorities on health matters.

4.5.3 The Trust may specifically request advice and feedback from the LPF on any aspect of its business, and the LPF may also offer advice and feedback even if not specifically requested by the Trust. The LPF may provide advice to the Board;

- In written advice; or
- In any other form specified by the Board

4.6 Terms of reference and operating arrangements

4.6.1 The Board must formally approve terms of reference and operating arrangements for the LPF. These must establish its governance and ways of working, setting out, as a minimum:

- The scope of its work (including its purpose and any delegated powers and authority);
- Membership (including member appointment and removal, role, responsibilities and accountability, and terms and conditions of office);
- Meeting arrangements;
- Communications;
- Relationships and accountabilities with others (including the Board, its Committees and Advisory Groups, and other relevant local and national groups);
- Any budget and financial responsibility (where appropriate);
- Secretariat and other support; and
- Reporting and assurance arrangements.

4.6.2 In doing so, the Board shall specify which aspects of these SOs are not applicable to the operation of the LPF, keeping any such aspects to the minimum necessary. The LPF will also operate in accordance with the TUC six principles of partnership working. *The detailed terms of reference and*

operating arrangements are set out in Schedule 4.

4.6.3 The LPF may establish sub-fora to assist it in the conduct of its work, to facilitate:

- Ongoing dialogue, communication and consultation on service and operational management issues specific to Divisions/Directorates/Service areas; and/or
- Detailed discussion in relation to a specific issue(s).

4.7 Membership

4.7.1 The Trust shall agree the overall size and composition of the LPF in consultation with those staff organisations it recognises for collective bargaining. As a minimum, the membership of the LPF shall comprise:

Management Representatives

- Trust Chief Executive
- Director of Finance
- Director of Organisational Development and Workforce

together with the following;

- General Managers/Divisional Managers and
- Workforce and Organisational Development staff

4.7.2 The Trust may determine that other Executive Directors or others may act as members or be co-opted to the LPF.

Staff Representatives

4.7.3 The maximum number of staff representatives shall be one from each staff organisation recognised by the Trust.

In attendance

4.7.4 The LPF may determine that full time officers from those staff organisations recognised by the Trust shall be invited to attend LPF meetings

4.8 Member Responsibilities and Accountability

Joint Chairs

- 4.8.1 The LPF shall have two Chairs on a rotational basis, one of whom shall be drawn from the management representative membership, and one from the staff representative membership.
- 4.8.2 The Chairs shall be jointly responsible for the effective operation of the LPF:
- Chairing meetings, rotated equally between the Staff Representative and Management Representative Chairs;
 - Establishing and ensuring adherence to the standards of good governance set for the NHS in Wales, ensuring that all business is conducted in accordance with its agreed operating framework; and
 - Developing positive and professional relationships amongst the Forum's membership and between the Forum and the Board.
- 4.8.3 The Chairs shall work in partnership with each other and, as appropriate, with the Chairs of the Trust's other advisory groups. Supported by the Board Secretary, Chairs shall ensure that key and appropriate issues are discussed by the Forum in a timely manner with all the necessary information and advice being made available to members to inform the debate and ultimate resolutions.
- 4.8.4 The Chairs are accountable to the Board for the conduct of business in accordance with the governance and operating framework set by the Trust.

Joint Vice Chairs

- 4.8.5 The LPF shall have two Vice Chairs, one of whom shall be drawn from the Management Representative membership, and one from the staff representative membership.
- 4.8.6 Each Vice Chair shall deputise for their Chair in that Chair's absence for any reason, and will do so until either the existing Chair resumes their duties or a new Chair is appointed.
- 4.8.7 The Vice Chair is accountable to their Chair for their performance as Vice Chair.

Members

4.8.8 All members of the LPF are full and equal members and collectively share responsibility for its decisions.

4.8.9 All members must:

- Be prepared to engage with and contribute to the LPF's activities and in a manner that upholds the standards of good governance set for the NHS in Wales;
- Comply with their terms and conditions of appointment;
- Equip themselves to fulfil the breadth of their responsibilities by participating in appropriate personal and organisational development programmes; and
- Promote the work of the LPF within the professional discipline they represent.

4.9 Appointment and terms of office

4.9.1 Management representative members shall be determined by the Board.

4.9.2 Staff representatives shall be determined by the staff organisations recognised by the Trust, subject to the following conditions:

- Staff representatives must be employed by the Trust and accredited by their respective trade union; and
- A member's tenure of appointment will cease in the event that they are no longer employed by the Trust or cease to be a member of their nominating trade union.

4.9.3 The *Management Representative Chair* shall be appointed by the Board.

4.9.4 The *Staff Representative Chair* shall be elected from within the staff representative membership of the LPF, by staff representative members, in a manner determined by the staff representative members. The *Staff Representative Chair's* term of office shall be for one (1) year.

4.9.5 The *Management Representative Vice Chair* shall be appointed from within the management representative membership of the LPF by the Management Representative Chair.

4.9.6 The *Staff Representative Vice Chair* shall be elected from within the staff representative membership of the LPF, by staff representative members, in a manner determined by the staff representative members. The *Staff Representative Vice Chair's* term of office shall be for one (1) year.

4.9.7 A member's tenure of appointment will cease in the event that they no longer meet any of the eligibility requirements determined for the position. A member must inform their respective LPF Chair as soon as is reasonably practicable to do so in respect of any issue which may impact on the conduct of their role.

4.10 Removal, suspension and replacement of members

4.10.1 If an LPF member fails to attend three (3) consecutive meetings, the next meeting of the LPF shall consider what action should be taken. This may include removal of that person from office unless they are satisfied that:

1.4.10

(a) The absence was due to a reasonable cause; and

(b) The person will be able to attend such meetings within such period as the LPF considers reasonable.

4.10.2 If the LPF considers that it is not conducive to its effective operation that a person should continue to hold office as a member, it may remove that person from office by giving immediate notice in writing to the person and the relevant nominating body.

4.10.3 Before making a decision to remove a person from office, the LPF may suspend the tenure of office of that person for a limited period (as determined by the LPF) to enable it to carry out a proper investigation of the circumstances leading to the consideration of removal. Where the LPF suspends any member, that member shall be advised immediately in writing of the reasons for their suspension. Any such member shall not perform any of the functions of membership during a period of suspension.

4.10.4 A nominating body may remove and, where appropriate, replace a member appointed to the LPF to represent their interests by giving immediate notice in writing to the LPF.

4.11 Relationship with the Board and others

4.11.1 The LPF's main link with the Board is through the Executive members of the LPF.

- 4.11.2 The Board may determine that designated Board members or Trust staff shall be in attendance at LPF meetings. The LPF's Chair may also request the attendance of Board members or Trust staff, subject to the agreement of the Trust Chair.
- 4.11.3 The Board shall determine the arrangements for any joint meetings between the Board and the LPF's staff representative members.
- 4.11.4 The Board's Chair shall put in place arrangements to meet with the LPG's Joint Chairs on a regular basis to discuss the LPF's activities and operation.
- 4.11.5 The LPF shall ensure effective links and relationships with other groups/fora at a local and, where appropriate, national level.

4.12 Support to the LPF

- 4.12.1 The LPF's work shall be supported by two designated Secretary's, one of whom shall support the staff representative members and one shall support the management representative members.
- 4.12.2 The Director of Workforce and OD will act as Management Representative Secretary and will be responsible for the maintenance of the constitution of the membership, the circulation of agenda and minutes and notification of meetings.
- 4.12.3 The Staff Representative Secretary shall be elected from within the staff representative membership of the LPF, by staff representative members, in a manner determined by the staff representatives. The Staff Representative Secretary's term of office shall be for two (2) years.
- 4.12.4 Both Secretaries shall work closely with the Trust's Board Secretary who is responsible for the overall planning and co-ordination of the Trust's programme of Board business, including that of its Committees and Advisory Groups.

5. WORKING IN PARTNERSHIP

- 5.0.1 The Trust shall work constructively in partnership with others to plan and secure the delivery of the best possible healthcare for its citizens, in accordance with its statutory duties and any specific requirements or directions made by the Welsh Ministers.
- 5.0.2 The Chair shall ensure that the Board has identified all its key partners and other stakeholders and established clear mechanisms for engaging with and involving them in the work of the Trust where appropriate

through:

- The Trust's own structures and operating arrangements, e.g., Advisory Groups; and
- The involvement (at very local and community wide levels in partnerships and community groups such as Local Service Boards of Board members and Trust officers with delegated authority to represent the Trust and, as appropriate, take decisions on its behalf.

5.0.3 The Board shall keep under review its partnership arrangements to ensure continued clarity around purpose, desired outcomes and partner responsibilities. It must ensure timely action to change, adapt or end partnerships where they no longer serve a useful purpose, in accordance with its statutory duties; any specific requirements or directions made by the Welsh Ministers; and the agreed terms and conditions for the partnership.

5.1 Community Health Councils (CHCs)

5.1.1 **The Community Health Councils Regulations 2004** (S.I.2004/905 (W.89))(as amended by the **Community Health Councils (Amendment) Regulations 2005**) (S.I. 2005/603 W.51) (to the extent they are still in force), the **Community Health Councils (Constitution, Membership and Procedures) (Wales) Regulations 2010** (S.I. 2010/288 (W.37)) and the **Community Health Councils (Establishment, Transfer of Functions and Abolition) (Wales) Order 2010** (S.I. 2010/289 (W.38)) place a range of duties on Trusts in relation to the engagement and involvement of CHCs in its operations.

5.1.2 In discharging these duties, and given the all-Wales nature of the Trust's functions, the Board shall work constructively with the Board of Community Health Councils in Wales, to ensure that CHCs across Wales are involved, as appropriate, in:

- The planning of the provision of its healthcare services;
- The development and consideration of proposals for changes in the way in which those services are provided; and
- The Board's decisions affecting the operation of those healthcare services that it has responsibility for

and formally consulting with the Board of Community Health Councils

and CHCs as appropriate on any proposals for substantial development of the services it is responsible for.

- 5.1.3 The Board shall ensure that each relevant CHC is provided with the information it needs on a timely basis to enable it to effectively discharge its functions.

Relationship with the Board

- 5.1.4 The Board may determine that designated CHC members shall be invited to attend Board meetings.
- 5.1.5 The Board may make arrangements to hold regular meetings between the Board of Community Health Councils and CHCs, as appropriate
- 5.1.6 The Board's Chair shall put in place arrangements to meet with the Board of Community Health Councils Chair on a regular basis to discuss matters of common interest.

6. MEETINGS

6.1 Putting Citizens first

- 6.1.1 The Trust's business will be carried out openly and transparently in a manner that encourages the active engagement of its citizens, community partners and other stakeholders. The Trust, through the planning and conduct of meetings held in public, shall facilitate this in a number of ways, including:

- Active communication of forthcoming business and activities;
- The selection of accessible, suitable venues for meetings;
- The availability of papers in English and Welsh languages and in accessible formats, such as Braille, large print, easy read and in electronic formats;
- Requesting that attendees notify the Trust of any access needs sufficiently in advance of a proposed meeting, and responding appropriately e.g. arranging British Sign Language (BSL) interpretation at meetings and
- Where appropriate, ensuring suitable translation arrangements are in place to enable the conduct of meetings in with English or Welsh.

in accordance with legislative requirements, e.g., Disability Discrimination Act, as well as its Communication Strategy and Welsh Language requirements.

6.1.2 The Chair will ensure that, in determining the matters to be considered by the Board, full account is taken of the views and interests of the Trust's citizens and other stakeholders, including any views expressed formally to the Trust, e.g., through CHCs.

6.2 Annual Plan of Board Business

6.2.1 The Board Secretary, on behalf of the Chair, shall produce an Annual Plan of Board business. This plan will include proposals on meeting dates, venues and coverage of business activity during the year, taking account that ordinary meetings of the Board will be held at regular intervals and as a minimum six times a year. The Plan shall also set out any standing items that will appear on every Board agenda.

6.2.2 The plan shall set out the arrangements in place to enable the trust to meet its obligations to its citizens as outlined in paragraph 6.1.1 whilst also allowing Board members to contribute in either English or Welsh languages, where appropriate.

6.2.3 The plan shall also incorporate formal Board meetings, regular Board Development sessions and, where appropriate, the planned activities of the Board's Committees and any Advisory Groups.

6.2.4 The Board shall agree the plan for the forthcoming year by the end of March, and this plan will be included as a schedule to these SOs

6.2.5 Annual General Meeting

The Trust must hold an AGM in public no later than the 30th September each year. Public notice of the intention to hold the AGM shall be given at least 10 days prior to the meeting, and this notice shall also be made available through community and partnership networks to maximise opportunities for attendance. The AGM must include presentation of the Annual Report and audited accounts, together with (where applicable), an audited abridged version of the annual accounts and funds held on trust accounts, and may also include presentation of other reports of interest to citizens and others, such as the Trust's annual Equality Report. A record of the meeting shall be submitted to the next ordinary meeting of the Board for agreement.

6.3 Calling Meetings

6.3.1 In addition to the planned meetings agreed by the Board, the Chair may

call a meeting of the Board at any time. Individual Board members may also request that the Chair call a meeting provided that at least one third of the whole number of Board members, support such a request.

- 6.3.2 If the Chair does not call a meeting within seven days after receiving such a request from Board members, then those Board members may themselves call a meeting.

6.4 Preparing for Meetings

Setting the agenda

- 6.4.1 The Chair, in consultation with the Chief Executive and Board Secretary, will set the Agenda. In doing so, they will take account of the planned activity set in the annual cycle of Board business; any standing items agreed by the Board; any applicable items received from the Board's Committees and Advisory Groups; and the priorities facing the Trust. The Chair must ensure that all relevant matters are brought before the Board on a timely basis.
- 6.4.2 Any Board member may request that a matter is placed on the Agenda by writing to the Chair, copied to the Board Secretary, at least 12 calendar days before the meeting. The request must set out whether the item of business is proposed to be transacted in public and shall include appropriate supporting information. The Chair may, at their discretion, include items on the agenda that have been requested after the 12 day notice period if this would be beneficial to the conduct of board business.

Notifying and equipping Board members

- 6.4.3 Board members shall be sent an Agenda and a complete set of supporting papers at least 10 days before a formal Board meeting. This information may be provided to Board members electronically or in paper form, in an accessible format, to the address provided, and in accordance with their stated preference. Supporting papers may, exceptionally, be provided, after this time provided that the Chair is satisfied that the Board's ability to consider the issues contained within the paper would not be impaired.
- 6.4.4 No papers will be included for consideration and decision by the Board unless the Chair is satisfied (subject to advice from the Board Secretary, as appropriate) that the information contained within it is sufficient to enable the Board to take a reasonable decision. Equality impact assessments (EIA) shall be undertaken on all new or revised policies, strategies, guidance and or practice to be considered by the Board, and

the outcome of that EIA shall accompany the report to the Board to enable the Board to make an informed decision.

- 6.4.5 In the event that at least half of the Board members do not receive the Agenda and papers for the meeting as set out above, the Chair must consider whether or not the Board would still be capable of fulfilling its role and meeting its responsibilities through the conduct of the meeting. Where the Chair determines that the meeting shall go ahead, their decision, and the reason for it, shall be recorded in the minutes.
- 6.4.6 In the case of a meeting called by Board members, notice of that meeting must be signed by those members and the business conducted will be limited to that set out in the notice.

Notifying the public and others

- 6.4.7 Except for meetings called in accordance with Standing Order 6.3, at least 10 days before each meeting of the Board a public notice of the time and place of the meeting, and the public part of the agenda, shall be displayed bilingually (in English and Welsh)::
- At the Trust's principal sites;
 - On the Trust's website, together with the papers supporting the public part of the Agenda; as well as
 - Through other methods of communication as set out in the Trust's communication strategy.
- 6.4.8 When providing notification of the forthcoming meeting, the Trust shall set out when and how the Agenda and the papers supporting the public part of the Agenda may be accessed, in what language and in what format, e.g., as Braille, large print, easy read, etc.

6.5 Conducting Board Meetings

Admission of the public, the press and other observers

- 6.5.1 The Trust shall encourage attendance at its formal Board meetings by the public and members of the press as well as Trust officers or representatives from organisations who have an interest in Trust business. The venue for such meetings shall be appropriate to facilitate easy access for attendees and translation services; and shall have appropriate facilities to maximise accessibility such as an induction loop system.
- 6.5.2 The Board shall conduct as much of its formal business in public as

possible. There may be circumstances where it would not be in the public interest to discuss a matter in public, e.g., business that relates to a confidential matter. In such cases the Chair (advised by the Board Secretary where appropriate) shall schedule these issues accordingly and require that any observers withdraw from the meeting. In doing so, the Board shall resolve:

"That representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest in accordance with Section 1(2) Public Bodies (Admission to Meetings) Act 1960. (c.67)"

- 6.5.3 In these circumstances, when the Board is not meeting in public session it shall operate in private session, formally reporting any decisions taken to the next meeting of the Board in public session. Wherever possible, that reporting shall take place at the end of a private session, by reconvening a Board meeting held in public session.
- 6.5.4 The Board Secretary, on behalf of the Chair, shall keep under review the nature and volume of business conducted in private session to ensure such arrangements are adopted only when absolutely necessary.
- 6.5.5 In encouraging entry to formal Board Meetings from members of the public and others, the Board shall make clear that attendees are welcomed as observers. The Chair shall take all necessary steps to ensure that the Board's business is conducted without interruption and disruption. In exceptional circumstances, this may include a requirement that observers leave the meeting.
- 6.5.6 Unless the Board has given prior and specific agreement, members of the public or other observers will not be allowed to record proceedings in any way other than in writing.

Addressing the Board, its Committees and Advisory Groups

- 6.5.7 The Board will decide what arrangements and terms and conditions it feels are appropriate in extending an invitation to observers to attend and address any meetings of the Board, its Committees and Advisory Groups, and may change, alter or vary these terms and conditions as it considers appropriate. In doing so, the Board will take account of its responsibility to actively encourage the engagement and, where appropriate, involvement of citizens and stakeholders in the work of the Trust, (whether directly or through the activities of bodies such as CHC and the Trust's Advisory Groups representing citizens and other

stakeholders) and to demonstrate openness and transparency in the conduct of business.

Chairing Board Meetings

- 6.5.8 The Chair of the Trust will preside at any meeting of the Board unless they are absent for any reason (including any temporary absence or disqualification from participation on the grounds of a conflict of interest). In these circumstances the Vice Chair shall preside. If both the chair and vice-chair are absent or disqualified, the Independent Members present shall select one of the Independent Members to preside.
- 6.5.9 The Chair must ensure that the meeting is handled in a manner that enables the Board to reach effective decisions on the matters before it. This includes ensuring that Board members' contributions are timely and relevant and move business along at an appropriate pace. In doing so, the Board must have access to appropriate advice on the conduct of the meeting through the attendance of the nominated Board Secretary. The Chair has the final say on any matter relating to the conduct of Board business.

Quorum

- 6.5.10 At least one-third of all Board members, at least two of whom are an Executive Director and two are an Independent Member, must be present to allow any formal business to take place at a Board meeting.
- 6.5.11 If the Chief Executive or an Executive Director is unable to attend a Board meeting, then a nominated deputy may attend in their absence and may participate in the meeting, provided that the Chair has agreed the nomination before the meeting. However, Board members' voting rights cannot be delegated so the nominated deputy may not vote or be counted towards the quorum. If a deputy is already a Board member in their own right, e.g. a person deputising for the Chief Executive will usually be an Executive Director, they will be able to exercise their own vote in the usual way but they will not have any additional voting rights.
- 6.5.12 The quorum must be maintained during a meeting to allow formal business to be conducted, i.e., any decisions to be made. Any Board member disqualified through conflict of interest from participating in the discussion on any matter and/or from voting on any resolution will no longer count towards the quorum. If this results in the quorum not being met that particular matter or resolution cannot be considered further at that meeting, and must be noted in the minutes.

Dealing with motions

6.5.13 In the normal course of Board business items included on the agenda are subject to discussion and decisions based on consensus. Considering a motion is therefore not a routine matter and may be regarded as exceptional, e.g. where an aspect of service delivery is a cause for particular concern, a Board member may put forward a motion proposing that a formal review of that service area is undertaken by a Committee of the Board. The Board Secretary will advise the Chair on the formal process for dealing with motions. No motion or amendment to a motion will be considered by the Board unless moved by a Board member and seconded by another Board member (including the Chair).

6.5.14 **Proposing a Motion** – Formal notice of motion - Any Board member wishing to propose a motion must notify the Chair in writing of the proposed motion at least 12 days before a planned meeting. Exceptionally, an emergency motion may be proposed up to one hour before the fixed start of the meeting, provided that the reasons for the urgency are clearly set out. Where sufficient notice has been provided, and the Chair has determined that the proposed motion is relevant to the Board's business, the matter shall be included on the Agenda, or, where an emergency motion has been proposed, the Chair shall declare the motion at the start of the meeting as an additional item to be included on the agenda.

6.5.15 The Chair also has the discretion to accept a motion proposed during a meeting provided that the matter is considered of sufficient importance and its inclusion would not adversely affect the conduct of Board business.

6.5.16 **Amendments** - Any Board member may propose an amendment to the motion at any time before or during a meeting and this proposal must be considered by the Board alongside the motion.

6.5.17 If there are a number of proposed amendments to the motion, each amendment will be considered in turn, and if passed, the amended motion becomes the basis on which the further amendments are considered i.e. the substantive motion.

6.5.18 **Motions under discussion** – When a motion is under discussion, any Board member may propose that:

- The motion be amended;
- The meeting should be adjourned;
- The discussion should be adjourned and the meeting proceed to

The next item of business; A Board member may not be heard further;

- The Board decides upon the motion before them;
- An ad hoc Committee should be appointed to deal with a specific item of business; or
- The public, including the press, should be excluded.

6.5.19 Rights of reply to motions – The mover of a motion (including an amendment) shall have a right of reply at the close of any debate on the motion or the amendment immediately prior to a vote on the proposal.

6.5.20 Withdrawal of motion or amendments – A motion or an amendment to a motion, once moved and seconded, may be withdrawn by the proposer with the agreement of the seconder and the Chair.

6.5.21 Motion to rescind a resolution – The Board may not consider a motion to amend or rescind any resolution (or the general substance of any resolution) which has been passed within the preceding six months unless that the motion is supported by the (simple) majority of Board members.

6.5.22 A motion that has been decided upon by the Board cannot be proposed again within six months except by the Chair, unless the motion relates to the receipt of a report or the recommendations of a Committee/Chief Executive to which a matter has been referred.

Voting

6.5.23 The Chair will determine whether Board members' decisions should be expressed orally, through a show of hands, by secret ballot or by recorded vote. The Chair must require a secret ballot or recorded vote if the majority of voting Board members request it. Where voting on any question is conducted, a record of the vote shall be maintained. In the case of a secret ballot the decision shall record the number voting for, against or abstaining. Where a recorded vote has been used the Minutes shall record the name of the individual and the way in which they voted.

6.5.24 In determining every question at a meeting the Board members must take account, where relevant, of the views expressed and representations made by individuals who represent the interests of the Trust's citizens and stakeholders. Such views will usually be presented to the Board through *the Chair(s) of the Trust's Advisory Group(s)* and the CHC representative(s).

6.5.25 The Board will make decisions based on a simple majority view held by

the Board members present. In the event of a split decision, i.e., no majority view being expressed, the Chair shall have a second and casting vote.

6.5.26 In no circumstances may an absent Board Member or nominated deputy vote by proxy. Absence is defined as being absent at the time of the vote.

6.6 Record of Proceedings

6.6.1 A record of the proceedings of formal Trust meetings (and any other meetings of the board where the Board members determine) shall be drawn up as 'minutes'. These minutes shall include a record of Board member attendance (including the Chair) together with apologies for absence, and shall be submitted for agreement at the next meeting of the Board, where any discussion shall be limited to matters of accuracy. Any agreed amendment to the minutes must be formally recorded.

6.6.2 Agreed minutes shall be circulated in accordance with Board members' wishes, and, where providing a record of a formal Board meeting shall be made available to the public both on the Trust's website and in hard copy or other accessible format on request, in accordance with any legislative requirements, e.g., Data Protection Act 1998, and the Trust's Communication Strategy and Welsh language requirements.

6.7 Confidentiality

6.7.1 All Board members together with members of any Committee or Advisory Group established by or on behalf of the Board and Trust officials must respect the confidentiality of all matters considered by the Trust in private session or set out in documents which are not publicly available. Disclosure of any such matters may only be made with the express permission of the Chair of the Board or relevant Committee as appropriate, and in accordance with any other requirements set out elsewhere, e.g., in contracts of employment, within the Values and Standards of Behaviour framework or legislation such as the Freedom of Information Act (2000), etc.

7 VALUES AND STANDARDS OF BEHAVIOUR

7.0.1 The Board must adopt a set of values and standards of behaviour for the Trust that meets the requirements of the NHS Wales Values and Standards of Behaviour framework. These values and standards of behaviour will apply to all those conducting business by or on behalf of the Trust, including Board members, Trust officers and others, as

appropriate. The framework adopted by the Board will form part of these SOs.

7.1 Declaring and recording Board members' interests

- 7.1.1 ***Declaration of interests*** – It is a requirement that all Board members must declare any personal or business interests they may have which may affect, or be perceived to affect the conduct of their role as a Board member. This includes any interests that may influence or be perceived to influence their judgement in the course of conducting the Board's business. Board members must be familiar with the Values and Standards of Behaviour Framework and their statutory duties under the Membership Regulations. Board members must notify the Board of any such interests at the time of their appointment, and any further interests as they arise throughout their tenure as Board members.
- 7.1.2 Board members must also declare any interests held by family members or persons or bodies with which they are connected. The Board Secretary will provide advice to the Chair and the Board on what should be considered as an 'interest', taking account of the regulatory requirements and any further guidance, e.g., the Values and Standards of Behaviour framework. If individual Board members are in any doubt about what may be considered as an interest, they should seek advice from the Board Secretary. However the onus regarding declaration will reside with the individual Board member.
- 7.1.3 ***Register of interests*** – The Chief Executive, through the Board Secretary will ensure that a Register of Interests is established and maintained as a formal record of interests declared by all Board members. The register will include details of all Directorships and other relevant and material interests which have been declared by Board members.
- 7.1.4 The register will be held by the Board Secretary, and will be updated during the year, as appropriate, to record any new interests, or changes to the interests declared by Board members. The Board Secretary will also arrange an annual review of the Register, through which Board members will be required to confirm the accuracy and completeness of the register relating to their own interests.
- 7.1.5 In line with the Board's commitment to openness and transparency, the Board Secretary must take reasonable steps to ensure that the citizens served by the Trust are made aware of, and have access to view the Trust's Register of Interests. This may include publication on the Trust's website.

7.1.6 **Publication of declared interests in Annual Report** – Board members' directorships of companies or positions in other organisations likely or possibly seeking to do business with the NHS shall be published in the Trust's Annual Report.

7.2 Dealing with Members' interests during Board meetings

7.2.1 The Chair, advised by the Board Secretary, must ensure that the Board's decisions on all matters brought before it are taken in an open, balanced, objective and unbiased manner. In turn, individual Board members must demonstrate, through their actions, that their contribution to the Board's decision making is based upon the best interests of the Trust and the NHS in Wales.

7.2.2 Where individual Board members identify an interest in relation to any aspect of Board business set out in the Board's meeting agenda, that member must declare an interest at the start of the Board meeting. Board members should seek advice from the Chair, through the Board Secretary before the start of the Board meeting if they are in any doubt as to whether they should declare an interest at the meeting. All declarations of interest made at a meeting must be recorded in the Board minutes.

7.2.3 It is the responsibility of the Chair, on behalf of the Board, to determine the action to be taken in response to a declaration of interest, taking account of any regulatory requirements or directions given by the Welsh Ministers. The range of possible actions may include determination that:

- i) The declaration is formally noted and recorded, but that the Board member should participate fully in the Board's discussion and decision, including voting. This may be appropriate, for example where the Board is considering matters of strategy relating to a particular aspect of healthcare and an Independent Member is a healthcare professional whose profession may be affected by that strategy determined by the Board;
- ii) The declaration is formally noted and recorded and the Board member participates fully in the Board's discussion, but takes no part in the Board's decision.
- iii) The declaration is formally noted and recorded, and the Board member takes no part in the Board discussion or decision;

- iv) The declaration is formally noted and recorded, and the Trust member is excluded for that part of the meeting when the matter is being discussed. A Board member must be excluded, where, that member has a direct or indirect financial interest in a matter being considered by the Board.

7.2.4 In extreme cases, it may be necessary for the member to reflect on whether their position as a Board member is compatible with an identified conflict of interest.

7.2.5 Where the Chair is the individual declaring an interest, any decision on the action to be taken shall be made by the Vice Chair, on behalf of the Board.

7.2.6 In all cases the decision of the Chair (or the Vice Chair in the case of an interest declared by the Chair) is binding on all Board members. The Chair should take advice from the Board Secretary when determining the action to take in response to declared interests; taking care to ensure their exercise of judgement is consistently applied.

7.2.7 **Members with pecuniary (financial) interests** – Where a Board member, or any person they are connected with¹ has any direct or indirect pecuniary interest in any matter being considered by the Board, including a contract or proposed contract, that member must not take part in the consideration or discussion of that matter or vote on any question related to it. The Board may determine that the Board member concerned shall be excluded from that part of the meeting.

7.2.8 The Membership Regulations define ‘direct’ and ‘indirect’ pecuniary interests and these definitions always apply when determining whether a member has an interest. These SOs must be Interpreted in accordance with these definitions.

7.2.9 **Members with Professional Interests** - During the conduct of a Board meeting, an individual Board member may establish a clear conflict of interest between their role as a Trust Board member and that of their professional role outside of the Board. In any such circumstance, the Board shall take action that is proportionate to the nature of the conflict, taking account of the advice provided by the Board Secretary.

¹ In the case of persons who are married to each other or in a civil partnership with each other or who are living together as if married or civil partners, the interest of one person shall, if known to the other, be deemed for the purpose of this Standing Order to be also an interest of the other

7.3 Dealing with Officers' interests

7.3.1 The Board must ensure that the Board Secretary, on behalf of the Chief Executive, establishes and maintains a system for the declaration, recording and handling of Trust officers' interests in accordance with the Values and Standards of Behaviour Framework.

7.4 Reviewing how Interests are handled

7.4.1 The Audit Committee will review and report to the Board upon the adequacy of the arrangements for declaring, registering and handling interests at least annually.

7.5 Dealing with offers of gifts² and hospitality

7.5.1 The Values and Standards of Behaviour Framework adopted by the Board prohibits Board members and Trust officers from receiving gifts, hospitality or benefits in kind from a third party which may reasonably give rise to suspicion of conflict between their official duty and their private interest, or may reasonably be seen to compromise their personal integrity in any way.

7.5.2 Gifts, benefits or hospitality must never be solicited. Any Board member or Trust officer who is offered a gift, benefit or hospitality which may or may be seen to compromise their position must refuse to accept it. This may in certain circumstances also include a gift, benefit or hospitality offered to a family member of a Trust Board member or Trust officer. Failure to observe this requirement may result in disciplinary and/or legal action.

7.5.3 In determining whether any offer of a gift or hospitality should be accepted, an individual must make an active assessment of the circumstances within which the offer is being made, seeking advice from the Board Secretary as appropriate. In assessing whether an offer should be accepted, individuals must take into account:

- **Relationship:** Contacts which are made for the purpose of information gathering are generally less likely to cause problems than those which could result in a contractual relationship, in which case accepting a gift or hospitality could cause embarrassment or be seen as giving rise to an obligation;

²The term gift refers also to any reward or benefit

- **Legitimate Interest:** Regard should be paid to the reason for the contact on both sides and whether it is a contact that is likely to benefit the Trust;
- **Value:** Gifts and benefits of a trivial or inexpensive seasonal nature e.g., diaries/calendars, are more likely to be acceptable and can be distinguished from more substantial offers. Similarly, hospitality in the form of a working lunch would not be treated in the same way as more expensive social functions, travel or accommodation. (although in some circumstances these may also be accepted)
- **Frequency:** Acceptance of frequent or regular invitations particularly from the same source would breach the required standards of conduct and
- **Reputation:** If the body concerned is known to be under investigation by or has been publicly criticised by a public body, regulators or inspectors, acceptance of a gift or hospitality might be seen as supporting the body or affecting in some way the investigation or negotiations and it should always be declined.

7.5.4 A distinction may be drawn between items offered as hospitality and items offered in substitution for fees for broadcasts, speeches, lectures or other work done. There may be circumstances where the latter may be accepted if they can be used for official purposes.

7.6 Register of Gifts and Hospitality

7.6.1 The Board Secretary, on behalf of the Chair, will maintain a register of Gifts and Hospitality to record offers of gifts and hospitality made to Board members. Executive Directors will adopt a similar mechanism in relation to Trust officers working within their Directorates.

7.6.2 Every Board member and Trust officer has a personal responsibility to volunteer information in relation to offers of gifts and hospitality, including those offers that have been refused. The Board Secretary, on behalf of the Chair and Chief Executive, will ensure the incidence and patterns of offers and receipt of gifts and hospitality are kept under active review, taking appropriate action where necessary.

7.6.3 When determining what should be included in the Register, individuals shall apply the following principles, subject to the considerations in Standing Order 7.5.3:

- **Gifts:** Generally, only gifts of material value should be recorded . Those with a nominal value seasonal items such as diaries/calendars. would not usually need to be recorded.
- **Hospitality:** Only significant hospitality offered or received should be recorded. Occasional offers of 'modest and proportionate'³ hospitality need not be included in the Register.

7.6.4 Board members and Trust officers may accept the occasional offer of modest and proportionate hospitality but in doing so must consider whether the following conditions are met:

- acceptance would further the aims of the Trust;
- the level of hospitality is reasonable in the circumstances;
- it has been openly offered; and,
- it could not be construed as any form of inducement and will not put the individual under any obligation to those offering it.

7.6.5 The Board Secretary will arrange for a full report of all offers of Gifts and Hospitality recorded by the Trust to be submitted to the Audit Committee (or equivalent) at each Audit Committee meeting. The Audit Committee will then review and report to the Board at least annually upon the adequacy of the Trust's arrangements for dealing with offers of gifts and hospitality.

8. SIGNING AND SEALING DOCUMENTS

8.0.1 The common seal of the Trust is primarily used to seal legal documents such as transfers of land, lease agreements and other important/key contracts. The seal may only be fixed to a document if the Board or Committee of the Board has determined it shall be sealed, or if a transaction to which the document relates has been approved by the Board or Committee of the Board.

8.0.2 Where it is decided that a document shall be sealed it shall be fixed in the presence of the Chair or Vice Chair (or other authorised independent Member) and the Chief Executive (or another authorised individual) both of whom must witness the seal.

³ Examples of 'modest and proportionate' hospitality that need not be included in a Hospitality register include a working sandwich lunch or a buffet lunch incidental to a conference or seminar attended by a variety of participants

8.1 Register of Sealing

8.1.1 The Board Secretary shall keep a register that records the sealing of every document. Each entry must be signed by the persons who approved and authorised the document and who witnessed the seal. A report of all sealings shall be presented to the Board at least bi-annually.

8.2 Signature of Documents

8.2.1 Where a signature is required for any document connected with legal proceedings involving the Trust, it shall normally be signed by the Chief Executive, except where the Board has authorised another person or has been otherwise directed to allow or require another person to provide a signature.

8.2.2 The Chief Executive or nominated officers may be authorised by the Board to sign on behalf of the Trust any agreement or other document (not required to be executed as a deed) where the subject matter has been approved either by the Board or a Committee to which the Board has delegated appropriate authority.

8.3 Custody of Seal

8.3.1 The Common Seal of the Trust shall be kept securely by the Board Secretary.

9. GAINING ASSURANCE ON THE CONDUCT OF TRUST BUSINESS

9.0.1 The Board shall set out explicitly, within a Risk and Assurance Framework, how it will be assured on the conduct of Trust business, its governance and the effective management of the organisation's risks in pursuance of its aims and objectives. It shall set out clearly the various sources of assurance, and where and when that assurance will be provided, in accordance with any requirements determined by the Welsh Ministers.

9.0.2 The Board shall ensure that its assurance arrangements are operating effectively, advised by its Audit Committee (or equivalent)

9.0.3 Assurances in respect of the Shared Services shall primarily be achieved by the reports of the Director of Shared Services to the Shared Services Partnership Committee and reported back by the Chief Executive (or their nominated representative). Where appropriate and by the exception, the Board may seek assurances direct from the Director of Shared Services. The Director of Shared Services and the Shared

Services Partnership Committee shall be under an obligation to comply with any internal or external audit functions being undertaken by or on behalf of the Trust.

9.1 The role of Internal Audit in providing independent internal assurance

9.1.1 The Board shall ensure the effective provision of an independent internal audit function as a key source of its internal assurance arrangements, in accordance with NHS Wales Internal Auditing Standards and any others requirements determined by the Welsh Ministers.

9.1.2 The Board shall set out the relationship between the Head of Internal Audit (HIA), the Audit Committee (or equivalent) and the Board. It shall:

- Approve the Internal Audit Charter (incorporating the definition of internal audit; and adopt the Internal Auditing Standards (incorporating the code of ethics);
- Ensure the opportunity is presented for the HIA to attend any Trust Board meeting to allow communication and interaction directly with the Board, facilitating direct and unrestricted access;
- Require Internal Audit to confirm its independence annually; and
- Ensure the opportunity is presented for the Head of Internal Audit to report to the Board on its activities, including its purpose, authority, responsibility and performance. Such reporting will include governance issues and significant risk exposures which can be reported through the Internal Audit Annual Report to be received by the Trust Board.

9.2 Reviewing the performance of the Board, its Committees and Advisory Groups

9.2.1 The Board shall introduce a process of regular and rigorous self assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups. Where appropriate, the Board may determine that such evaluation may be independently facilitated.

9.2.2 Each Committee and, where appropriate, Advisory Group must also submit an annual report to the Board Secretary through the Chair within 6 weeks of the end of the Committee's reporting year setting out its

activities during the year and including the review of its performance and that of any sub Committees it has established. The Board Secretary will then ensure the Board receives the report at its next meeting.

9.2.3 The Board shall use the information from this evaluation activity to inform:

- the ongoing development of its governance arrangements, including its structures and processes;
- its Board Development Programme, as part of an overall Organisation Development framework; and
- the Board's report of its alignment with the Assembly Government's Citizen Centred Governance Principles

9.3 External Assurance

9.3.1 The Board shall ensure it develops effective working arrangements and relationships with those bodies that have a role in providing independent, external assurance to the public and others on the Trust's operations, e.g., the Wales Audit Office and Healthcare Inspectorate Wales.

9.3.2 The Board may be assured, from the work carried out by external audit and others, on the adequacy of its own assurance framework, but that external assurance activity shall not form part of, or replace its own internal assurance arrangements, except in relation to any additional work that the Board itself may commission specifically for that purpose.

9.3.3 The Board shall keep under review and ensure that, where appropriate, the Trust implements any recommendations relevant to its business made by the National Assembly for Wales's Audit Committee, the Public Accounts Committee or other appropriate bodies.

9.3.4 The Trust shall provide the Auditor General for Wales with any assistance, information and explanation which the Auditor General thinks necessary for the discharge of their statutory powers and responsibilities under section 145 of and paragraph 17 to Schedule 8 of the Government of Wales Act 2006 (c.42).

10. DEMONSTRATING ACCOUNTABILITY

10.0.1 Taking account of the arrangements set out within these SOs, the Board shall demonstrate to the communities it serves and to the Welsh Ministers a clear framework of accountability within which it:

- Conducts its business internally;
- Works collaboratively with NHS colleagues, partners, service providers and others; and
- Responds to the views and representations made by those who represent the interests of citizens and other stakeholders, including its officers and healthcare professionals.

10.0.2 The Board shall, in publishing its strategic and operational level plans, set out how those plans have been developed taking account of the views of others, and how they will be delivered by working with their partners.

10.0.3 The Board shall also facilitate effective scrutiny of the Trust's operations through the publication of regular reports on activity and performance, including publication of an Annual Report.

10.0.4 The Board shall ensure that within the Trust, individuals at all levels are supported in their roles, and held to account for their personal performance through effective performance management arrangements.

11. REVIEW OF STANDING ORDERS

11.0.1 The Board Secretary has arranged for an equality impact assessment to be carried out on a draft of these SOs prior to their formal adoption by the Board. The results of the assessment accompany the SOs in their submission to the Board for approval.

11.0.2 These SOs shall be reviewed annually by the Audit Committee, which shall report any proposed amendments to the Board for consideration. The requirement for review extends to all documents having the effect as if incorporated in SOs, including the equality impact assessment.



Schedule 1

SCHEME OF RESERVATION AND DELEGATION OF POWERS

This schedule forms part of, and shall have effect as if incorporated in the NHS Trust Standing Orders

INTRODUCTION

As set out in Standing Order 2, the Board - subject to any directions that may be –made by the Welsh Ministers - shall make appropriate arrangements for certain functions to be carried out on its behalf so that the day to day business of the Trust may be carried out effectively, and in a manner that secures the achievement of the organisation’s aims and objectives. The Board may delegate functions to:

- i) A Committee, e.g., Quality and Safety Committee;
- ii) A sub Committee e.g., a locality based Quality and Safety Committee taking forward matters within a defined area. Any such delegation would, subject to the Board’s authority, usually be via a main Committee of the Board, or a joint sub committee and;
- iii) Officers of the Trust (who may, subject to the Board’s authority, delegate further to other officers and, where appropriate, other third parties, e.g. shared/support services, through a formal scheme of delegation)

and in doing so, must set out clearly the terms and conditions upon which any delegation is being made. These terms and conditions must include a requirement that the Board is notified of any matters that may affect the operation and/or reputation of the Trust.

The Board’s determination of those matters that it will retain, and those that will be delegated to others are set out in the following:

- SECTION 1 - Schedule of matters reserved to the Board;
- SECTION 2 - Scheme of delegation to Committees and others;
- SECTION 3 -Scheme of delegation to Officers;
- SECTION 4 – Scheme of delegation of budgetary responsibility;
- SECTION 5 – Financial Limits;

- SECTION 6 – Losses & Compensation Limits.

all of which form part of the Trust's Standing Orders.

DECIDING WHAT TO RETAIN AND WHAT TO DELEGATE: GUIDING PRINCIPLES

The Board will take full account of the following principles when determining those matters that it reserves, and those which it will delegate to others to carry out on its behalf:

- ***Everything is retained by the Board unless it is specifically delegated in accordance with the requirements set out in SOs or SFIs.***
- ***The Board must retain that which it is required to retain (whether by statute or as determined by the Welsh Ministers as well as that which it considers is essential to enable it to fulfil its role in setting the organisation's direction, equipping the organisation to deliver and ensuring achievement of its aims and objectives through effective performance management***
- ***Any decision made by the Board to delegate functions must be based upon an assessment of the capacity and capability of those to whom it is delegating responsibility***
- ***The Board must ensure that those to whom it has delegated powers (whether a Committee, partnership or individuals) remain equipped to deliver on those responsibilities through an ongoing programme of personal, professional and organisational development***
- ***The Board must take appropriate action to assure itself that all matters delegated are effectively carried out***
- ***The framework of delegation will be kept under active review and, where appropriate, will be revised to take account of organisational developments, review findings or other changes***
- ***Except where explicitly set out, the Board retains the right to decide upon any matter for which it has statutory responsibility, even if that matter has been delegated to others***
- ***The Board may delegate authority to act, but retains overall***

responsibility and accountability

- ***When delegating powers, the Board will determine whether (and the extent to which) those to whom it is delegating will, in turn, have powers to further delegate those functions to others.***

HANDLING ARRANGEMENTS FOR THE RESERVATION AND DELEGATION OF POWERS: WHO DOES WHAT?

The Board

The Board will formally agree, review and, where appropriate revise schedules of reservation and delegation of powers in accordance with the guiding principles set out earlier.

The Chief Executive

The Chief Executive will propose a Scheme of Delegation to Officers, setting out the functions they will perform personally and which functions will be delegated to other officers. The Board must formally agree this scheme.

In preparing the scheme of delegation to officers, the Chief Executive will take account of:

- The guiding principles set out earlier (including any specific statutory responsibilities designated to individual roles)
- Their personal responsibility and accountability to the Chief Executive, NHS Wales in relation to their role as designated Accountable Officer
- Associated arrangements for the delegation of financial authority to equip officers to deliver on their delegated responsibilities (and set out in SFIs).

The Chief Executive may re-assume any of the powers they have delegated to others at any time.

The Board Secretary

The Board Secretary will support the Board in its handling of reservations and delegations by ensuring that:

- A proposed schedule of matters reserved for decision by the Board is presented to the Board for its formal agreement;

- Effective arrangements are in place for the delegation of Trust functions within the organisation and to others, as appropriate; and
- Arrangements for reservation and delegation are kept under review and presented to the Board for revision, as appropriate.

The Audit⁴ Committee

The Audit Committee will provide assurance to the Board of the effectiveness of its arrangements for handling reservations and delegations.

Individuals to whom powers have been delegated

Individuals will be personally responsible for:

- Equipping themselves to deliver on any matter delegated to them, through the conduct of appropriate training and development activity; and
- Exercising any powers delegated to them in a manner that accords with the Trust's values and standards of behaviour.

Where an individual does not feel that they are equipped to deliver on a matter delegated to them, they must notify the Board Secretary of their concern as soon as possible in so that an appropriate and timely decision may be made on the matter.

In the absence of an officer to whom powers have been delegated, those powers will normally be exercised by the individual to whom that officer reports, unless the Board has set out alternative arrangements.

If the Chief Executive is absent their nominated Deputy may exercise those powers delegated to the Chief Executive on their behalf. However, the guiding principles governing delegations will still apply, and so the Board may determine that it will reassume certain powers delegated to the Chief Executive or reallocate powers, e.g., to a Committee or another officer.

SCOPE OF THESE ARRANGEMENTS FOR THE RESERVATION AND DELEGATION OF POWERS

The Scheme of Delegation to officers referred to here shows only the "top level" of delegation within the Trust. The Scheme is to be used in conjunction with the system of control and other established procedures within the Trust.

SECTION 1 - SCHEDULE OF MATTERS RESERVED TO THE BOARD⁵

THE BOARD		AREA	DECISIONS RESERVED TO THE BOARD
1	FULL	GENERAL	The Board may determine any matter for which it has statutory or delegated authority, in accordance with SOs
2	FULL	GENERAL	The Board has determined those matters that can be delegated to Board Committees. These are set out in Schedule 2.
3	FULL	OPERATING ARRANGEMENTS	Adopt the standards of governance and performance (including the quality and safety of healthcare, and the patient experience) to be met by the Trust, including standards/requirements determined by professional bodies/others, e.g., Royal Colleges
4	FULL	OPERATING ARRANGEMENTS	Approve, vary and amend: <ul style="list-style-type: none"> • SOs; • SFIs; • Schedule of matters reserved to the Trust;

5 Any decision to reserve a matter, and the manner in which that retained responsibility is carried out will be in accordance with any regulatory and/or Assembly Government requirements

			<ul style="list-style-type: none"> • Scheme of delegation to Committees and others; and • Scheme of delegation to officers. <p>In accordance with any directions set by the Welsh Ministers.</p>
5	FULL	OPERATING ARRANGEMENTS	Approve the Trust's Values and Standards of Behaviour framework
6	FULL	OPERATING ARRANGEMENTS	Approve the Trust's framework for performance management, risk and assurance
7	FULL	OPERATING ARRANGEMENTS	Approve the introduction or discontinuance of any significant activity or operation. Any activity or operation shall be regarded as significant if the Board determines it so based upon its contribution/impact on the achievement of the Trust's aims, objectives and priorities
8	FULL	OPERATING ARRANGEMENTS	Ratify any urgent decisions taken by the Chair and the Chief Executive in accordance with Standing Order requirements
9	FULL	OPERATING ARRANGEMENTS	Ratify in public session any instances of failure to comply with SOs.
10	FULL	OPERATING ARRANGEMENTS	Approve arrangements relating to the discharge of the Trust's responsibility as a bailee for patients' property
11	FULL	OPERATING ARRANGEMENTS	Approve policies for dealing with complaints and incidents
12	FULL	OPERATING ARRANGEMENTS	Approve individual compensation payments in line with SFIs.

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13	FULL	OPERATING ARRANGEMENTS	Approve individual cases for the write off of losses or making of special payments above the limits of delegation to the Chief Executive and officers
14	FULL	OPERATING ARRANGEMENTS	Approve proposals for action on litigation on behalf of the Trust
15	FULL	OPERATING ARRANGEMENTS	Authorise use of the Trust's official seal
16	FULL	ORGANISATION STRUCTURE & STAFFING	Ratify appointment and manage appraisal, discipline and dismissal of the Chief Executive
17	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the appointment, appraisal, discipline and dismissal of the Executive Directors and any other Board level appointments, e.g., the Board Secretary
18	FULL	ORGANISATION STRUCTURE & STAFFING	Require, receive and determine action in response to the declaration of Board members' interests, in accordance with advice received, e.g. From Audit Committee
19	FULL	ORGANISATION STRUCTURE & STAFFING	Approve (arrange the) review, and revise the Trust's top level organisation structure
20	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, [arrange the] review, revise and dismiss the Chair and members of any Committee directly accountable to the Board

21	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss the Chair and members of any Committee or Group that is directly accountable to the Board
22	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss individuals appointed to represent the Board on outside bodies and groups
23	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the terms of reference and reporting arrangements of all Committees and groups directly accountable to the Board
24	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the arrangements relating to the discharge of the Trust's responsibilities as a corporate trustee for funds held on trust
25	FULL	STRATEGY & PLANNING	Determine the Trust's strategic aims, objectives and priorities
26	FULL	STRATEGY & PLANNING	Approve the Trust's Integrated Medium Term Plan, including the balanced Medium Term Financial Plan
27	FULL	STRATEGY & PLANNING	Approve the Trust's Risk Management Strategy and plans
28	FULL	STRATEGY & PLANNING	Approve the Trust's citizen engagement and involvement strategy, including communication
29	FULL	STRATEGY & PLANNING	Approve the Trust's partnership and stakeholder engagement and involvement strategies

30	FULL	STRATEGY & PLANNING	Approve the Trust's key strategies and programmes related to: <ul style="list-style-type: none"> • The development and delivery of patient centred clinical services • Improving Quality and patient safety outcomes • Workforce and Organisational Development • Infrastructure, including IM &T, Estates and Capital (including major capital investment and disposal plans)
31	FULL	STRATEGY & PLANNING	Approve the Trust's budget and financial framework (including overall distribution and unbudgeted expenditure).
32	FULL	STRATEGY & PLANNING	Approve individual contracts (other than NHS contracts) above the limit delegated to the Chief Executive set out in the Standing Financial Instructions
33	FULL	PERFORMANCE & ASSURANCE	Approve the Trust's audit and assurance arrangements
34	FULL	PERFORMANCE & ASSURANCE	Receive reports from the Trust's Executive on progress and performance in the delivery of the Trust's strategic aims, objectives and priorities and approve action required, including improvement plans
35	FULL	PERFORMANCE & ASSURANCE	Receive reports from the Trust Committees directly accountable to the Board, groups and other internal sources on the Trust's performance and approve action required, including improvement plans
36	FULL	PERFORMANCE & ASSURANCE	Receive reports on the Trust's performance produced by external regulators and inspectors (including, e.g., WAO, HIW, etc) that raise issue or concerns impacting on the Trust's ability to achieve its aims and objectives and approve action required, including improvement plans, taking account of the advice of Trust Committees (as appropriate)
37	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion of the Trust's Chief Internal Auditor and approve action required, including improvement plans

38	FULL	PERFORMANCE & ASSURANCE	Receive the annual management letter from the Auditor General for Wales and approve action required, including improvement plans
39	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion on the Trust's performance against Doing Well, Doing Better: Standards for Health Services in Wales (formally the Healthcare Standards) and approve action required, including improvement plans
40	FULL	REPORTING	Approve the Trust's Reporting Arrangements, including reports on activity and performance to citizens, partners and stakeholders and nationally to the Assembly Government
41	FULL	REPORTING	Receive, approve and ensure the publication of Trust reports, including its Annual Report and annual financial accounts, unless the annual financial accounts are specifically delegated by Board resolution to the Audit Committee.
42	FULL	STRATEGY & PLANNING	Approval of the Investment Policy for exchequer funds.

ADDITIONAL AREAS OF RESPONSIBILITY DELEGATED TO CHAIR, VICE CHAIR AND INDEPENDENT MEMBERS			
	CHAMPION/ NOMINATED LEAD		<p>In accordance with statutory and Assembly Government requirements, Independent Members will be nominated to Chair each of the following Board Committees/Sub Committees;</p> <ul style="list-style-type: none"> • Quality & Safety Committee • Audit Committee • Information Governance and IM&T Committee • Charitable Funds Committee • Remuneration & Terms of Service Committee • Research & Development Committee

			<p>Independent Members will be identified as Champions/Leads for the following areas;</p> <ul style="list-style-type: none"> • Infection Control • Free to Lead, Free to Care • Design • Human Resources • Violence & Aggression • Handling Concerns in the NHS • Public & Patient Involvement • Child Protection <p>An Independent Member will be identified to be represented as members on the following Board Committees/Sub Committees;</p> <ul style="list-style-type: none"> • Quality & Safety Committee • Audit Committee • Information Governance and IM&T Committee • Charitable Funds Committee <ul style="list-style-type: none"> • Charitable Funds Investment Sub-Committee • Remuneration & Terms of Service Committee • Research & Development Committee <ul style="list-style-type: none"> • Research Risk Review Sub-Committee • Genetic Modification Sub-Committee • Planning & Performance Committee • Workforce & Organisational Development Committee <p>Independent Members will be identified as link personnel to each Service Division within the Trust.</p>
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SECTION 2- DELEGATION OF POWERS TO COMMITTEES AND OTHERS

Standing Order 2 provides that the Board may delegate powers to Board Committees, Sub Committees and others. In doing so, the Board has formally determined:

- The composition, terms of reference and reporting requirements in respect of any such Committees; and
- The governance arrangements, terms and conditions and reporting requirements in respect of any delegation to others

in accordance with any regulatory requirements and any directions set by the Welsh Ministers.

The Board has delegated a range of its powers to the following Committees and others:

- Remuneration Committee
- Quality & Safety Committee
- Charitable Funds Committee
- Audit Committee
- Remuneration & Terms of Service Committee
- Research & Development Committee
- Planning & Performance Committee
- Workforce & Organisational Development Committee
- Transforming Cancer Services in South East Wales Programme Management Committee
- Advisory Appointments Committee – [to be established for each consultant medical staff appointment as appropriate to the specialist nature of the post, in accordance with guidance from WAG].
- SSPC (Established as a direct result of WG regulations)

Subject to Clauses within the Trust Standing Orders and to such directions as may be given by the Welsh Assembly Government,

the Trust Board may appoint Ad Hoc committees of the Trust whose membership can be wholly or partly of the Chairman and Directors of the Trust or persons who are not Directors of the Trust.

A committee appointed under this regulation may subject to such directions as may be given by the Welsh Assembly Government or the Trust Board, appoint Ad Hoc sub-committees consisting wholly or partly of members of the committee (whether or not they are Directors of the Trust) or wholly of persons who are not members of the committee (whether or not they include Directors of the Trust).

The Standing Orders, with appropriate alterations, apply to a committee or sub-committee and to a joint committee or joint sub-committee as they apply to the Trust Board and apply to a member of such committee or subcommittee (whether or not he is a Director of the Trust) as it applies to a Director of the Trust.

The Trust Board may make, vary and revoke Standing Orders relating to the quorum, proceedings and place of meetings of a committee or sub-committee but, this shall be carried out in accordance with the identified procedures laid down for these changes as outlined in these Standing Orders.

The scope of the powers delegated, together with the requirements set by the Board in relation to the exercise of those powers are as set out in i) Committee terms of reference, and ii) Formal arrangements for the delegation of powers to others. Collectively, these documents form the Trust's Scheme of Delegation to Committees.

SECTION 3 - SCHEME OF DELEGATION TO EXECUTIVE DIRECTORS, OTHER DIRECTORS AND OFFICERS

The Trust SOs and SFIs specify certain key responsibilities of the Chief Executive, the Director of Finance and other officers. The Chief Executive's Job Description, together with their Accountable Officer Memorandum sets out their specific responsibilities, and the individual job descriptions determined for Executive Director level posts also define in detail the specific responsibilities assigned to those post holders. These documents, together with the schedule of additional delegations below and the associated financial delegations set out in the SFIs form the basis of the Trust's Scheme of Delegation to Officers.

Delegated matter	High level delegation	Further Delegation Allowable?	Control Documents required to be in place prior to further delegation of matters
Management of budgets	Directors	Yes	Financial delegations set out in Sections 4-6. Further delegations subject to authorisation matrix.
Management of cash and bank accounts	Director of Finance	Yes	Authorisation matrix. Financial policies & procedures
Approval of petty cash	Directors	Yes	Authorisation matrix. Financial policies & procedures
Reimbursement of patient monies	Directors	Yes	Authorisation matrix. Financial policies & procedures
Management of Grant Agreements	Director of Finance	No	Not Applicable.
Management of Legacy Income	Director of Finance	No	Not Applicable.
Engagement of staff within funded establishment	Directors	Yes	Authorisation matrix. HR policies & procedures
Engagement of staff outside funded establishment	Chief Executive	Nominated deputy	In absence of Chief Executive
Staff re-grading and awarding of incremental points	Director of HR	Yes	Written authority to suitably qualified HR staff
Approval of overtime	Directors	Yes	Authorisation matrix. HR policies & procedures
Approval of annual leave	Directors	Yes	Authorisation matrix. HR policies & procedures

Velindre NHS Trust Standing Orders, Reservation and Delegation of Powers

Approval of compassionate leave	Directors	Yes	Authorisation matrix. HR policies & procedures
Approval of maternity and paternity leave	Directors	Yes	Authorisation matrix. HR policies & procedures
Approval of carers leave	Directors	Yes	Authorisation matrix. HR policies & procedures
Approval of leave without pay	Directors	Yes	Authorisation matrix. HR policies & procedures
Extension of sick leave on full or ½ pay <ul style="list-style-type: none"> • Directors • Other staff 	Reserved for Board Directors	Yes	Authorisation matrix. HR policies & procedures
Approval of study leave < £2k	Directors	Yes	Authorisation matrix. HR policies & procedures
Approval of study leave > £2k	Director of HR	No	
Approval of relocation costs	Director of HR	Yes	Authorisation matrix. HR policies & procedures
Approval of lease cars & phones <ul style="list-style-type: none"> • Directors • Other staff 	Reserved for Board Directors / Divisional Directors	No	
Approval of redundancy, early retirement and ill-health retirement	Chief Executive	Yes	Authorisation matrix. HR policies & procedures
Dismissal of staff	Director of HR	Yes	Authorisation matrix. HR policies & procedures
Management of clinical and other operational capacity	Directors	Yes	Authorisation matrix. Annual Operating Framework and operational plans
Approval to procure goods and services within budget	Directors	Yes	Standing financial instructions. Authorisation matrix. Procurement & finance policies & procedures.
Approval to procure goods and services outside of budget that would result in a budgetary overspend	Chief Executive	Nominated deputy	In absence of Chief Executive
Approval to commission healthcare services from other NHS bodies	Chief Executive	Yes	Authorisation matrix. Commissioning policies & procedures

Approval to commission healthcare services from voluntary sector	Chief Executive	Yes	Authorisation matrix. Commissioning policies & procedures
Approval to commission healthcare services from private and independent providers	Chief Executive	Yes	Authorisation matrix. Commissioning policies & procedures
Approval to enter into pooled budget arrangements under section 33 of the NHS (Wales) Act 2006	Chief Executive	Yes	Authorisation matrix. Commissioning policies & procedures
Approval to amend the drugs formulary	Medical Director	No	
Approval to prescribe drugs outside the formulary	Medical Director	Yes	Prescribing policies & procedures
Authorisation of sponsorship	Chief Executive	No	Sponsorship policies & procedures
Approval of clinical trials	Medical Director	Yes	Clinical policies & procedures
Approval of research projects	Chief Executive	Yes	Research policies & procedures
Management of complaints	Director of Nursing	No	Complaints policies & procedures
Provision of information to the press, public and other external enquiries	Board Secretary	Yes	Communication policies & procedures
Investment of charitable funds	Director of Finance	Yes	Authorisation matrix. Financial policies & procedures
Approval for use of charitable funds	Chief Executive	Yes	Authorisation matrix. Financial policies & procedures
Approval to condemn and dispose equipment	Directors	Yes	Authorisation matrix. Disposal policies & procedures
Approval of losses and compensation (except for personal effects)	Directors	No	Within authorised limits set by WAG.
Approval of compensation for staff and patients personal effects <ul style="list-style-type: none"> Up to £1000 	Small claims panel	No	

Velindre NHS Trust Standing Orders, Reservation and Delegation of Powers

<ul style="list-style-type: none"> • £1,000 > £10,000 • £10,000 > £50,000 • Over £50,000 	Director of Finance Chief Executive Approval by WAG	No No No	
Approval of Clinical negligence and personal injury claims	Director of Nursing	Yes	Authorisation matrix and within limits set by WAG.
Approval of staff tenancy agreements	Directors	Yes	Authorisation matrix. HR policies & procedures
Approval of capital expenditure	Chief Executive / Director of Finance	Yes	High level delegation set out in Section 4. Further delegations subject to authorisation matrix
Approval to engage external building and other professional contractors	Director of Finance	Yes	Authorisation matrix. Capital policies & procedures.
Approval to seek professional advice and ensure the implementation of any statutory and regulatory requirements	Chief Executive	Yes	Financial delegations set out in Section 4. Further delegations subject to authorisation matrix
The negotiation and agreement of service contracts / long term agreements	Director of Finance	Yes	Further delegations (re: negotiation only – not agreement) to Service Directors.
The calling down of new public dividend capital as identified in the Trust's External Financing Limit (EFL).	Director of Finance	Yes	Further delegations subject to authorisation matrix. Financial policies and procedures.

This scheme only relates to matters delegated by the Board to the Chief Executive, their Executive Directors and Divisional Directors, together with certain other specific matters referred to in SFIs.

Each Director is responsible for delegation within their department. They shall produce a scheme of delegation for matters within their department, which shall also set out how departmental budget and procedures for approval of expenditure are delegated.

SECTION 4 – DELEGATION OF BUDGETARY RESPONSIBILITY

Section 5 of the Standing Financial Instructions detail the requirements for Budgetary Control, including:

5.1 Budget Setting

5.2 Budgetary Delegation

5.3 Budgetary Control and Reporting

Paragraphs 5.2.1 to 5.2.4 detail the specific requirements on Budgetary Delegation. In line with 5.2.1 the Chief Executive will delegate the following Income and Expenditure budgetary responsibility:

- Velindre Cancer Centre budgets to Velindre Cancer Centre Divisional Director
- Welsh Blood Service budgets to Welsh Blood Service Divisional Director

In addition the Income and Expenditure budgetary responsibility for hosted organisations are delegated to the relevant Director/Senior Manager.

The Chief Executive and Divisional Directors will, in turn, delegate budgetary responsibility to other Directors and managers. The detailed schedule of this second tier delegation will be reviewed, revised and reapproved on an annual basis by the Executive Board as part of the annual Financial Strategy and Budget Setting process.

Within the budgetary delegation there are delegated powers of budget virement

- Budget virements between Divisions must be approved by the Chief Executive.
- Budget virements between budgets within the same Division must be approved by the Divisional Director.

- Budget virements between staff and non-staff within the same budget must be approved by the Budget Holder.
- These delegated powers of virement, from the Chief Executive to Divisional Directors and Budget Holders, assume that the Trust is achieving its financial targets and can be revised, in year, by the Chief Executive in the light of adverse financial performance.
- Budget virements within Divisions can be authorised by Divisional Director and Director of Finance up to the limit of £60,000.

SECTION 5 – FINANCIAL LIMITS

(All values exclude VAT)

Financial Limits	Revenue £'000	Capital £'000	Charitable Funds £'000
Corporate Services:			
Trust Board	No Limit	No Limit	0
Charitable Funds Committee	0	0	No Limit
Chief Executive	100	100	5
Executive Medical Director	60	0	5
Executive Director of Finance	60	60	5
Executive Director of Nursing	60	60	5
Executive Director of Workforce and Organisational Development	60	60	5
Director of Planning	0	60	0
Head of Estates, Environment and Capital Planning	0	30	0
Estates Development Manager	0	30	0
Deputy Director of Finance – Management Accountants	30	30	0
Financial Planning Accountant	0	30	0
Delegated Budget Holders	5	0	0
Delegated Charitable Fund Holders	0	0	5
Cancer Services:			
Director of Cancer Services, Director of Operations & Chief Pharmacist – for Pharmaceuticals	90	0	0
Director of Cancer Services	60	0	0
Director of Operations	30	0	0
Principal Pharmacists - for Pharmaceuticals	30		
Operational Services Manager	10	0	0
Delegated Budget Holders	5	0	0
Welsh Blood Service:			
Director of Welsh Blood Service, WBS Medical Director & Head of Laboratory Services – <i>for Blood Wholesale Products</i>	400	0	0
Director of Welsh Blood Service	60	0	0
Medical Director	30	0	0
Head of Laboratory Services	30	0	0
Head of Welsh Transplantation & Immunogenetics Lab	30	0	0
General Services Manager	20	0	0
Finance Manager	20	0	0
Other Delegated Budget Holders	5	0	0

Standing Orders, Reservation and Delegation of Powers for Velindre NHS Trust

Financial Limits	Revenue £'000	Capital £'000	Charitable Funds £'000
Health and Care Research Wales Workforce			
Director (or Deputy Director nominated in their absence)	60	0	0
Deputy Directors	30	0	0
Research Network Managers	20	0	0
Finance Manager	15	0	0
Other Delegated Budget Holders	3	0	0

NWIS Scheme of Delegation – Updated Aug 2010

Post	Programme Expenditure Delegated limit	Operational Expenditure Delegated limits
Minister For Health and Social Services	Over £2m	
Velindre Board along with the written approval of the Chief Information Officer Welsh Assembly Government	Between £750k and £2m	
Director of Informatics Services or Executive Director nominated in his absence	up to £750K •	Upto £90k
Directors	<ul style="list-style-type: none"> • up to £80k • in writing at the discretion of the Director 	Upto £30k
Programme Managers and Heads of Department	<ul style="list-style-type: none"> • up to £40k • in writing at the discretion of the Director 	Upto £10k
Project Managers & Functional Managers	<ul style="list-style-type: none"> • up to £20k • in writing at the discretion of the Management Executive (depending on seniority) 	N/A
Resource Manager	<ul style="list-style-type: none"> • up to £5k • in writing at the discretion of the Management Executive 	Upto £5k
Business Support / Training Managers	<ul style="list-style-type: none"> • up to £500 • in writing at the discretion of the Management Executive 	Upto £500

Notes:

1. Financial limits can be delegated in part or in total either generally or for specific items.
2. Financial limit forms (L1 & L2) must be completed in all cases.
3. These limits apply to requisition authorisations, which is where the control lies and exceptional income transactions.
4. With regard to the, Health and Care Research Wales Workforce, NWSSP and NWIS, the Trust provides a base for these All Wales organisations and it is essential that individuals who commit expenditure on behalf of these organisations hold a contract of employment (or honorary contract) with the Trust.
5. The above limits are varied as detailed in section 6 (below) for losses and compensation limits.
6. With regard to NWIS Scheme of Delegation, the following definitions will apply to define the difference between 'Programme' and 'Operational' Expenditure;

Programme Expenditure (Project National Services)

Where costs are incurred directly as a result of providing the project/national service (provision of these would be subject to SLA, Project Mandates etc).

Governance route: Welsh Government, NIMB, Business Cases, Approved 3 Year Plan.

Examples of spend:

Asset construction stage/milestone payments (e.g. GP/LIMS); All Wales Contracts (e.g. Software Licences & Agreements, Clinical Databases, Network Provisioning); Procurement of managed services; Systems Development/Implementation.

Operational Expenditure (Overheads)

These are general expenses incurred in the day to day operation of the organisation.

Governance route: Via established Trust mechanisms.

Examples of spend:

General Facilities – (Rent, Rates etc); General Non Staff (Stationery, Travel Expenses, Legal & Professional costs etc); Dilapidations; VERS/Redundancy (via remuneration committee/WG).

**NHS WALES SHARED SERVICES PARTNERSHIP
SCHEME OF DELEGATION**

Financial Limits (All Values exclude VAT)	Revenue £000	Capital £000	Charitable Funds £000	Education & Training Contracts £m
Velindre - Corporate Services:				
Trust Board	No Limit	No Limit	0	
Charitable Funds Committee	0	0	No Limit	
NWSSP (excluding all Wales Procurement Contracts)				
Managing Director of Shared Services	100	100	N/A	£5m
Director of Finance and Corporate Services	60	60	N/A	£2m
Director of Workforce and OD	30	30	N/A	N/A
Service Directors/Heads of Services (within own area)	10	0	N/A	N/A
Service Directors/Heads of Service's Nominee (within Agreed area)	7.5	0	N/A	N/A
Heads of Function (within own area)	5	5	N/A	N/A
Head of Financial Sustainability and Improvement	5	5	N/A	N/A
Head of Financial Management	5	5	N/A	N/A
Delegated Budget Holders (within own area) Level 1	5	0	N/A	N/A
Delegated Budget Holders (within own area) Level 2	1	0	N/A	N/A

Note:

Franking Machine and Secure Printing Contract within Primary Care Services has a higher limit for Service Directors/Head of Service this is 20k and for Head of Function it is £10K.

Workforce and Education Budget Limits

Scheme Designation	Education & Training Contracts with Universities	Education & Training Invoices
Managing Director/NWSSP Chairman	over £5m	£2m
Managing Director	up to £5m	£2m
Director of Finance and Corporate Services	up to £2m	£2m
Heads of Services (within own area)	x	£50k**
Head of Finance	x	20

Note Specific Local arrangement

**On Education and Training Invoices: Director of WEDS is able to approve invoices between £50k and £250k in the absence of the Director of Finance and Corporate Services

Legal & Risks Services Limits

Scheme Designation	Reimbursement of claims following Advisory Board approval	WRP Managed Claims (Health Authority and Powys LHB)
Managing Director of Shared Services/NWSSP Chairman	Over £2m	Over £2m
Managing Director of Shared Services	Up to £2m	Up to £2m
Director of Finance and Corporate Services	Up to £1m	Up to £1m
Director - Legal and Risk Services	Up to £500k	Up to £500k
Head of WRP Finance	Up to £100k	Up to £100k
WRP Claims Support		£20k

Notes: All reimbursement claims are reviewed by the Advisory Board prior to

approval and claims above £1m are reviewed by Welsh Government prior to the Advisory Board.

Claims above £2m will also be signed by the Managing Director of Shared Services and NWSSP Chairman

Periodical Payments: Head of WRP Finance - authorises new periodical payment. Head of WRP Finance - authorises payment schedules

Procurement Service Limits

Procurement Services Scheme Designation	*Contracts for and on behalf of NHS Wales	NWSSP Stock Requisitions and Invoices	** NWSSP Stock Write offs
Welsh Government/Velindre Board	N/A	N/A	Over £50k
Managing Director of Shared Services/NWSSP Chair(with Committee support)	Over £1m	Over £2m	N/A
Managing Director of Shared Services	Up to £1m	Up to £100k	Up to £50k
NWSSP Director of Finance and Corporate Services	Up to £750k	Up to £60k	Up to £25k
Director of of Procurement Services	Up to £750k	Up to £50k	Up to £25k
Senior Manager Procurement Services (Logistics)		Up to £25k	Up to £10k

Note Specific Local arrangement

Stock, Local Contracting and Capital limits remain in relevant organisations scheme of delegation.

*prior consent of the Minister is required for contracts over £1m

Periodical Payments: Head of WRP Finance - authorises new periodical payment. Head of WRP Finance – authorises payment schedules

SECTION 6 – LOSSES & COMPENSATION LIMITS

NB All amounts are exclusive of VAT.	DELEGATED LIMITS							
	Trust Limit	Trust Board	Chief Executive	Director of Nursing	Director of Finance	Divisional Directors	Legal Services & Gov Manager/ Q&S Manager	Small Claims Panel
	£	£	£	£	£	£	£	£
1. LOSSES OF CASH DUE TO:-								
a) Theft, Fraud etc	50,000	50,000						
b) Overpayment of Salaries, Wages, Fees & Allowances	50,000	50,000						
c) Other causes, including un-vouched or completely vouched payments, overpayments other than those included under 1b; physical losses of cash and cash equivalents e.g. stamps due to fire (other than arson), accident and similar cause	50,000	50,000						
(2) FRUITLESS PAYMENTS (including abandoned capital schemes)	250,000	250,000						
(3) BAD DEBTS AND CLAIMS ABANDONED:-								
(a) Private Patients	50,000		50,000		10,000			
(b) Overseas Visitors	50,000		50,000		10,000			
(c) Causes other than a) – b)	50,000		50,000		10,000			
(4) DAMAGE TO BUILDINGS, THEIR FITTINGS, FURNITURE AND EQUIPMENT AND LOSS OF EQUIPMENT AND PROPERTY IN STORES AND IN USE DUE TO:-								
(a) Culpable causes e.g. theft, arson or sabotage whether proved or suspected, neglect of duty or gross carelessness	50,000	50,000						
(b) Other causes	50,000	50,000						
(5) COMPENSATION PAYMENTS UNDER LEGAL OBLIGATION	FULL	FULL	100,000					
(6) EXTRA CONTRACTUAL PAYMENTS TO CONTRACTORS	50,000	50,000						
(7) EX GRATIA PAYMENTS:-								
(a) To patients and staff for loss of personal effects	50,000		50,000	50,000	10,000			1,000
(b) For Clinical Negligence (negotiated settlements following legal advice) where the guidance relating to such payments has been applied	1,000,000 (Inc. Plaintiff Costs)	>100,000 – 1,000,000	100,000	100,000	5,000	5,000		
(c) For Personal Injury claims involving negligence where legal advice obtained and relevant guidance has been applied	1,000,000 (Inc. Plaintiff Costs)	>100,000 – 1,000,000	100,000	100,000	5,000	5,000		
(d) Other clinical negligence and personal injury claims including Putting Things Right Arrangements - Concerns	50,000		50,000	50,000			5,000	
(e) Other, except cases of maladministration where there was no financial loss by the claimant	50,000		50,000	50,000				
(f) Maladministration where no financial loss by claimant	Nil							
(g) Patient referrals outside UK and EEA guidelines	Nil							
(8) EXTRA STATUTORY AND EXTRA REGULATORY	Nil							

Schedule 2

Key guidance, instructions and other related documents

This schedule forms part of, and shall have effect as it incorporated in the NHS Trust Standing Orders

Trust framework

The Trust's governance and accountability framework comprises these SOs incorporating schedules of Powers reserved for the Board and Delegation to others, together with the following documents:

2.1 STANDING FINANCIAL INSTRUCTIONS

Including the following sub-schedules;

2.1.1 *PROCUREMENT AND CONTRACTS CODE FOR BUILDING AND ENGINEERING WORKS*

2.1.2 *PROCEDURE FOR THE PROCUREMENT OF PHARMACEUTICAL PRODUCTS*

These documents must be read in conjunction with the SOs and will have the same effect as if the details within them were incorporated within the SOs themselves.

These documents may be accessed via the Trust Intranet site or from the Board Secretary.

Values and Standards of Behaviour Framework

Risk and Assurance Framework

These documents must be read in conjunction with the SOs and will have the same effect as if the details within them were incorporated within the SOs themselves.

These documents may be accessed via the Trust Intranet site or from the Board Secretary.

NHS Wales framework

Full, up to date details of the guidance, instructions and other documents that together make up the framework of governance, accountability and assurance for the NHS in Wales are published on the NHS Wales Governance e-Manual which

can be accessed at www.NHSWalesGovernance.com. Directions or guidance on specific aspects of Trust business are also issued in hard copy, usually under cover of a Ministerial Letter.



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

SO Schedule 2.1

Standing Financial Instructions

for

Velindre NHS Trust

December 2015

Foreword

These Model Standing Financial Instructions are issued by Welsh Ministers to NHS Trusts using powers of direction provided in section 19 (1) of the National Health Service (Wales) Act 2006. NHS Trusts in Wales must agree Standing Financial Instructions (SFIs) for the regulation of their financial proceedings and business. Designed to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability in the conduct of business, they translate statutory and Welsh Government financial requirements for the NHS in Wales into day to day operating practice. Together with the adoption of Standing Orders (SOs), a Schedule of decisions reserved to the Board and a Scheme of delegations to officers and others, they provide the regulatory framework for the business conduct of the Trust.

These documents form the basis upon which the Trust's governance and accountability framework is developed and, together with the adoption of the Trust's Values and Standards of Behaviour framework, is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

All Trust Board members and officers must be made aware of these Standing Financial Instructions and, where appropriate, should be familiar with their detailed content. The Director of Finance will be able to provide further advice and guidance on any aspect of the Standing Financial Instructions. The Board Secretary will be able to provide further advice and guidance on the wider governance arrangements within the Trust. Further information on governance in the NHS in Wales may be accessed at www.wales.nhs.uk/governance-emanual/

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1. INTRODUCTION

1.1 General

- 1.1.1 These Model Standing Financial Instructions are issued by Welsh Ministers to NHS Trusts using powers of direction provided in section 19 (1) of the National Health Service (Wales) Act 2006. NHS Trusts in Wales must agree Standing Financial Instructions (SFIs) for the regulation of their financial proceedings and business. They shall have effect as if incorporated in the SOs.
- 1.1.2 These SFIs detail the financial responsibilities, policies and procedures adopted by Velindre National Health Service Trust “the Trust”. They are designed to ensure that the Trust’s financial transactions are carried out in accordance with the law and with Welsh Government policy in order to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability. They should be used in conjunction with the Schedule of decisions reserved to the Board and the Scheme of delegation adopted by the Trust.
- 1.1.3 These SFIs identify the financial responsibilities which apply to everyone working for the Trust and its constituent organisations. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial procedure notes. All financial procedures must be approved by the Director of Finance and Audit Committee.
- 1.1.4 Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Board Secretary or Director of Finance must be sought before acting. The user of these SFIs should also be familiar with and comply with the provisions of the Trust’s SOs.

1.2 Overriding Standing Financial Instructions

- 1.2.1 Full details of any non compliance with these SFIs, including an explanation of the reasons and circumstances must be reported in the first instance to the Director of Finance and the Board Secretary, who will ask the Audit Committee to formally consider the matter and make proposals to the Board on any action to be taken. All Board members and Trust officers have a duty to report any non compliance to the Director of Finance and Board Secretary as soon as they are aware of any circumstances that has not previously been reported.
- 1.2.2 **Ultimately, the failure to comply with SFIs and SOs is a disciplinary matter that could result in an individual’s dismissal from employment or removal from the Board.**

1.3 Financial Provisions and Obligations of NHS Trusts

1.3.1 The financial provisions and obligations for NHS Trusts are set out under Schedule 4 of the NHS (Wales) Act 2006 (C.42). The Board as a whole and the Chief Executive in particular, in their role as the Accountable Officer for the organisation, must ensure the Trust meets its statutory obligation to perform its functions within the available financial resources.

1.3.2 The financial obligation as set out in Schedule 4 is as follows:

- (1) Each NHS Trust must ensure that its revenue is not less than sufficient, taking one financial year with another, to meet outgoings properly chargeable to revenue account.
- (2) Each NHS Trust must achieve such financial objectives as may from time to time be set by the Welsh Ministers with the consent of the Treasury and as are applicable to it.
- (3) Any such objectives may be made applicable to NHS Trusts generally, or to a particular NHS Trust or to NHS Trusts of a particular description.

2. RESPONSIBILITIES AND DELEGATION

2.1 The Board

2.1.1 The Board exercises financial supervision and control by:

- a) Formulating the Medium Term Financial Plan as part of the Integrated Medium Term Plan;
- b) Requiring the submission and approval of budgets within approved allocations/overall income;
- c) Defining and approving essential features in respect of important policies and financial systems (including the need to obtain value for money and sustainability); and
- d) Defining specific responsibilities placed on Board members and Trust officers, and Trust Committees as indicated in the 'Scheme of delegation' document.

2.1.2 The Board has resolved that certain powers and decisions may only be exercised by the Board in formal session. These are set out in the 'Schedule of matters reserved to the Board' document. All other powers have been delegated to committees or sub-committees that the Trust has established or to an officer of the Trust in accordance with the 'Scheme of delegation' document adopted by the Trust.

2.2 The Chief Executive and Director of Finance

- 2.2.1 The Chief Executive and Director of Finance will, as far as possible, delegate their detailed responsibilities, but they remain accountable for financial control.
- 2.2.2 Within the SFIs, it is acknowledged that the Chief Executive is ultimately accountable to the Board, and as Accountable Officer, to the Welsh Government, for ensuring that the Board meets its obligation to perform its functions within the available financial resources. The Chief Executive has overall executive responsibility for the Trust's activities; is responsible to the Chair and the Board for ensuring that financial obligations and targets are met; and has overall responsibility for the Trust's system of internal control.
- 2.2.3 It is a duty of the Chief Executive to ensure that Board members and Trust officers, and all new appointees are notified of, and put in a position to understand their responsibilities within these SFIs.

2.3 The Director of Finance

- 2.3.1 The Director of Finance is responsible for:
- a) Implementing the Trust's financial policies and for co-ordinating any corrective action necessary to further these policies;
 - b) Maintaining an effective system of internal financial control including ensuring that detailed financial procedures and systems incorporating the principles of separation of duties and internal checks are prepared, documented and maintained to supplement these instructions;
 - c) Ensuring that sufficient records are maintained to show and explain the Trust's transactions, in order to disclose, with reasonable accuracy, the financial position of the Trust at any time; and
 - d) Without prejudice to any other functions of the Trust, and Board members and Trust officers, the duties of the Director of Finance include:
 - (i) the provision of financial advice to other Board members and Trust officers, and to the Trust committees and Advisory Groups,
 - (ii) the design, implementation and supervision of systems of internal financial control, and

- (iii) the preparation and maintenance of such accounts, certificates, estimates, records and reports as the Trust may require for the purpose of carrying out its statutory duties.

2.3.2 The Director of Finance is responsible for ensuring an ongoing training and communication programme is in place to affect these SFIs.

2.4 Board Members and Trust Officers, and Trust Committees

2.4.1 All Board members and Trust officers, and Trust committees, severally and collectively, are responsible for:

- a) The security of the property of the Trust;
- b) Avoiding loss;
- c) Exercising economy, efficiency and sustainability in the use of resources; and
- d) Conforming to the requirements of SOs, SFIs, Financial Procedures and the Scheme of delegation.

2.4.2 For all Board members and Trust officers, and Trust committees who carry out a financial function, the form in which financial records are kept and the manner in which Trust Board members and officers, and Trust committees discharge their duties must be to the satisfaction of the Director of Finance.

2.5 Contractors and their Employees

2.5.1 Any contractor or employee of a contractor who is empowered by the Trust to commit the Trust to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Chief Executive to ensure that such persons are made aware of this.

3. AUDIT, FRAUD AND CORRUPTION, AND SECURITY MANAGEMENT

3.1 Audit Committee

3.1.1 An independent Audit Committee is a central means by which a Board ensures effective internal control arrangements are in place. In addition, the Audit Committee provides a form of independent check upon the executive arm of the Board. In accordance with SOs the Board shall formally establish an Audit Committee (or equivalent) with clearly defined terms of reference. Detailed terms of reference and operating arrangements for the Audit Committee are set out in Schedule 3 to the

SOs. This committee will follow the guidance set out in the NHS Wales Audit Committee Handbook.

3.2 Chief Executive

3.2.1 The Chief Executive is responsible for:

- a) Ensuring there are arrangements in place to review, evaluate and report on the effectiveness of internal financial control including the establishment of an effective Internal Audit function;
- b) Ensuring that the Internal Audit function meets the NHS mandatory audit standards in accordance with the Internal Audit Manual and provides sufficient independent and objective assurance to the Audit Committee and the Accountable Officer;
- c) Deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption;
- d) Ensuring that an annual Internal Audit report is prepared for the consideration of the Audit Committee and the Board. The report must cover:
 - a clear opinion on the effectiveness of internal control in accordance with guidance issued by the Welsh Ministers including for example compliance with control criteria and the *Doing Well, Doing Better: Standards for Health Services in Wales* (formally the Healthcare Standards),
 - major internal financial control weaknesses discovered,
 - progress on the implementation of Internal Audit recommendations,
 - progress against plan over the previous year,
 - a strategic audit plan covering the coming three years, and
 - a detailed plan for the coming year.

3.2.2 The designated internal and external audit representatives are entitled (subject to provisions in the Data Protection Act 1998 (C.29)) without necessarily giving prior notice to require and receive:

- a) Access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents

of a confidential nature;

- b) Access at all reasonable times to any land or property owned or leased by the Trust;
- c) Access at all reasonable times to Board members and officers;
- d) The production of any cash, stores or other property of the Trust under a Board member or a Trust official's control; and
- e) Explanations concerning any matter under investigation.

3.3 Internal Audit

3.3.1 The Accountable Officer Memorandum requires the Chief Executive to have an internal audit function that operates in accordance with the standards and framework set for the provision of Internal Audit in the NHS in Wales. This framework is defined within an Internal Audit Charter that incorporates a definition of internal audit, a code of ethics and Internal Audit Standards. Standing Order 9.1 details the relationship between the Head of Internal Audit and the Board. The role of the Audit Committee in relation to Internal Audit is set out within its Terms of Reference, incorporated in Schedule 3 of the SOs, and the NHS Wales Audit Committee Handbook.

3.4 External Audit

3.4.1 Pursuant to the Public Audit (Wales) Act 2004 (C.23), the Auditor General for Wales (Auditor General) is the external auditor of the Trust. The Auditor General may nominate his representative to represent him within the Trust and to undertake the required audit work. The cost of the audit is paid for by the Trust. The Trust's Audit Committee must ensure that a cost-efficient external audit service is delivered. If there are any problems relating to the service provided, this should be raised with the Auditor General's representative and referred on to the Auditor General if the issue cannot be resolved.

3.4.2 The Auditor General's representative should be invited to attend every Audit Committee meeting. The cycle of approving and monitoring the progress of external audit plans and reports, culminating in the opinion on the annual report and accounts, is central to the core work of the Audit Committee.

3.4.3 The objectives of the external audit fall under three broad headings, to review and report on:

- a) Whether the expenditure to which the financial statements relate has been incurred lawfully and in accordance with the authority

that governs it;

- b) The audited body's financial statements, and on its Annual Governance Statement¹;
- c) Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources including whether the Trust has in place effective and robust governance arrangements.

3.4.4 The external auditors should develop an audit strategy. The strategy should be developed to deliver a professional opinion on the financial statements and a conclusion on the arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources. It should take into account the audit needs of the organisation, as assessed by the Auditor General's representatives, using a risk-based approach. The Audit Committee should formally consider and review the strategy.

3.4.5 The Auditor General's representatives should prepare an annual audit plan, designed to implement the audit strategy, for consideration by the Audit Committee. The annual plan should set out details of the work to be carried out, providing sufficient detail for the Audit Committee and other recipients to understand the purpose and scope of the defined work and their level of priority. The Audit Committee should review the annual plan and the associated fees, although in so doing it needs to recognise the statutory duties of the Auditor General. The annual audit plan should be kept under review to identify any amendment needed to reflect changing priorities and emerging audit needs. The Audit Committee should consider material changes to the annual audit plan.

3.4.6 The Auditor General's representatives will liaise with Internal Audit when developing the external audit strategy and plan. The Auditor General's representative will ensure that planned external audit work takes into account the work of Internal Audit and considers where Internal Audit work can be relied upon for opinion purposes.

3.4.7 The Auditor General and his representatives shall have a right of access to the Chair of the Audit Committee at any time. As set out in paragraph 3.2.2a of these SFIs, the Auditor General and his representatives shall have access to all records, documents (including computerised records) and correspondence relating to any financial or other relevant transactions. This includes documentation of a confidential nature or which contains personal information. The Auditor General and his representatives may require any individual or organisation (including staff

¹ The Healthcare Inspectorate Wales will review and report on the Annual Quality Statement.

and NHS suppliers and contractors) holding information or explanation which the Auditor General deems relevant to the audit to appear before him to provide that information or explanation.

- 3.4.8 The Trust will provide the Auditor General and his representatives with whatever facilities are necessary to facilitate the audit, including audit accommodation and access to IT facilities.
- 3.4.9 The Auditor General will issue a number of reports over the year, some of which are specified in the Auditor General's Code of Audit and Inspection Practice and International Standards on Auditing. Other reports will depend on the contents of the audit plan.

The main mandatory reports are:

- Report to those charged with governance (incorporating the report required under ISA 260) that sets out the main issues arising from the audit of the financial statements and use of resources work
- Statutory report and opinion on the financial statements
- Annual audit report.

In addition to these reports, the Auditor General may prepare a report on a matter the Auditor General considers would be in the public interest to bring to the public's attention; or make a referral to the Welsh Ministers if significant breaches occur.

- 3.4.10 The Auditor General also has the power to undertake Value for Money Examinations and Improvement Studies within the Trust and other public sector bodies. Where applicable, the Auditor General will take account of audit work when planning and undertaking such examinations and studies. The Auditor General and his representatives have the same access rights in relation to these examinations and studies as they do in relation to annual audit work.

3.5 Fraud and Corruption

- 3.5.1 In line with their responsibilities, the Chief Executive and Director of Finance shall monitor and ensure compliance with Directions issued by the Welsh Ministers on fraud and corruption.
- 3.5.2 The Trust shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist (LCFS) as specified by the NHS Counter Fraud and Corruption Manual and guidance (Version3).
- 3.5.3 The LCFS shall report to the Trust Director of Finance and the LCFS must

work with NHS Protect (formerly the NHS Counter Fraud and Security Management Service) of the NHS Business Services Authority and the NHS Counter Fraud Service Wales (CFSW) Team in accordance with the NHS Counter Fraud and Corruption Manual.

3.5.4 The LCFS will provide a written report to the Director of Finance and Audit Committee, at least annually, on counter fraud work within the Trust.

3.5.5 The Trust must participate in the annual National Fraud Initiative. It must provide the necessary data for the mandatory element of the initiative by the due dates. The Audit Committee should consider the Trust's participation in additional dataset matching in order to support the detection of fraud across the whole public sector.

3.6 Security Management

3.6.1 In line with their responsibilities, the Chief Executive will monitor and ensure compliance with Directions issued by the Welsh Ministers on NHS security management.

3.6.2 The Chief Executive has overall responsibility for controlling and coordinating security.

4. INTEGRATED PLANNING

4.1 Integrated Medium Term Plan

4.1.1 The Trust will prepare an Integrated Medium Term Plan. The Integrated Medium Term Plan must reflect longer-term planning and delivery objectives and should be continually reviewed based on latest Welsh Government policy and local priority requirements. The Integrated Medium Term Plan will be 3 year rolling plans. In particular the Integrated Medium Term Plan must reflect the Welsh Ministers' commitments on:

- Delivering Together for Health; and
- Sustainable development as set out in the *One Wales: One Planet*.

4.1.2 Integrated Medium Term Plans should be based on a reasonable expectation of future income, service changes, performance improvements, workforce changes, demographic changes, capital, quality, funding, income, expenditure, cost pressures and savings plans to ensure that the Integrated Medium Term Plan is balanced and sustainable and supports the safe and sustainable delivery of patient centred quality services. The Integrated Medium Term Plan will be the overarching planning document enveloping component plans and service delivery plans. The Integrated Medium Term Plan will incorporate the balanced Medium Term Financial Plan and will incorporate the Trusts response to

delivering the:

- Integrated Planning Framework;
- Quality Delivery Plan; and
- Outcomes Framework.

4.1.3 The Chief Executive will compile and submit to the Board, on an annual basis, the rolling 3 year Integrated Medium Term Plan. The Board approved Integrated Medium Term Plan will be submitted to the Welsh Government in line with requirements set out in the Integrated Planning Framework.

4.1.4 The finalised and approved Integrated Medium Term Plan will form the basis of the Performance Agreement between the Trust and Welsh Government.

4.2 Plan Details and Approval

4.2.1 The Integrated Medium Term Plan will be developed in line with the Integrated Planning Framework and include:

- A Statement of significant strategies and assumptions on which the plans are based;
- Details of major changes in activity, service delivery, service and performance improvements and resources required to achieve the plans;
- Profiled activity, service, quality, workforce and financial schedules; and
- Detailed plans to deliver the Planning Framework, Quality Delivery Plan requirements and Outcome Measures.

4.2.2 The Board will:

- Approve the Integrated Medium Term Plan prior to the beginning of the financial year of implementation. Following Board approval the Plan will be submitted to Welsh Government prior to the beginning of the financial year of implementation;
- Agree a balanced Medium Term Financial Plan as part of the Integrated Medium Term Plan, which meets all probity and value for money requirements; and
- Prepare and agree with the Welsh Government a robust and sustainable recovery plan in accordance with Welsh Ministers' guidance where the Trust plan is not in place or in balance.

5. BUDGETARY CONTROL

5.1 Budget Setting

5.1.1 Prior to the start of the financial year the Director of Finance will, on behalf of the Chief Executive, prepare and submit budgets for approval by the Board. Such budgets will:

- a) Be in accordance with the aims and objectives set out in the Integrated Medium Term Plan and Medium Term Financial Plan, and focussed on safe quality patient centred quality services;
- b) Accord with activity and Workforce plans;
- c) Be produced following discussion with appropriate budget holders;
- d) Be prepared within the limits of available funds;
- e) Take account of ring-fenced or specified funding allocations;
- f) Take account of the principles of sustainable development; and
- g) Identify potential risks.

5.1.2 The Director of Finance shall monitor financial performance against budget and plans and report the current and forecast position on a monthly basis and at every Board meeting. Any significant variances should be reported to Trust members as soon as they come to light and the Board shall be advised on any action to be taken in respect of such variances.

5.1.3 All budget holders must provide information as required by the Director of Finance to enable budgets to be compiled appropriately.

5.1.4 All budget holders will sign up to their allocated budgets at the commencement of the financial year

5.1.5 The Director of Finance has a responsibility to ensure that appropriate and timely financial information is provided to budget holders and that adequate training is delivered on an on-going basis to assist budget holders managing their budgets successfully.

5.2 Budgetary Delegation

5.2.1 The Chief Executive may delegate, via the Director of Finance, the management of a budget to permit the performance of a defined range of activities, including pooled budget arrangements under Regulations made in accordance with Section 33 of the NHS (Wales) Act 2006 (C.42). This

delegation must be in writing and be accompanied by a clear definition of:

- a) The amount of the budget;
- b) The purpose(s) of each budget heading;
- c) Individual or committee responsibilities;
- d) Arrangements during periods of absence;
- e) Authority to exercise virement;
- f) Achievement of planned levels of service; and
- g) The provision of regular reports.

5.2.2 The Chief Executive, Director of Finance and delegated budget holders must not exceed the budgetary total or virement limits set by the Board.

5.2.3 Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to any authorised use of virement.

5.2.4 Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Chief Executive, as advised by the Director of Finance.

5.3 Budgetary Control and Reporting

5.3.1 The Director of Finance will devise and maintain systems of budgetary control. These will include:

- a) Financial reports to the Board in a form approved by the Board containing as a minimum:
 - income and expenditure to date showing trends and forecast year-end position,
 - movements in working capital,
 - movements in cash,
 - capital expenditure and projected outturn against plan,
 - explanations of any material variances from plan,
 - details of any corrective action being taken as advised by the relevant budget holder and the Chief Executive's and/or Director of Finance's view of whether such actions are sufficient to correct the situation;
- b) The issue of timely, accurate and comprehensible advice and financial reports to each budget holder, covering the areas for which they are responsible;
- c) Investigation and reporting of variances from financial, activity and workforce budgets;
- d) Monitoring of management action to correct variances;

- e) Arrangements for the authorisation of budget transfers.

5.3.2 Each Budget Holder is responsible for ensuring that:

- a) Any likely overspending or reduction of income that cannot be met by virement is not incurred without the prior consent of the Chief Executive subject to the Board's scheme of delegation;
- b) The amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised, subject to the rules of virement;
- c) No permanent employees are appointed without the approval of the Chief Executive other than those provided for within the available resources and workforce establishment as approved by the Board.

5.3.3 The Chief Executive is responsible for identifying and implementing cost and efficiency improvements and income generation initiatives in accordance with the requirements of the Medium Term Financial Plans.

2.2 Capital Expenditure

5.4.1 The general rules applying to delegation and reporting shall also apply to capital expenditure subject to any specific reporting requirements required by the Welsh Ministers.

2.3 Monitoring Returns

5.5.1 The Chief Executive is responsible for ensuring that the appropriate monitoring returns are submitted to the Welsh Ministers in accordance with published guidance and timescales.

5.5.2 All monitoring returns must be supported by a detailed commentary signed by the Director of Finance and Chief Executive. This commentary should also highlight and quantify any significant risks with an assessment of the impact and likelihood of these risks maturing.

5.5.3 All information made available to the Welsh Ministers should also be made available to the Board. There must be consistency between the Medium Term Financial Plans, budgets, expenditure, forecast position and risks as reported in the monitoring returns and monthly Board reports.

6. ANNUAL ACCOUNTS AND REPORTS

6.0.1 The Board must approve the Trust's annual accounts prior to submission to the Welsh Ministers and the Auditor General for Wales in accordance

with the annual timetable.

- 6.0.2 The Chair and Chief Executive have responsibility for signing the accounts on behalf of the Trust. The Chief Executive has responsibility for signing the Annual Governance Statement and the Annual Quality Statement.
- 6.0.3 The Director of Finance, on behalf of the Trust is responsible for ensuring that financial reports and returns are prepared in accordance with the accounting policies and guidance determined by the Welsh Ministers and the Treasury and consistent with International Financial Reporting Standards.
- 6.0.4 The Trust's annual accounts must be audited by the Auditor General for Wales. The Trust's audited annual accounts must be adopted by the Board at a public meeting and made available to the public.
- 6.0.5 The Trust will publish an annual report, in accordance with guidelines on local accountability, and present it at its Annual General Meeting. The document will comply with the Welsh Government's Manual for Accounts.

7. SHARED AND HOSTED SERVICES ARRANGEMENTS

- 7.0.1 Where the Trust uses a shared or hosted service provided by another NHS organisation to undertake part of its functions, these functions shall remain the ultimate responsibility of the Trust.
- 7.0.2 From 1st June 2012 the functions of managing and providing Shared Services to the health service in Wales will be given to Velindre NHS Trust. The Trust is required to establish a Shared Services Committee (to be known for operational purposes as the Shared Services Partnership Committee) which will be responsible for exercising the Trust's Shared Services functions. However, responsibility for the exercise of the Shared Services functions will not rest primarily with the Board of Velindre NHS Trust but will be a shared responsibility of all NHS bodies in Wales.
- 7.0.3 A Senior Management Team, led by the Director of Shared Services will be responsible for the delivery of Shared Services in accordance with an Integrated Medium Term Plan agreed by the Shared Services Partnership Committee. The Director of Shared Services shall hold Accountable Officer status, and shall retain overall accountability in relation to the management of Shared Services.
- 7.0.4 A Memorandum of Co-operation and a Hosting Agreement must be in place between the LHBs and Trusts within Wales setting out the obligations of NHS bodies to participate in the Shared Services Partnership Committee and to take collective responsibility for setting the policy and delivery of the Shared Services to the health service in Wales. The Hosting Agreement will provide the terms upon which Velindre NHS

Trust provides the legal framework for the management and provision of Shared Services to the NHS in Wales.

8. BANKING ARRANGEMENTS

8.1 General

8.1.1 The Director of Finance is responsible for managing the Trust's banking arrangements and for advising the Board on the provision of banking services and operation of accounts. This advice will take into account guidance/ Directions issued from time to time by the Welsh Ministers. NHS Trusts should consider using the Government Banking Service (GBS) for its banking services unless there is sound reasoning and value for money considerations to justify the use of commercial accounts.

8.1.2 The Board shall approve the banking arrangements.

8.2 Bank Accounts

8.2.1 The Director of Finance is responsible for:

- a) Establishing bank accounts;
- b) Establishing additional commercial accounts where there is sound reasoning and a value for money assessment;
- c) Establishing separate bank accounts for the Trust's non-exchequer funds;
- d) Ensuring payments made from bank accounts do not exceed the amount credited to the account except where arrangements have been made;
- e) Reporting to the Board all arrangements made with the Trust's bankers for accounts to be overdrawn;
- f) Monitoring compliance with Welsh Ministers' guidance on the level of cleared funds.

8.2.2 All accounts should be held in the name of the Trust. No officer other than the Director of Finance shall open any account in the name of the Trust or for the purposes of furthering Trust activities.

8.3 Banking Procedures

8.3.1 The Director of Finance will prepare detailed instructions on the operation of bank accounts which must include:

- a) The conditions under which each bank account is to be operated;
- b) Those authorised to sign cheques or other orders drawn on the Trust's accounts.

8.3.2 The Director of Finance must advise the Trust's bankers in writing of the conditions under which each account will be operated.

8.3.3 The Director of Finance shall approve security procedures for any cheques issued without a hand-written signature e.g. lithographed. Manually produced cheques shall be signed by the authorised officer(s) in accordance with the bank mandate. All cheques shall be treated as controlled stationery, in the charge of a duly designated officer controlling their issue.

8.4 Tendering and Review

8.4.1 The Director of Finance will review banking arrangements of the Trust at regular intervals to ensure they reflect best practice and represent best value for money by periodically seeking competitive tenders for the Trust's banking business.

8.4.2 Within the banking tendering process, a GBS only account option must be included. Commercial bank accounts should only be used where there is sound reasoning and demonstrates value for money. The results of the tendering exercise should be reported to the Board.

8.4.3 A value for money review and tendering process is not necessary for GBS accounts.

9. INCOME, FEES AND CHARGES AND SECURITY OF CASH, CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS

9.1 Income Generation

9.1.1 The Trust shall only generate income for those goods and services that are approved by the Welsh Ministers. Any income generating activities must be complementary to the provision of NHS services and must be in accordance with the Welsh Ministers' policy and powers to raise money as set out in section 169 of the NHS (Wales) Act 2006 (C.42).

9.2 Income Systems

9.2.1 The Director of Finance is responsible for designing and maintaining procedures to ensure compliance with systems for the proper recording, invoicing, and collection and coding of all monies due.

9.2.2 The Director of Finance is also responsible for ensuring that systems are

in place for the prompt banking of all monies received.

9.3 Fees and Charges

9.3.1 The Director of Finance is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by the Welsh Ministers or by Statute. Independent professional advice on matters of valuation shall be taken as necessary.

9.3.2 All officers must inform the Director of Finance promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.

9.4 Debt Recovery

9.4.1 The Director of Finance is responsible for the appropriate recovery action on all outstanding debts.

9.4.2 Income not received should be dealt with in accordance with losses procedures.

9.4.3 Overpayments should be detected (or preferably prevented) and recovery initiated.

9.4.4 The Chief Executive and the Director of Finance are responsible for ensuring the Welsh Ministers' guidance on disputed debt arbitration is strictly adhered to.

9.5 Security of Cash, Cheques and other Negotiable Instruments

9.5.1 The Director of Finance is responsible for:

- a) Approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable;
- b) Ordering and securely controlling any such stationery;
- c) The provision of adequate facilities and systems for officers whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines; and
- d) Establishing systems and procedures for handling cash and negotiable securities on behalf of the Trust.

9.5.2 Official money shall not under any circumstances be used for the

encashment of private cheques or IOUs.

- 9.5.3 All cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received, except under arrangements approved by the Director of Finance.
- 9.5.4 The holders of safe/cash box combinations/keys shall not accept unofficial funds for depositing in their safe/cash box unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the Trust is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the Trust from responsibility for any loss.
- 9.5.5 The opening of coin operated machines (including telephone, if applicable) and the counting and recording of takings shall be undertaken by two officers together, except as may be authorised in writing by the Director of Finance and the coin box keys shall be held by a nominated officer.
- 9.5.6 During the absence (for example, on holiday) of the holder of a safe/cash box combination/key, the officer who acts in their place shall be subject to the same controls as the normal holder of the combination/key. There shall be written discharge for the safe and/or cash box contents on the transfer of responsibilities and the discharge document must be retained for inspection.

10 GRANT FUNDING, PROCUREMENT AND CONTRACTING FOR GOODS AND SERVICES

Procurement or Grant Funding

- 10.0.1 It is a matter for Trusts to determine whether individual activities should be procured, or are eligible to receive grant funding, seeking legal advice as necessary.

Grant Funding

10.1 Policies and procedures

- 10.1.1 The Trust shall maintain detailed policies and procedures for all aspects of grant funding. The policies and procedures shall comply with these SFIs, and where appropriate the Minister's Code of Practice to funding the third sector:

<http://wales.gov.uk/topics/housingandcommunity/voluntarysector/publications/code/?lang=en>

- 10.1.2 The Chief Executive is ultimately responsible for ensuring that the Trust's grant procedures:

- Are kept up to date;
- Conform to statutory requirements;
- Adhere to guidance issued by the Welsh Ministers;
- Are consistent with the principles of sustainable development; and
- Are strictly followed by all Executive Directors, Independent Members and staff within the organisation.

10.1.3 All grant guidance issued by the Welsh Government should have the effect as if incorporated in these SFIs.

10.2 Corporate Principles underpinning Grants Management

10.2.1 While there is a need to make the financial arrangements for awarding funding as simple and streamlined as possible, Trusts should also ensure that taxpayers' money is spent appropriately and that it provides good value for money.

10.2.2 The overarching principles for managing public resources in Wales are set out in Managing Public Money. The document states that the award of funding should be made in accordance with the law and the requirements of propriety, regularity and value for money.

10.2.3 Regularity requires compliance with appropriate authorities, regulations and legislation. Propriety requires both public authorities and funded bodies to deliver appropriate standards of conduct, behaviour and corporate governance. In addition, the public expects official decisions to be made fairly and impartially with public money spent wisely and appropriately, delivering value for money and ensuring that best use is made of resources.

10.2.4 The **corporate principles** of grants management are:

- The development of grant management processes and procedures that are transparent, accountable, proportionate and consistent;
- Delivery of a high quality regulatory framework that responds to demands but does not place unnecessary administrative burdens on Trusts or funded bodies;
- A regulatory framework that will take into consideration the need for proportionality; balancing the need for governance with the burden of administration. Thus striking an appropriate balance between accountability and simplicity;
- An effective grant management process to ensure funded bodies spend the funding efficiently, transparently and for the purpose intended, with a view to maximising the impact and

- outcome from budgets;
- Appropriate evidence-based approach to underpin the design and development of all new funding programmes to ensure efficient and effective use of public funds. Ensuring that the funding programme is the optimal solution and that funding is targeted where it is most needed and where it can have most impact;
- A consistent framework that will reinforce respect and effectiveness of the rules for both administrators and funded bodies.

10.3 Grant Procedures

10.3.1 It is vital that money is put to use in a way that delivers the maximum benefit to the people of Wales. Grants funding programmes need to be managed as efficiently and cost effectively as possible to make sure that every penny is spent appropriately and in an accountable manner. Information on grants management is available on the WAO website at:

<http://www.wao.gov.uk/goodpractice/1821.asp>

10.3.2 Trusts are responsible for ensuring that appropriate procedures exist in relation to all the grants and funding for which they are accountable. **They are also responsible for ensuring that any grant provided to an entity that engages in economic activity complies with the State aid rules.**

10.3.3 Trusts are required to undertake due diligence checks on all potential delivery organisations to determine the economic and financial viability of any organisation(s) to administer public funds, and the reliability of the organisation(s).

10.3.4 The Trust must enter into legally binding funding agreements with all delivery organisations. Guidance is available on the WAO website at:

<http://www.wao.gov.uk/goodpractice/1898.asp#q10>

10.3.5 The Trust is responsible for ensuring that all third party delivery organisations comply with and adhere to the terms and conditions of the Funding Agreement.

Procurement

10.4 Policies and procedures

10.4.1 The LHB / Trust shall maintain detailed policies and procedures for all aspects of procurement including tendering and contracting processes. The policies and procedures shall comply with these SFIs and the

supplementary guidance included at **Schedules 2.1.1, 2.1.2, 2.1.3 and 2.1.4.**

10.4.2 The Chief Executive is ultimately responsible for ensuring that the Trust's procurement, tendering and contracting procedures:

- Are kept up to date;
- Conform to statutory requirements;
- Adheres to guidance issued by the Assembly Government;
- Are consistent with the principles of sustainable development; and
- Are strictly followed by all Executive Directors, Independent Members and officers within the organisation.

10.4.3 All procurement guidance issued by the Welsh Ministers should have the effect as if incorporated in these SFIs.

10.5 Procurement Principles

10.5.1 The term "procurement" embraces the complete process from sourcing to taking delivery of all works, goods and services required by the Trust to perform its functions, and furthermore embrace all building, equipment, consumables and services including health services. Procurement further embraces contract and/or supplier management.

10.5.2 The main legal and governing principles guiding public procurement and which are incorporated into these SFIs are:

- Transparency: public bodies should ensure that there is openness and clarity on procurement processes and how they are implemented;
- Non-discrimination: public bodies may not discriminate between suppliers or products on grounds of their origin;
- Fair treatment: suppliers should be treated fairly and without discrimination, including in particular equality of opportunity and access to information;
- Legality: public bodies must conform to European Community and other legal requirements;
- Integrity: there should be no corruption or collusion with suppliers or others;
- Effectiveness and efficiency: public bodies should meet the commercial, regulatory and socio-economic goals of government in a balanced manner appropriate to the procurement requirement;
- Efficiency: procurement processes should be carried out as cost effectively as possible and secure value for money.

10.6 EU Directives Governing Public Procurement

10.6.1 EU Directives governing public procurement and UK Regulations implementing such Directives and setting out procedures for awarding all forms of regulated contracts shall have effect as if incorporated in the Trust's SFIs.

10.6.2 EU Directives and UK regulations (the Public Contracts Regulations 2006 (2006/05)) exist covering the whole field of procurement, and these Directives set thresholds above which special and demanding procurement protocols and legal requirements apply. All Directors and their staff are responsible for seeing that those Directives are understood and fully implemented. The protocols set out in the EU Directives are the model upon which all formal procurement shall be based.

10.6.3 Specialist procurement advice should be taken in respect of EU Directives covering the procurement and tendering for health services as this remains a complex area.

10.7 Sustainable Development

10.7.1 Welsh Ministers have a duty under section 79 of the Government of Wales Act 2006 (c.32) to make a scheme setting out how they propose to promote sustainable development in the exercise of their functions. The Welsh Government's Sustainable Development Scheme, *One Wales, One Planet (2009)*, establishes sustainable development as the central organising principle of the public sector in Wales. The Trust shall take a full part in meeting the Welsh Ministers' commitments on sustainable development, including procurement. The Trust shall adopt a Sustainable Development Strategy consistent with the NHS Wales Sustainable Development Strategy.

10.7.2 The Trust shall make use of the tools developed by Value Wales in implementing its Sustainable Development Strategy. The Trust shall benchmark its performance in sustainable procurement and produce annual action plans for improvement through its use of the Sustainable Procurement Assessment Framework (SPAF). For all contracts over £25,000, the Trust shall take account of social, economic and environmental issues when making procurement decisions using the Sustainable Risk Assessment Template (SRA).

10.8 Equality of opportunity

10.8.1 The Trust shall secure equality of opportunity in procurement through its application of the Sustainable Risk Assessment (SRA) tool developed by Value Wales for all contracts over £25,000, and its compliance with all relevant Welsh Ministers' guidance, as set out in Schedules

2.1.1, 2.1.2, 2.1.3 and 2.1.4 of these SFIs.

10.9 Procurement Procedures

10.9.1 To ensure that the Trust is fully compliant with EU Directives, UK Regulations and Welsh Ministers' guidance, the Trust shall ensure that it shall have procedures that set out:-

- a) Requirements and exceptions to formal competitive tendering requirements;
- b) Tendering processes including post tender discussions;
- c) Requirements and exceptions to obtaining quotations;
- d) Evaluation and scoring methodologies
- e) Approval of firms for providing goods and services.

10.9.2 All procedures shall reflect the Welsh Ministers' guidance and the Trust's delegation arrangements and approval processes.

10.9.3 Further detail in relation to fair and adequate competition is set out in **Schedules 2.1.1, 2.1.2 and 2.1.3.**

10.10 Procurement Thresholds

10.10.1 The following table summaries the minimum thresholds for quotes and competitive tendering arrangements. The total value of the contract over its entire period is the qualifying sum that should be applied (except in specific circumstances relating to aggregation and contracts of an indeterminate duration) as set out in EU Directives and UK Regulations.

Contract value (excl. VAT)	Minimum competition¹
<£5,000	At discretion of DoF
£5,000 - £25,000	3 written quotations
£25,000 – OJEU threshold	4 tenders
Above OJEU threshold	5 tenders

¹ subject to the existence of suitable suppliers

10.11 Small and Medium Sized Enterprises (SMEs), Third Sector Organisations (TSOs) and Supported Factories and Businesses (SFBs)

10.11.1 In accordance with Welsh Government policy set out in:

- Opening Doors – the Charter for SME Friendly Procurement and its Implementation Guidance,
- Procurement and the Third Sector: Guidance for the public sector in Wales,

- Supported Factories and Businesses Frequently Asked Questions, and
- The Construction Procurement Strategy;

the Trust shall ensure that it provides opportunities for these organisations to quote or tender for its business.

10.12 Contract Management

10.12.1 Contract Management is the process which ensures that both parties to a contract fully meet their respective obligations as effectively and efficiently as possible, in order to deliver the business and operational objectives required from the contract and in particular, value for money. The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust so as to ensure that these implicit obligations are met.

10.12.2 Advice on best practice on Contract Management is available from Value Wales, through its *Procurement Route Planner*.

11. CONTRACTS FOR HEALTH CARE SERVICES

11.1 Health Care Agreements

11.1.1 The Chief Executive is responsible for ensuring the Trust enters into suitable Health Care Agreements (or Individual Patient Commissioning Agreements, where appropriate) for its provision of health care services.

11.1.2 All Health Care Agreements should aim to implement the agreed priorities contained within the Integrated Medium Term Plan and wherever possible, be based upon integrated care pathways to reflect expected patient experience. In discharging this responsibility, the Chief Executive should take into account:

- The standards of service quality expected;
- The targets required by the Annual Quality Framework;
- The relevant national service framework (if any);
- The provision of reliable information on cost and volume of service; and
- That the agreements are based on integrated care pathways.

11.1.3 All agreements must be in accordance with the functions conferred on the Trust by the Welsh Ministers.

11.2 Statutory Provisions

11.2.1 The NHS (Wales) Act 2006 (C.42), sets out the responsibilities of NHS

Trust's in establishing contracts for healthcare services and in particular Section 7 which sets out the definition of an NHS contract being the arrangement between one health service body and another and the definitions of such bodies.

11.3 Reports to Board on Health Care Agreements (HCAs)

11.3.1 The Chief Executive will need to ensure that regular reports are provided to the Board detailing performance and associated financial implications of all health care agreements.

12. PAY EXPENDITURE

12.1 Remuneration and Terms of Service Committee

12.1.1 This Standing Financial Instruction should be read in conjunction with Standing Order 3.4.

12.1.2 In accordance with SOs the Board shall establish a Remuneration and Terms of Service Committee, with clearly defined terms of reference and operating arrangements that specify which posts fall within its area of responsibility.

12.1.3 The Committee shall report in writing to the Board the basis for its recommendations. The Board shall use the report as the basis for their decisions, but remain accountable for taking decisions on the remuneration and terms of service of Directors and other senior employees, in accordance with the framework set by the Welsh Ministers. Minutes of the Board's meetings should record such decisions.

12.1.4 The Board will after due consideration and amendment if appropriate approve proposals presented by the Chief Executive for the setting of remuneration and terms of service for those employees and officers not covered by the Committee.

12.1.5 The Trust will pay allowances to the Chair, Chief Executive, Executive Directors and Independent Members of the Board in accordance with instructions issued by the Welsh Ministers.

12.2 Funded Establishment

12.2.1 The workforce plans incorporated within the approved Local Delivery Plan will form the funded establishment, i.e., the budget for all approved posts.

12.2.2 The funded establishment of any department may not be varied without the approval of the Chief Executive or an officer with delegated authority.

12.3 Staff Appointments

12.3.1 No Board member or Trust official may engage, re-engage, or re-grade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration outside the limit of their approved budget and funded establishment unless authorised to do so by the Chief Executive.

12.3.2 The Board will approve procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service, etc, for employees in accordance with pay, terms and conditions set out in Agenda for Change and other pay review bodies.

12.4 Payroll

12.4.1 The Director of Workforce and Organisational Development is responsible for:

- a) Securing the provision of an efficient, value for money payroll service;
- b) Specifying timetables for submission of properly authorised time records and other notifications;
- c) The final determination of pay and allowances including verification that the rate of pay and relevant conditions of service are in accordance with current agreements;
- d) Agreeing the timing and method of payment with the payroll service;
- e) Authorising the release of payroll data where in accordance with the provisions of the Data Protection Act 1998 (C.29);
- f) Verification and documentation of data;
- g) The timetable for receipt and preparation of payroll data and the payment of employees and allowances;
- h) Maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;
- i) Security and confidentiality of payroll information;
- j) Checks to be applied to completed payroll before and after payment;
- k) A system to ensure the recovery from those leaving the

employment of the Trust of sums of money and property due by them to the Trust.

12.4.2 The Chief Executive is responsible for:

- a) Ensuring that any shared or hosted service arrangement is supported by appropriate contract terms and conditions, adequate internal controls and audit review procedures;
- b) Ensuring a sound system of internal control and audit review of any internally provided payroll service;
- c) Maintenance and/or the authorisation of regular and independent reconciliation of pay control accounts.

12.4.3 Appropriately nominated managers have delegated responsibility for:

- a) Submitting time records, and other notifications in accordance with agreed timetables;
- b) Completing time records and other notifications in accordance with the contract of Service Level Agreements; and
- c) Submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfil obligations in circumstances that suggest they have left without notice, the Director of Workforce and Organisational Development and/or Chief Executive must be informed immediately. In circumstances where fraud is suspected, this must be reported to the Director of Finance.

12.5 Contracts of Employment

12.5.1 The Board shall delegate responsibility to the Director of Workforce and Organisational Development for:

- a) Ensuring that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation; and
- b) Dealing with variations to, or termination of, contracts of employment.

13. NON-PAY EXPENDITURE

13.0.1 This Standing Financial Instruction shall be read in conjunction with Standing Financial Instruction 10.

13.1 Delegation of Authority

13.1.1 The Chief Executive will approve the level of non-pay expenditure and the operational scheme of delegation and authorisation to budget holders and managers within the parameters set out in the Trust's scheme of delegation.

13.1.2 The Chief Executive will set out in the operational scheme of delegation and authorisation:

- a) The list of managers who are authorised to place requisitions for the supply of goods and services; and
- b) The maximum level of each requisition and the system for authorisation above that level.

13.1.3 The Director of Finance is responsible for ensuring that the authorisation processes within any automated procurement systems is through the provision of electronic "signatures" authorised in accordance with the access and authority controls as set out in the operational scheme of delegation and authorisation.

13.1.4 The Chief Executive shall set out procedures on the seeking of professional advice regarding the supply of goods and services.

13.2 Requisitioning

13.2.1 The budget manager in choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the Trust by asking the procurement to undertake quotation / tendering exercises on their behalf. In so doing, the Trust's approved supply contract / catalogue shall be used. Where a required item is not included within the catalogue, advice must be sought from the Trust's procurement advisor. All orders for goods and services must be accompanied by an official order number, available from the Procurement Department. In no circumstances must a requisition number be used as an order number.

13.3 The Director of Finance's Responsibilities

13.3.1 The Director of Finance will:

- a) Advise the Board regarding the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in SOs and SFIs and regularly reviewed;
- b) Prepare procedural instructions or guidance within the Scheme of

Delegation on the obtaining of goods, works and services;

- c) Ensure systems are in place for the prompt payment of all properly authorised accounts and claims;
- d) Ensure systems are in place for providing a system of verification, recording and payment of all amounts payable. The system shall provide for:
 - (i) A list of Executive Directors and officers (including specimens of their signatures) authorised to certify invoices.
 - (ii) Certification that:
 - goods have been duly received, examined and are in accordance with specification and the prices are correct,
 - work done or services rendered have been satisfactorily carried out in accordance with the order, and, where applicable, the materials used are of the requisite standard and the charges are correct,
 - in the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, the rates of labour are in accordance with the appropriate rates, the materials have been checked as regards quantity, quality, and price and the charges for the use of vehicles, plant and machinery have been examined,
 - where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained,
 - the account is arithmetically correct,
 - the account is in order for payment.
 - (iii) For the early submission of accounts subject to cash discounts or otherwise requiring early payment.
- e) Ensure systems are in place for ensuring that payment for goods and services is only made once the goods and services are

received. The only exceptions to this are set out in SFI 13.4.

- f) Be responsible for ensuring compliance with the Public Sector Payment policy ensuring that a minimum of 95 percent of creditors are paid within 30 days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed.

13.4 Prepayments

13.4.1 Prepayments are only permitted where either:

- The financial advantages outweigh the disadvantages (i.e. cash flows must be discounted to Net Present Value (NPV) using the National Loans Fund (NLF) rate plus 2%);
- It is the industry norm e.g. courses and conferences;
- There is specific Welsh Ministers' approval to do so e.g. voluntary services compact.

13.4.2 In **exceptional** circumstances prepayments can be made subject to:-

- a) The appropriate Executive Director must provide, in the form of a written report, a case setting out all relevant circumstances of the purchase. The report must set out the effects on the Trust if the supplier is at some time during the course of the prepayment agreement unable to meet their commitments;
- b) The Director of Finance will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the EU public procurement rules where the contract is above a stipulated financial threshold); and
- c) The budget holder is responsible for ensuring that all items due under a prepayment contract are received and they must immediately inform the appropriate Director or the Chief Executive if problems are encountered.

13.5 Official Orders

13.5.1 Official Orders must:

- a) Be consecutively numbered;
- b) Be in a form approved by the Director of Finance;
- c) State the Trust's terms and conditions of trade; and
- d) Only be issued to, and used by, those duly authorised by the

Chief Executive.

13.6 Duties of Budget Holders and Managers

13.6.1 Budget holders and managers must ensure that they comply fully with the guidance and limits specified by the Director of Finance and that:

- a) All contracts (except as otherwise provided for in the Scheme of Delegation), leases, tenancy agreements and other commitments which may result in a liability are notified to the Director of Finance in advance of any commitment being made;
- b) Contracts above specified thresholds are advertised and awarded in accordance with EU and HM Treasury rules on public procurement;
- c) Contracts above specified thresholds are approved by the Welsh Ministers prior to any commitment being made;
- d) Where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by the Welsh Ministers and internal procedures;
- e) No order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to Board members or Trust officers, other than:
 - (i) Isolated gifts of a trivial character or inexpensive seasonal gifts, such as calendars,
 - (ii) Conventional hospitality, such as lunches in the course of working visits;

This provision needs to be read in conjunction with Standing Order 7.5.

- f) No requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Director of Finance on behalf of the Chief Executive;
- g) All goods, services, or works are ordered on an official orders except works and services executed in accordance with a contract and purchases from petty cash;
- g) Verbal order numbers must only be issued very exceptionally only in cases of emergency or urgent necessity and only by an officer designated by the Chief Executive. These must be confirmed by an official order and clearly marked "Confirmation

Order";

- h) Orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;
- i) Goods are not taken on trial or loan in circumstances that could commit the Trust to a future uncompetitive purchase;
- j) Changes to the list of Board members and Trust officers authorised to certify invoices are notified to the Director of Finance;
- k) Purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Director of Finance; and
- l) Petty cash records are maintained in a form as determined by the Director of Finance.

13.6.2 The Chief Executive and Director of Finance shall ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance issued by the Welsh Ministers. The technical audit of these contracts shall be the responsibility of the relevant Director as set out in the Trust's scheme of delegation.

14. CAPITAL INVESTMENT, FIXED ASSET REGISTERS AND SECURITY OF ASSETS

14.1 NHS Capital Investment

14.1.1 The Chief Executive:

- a) Shall ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon plans;
- b) Is responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost; and
- c) Shall ensure that any capital investment above the Welsh Ministers' delegated limit is not undertaken without approval of the Welsh Ministers and that confirmation of capital resources has been received;
- d) Shall ensure that an annual capital programme is adopted by the Board prior to the commencement of the financial year;

- e) Shall ensure the availability of resources to finance all revenue consequences of the investment, including capital charges; and
- f) Shall ensure that any 3rd party use of NHS estate is properly controlled, reimbursed and reported. This will include ensuring that appropriate security, insurance and indemnity arrangements are in place and that there is a written agreement as to each party's responsibilities and liabilities.

14.1.2 For every capital expenditure proposal the Chief Executive shall ensure:

- a) That a business case is produced in line with Welsh Ministers' guidance and where appropriate the 5-case Model;
- b) That the Director of Finance has certified professionally to the costs and revenue consequences detailed in the business case and involved appropriate Trust personnel and external agencies in the process.

14.1.3 For capital schemes where the contracts stipulate stage payments, the Chief Executive will issue procedures for their management in accordance with the Welsh Ministers' guidance.

14.1.4 The Director of Finance shall issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

14.1.5 The approval of a capital programme shall not constitute approval for the initiation of expenditure on any scheme.

14.1.6 The Chief Executive shall issue to the manager responsible for any scheme:

- a) Specific authority to commit expenditure;
- b) Authority to proceed to tender;
- c) Approval to accept a successful tender.

14.1.7 The Chief Executive will issue a scheme of delegation for capital investment management in accordance with the Welsh Ministers' guidance and the Trust's SOs.

14.1.8 The Director of Finance shall issue procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes. These procedures shall fully take into account the delegated limits for capital schemes set out in the Welsh Ministers' guidance.

14.2 Capital Financing with the Private Sector

14.2.1 The Trust must not enter into any new capital financing arrangements with the private sector, including Private Financing Initiatives and 3rd Party Developments, without the consent of the Welsh Ministers.

14.3 Asset Registers

14.3.1 The Chief Executive is responsible for the maintenance of registers of assets, taking account of the advice of the Director of Finance concerning the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted periodically.

14.3.2 Each Trust shall maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be in accordance with the Welsh Ministers' guidance.

14.3.3 Additions to the fixed asset register must be clearly identified to the delegated budget holder and be validated by reference to appropriate documentation including:

- a) Properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;
- b) Stores, requisitions and wages records for own materials and labour including appropriate overheads; and
- c) Lease agreements in respect of assets held under a finance lease and included on the Trust's balance sheet.

14.3.4 Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices (where appropriate). Disposal receipts are to be treated in accordance with the Welsh Ministers' guidance.

14.3.5 The Director of Finance shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

14.3.6 The value of each asset shall be considered annually in accordance with methods specified by the Welsh Ministers. Assets should be considered for early revaluation where there is the likelihood of impairment as a result in a change of valuation or asset life.

14.3.7 The value of each asset shall be depreciated using methods and rates as specified by the Welsh Ministers.

14.4 Security of Assets

14.4.1 The overall control of fixed assets is the responsibility of the Chief Executive.

14.4.2 Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Director of Finance. This procedure shall make provision for:

- a) Recording managerial responsibility for each asset;
- b) Identification of additions and disposals;
- c) Identification of all repairs and maintenance expenses;
- d) Physical security of assets;
- e) Annual verification of the existence of, condition of, and title to, assets recorded;
- f) Identification and reporting of all costs associated with the retention of an asset; and
- g) Reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

14.4.3 All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Director of Finance.

14.4.4 Whilst individual officers have a responsibility for the security of property of the Trust, it is the responsibility of Board members and senior Trust officers in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Board. Any breach of agreed security practices must be reported in accordance with agreed procedures.

14.4.5 Any damage to the Trust's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Board members and Trust officers in accordance with the procedure for reporting losses.

14.4.6 Where practical, assets should be marked as Trust property.

15. STORES AND RECEIPT OF GOODS

15.1 General Position

15.1.1 Stores, defined in terms of controlled stores and departmental stores (for immediate use) should be:

- a) Kept to a minimum;
- b) Subjected to annual stock take;
- c) Valued at the lower of cost and net realisable value.

15.2 Control of Stores, Stocktaking, Condemnations and Disposal

15.2.1 Subject to the responsibility of the Director of Finance for the systems of financial control, overall responsibility for the control of stores shall be delegated to a senior officer by the Chief Executive. The day-to-day responsibility may be delegated by them to departmental officers and stores managers/keepers, subject to such delegation being entered in a record available to the Director of Finance. The control of any Pharmaceutical stocks shall be the responsibility of a designated Pharmaceutical Manager; the control of any fuel oil and coal of a designated estates manager.

15.2.2 The responsibility for security arrangements and the custody of keys for any stores and locations shall be clearly defined in writing by the designated manager/Pharmaceutical Manager. Wherever practicable, stocks should be marked as health service property.

15.2.3 The Director of Finance shall set out procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores and losses.

15.2.4 Stocktaking arrangements shall be agreed with the Director of Finance and there shall be a physical check covering all items in store at least once a year.

15.2.5 Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Director of Finance.

15.2.6 The designated Manager shall be responsible for a system approved by the Director of Finance for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles. The designated Officer shall report to the Director of Finance any evidence of significant overstocking and of any negligence or malpractice (see also overlap with SFI 16, Disposals and Condemnations, Losses and Special Payments). Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

15.3 Goods Supplied by an NHS Supplies Agency

15.3.1 For goods supplied via NHS Wales Shared Services Partnership – Procurement Services (NWSSP-PS) or any other NHS purchasing and supplies agency central warehouses, the Chief Executive shall identify those authorised to requisition and accept goods from the store. The authorised person shall check receipt against the delivery note before forwarding this to the Director of Finance or authorised officer who shall satisfy himself that the goods have been received before accepting the recharge.

16. DISPOSALS AND CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS

16.1 Disposals and Condemnations

16.1.1 The Director of Finance must prepare detailed procedures for the disposal of assets, including condemnations, and ensure that these are notified to managers.

16.1.2 When it is decided to dispose of a Trust asset, the head of department or authorised deputy will determine and advise the Director of Finance of the estimated market value of the item, taking account of professional advice where appropriate.

16.1.3 All unserviceable articles shall be:

- a) Condemned or otherwise disposed of by an officer authorised for that purpose by the Director of Finance;
- b) Recorded by the Condemning Officer in a form approved by the Director of Finance which will indicate whether the articles are to be converted, destroyed or otherwise disposed of. All entries shall be confirmed by the countersignature of a second officer authorised for the purpose by the Director of Finance.

16.1.4 The Condemning Officer shall satisfy themselves as to whether or not there is evidence of negligence in use and shall report any such evidence to the Director of Finance who will take the appropriate action.

16.2 Losses and Special Payments

16.2.1 Losses and special payments are items that the Assembly Government would not have contemplated when it agreed funds for NHS Wales or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments, and special notation in the accounts to draw them to the attention of the Assembly Government.

16.2.2 The Director of Finance is responsible for ensuring procedural instructions

on the recording of and accounting for losses and special payments are in place; and that all losses or special payments cases are properly managed in accordance with the guidance set out in the Assembly Government's Manual for Accounts.

- 16.2.3 Any officer discovering or suspecting a loss of any kind must either immediately inform their head of department, who must immediately inform the Chief Executive and/or the Director of Finance or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Director of Finance and/or the Chief Executive.
- 16.2.4 Where a criminal offence is suspected, the Director of Finance must immediately inform the police if theft or arson is involved. In cases of fraud and corruption or of anomalies which may indicate fraud or corruption, the Director of Finance must inform the LCFS, the CFSW Team and NHS Protect in accordance with Directions issued by the Welsh Ministers on fraud and corruption.
- 16.2.5 The Director of Finance or the LCFS must notify the Audit Committee, the Auditor General's representative and the fraud liaison officer within the Welsh Government's Department for Health, Social Services and Children - Finance Directorate (DHSSC-FD) of all frauds.
- 16.2.6 For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial, the Director of Finance must notify:
- a) The Audit Committee on behalf of the Board, and
 - b) An Auditor General's representative.
- 16.2.7 The Director of Finance shall be authorised to take any necessary steps to safeguard the Trust's interests in bankruptcies and company liquidations.
- 16.2.8 The Director of Finance shall ensure all financial aspects of losses and special payments cases are properly registered and maintained on the centralised Losses and Special Payments Register and that 'case write-off' action is recorded on the system (i.e. case closure date, case status, etc.).
- 16.2.9 The Audit Committee shall approve the writing-off of losses or the making of special payments within delegated limits determined by the Welsh Ministers and as set out in Schedule 3 of the SOs.
- 16.2.10 For any loss or special payments, the Director of Finance should consider whether any insurance claim could be made from the Welsh Risk Pool or from other commercial insurance arrangements.
- 16.2.11 No losses or special payments exceeding delegated limits shall be

authorised or made without the prior approval of the DHSSC Director of Finance.

- 16.2.12 All novel, contentious and repercussive cases must be referred to the Welsh Government's Department for Health , Social Services and Children – Resources Directorate, irrespective of the delegated limit.
- 16.2.13 The Director of Finance shall ensure all losses and special payments are reported to the Audit Committee at every meeting.
- 16.2.14 The Trust must obtain the DHSSC Director General's approval for special severance payments.

17. INFORMATION MANAGEMENT AND TECHNOLOGY

17.1 Information Management & Information Technology (IM&T) Strategy

17.1.1 The Board shall approve an IM&T strategy which sets out the development needs of the Trust for the medium term based on an appropriate assessment of risk. The Integrated Medium Term Plan shall include costed implementation plans of the strategy. It shall also ensure that a Director has responsibility for IM&T.

17.1.2 The Trust shall publish and maintain a Freedom of Information (FOI) Publication Scheme, or adopt a model Publication Scheme approved by the Information Commissioner. A Publication Scheme is a complete guide to the information routinely published by a public authority. It describes the classes or types of information about the Trust that are made publicly available.

17.2 Responsibilities and Duties of the Responsible Director

17.2.1 The responsible Director for IM&T has responsibility for the accuracy and security of the computerised data of the Trust and shall:

- a) Devise and implement any necessary procedures to ensure adequate (reasonable) protection of the Trust's data, programs and computer hardware for which they are responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 1998 (C.29);
- b) Ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
- c) Ensure that adequate controls exist such that the computer

operation is separated from development, maintenance and amendment;

- d) Ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as the Director may consider necessary are being carried out.
- e) Shall ensure that policies, procedures and training arrangements are in place to ensure compliance with information governance law.

17.3 Responsibilities and Duties of the Director of Finance

17.3.1 The Director of Finance shall need to ensure that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation.

17.4 Contracts for Computer Services with other Health Bodies or Outside Agencies

17.4.1 The responsible Director for IM&T shall ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.

17.4.2 Where another health organisation or any other agency provides a computer service for financial applications, the responsible Director for IM&T shall periodically seek assurances that adequate controls are in operation.

17.5 Risk Assurance

17.5.1 The responsible Director for IM&T shall ensure that the risks to the Trust arising from the use of IT are effectively identified and considered and that appropriate action is taken to mitigate or control risk. This shall include the preparation and testing of an appropriate disaster recovery plan.

18. PATIENTS' PROPERTY

18.1 NHS Trust Responsibility

18.1.1 The Trust has a responsibility to provide safe custody for money and other personal property (hereafter referred to as "property") handed in by patients, in the possession of patients that lack capacity, or found in the

possession of patients dead on arrival.

18.1.2 Where the Welsh Ministers' instructions require the opening of separate accounts for patients' moneys, these shall be opened and operated under arrangements agreed by the Director of Finance.

18.1.3 In all cases where property, including cash and valuables, of a deceased patient is of a total value in excess of £5,000 (or such other amount as may be prescribed by any amendment to the Administration of Estates (Small Payments) Act 1965 (c.32)), the production of Probate or Letters of Administration shall be required before any of the property is released. Where the total value of property is £5,000 or less, forms of indemnity shall be obtained.

18.1.4 Staff should be informed, on appointment, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of patients.

18.1.5 Where patients' property or income is received for specific purposes and held for safekeeping the property or income shall be used only for that purpose, unless any variation is approved by the donor or patient in writing.

18.2 Responsibilities of the Chief Executive

18.2.1 The Chief Executive is responsible for ensuring that patients or their guardians, as appropriate, are informed before or at admission by:

- a) Notices and information booklets;
- b) Hospital admission documentation and property records;
- c) The oral advice of administrative and nursing staff responsible for admissions; and
- d) That the Trust will not accept responsibility or liability for patients' property brought into Health Service premises, unless it is handed in for safe custody and a copy of an official patients' property record is obtained as a receipt.

18.3 Responsibilities of the Director of Finance

18.3.1 The Director of Finance must provide detailed written instructions on the collection, custody, investment, recording, safekeeping, and disposal of patients' property (including instructions on the disposal of the property of deceased patients and of patients transferred to other premises) for all staff whose duty is to administer, in any way, the property of patients. Due care should be exercised in the management of a patient's money in order

to maximise the benefits to the patient.

19. FUNDS HELD ON TRUST

19.1 Corporate Trustee

19.1.1 Paragraph (ix) of Section A to the SOs refers to the Trust acting as corporate trustee for the management of funds it holds on trust. SFI 19.2 defines the need for compliance with Charities Commission latest guidance and best practice.

19.1.2 The discharge of the Trust's corporate trustee responsibilities are distinct from its responsibilities for exchequer funds and may not necessarily be discharged in the same manner, but there must still be adherence to the overriding general principles of financial regularity, prudence and propriety. Trustee responsibilities cover both charitable and non-charitable purposes.

19.1.3 The Trust shall establish a Charitable Funds Committee as set out in Standing Order 3.4 to ensure that each trust fund which the Trust is responsible for managing is managed appropriately with regard to its purpose and to its requirements.

19.2 Accountability to Charity Commission and the Welsh Ministers

19.2.1 The trustee responsibilities must be discharged separately and full recognition given to the Trust's dual accountabilities to the Charity Commission for charitable funds and to the Welsh Ministers for exchequer funds.

19.2.2 The Schedule of Matters Reserved to the Board and the Scheme of Delegation make clear where decisions regarding the exercise of discretion regarding the disposal and use of the funds are to be taken and by whom. All Trust members and Trust officers must take account of that guidance before taking action.

19.2.3 The Trust shall make appropriate arrangements for the audit of Funds held on Trust in accordance with Charity Commission requirements.

19.3 Applicability of Standing Financial Instructions to Funds Held on Trust

19.3.1 In so far as it is possible to do so, most of the sections of these SFIs will apply to the management of funds held on trust.

19.3.2 The over-riding principle is that the integrity of each Trust must be maintained and statutory and Trust obligations met. Materiality must be assessed separately from Exchequer activities and funds.

20. RETENTION OF RECORDS

20.1 Responsibilities of the Chief Executive

20.1.1 The Chief Executive shall be responsible for maintaining archives for all records required to be retained in accordance with the Welsh Ministers' guidance, the Data Protection Act 1998 (c.29) and the Freedom of Information Act 2000 (c.36).

20.1.2 The records held in archives shall be capable of retrieval by authorised persons.

20.1.3 Records held in accordance with regulation shall only be destroyed at the express instigation of the Chief Executive. Details shall be maintained of records so destroyed.

Schedule 2.1.1

PROCUREMENT OF WORKS, GOODS AND SERVICES

Supplementary Guidance

This schedule forms part of, and shall have effect as if incorporated in the NHS Trust Standing Financial Instructions

1. General

- 1.1 This document provides supplementary guidance to NHS Trust SFIs Section 10. This guidance provides a high level governance framework and is not intended to act as a detailed procurement manual. Specific NHS guidance may also be found on the Welsh Government web site and guidance on best practice procurement can be found in the *Procurement Route Planner*, on the *National Procurement Web Site* www.buy4wales.co.uk. This guidance, together with all procurement guidance issued by the Welsh Ministers shall have effect as if incorporated in the SFIs.
- 1.2 The term "procurement" embraces the complete process from sourcing to taking delivery of all works, goods and services required by the Trust, and furthermore, embrace all building, equipment, consumables and services including health services. Procurement further embraces contract and/or supplier management. EU Directives and UK regulations (including UK Public Contracts Regulations 2006 (2006/05)) exist covering the whole field of procurement, and these Directives set thresholds above which special and demanding procurement protocols and legal requirements apply. All Directors and their staff are responsible for ensuring that those Directives are understood and fully implemented. The protocols set out in the EU Directives are the model upon which all formal procurement shall be based. For the purpose of clarity it should be highlighted that the total value of the contract over its entire period is the qualifying sum that should be used to which the EU thresholds should be applied, save for contracts subject to aggregation rules or of an indeterminate duration.
- 1.3 The main legal and governing principles guiding public procurement are:
- Transparency: public bodies should ensure that there is openness and clarity on procurement processes and how they are implemented;
 - Non-discrimination: public bodies may not discriminate between suppliers or products on grounds of their origin;
 - Fair treatment: suppliers should be treated fairly and without discrimination, including in particular equality of opportunity and access to information;
 - Legality: public bodies must conform to European Community and

- other legal requirements;
 - Integrity: there should be no corruption or collusion with suppliers or others;
 - Effectiveness and efficiency: public bodies should meet the commercial, regulatory and socio-economic goals of government in a balanced manner appropriate to the procurement requirement; and
 - Efficiency: procurement processes should be carried out as cost effectively as possible and secure value for money.
- 1.4 EU Directives Governing Public procurement and UK Regulations implementing Directives of the European Union which set out procedures for awarding all forms of regulated contracts that exceed specific thresholds shall have effect as if incorporated in the Trust's SFIs.
- 1.5 The Trust shall comply with all requirements of the Welsh Ministers including but not exclusively:
- Duty of equality;
 - Any contract monitoring arrangements agreed with the Welsh Ministers;
 - Public Sector Business Cases using the 5-case model;
 - Estatecode;
 - Procurement of Management Consultants within the NHS;
 - Opening Doors – the Charter for SME Friendly Procurement and its implementation Guidance, which sets out the principles for working with Small and Medium Size Enterprises;
 - Procurement and the Third Sector: Guidance for the public sector in Wales, which provides guidance on how to best work with voluntary and not for profit organisations;
 - Supported Factories and Businesses Frequently Asked Questions, which provides legal guidance on how work can be reserved for organisations where more than 50% of the workers are disabled;
 - Community Benefits Methodology, which provides guidance on how to work with contractors so that economically inactive people can be employed via major public sector contracts;
 - Supply Void Methodology, which provides guidance on how to identify opportunities for Wales based suppliers in the supply chain;

- Construction Procurement Strategy, which sets out the Welsh Ministers' approach to construction projects;
 - Strategic Sourcing Plan, which sets out how collaborative contracting is undertaken in Wales;
 - The Xchangewales programme, which facilitates electronic procurement including use of the national procurement web site and the Welsh Purchasing Card.
- 1.6 The Trust should also follow any other best practice requirements as set out by Value Wales and available on its National Procurement Web Site.
- 1.7 For all procurement activities, the Trust will ensure it has processes in place to obtain best value for money. The Director of Finance shall ensure that there is a suitably qualified and experienced officer who shall oversee and manage procurement on behalf of the Trust.
- 1.8 Best value for money in a procurement context is defined as the “optimum combination of whole life costs and quality (or fitness for purpose) to meet the user’s requirements”. This may not be the lowest price.
- 1.9 All relevant legislation should also be incorporated into procurement policies including the need to conduct Equality Impact Assessments.

2. Ordering

- 2.1 No goods or services shall be ordered except on an official order or through a specialised bespoke contract (e.g. IT systems), and contractors shall be notified that they should not accept orders other than in an official form or against a bespoke contractual arrangement.
- 2.2 Orders shall only be placed in accordance with the operational scheme of delegation and authorisation as approved by the Chief Executive. As it is the order that commits the Trust to expenditure, there must be tight control on the provision of requisitioning and ordering processes to those staff authorised to raise requisition / orders on behalf of the Trust.
- 2.3 In the case of an emergency, verbal orders can be issued by an authorised officer only, as set out in the Trust’s scheme of delegation, and must be accompanied by an official order number. The order shall be confirmed electronically and/or in writing as soon as possible and in any case within 5 working days.

3. Quotations

- 3.1 Invitations to quote shall be issued in accordance with the Trust's Quotation Procedure.

- 3.2 For goods and services (including building and engineering) of a value between £5,000 and £25,000 exclusive of VAT, three or more written competitive quotations are to be sought. In determining which quotation is the best value the Trust may take into account whole life costs such as price, delivery date, running costs, cost effectiveness, quality, aesthetic and functional characteristics, technical merit, after sales services and technical assistance or clinical reasons. However, where the lowest quotation is not accepted, a formal written record is to be maintained as to why the lowest was not acceptable.

For goods and services of a value less than £5,000 exclusive of VAT, quotations shall be sought at the discretion of the Director of Finance or authorised officer.

- 3.3 Where it is intended that stage payments be made on a scheme the companies invited to quote shall be subject to a full financial vetting process.
- 3.4 Where the required number of quotations is not available the Director of Finance or nominated deputy in their absence shall be authorised to accept a lower number subject to the principles of fair competition. A record of the decision will be kept for audit purposes.
- 3.5 Single quotations shall be the exception. They shall only be called for when a single firm or contractor or a proprietary item or service of a special character is required and must be formally authorised by the Director of Finance. A detailed record shall be maintained by the Trust and reported to the Audit Committee.
- 3.6 As soon as practicable after the date and time stated as being the latest time for receipt of quotations they shall be opened by two persons as set out in the Trust's scheme of delegation and who are independent of the person who has issued the request for quotation. Where the quotes are issued and received electronically, they shall be handled as set out in the Electronic Tendering Code which is included at Appendix 1.
- 3.7 Where the quotation is received in written format, the date and time of receipt of each quotation shall be endorsed on the unopened quotation envelope and a record made of its receipt on the schedule of quotations. Where the quotation is received electronically, it shall be handled in accordance with the Electronic / Quotations Tendering Code which is set in Section 7.

4. Competitive Tendering

- 4.1 Procurement of all works, goods and services, (including building and engineering) in excess of £25,000 exclusive of VAT, is to be by competitive tendering, taking care that where the estimated procurement value exceeds EU thresholds, the appropriate advertisement is placed in the Official Journal of the European

Union. All such contracts shall be advertised via www.buy4wales.co.uk. Care must be exercised where potential contracts are mixed to identify which category the procurement falls into i.e. services, works or supplies. It is the total contract value exclusive of VAT over the period of contract and not the annual value to which the limits relate (total value of all goods and services required) as set out in the Public Contracts Regulations 2006 (2006/05). Any attempt to avoid these limits may expose the Trust to risk of legal challenge and result in disciplinary action against an individual[s].

- 4.2 Single tender action shall only be permitted when a single firm or contractor or a proprietary item or service of a special character is required and as set out in law. Single tender action shall only be employed following a formal submission and with the express written authority of the Chief Executive or Director of Finance having taken into consideration due regard of procurement requirements. A detailed record shall be maintained by the Chief Executive. All single tender action and extension of contracts must be reported to the Audit Committee.
- 4.3 The Trust's competitive tendering/quotation procedures may be waived where the Trust has legitimate access to a National Framework Agreement / All Wales contract or Supplies Consortium contract provided that the rules under such contract or framework agreement are adhered to.

5. Invitation to Tender

- 5.1 It is the responsibility of the Director of Finance to establish that all firms on the tender list are financially sound and professionally competent through a pre-qualification / financial vetting process undertaken by a suitably qualified and experienced procurement officer.
- 5.2 It is Welsh Government policy to foster the creation and development of small and medium sized businesses. If they are able to demonstrate sufficient capacity, the Trust should include them on appropriate lists of companies invited to quote or tender.
- 5.3 In accordance with best practice, the Trust should invite a minimum of four companies to tender for contracts of value between £25,000 and the prevailing OJEU threshold (exclusive of VAT). For contracts above the OJEU threshold, a minimum of 5 suppliers should be invited to tender. Should the above number not be available due to professional constraints or market conditions, then the Chief Executive or designated deputy shall be authorised to accept a lower number of tenderers, on the receipt of a full report detailing the reasons why the full number of tenderers cannot be represented. Should only one company be considered the requirements of paragraph 4.2 will apply and reported to the Audit Committee.
- 5.4 Every invitation to tender should be accompanied by the Trust's standard contract terms and conditions, and the basis on which the Trust shall engage in business with the contractor. Where appropriate a customised contract can be

developed by senior procurement officers with appropriate legal advice and issued subject to approval by the Director of Finance.

- 5.5 The time allowed for the submission of bids shall be advised to all contractors invited to tender and shall be proportionate to the complexity of the procurement. Extensions of time shall not normally be permitted, but if for exceptional reasons an extension is required, then all potential tenderers shall be so informed and afforded the additional time. All such extensions are to be notified in writing or by email as well as by telephone. In the event of tenders already having been submitted by certain contractors they may be permitted to reconsider their bid.

6. Pre-tender Discussions

- 6.1 In accordance with WHC (2006) 025, where appropriate, and being careful to maintain fairness, the Trust may:
- a) Make pre-tender contact with the market to discuss and clarify the specification and requirements, particularly if it is complex or unusual; and
 - b) Offer potential bidders opportunities to discuss and clarify any potential ambiguity about the interpretation of the services specification or requirement before tenders are submitted.
- 6.2 Prior to any officer entering into such discussions, advice must be sought from the procurement department who should also be afforded the opportunity to be party to any discussions.

7. Electronic Tendering / Quotations Code

Introduction

- 7.1 This Code shall apply to all tender invitations issued over a secure Internet based facility and will apply equally to electronic tendering processes undertaken by the Trust Procurement Department.
- 7.2 This Code shall have effect as if incorporated into the SFIs of the Trust.
- 7.3 Except as provided in this Code, tenders must be obtained in accordance with the requirements of these SFIs. The contents of this code do not preclude the requirements of SFI 12 where the processes detailed may be implemented.
- 7.4 Detailed operational guidance covering electronic tendering arrangements will be maintained separately by NWSSP–FS and Trust Procurement, which will be subject to regular audit review as part of electronic tendering processes.

Invitation to tender

- 7.5 All electronic tenders shall be invited via the secure externally hosted web site supporting the electronic tender Application.
- 7.6 A Service Level Agreement must be signed by Value Wales and the web site host, on behalf of the Welsh Public Sector, and should include the ability for the Trust to examine security procedures at the host site when required and to have access to any relevant security audit reports.
- 7.7 Tender documents shall be posted to the secure site and suppliers notified by e-mail of:
- a. The availability of the tender for completion,
 - b. The date and time for the return of bids,
 - c. Any additional conditions, which must be considered by the tenderer and which, could affect the completion of the bid.
- 7.8 The electronic tender shall provide full details of the Trust's standard or bespoke contract terms and conditions.
- 7.9 The system allows the Contracts Officer to identify those tenderers who have not accessed their tenders. Tenderers who have not accessed the site in 5 working days shall be contacted to ensure they intend to bid.
- 7.10 The time allowed for the submission of bids shall be advised to all companies invited to tender. Extensions of time shall not normally be permitted but in the event that it is required all tenderers shall be advised by e-mail of the length of the extension and revised return date prior to the previously advised closing date.
- 7.11 Where a tender closing date needs to be extended, previously agreed dates can only be changed with approval from the Senior Manager/Director/Procurement Projects Officer or Commodity Manager within the issuing Department. Any extension agreed must be recorded for audit purposes using the proforma - Contracting File Note or by confirmation via email
- 7.12 The extension to the closing date can only be progressed once this approval has been given, and is actioned by altering the closing date within E tendering system.
- 7.13 Agreement to issue additional tender(s) must be given by the Senior Manager/Director/Procurement Projects Officer within the issuing Department (NWSSP-FS or LHB) and the reasons why fully documented. To issue an additional tender the supplier concerned is added to the supplier list for the ITT within the E tendering system.

Receipt of tenders

- 7.14 The System shall accept and store the tender returns in accordance with paragraphs 7.17 to 7.24 below.
- 7.15 Tenders will be completed and submitted in the secure external web site.
- 7.16 Tenderers who miss the closing date for receipt of tenders shall have no further opportunity to post bids to the external web site for that particular tender issue.

Opening and validity of tenders

- 7.17 Prior to the start of the Tender process, the Contracts Manager shall designate one or more persons to form the “Designated Opening Committee” (DOC). The system will ensure that all members of the DOC are present at the opening by requesting that they each login to the system using their personal passwords.
- 7.18 As soon as possible after the expiry of the return date, the DOC shall open the Qualifying Envelopes firstly and then the Technical responses in the external web site.
- 7.19 Once the Technical responses have been opened they are visible to those users assigned access, the system shall prevent editing.
- 7.20 Once the criteria for the Technical responses have been scored, the Commercial responses can be opened by the DOC.
- 7.21 Once the Commercial responses have been opened they are visible to those users assigned access, the system shall prevent editing.
- 7.22 Parallel opening facility permits opening of the Commercial responses before scoring of the Technical responses
- 7.23 Parallel opening shall only be deployed with the authority of a senior or commodity manager and the rationale for such an action clearly documented for audit purposes.
- 7.24 Any scoring or analysis carried out in the external website will be fully auditable. Communication between NWSSP–FS or LHB Contracting Team and suppliers will be done using the messaging tool in the external website so that this is also auditable.

Monitoring contracts

- 7.25 Overall monitoring of the contracts awarded shall be the responsibility of the Director of Finance, who shall present a report annually to the Trust

Board detailing the number and value of all contracts placed during the previous financial year in excess of the Trust's tender limit.

8. Delivery, Receipt and Safe Custody of Tenders

- 8.1 This section relates to paper based procurement and should only apply in exceptional circumstances.
- 8.2 The time allowed for the submission of the tender shall depend on the scope and value of the goods or services. Tenders shall not be invited for return on public and bank holidays, nor on days prior to such holidays. The date and time of receipt of each tender shall be endorsed on the unopened tender envelope/packaging/label, and a record kept of its receipt in the 'Tender Received' log and later, on opening, in a properly constituted register.
- 8.3 The Director of Finance is responsible for the receipt, endorsement and safe custody of tenders until the time appointed for their opening and for the maintenance of records. The tender envelope must be retained after opening together with the opened tender documents and collected by the initiator of the tender.
- 8.4 If a tender is received after the date and time specified for return, and the other tenders have not yet been opened, then the Director of Finance, or in their absence a nominated deputy, shall have authority to decide whether or not the tender is to be considered valid. If considered valid, the tender should be included and opened in accordance with Section 8. If considered invalid, then it should be held until the valid tenders have been opened and listed as described in Section 8. It should then be opened solely for the purpose of determining the name and address of the company or trader and the party who invited the tender shall be responsible for returning the tender to its sender with a covering note to the effect that it had been received too late for inclusion in the competition.
- 8.5 All tender documents and envelopes once assessed shall be retained in secure storage. All contracts under seal i.e. deeds (inc. tenders) to be retained for a minimum of 12 years; contracts under hand for a minimum of 6 years; unsuccessful tender documents for 6 years.

9. Opening and Validity of Tenders

- 9.1 As soon as practicable after the date and time stated as being the latest time for the receipt of tenders, they shall be opened by a person authorised by the Chief Executive in the presence of an independent witness. The independent witness shall not be an officer of the Directorate who has invited the tender being opened. Notwithstanding the above, no tender shall remain unopened for a period exceeding two working days after the due date for receipt of that tender. Any additional delay to be notified to the Chief Executive.
- 9.2 Every tender received shall be stamped with the date of opening and signed by those present at the opening. Each page of the tender(except for detailed

bills of quantities) which provides relevant financial information and prices, must be initialled and date stamped by the persons opening the tender and any amendments signed. In addition, in the case of tenders that contain a contract page signed by the tenderer, the opener and the witness shall also sign that page.

9.3 A record shall be maintained to show for each set of competitive tender invitations issued:

- a) The names of all firms invited, which shall be recorded prior to the date for receipt of tenders, except in the case of tenders received as a result of public advertisement,
- b) The names of, or the number of firms from which tenders have been received,
- c) The date and time the tenders were received,
- d) The date and time the tenders were opened,
- e) The record shall be signed by the persons present at the opening.

The tender register must be a bound book kept by the Director of Finance in a secure place.

9.4 A record shall be maintained of all price alterations on tenders. Where a price has apparently been altered, the final price shown shall be recorded. The record shall be signed by those present at the opening. The use of liquid paper on any pages of the tender may invalidate the tender submission.

9.5 Tender documents, which do not comply with the guidelines issued with each invitation to tender, shall be invalidated, recorded accordingly and returned to the sender.

10. Evaluation, Acceptance and Extension of Tenders

10.1 Incomplete tenders, that is those from which information necessary for the adjudication of the tender is missing, and amended tenders, that is those amended by the tenderer upon his own initiative in writing after the due time for receipt, should be dealt with by a Tender Adjudication Panel to ensure there is no unfair advantage given to any tenderer.

10.2 Evaluation of tenders shall be entrusted to the appropriately qualified and experienced staff with the appropriate knowledge and skills to ensure that tenders are assessed in a robust and fair manner. This group shall be responsible for making a recommendation to the Chief Executive or where this has been formally delegated to the nominated committee, project board or officer that has the authority to approve such recommendations.

- 10.3 There is no legal requirement for the Trust to accept any tender or award any contract or part of a contract, and the Trust, may if it so adjudges, not proceed further at this stage. Evaluation shall be determined by either the lowest price or most economically advantageous tender.
- 10.4 In determining which tender is the most economically advantageous the Trust may take into account such matters as price, delivery date, running costs, cost effectiveness, quality, aesthetic and functional characteristics, technical merit, after sales services and technical assistance or clinical reasons. The final criteria (and any sub criteria) being used to evaluate tenders must be agreed and published to bidders/ interested parties, no later than the ITT (Invitation to Tender) stage and must be supported by an equitable and transparent weighting and scoring methodology in accordance with EU Procurement Regulations. Particular reference must be made, where this is pertinent, to Sustainable Development as evaluation criteria.
- 10.5 The area of environmental and sustainable purchasing is a developing one and advice must be sought from procurement professionals in terms of the options and issues around this matter. This will include issues around the use of sustainable products, cost implications, use in specifications, evaluation and value for money.
- 10.6 Necessary discussions with a tenderer to clarify technical aspects of his tender before the award of a contract need not disqualify the tender provided the discussions and changes to the tender are not material. Clarification of the technical aspects shall be confirmed by the tenderers in writing. Clarifications on commercial matters should only be undertaken by exception providing that such clarifications do not distort competition. The procurement department must be informed and involved in any such commercial clarifications to ensure probity and audit compliance.
- 10.7 The Trust shall confirm that referees are in a position to comment authoritatively on the capacity to provide the goods or services being tendered for, that referees have no potential conflicts of interest, and that all references are fully recorded and retained.
- 10.8 Subject to complying with any legal requirements and agreed contract conditions, a contract may be extended on a single occasion provided the additional cost does not exceed 50% of the original value of the contract to a maximum of £75,000 exclusive of VAT. Such extension must have the express approval of the Chief Executive or designated deputy in their absence. Where a contract was advertised and includes a legal clause providing the option to extend, such approval is not required unless there is a change to any of the current contract terms and conditions including price. Any contract extensions must be reported to the Audit Committee.

11. Post Tender Discussions

- 11.1 Post tender discussions [PTD] consists of clarifications with suppliers after

receipt of formal tenders/quotations from suppliers but before letting a contract in the content of an offer without:

- Disadvantaging other tenderers;
- Distorting competition;
- Adversely affecting trust in the competitive tendering process;

11.2 Probity and transparency are required in PTD to ensure that a “Dutch auction” position is not conducted, i.e. one bidder being traded off with another.

11.3 PTD is a specialist area of activity and professional procurement support is essential to ensure fairness and equity where PTD is considered appropriate and justified.

11.4 More information on PTD best practice is available from the [Value Wales](#) website.

12. Notification of Results of Tenders

12.1 All unsuccessful tenderers must be advised in writing within seven working days of the award of the contract where this is below the OJEU threshold value. For OJEU procurements, the requirements of the Public Contracts Regulations 2006 (2006/05) shall apply including debriefing and placement of a mandatory 10 day (Alcatel ruling) Standstill period.

13. Contracts

13.1 The Trust may only enter into contracts within the statutory powers delegated to it by the Welsh Ministers and in accordance with EU Procurement Law and UK Procurement Regulations.

13.2 In every contract document a clause shall be included to secure that the Trust shall be entitled to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation, if the contractor shall have prepared his tender in collusion with others or shall have offered or given or agreed to give any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do, or having done or forborne to do, any action in relation to the obtaining or execution of the contract or any other contract with the Trust or if the like acts shall have been done by any person employed by him acting on his behalf (whether with or without the knowledge of the contractor) or if in relation to any contract with the Trust the contractor or any persons employed by him or acting on his behalf shall have committed an offence under the Prevention of Corruption Acts 1906 (c.34) and 1916 (c.64) and the Public Bodies Corrupt Practices Act 1889 (c.69) and as defined in the Standards of Business Conduct for Employees of the Trust.

13.3 Any contracts under £25,000 exclusive of VAT may be let by exchange of simple forms of contracts or official orders at the discretion of the Director of

Finance provided that the following are specified:

- The work, materials, matters, or goods to be provided or undertaken,
- The price to be paid and payment terms, with a statement of discount or other deduction if any,
- The time or times within which the contract is to be delivered.

14. Contract Management

14.1 Contract Management is the process which ensures that both parties to a contract fully meet their respective obligations as effectively and efficiently as possible, in order to deliver the business and operational objectives required from the contract and in particular, value for money. The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust so as to ensure that these implicit obligations are met.

14.2 Where the Trust decides to award additional funding to contractors outside the terms of a contract, it should:-

- Robustly assess the evidence that there are exceptional circumstances to justify the funding and that it is compliant with the applicable law;
- Ensure this does not adversely effect any competitive process;
- Fully record the basis of the decisions and report the decision to the Audit Committee.

14.3 Advice on best practice on Contract Management is available from Value Wales.

15. Collaborative Contracts

15.1 Where the Trust enters into a collaborative contract with other public sector organisations the Trust SFIs and procedures shall be used where the Trust is the lead organisation. Where the Trust is not the lead organisation the SFIs and procedures of the host organisation shall be used.

15.2 Where joint schemes are undertaken with an outside agency that involve the outside agency guaranteeing to fund whole or part cost of the scheme, a written undertaking should be obtained from the outside agency guaranteeing the stated funding before the Trust contracts for the necessary services.

16. Construction Procurement

16.1 Construction procurement undertaken by the Trust will be conducted in accordance with the Welsh Government's Construction Procurement Strategy and the general principles of the OGC Achieving Excellence (AEC) in Construction initiative as applicable to NHS Wales.

16.2 The Welsh Ministers have developed a procurement strategy for construction which seeks to develop a more consistent approach to the procurement of works projects. The Trust will adopt and embed the outputs of this strategy that can be accessed at www.buy4wales.co.uk/prp

16.3 The Trust will engage with NHS Wales Shared Services Partnership – Facilities Services (NWSSP-FS) making use of the Designed for Life framework as appropriate for projects valued in excess of £6m. For procurement of projects below £6m, the latest guidance from WHE should be followed.

17. Disposals

17.1 Competitive Tendering or Quotation procedures is discretionary in respect of the disposal of:

- a) Any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or their nominated officer;
- b) Obsolete or condemned articles and stores, which may be disposed of in accordance with applicable regulations and law at the prevailing time (e.g. WEEE) and the procedures of the Trust;
- c) Items to be disposed of with an estimated sale value of less than £1000;
- d) Items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract, in all other instances the best possible market price should be obtained.

In all other instances the best possible market price should be obtained.

1.5 Appendix 1

1.6 ELECTRONIC TENDERING CODE

1.	INTRODUCTION	
	1.1	This Electronic Tendering Code shall apply to all tender invitations issued over a secure Internet based facility and will apply equally to electronic tendering processes undertaken by the Trust Procurement Department and the Trust Capital Planning and Estates Department.
	1.2	This Electronic Tendering Code shall have effect as if incorporated into the SFIs of the Trust.
	1.3	Except as provided in this Electronic Tendering Code, tenders must be obtained in accordance with the requirements of these SFIs. The contents of this code do not preclude the requirements of SFI 10 where the processes detailed may be implemented.
	1.4	Detailed operational guidance covering electronic tendering arrangements will be maintained separately by NWSSP-FS and Trust Procurement, which will be subject to regular audit review as part of electronic tendering processes.
2.	INVITATION TO TENDER	
	2.1	All electronic tenders shall be invited via the secure externally hosted web site supporting the electronic tender Application.
	2.2	A Service Level Agreement must be signed by Value Wales and the web site host, on behalf of the Welsh Public Sector, and should include the ability for the Trust to examine security procedures at the host site when required and to have access to any relevant security audit reports.
	2.3	Tender documents shall be posted to the secure site and suppliers notified by e-mail of: a. The availability of the tender for completion, b. The date and time for the return of bids, c. Any additional conditions, which must be considered by the tenderer and which, could affect the completion of the bid.
	2.4	The electronic tender shall provide full details of the Trust's standard or bespoke contract terms and conditions.

	2.5	The system allows the Contracts Officer to identify those tenderers who have not accessed their tenders. Tenderers who have not accessed the site in 5 working days shall be contacted to ensure they intend to bid.
	2.6	The time allowed for the submission of bids shall be advised to all companies invited to tender. Extensions of time shall not normally be permitted but in the event that it is required all tenderers shall be advised by e-mail of the length of the extension and revised return date prior to the previously advised closing date.
	2.7	Where a tender closing date needs to be extended, previously agreed dates can only be changed with approval from the Senior Manager/Director/Procurement Projects Officer or Commodity Manager within the issuing Department. Any extension agreed must be recorded for audit purposes using the proforma - Contracting File Note or by confirmation via email
	2.8	The extension to the closing date can only be progressed once this approval has been given, and is actioned by altering the closing date within E tendering system.
	2.9	Agreement to issue additional tender(s) must be given by the Senior Manager/Director/Procurement Projects Officer within the issuing Department (NWSSP-FS or Trust) and the reasons why fully documented. To issue an additional tender the supplier concerned is added to the supplier list for the ITT within the E tendering system.
3.	RECEIPT OF TENDERS	
	3.1	The System shall accept and store the tender returns in accordance with paragraph 4.
	3.2	Tenders will be completed and submitted in the secure external web site.

	3.3	Tenderers who miss the closing date for receipt of tenders shall have no further opportunity to post bids to the external web site for that particular tender issue.
4.	OPENING AND VALIDITY OF TENDERS	
	4.1	Prior to the start of the Tender process, the Contracts Manager shall designate one or more persons to form the “Designated Opening Committee” (DOC). The system will ensure that all members of the DOC are present at the opening by requesting that they each login to the system using their personal passwords.
	4.2	As soon as possible after the expiry of the return date, the DOC shall open the Qualifying Envelopes firstly and then the Technical responses in the external web site.
	4.3	Once the Technical responses have been opened they are visible to those users assigned access, the system shall prevent editing.
	4.4	Once the criteria for the Technical responses have been scored, the Commercial responses can be opened by the DOC.
	4.5	Once the Commercial responses have been opened they are visible to those users assigned access, the system shall prevent editing.
	4.6	Parallel opening facility permits opening of the Commercial responses before scoring of the Technical responses.
	4.7	Parallel opening shall only be deployed with the authority of a senior or commodity manager and the rationale for such an action clearly documented for audit purposes.
	4.8	Any scoring or analysis carried out in the external website will be fully auditable. Communication between NWSSP-FS or Trust Contracting Team and suppliers will be done using the messaging tool in the external website so that this is also auditable.
5.	MONITORING CONTRACTS	
	5.1	Overall monitoring of the contracts awarded shall be the responsibility of the Director of Finance, who shall present a report annually to the Trust Board detailing the number and

		value of all contracts placed during the previous financial year in excess of the Trust's tender limit.
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SCHEDULE 2.1.1

PROCUREMENT AND CONTRACTS CODE FOR BUILDING AND ENGINEERING WORKS

Supplementary Guidance

Note: Terms with capitalised initialling contained in this document which are followed immediately by an asterix (*) are explained in Appendix 1.

1. INTRODUCTION

- 1.1. This Procurement and Contracts Code (hereinafter referred to as the 'Code') should be read in conjunction with the Trust's SFIs. Its status will be as if incorporated in the SFIs of the Trust.
- 1.2. This Procurement and Contracts Code shall apply to all contracts for Building and Engineering Works*.
- 1.3. An officer of the Trust will be nominated and held responsible for the procurement and delivery of works schemes in compliance with this Code; this person shall be hereinafter referred to as the Nominated Officer*.
- 1.4. The Trust's delegated authorisation limits for capital expenditure should not be confused with the procurement thresholds detailed in this code. Details of these limits can be found in the Trust's SOs.

2. PROCUREMENT THRESHOLDS

- 2.1. The thresholds and relevant processes applicable to works procurements to be adhered to under this Code will be as follows:
 - Works up to £5,000 in value - Discretion of the Director of Finance
 - Works from £5,000 to £25,000 in value - 3 written quotations
 - Works between £25,000 and £3,497,313 in value - 4 formal tenders
 - Works to the value of £3,497,313 and above (approximately equivalent to £6,000,000 scheme outturn cost) - Designed for Life – Building for Wales Framework

3. DESIGNED FOR LIFE – BUILDING FOR WALES CONSTRUCTION PROCUREMENT FRAMEWORK

- 3.1. Where major projects are estimated to have an outturn of £6 million or above then the Trust will follow the mandatory procedures for large schemes established by Welsh Health Estates in 2006 as directed by the Welsh Government under WHC (2006) 049.
- 3.2. As OJEU* tendering processes were followed by Welsh Health Estates as part of the procurement of the Designed for Life – Building for Wales Framework there will be no further requirement for OJEU tendering on the part of the Trust.
- 3.3. The detailed procurement and contractual procedures supporting the framework will prevail. To this extent WHC (2006) 033 was issued recommending that the following be incorporated into Trust's SFIs:

'Where a contract for construction or engineering works, or for professional services relating to such works, is being considered, the procedures set out in section 4 of this document need not be followed where the proposed contract is to be let under a special arrangement negotiated by Welsh Health Estates or the Welsh Assembly Government in accordance with the terms of such a special agreement'

- 3.4. The Trust will be notified by Welsh Health Estates with regards the thresholds applicable to the special arrangements referred to in (3.3) as a result of periodic inflationary adjustments.
- 3.5. On expiry of the Interim Agreement* with the appointed Supply Chain Partner*, an NEC 3 ECC (Option C) Contract shall be entered into. This contract will be incrementally executed at OBC and FBC stages and will be dependent on the Welsh Government's approvals to the various business case stages.
- 3.6. NEC Professional Services contracts will be entered into with Consultants appointed to support the Trust with this category of project.

4. TENDERS

- 4.1. Except where otherwise provided in this Code, competitive tenders shall be obtained and contracts entered into for all Building and Engineering Works estimated between £25,000 to £3,497,313 Works Value*.
- 4.2. Tenders shall be obtained only, from companies included on the Approved Lists.

5. APPROVED LISTS

- 5.1 The Nominated Officer may either:

- a) Formulate lists of suitable consultants and contractors from where short lists may be derived. The lists will include a wide range of companies able to cater for the full range of works expected to be commissioned by the Trust covering a wide ranging turnover.

The lists will include firms who have been both financially and technically vetted and for whom positive references have been sought. The Nominated Officer will review the list on a continuous basis and shall on a two yearly basis undertake a comprehensive review to include the tendering and works delivery performance of all companies included. Poor performance in either respect should normally result in any specific firm being removed from the list for a period of not less than 2 years.

Firms may be included on the list following a written expression of interest to the Nominated Officer and subsequent satisfactory clearance of current financial and technical standing. There will be no requirement for written confirmation of successful inclusion onto the list however firms that have failed to be included should be notified in writing of the decision giving clear reasons for failure; or

- b) Use of the Government owned (and OGC* approved) Constructionline database.

6. SELECTION OF FIRMS TO TENDER

- 6.1. The Nominated Officer will ensure that fair and equitable contractor and consultant rotation is employed so as to give the maximum number of firms on the list an opportunity to tender. This practice should not preclude the repeated invitation of previously successful consultants and contractors who have recently demonstrated high levels of performance and value.
- 6.2. The Nominated Officer shall prepare for submission to the Audit Committee, on an annual basis, a list of all firms invited to tender for the various works schemes including appointment decisions.

7. PRE TENDER ESTIMATES*

- 7.1. Prior to determining the short list to tender the Nominated Officer must first obtain through professional means a robust pre tender estimate of the works cost of the project.
- 7.2. In order to proceed to tender the pre-tender estimate should be within a tolerance of +/- 10% of the works budget component of the overall scheme outturn projection. If the pre tender estimate is outside of this tolerance, the Chief Executive's approval in writing must be obtained prior to proceeding.

8. NUMBER OF FIRMS TO BE INVITED TO TENDER

- 8.1. The number of firms invited to tender for works commissions shall normally be 4.
- 8.2. Where it proves problematic to establish a short list of 4 suitable tenderers, the Chief Executive's written approval to proceed with fewer must first be obtained.

9. AUTHORITY TO INVITE TENDERS

- 9.1. Tenders for all works schemes shall be invited by or on behalf of the Nominated Officer.
- 9.2. The Nominated Officer's authority to invite tenders will be temporarily suspended whilst there remain unresolved issues concerning the magnitude of the pre tender estimate and the accepted tolerance of differential with the works budget (as referred to in 7.2 above).

10. NOMINATED SUB-CONTRACTORS AND NOMINATED SUPPLIERS AND PROPRIETARY ITEMS

- 10.1. The practice of naming Domestic Sub-Contractors and Nominated Suppliers shall not normally be followed.
- 10.2. The practice of specifying proprietary items of equipment should also be avoided. Where a specific item has to be specified in tender documents then the term 'or equivalent to' should also be included.

11. TENDER DOCUMENTS

- 11.1. Tenders for Works where Bills of Quantities do not form part of the Contract Document shall include a Day Work Schedule and / or Schedule of Works and / or a Schedule of Rates. Every tender for an Engineering Main Contract or Sub-Contract shall include the Specification and Prices Schedule or Schedule of Quantities.
- 11.2. The Department of Health Standard Declaration of Non-Collusion shall be submitted with every tender.
- 11.3. Every tender shall be strictly in accordance with the invitation documents and a statement to this effect shall be included in the letter of invitation which shall also specify that a qualified or incomplete tender may be liable to rejection and that, if in view of this, a Contractor has any doubts about how to proceed, he should clarify the matter with the Nominated Officer or Trust's Consultants as appropriate before submitting his tender.

11.4. Contractors shall not normally be expected to take out Performance Bonds for Works Contracts but in the event that a Performance Bond is required a statement to this effect shall be included in the tender documentation.

11.5. Where lowest price is not the intended sole determinant to selection then all invited bidders shall be notified of this strategy in the written specification and details of the quality index and its weightings provided.

12. TIME ALLOWED FOR TENDERING

12.1. The time allowed for the submission of tenders will normally be four weeks.

12.2. If the Nominated Officer considers that due to the complexity or value of the scheme a longer period is required then this will be recorded in writing and retained on the project file. For schemes involving relatively simple works the Nominated Officer can allow a reduced period for tender return and again this must be recorded in writing and retained on the project file.

12.3. Requests for extensions of the time for return of tenders arising from accentuating circumstances may be granted by the Nominated Officer providing that all participants are simultaneously notified in writing of the extension without delay.

13. DELIVERY, RECEIPT AND SAFE CUSTODY OF TENDERS AND RECORDS

13.1 Arrangements, for the Delivery, Receipt and Safe Custody of Tenders shall be as those detailed in the Trust's SFIs, Schedule 2.1.1-Para.7.

14. OPENING OF TENDERS

14.1. Arrangements for the opening of tenders shall be as those detailed in the Trust's SFIs, Schedule 2.1.1-Para.8.

15. ADMISSIBILITY OF TENDERS

15.1. Admissibility of tenders shall be in accordance with the Trust's SFIs, Schedule 2.1.1-Para.9.

16. EXAMINATION OF TENDERS

16.1. A tender which is qualified or incomplete shall not be admitted and the Tenderer notified accordingly of its disqualification.

16.2. The Tenderer under consideration shall submit his priced Bill(s) of Quantities, when appropriate as soon as possible after being asked to do so and in any case by not later than four working days after being asked

(Saturday and Sundays are not to be counted as working days for the purpose of this Clause).

- 16.3. The Tenderer under consideration should provide his priced Bills of Quantities or priced Schedules of Works and / or priced Schedules of Rates and these shall be checked by the Architect, Quantity Surveyor, Building Officer or Engineer as appropriate.
- 16.4. All errors discovered or qualifications or alterations to tenders received shall be referred immediately to the Nominated Officer.

17. ACCEPTANCE OF TENDERS

- 17.1. When a lowest tender or only tender is within the authorised budget approved by the Trust it may be immediately recommended to the relevant Delegated Authority for acceptance.
- 17.2. Where the lowest acceptable tender sum, adjusted for main sub-tenders, exceeds the authorised budget by not more than 10%, savings should be sought and agreed with the successful Tenderer before award of the contract to maintain the integrity of the authorised budget. If the excess is more than 10%, a detailed report together with proposals for achieving savings and a note of the effects of such savings must be submitted to the Delegated Authority for a decision on whether or not to proceed and on what basis. If in the opinion of the Nominated Officer, it is not practicable to reduce a tender to the approved amount, a report and recommendation on the matter shall be made to the Chief Executive.
- 17.3. A tender other than the lowest shall only be accepted when the specification sets out that this will be the basis for selection and shall be accompanied by the criteria that is to be used to determine the weightings of these facets.
- 17.4. Received tenders shall remain open for acceptance for a period of three calendar months from the date when tenders are due to be returned. This shall be confirmed in the invite letter and/or specification.
- 17.5. Immediately prior to acceptance of a tender, which is on a fixed price basis, a check must be undertaken by the Nominated Officer to ensure that the period between acceptance of the tender and start on the site as stated in the tender documents remains valid.

18. FORWARD ORDERING AND LETTERS OF INTENT

- 18.1. A Forward Order with a Nominated Sub-Contractor or a Nominated Supplier may be issued by the Nominated Officer if considered necessary. The contractual relationship resulting from the Forward Ordering procedure shall be assigned to the Main Contractor at the time of his

Appointment and the Contract with the Nominated Sub-Contractor or Nominated Supplier shall be subject to this condition.

- 18.2. The Nominated Officer may recommend to the Chief Executive the issuing of a Forward Letter to Nominated Sub-Contractors or Nominated Suppliers for the purpose of reserving capacities and materials, provided he ensures that any such letter does not give rise to any legal relationship or liability.

19. NOTIFICATION OF RESULTS OF TENDERS

- 19.1. All Tenderers shall be notified of the result of the competition as soon as possible.
- 19.2. The Nominated Officer shall under normal circumstances, within seven days of the opening of tenders;
 - 19.2.1. Inform the preferred Tenderer that his offer is under consideration and request submission of his priced Bills of Quantities / Schedule of Works / Schedules of Rates.
 - 19.2.2. Examine the Bills of Quantities / Schedules of Works / Schedule of Rates and, if satisfactory, proceed to (iii). In the event of these documents proving unsatisfactory an approach should be made to Tenderers in ascending order of tendered/quality adjusted cost as appropriate until satisfactory documents are received.
 - 19.2.3. Within a timely manner, the Nominated Officer shall inform all other Tenderers in writing that they have not been successful. Included in this letter shall be anonymised details of all prices returned in order of ascending values.

20. QUOTATIONS

- 20.1. For works estimated to have a value in line with the quotation thresholds laid down on section (2) of this Code, the Nominated Officer may invite three companies to provide competitive quotations for the specified works.
- 20.2. Competitive quotations shall be obtained in writing from firms from the relevant approved list.
- 20.3. The process of determining forms of contract and project control procedures shall remain, irrespective of the procurement process.
- 20.4. Documentation associated with competitive quotations will be retained on the relevant scheme file.

21. ALTERNATIVE PROCUREMENT PROCEDURES

- 21.1. In cases where a Statutory Utility Provider(s) is required to carry out works on utility supplies or services to Trust premises then competitive tendering or quotation procedures may not be applicable. In this case a single source procurement for all or part of the works will usually prevail. In this event the Board shall be notified of this action through annual reporting means.
- 21.2. NHS bodies may negotiate with a single contractor in exceptional circumstances. Negotiations may be conducted with a firm which is already carrying out (or has recently completed) similar work for the NHS body on the site where the proposed scheme is planned for.
- 21.3. The aim of negotiated tenders should be to arrive at a tender sum no higher than that which would have been achieved in competition. The sum should be obtained by negotiation and be based, as far as possible, on the prices established in competition for the earlier contract. The contract for the new work should not be of a disproportionately high value (as a general rule not more than 50%) in relation to the value of the initial contract.
- 21.4. Where emergency works are required to ensure continuity of essential clinical services a single source procurement shall be permitted providing the permission of the Chief Executive is first given. Again the Board shall be informed through annual reporting means.
- 21.5. In any other case of single source procurement the submitted bid should as far as is possible be checked to establish that it offers value for money and in all cases without exception must be authorised by the Chief Executive.

22. CONTROL OF BUILDING AND ENGINEERING SCHEMES

- 22.1. All Designed for Life – Building for Wales Construction Projects will be cost and time controlled in accordance with the extant Welsh Health Estates procedures.
- 22.2. Construction schemes below the Designed for Life – Building for Wales threshold but funded from the Welsh Assembly Government's Capital Programme will be planned and time and cost controlled using procedures set out in the Capital Investment Manual* and CONCODE*.
- 22.3. All other schemes not specifically covered by (20.1) and (20.2) above will be planned and time and cost controlled using procedures relevant to the risk. The extent of this control will be a set through discussion with the Nominated Officer.

23. FORMS AND CONDITIONS OF CONTRACT

- 23.1. The Trust will for all construction projects enter into formal contracts with contractors/partners unless the scheme is of relatively low risk and complexity. All formal contracts entered into shall be executed under deed
- 23.2. For Designed for Life – Building for Wales Construction Projects NEC3 ECC (Target Cost with Activity Schedule) for the Supply Chain Partner and NEC3 Professional Services Contract for Trust advisers will be applied.
- 23.3. For contracts below the Designed for Life – Building for Wales threshold but funded from the Welsh Government’s Capital Programme an suitable standard form of contract shall be applied. This exact form can be determined with the advice of the Contract Administrator.
- 23.4. Where works are brief and simple by nature and overall pose a low business risk to the Trust an Exchange of Letters can be used which clearly specifies:-
 - 23.4.1. The work, materials, matters or things to be furnished or done;
 - 23.4.2. The price to be paid with a statement of discount or other deductions if any; and
 - 23.4.3. If practicable, the time or times within which the contract is to be performed.
- 23.5. In all cases where Exchange of Letters bind the agreement, a risk assessment to support the contract strategy should be completed and recorded on the project file.
- 23.6. Wherever possible the Trust should apply standard forms of contract to its works procurements. However works that are procured from Statutory Utility Providers* may often prove difficult to execute under a standard form. In such cases and when the works will only be carried out if the Trust executes the preferred contract form of the Statutory Utility Provider then this alternative procedure may be followed. In all cases this action should be recorded on the project risk register.

24. FORMS AND CONDITIONS OF CONTRACT – GENERAL

- 24.1. In every contract document a clause shall be included to secure that the Trust shall be entitled to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation, if;
 - 24.1.1. The contractor has prepared his tender in collusion with others;
or
 - 24.1.2. The contractor has offered or given or agreed to give any person any gift or consideration of any kind as an inducement or reward

for doing or forbearing to do, or having done or forborne to do, any action in relation to the obtaining or execution of the contract or any other contract with the Trust; or

24.1.3. The like acts shall have been done by any person employed by the contractor or acting on his behalf (whether with or without the knowledge of the contractor); or

24.1.4. In relation to any contract with the Trust, the contractor or any persons employed by him or acting on his behalf shall have committed an offence under the Prevention of Corruption Acts 1889 and 1916.

24.2. The Contract Document shall be signed by the Chief Executive or other so authorised by the Chief Executive, on behalf of the Trust.

25. SAFE RETENTION OF CONTRACT DOCUMENTS

25.1. So as to ensure the safe keeping of all contract documents the Nominated Officer will ensure that all contract documentation originals are retained in the Trust's fire safe located in Trust Headquarters.

26. APPOINTMENT OF CONSULTANTS IN SUPPORT OF CAPITAL SCHEMES

26.1. The process for procedure for procuring construction consultants will align with those for works. The thresholds set down on section (2) shall also apply.

26.2. Consultant's briefing documents used for tender or quotation purposes shall also follow the procedures set out earlier for works.

26.3. NEC3 Professional Services Contracts or Standard NHS Agreements (Blue Books) shall be used to bind contracts with construction consultants. In all cases these shall be executed under deed and originals shall be deposited in the Trust's fire safe.

26.4. Where commissions are simple and brief then an exchange of letters shall be permitted as an alternative to the standard form. In all cases where departure from standard forms is adopted, a risk assessment shall be completed to support the decision which shall be retained on the project file.

INTERPRETATION OF TERMS

Term contained with this Code	Interpretation
Building and Engineering Works	Construction and/or allied engineering works necessary to develop new build, upgrade, extension, refurbishment and refit projects.
Nominated Officer	A Trust Officer held responsible for procuring and delivering works schemes in accordance with this Code and will usually be the most senior estates professional employed by the organisation.
Financial Vet	Establish credit worthiness and financial stability.
Capital Investment Manual	Mandatory procedures issued by the Department of Health on Business Case development and Capital Project delivery.
CONCODE	Mandatory NHS guidance on contractual procedures for works schemes.
Project Owner	An individual nominated by the Board to provide the link between the decision making interface of a project and the Board. Normally allocated to the Chief Executive or Executive Director.
Project Director	An individual nominated in writing by the Project Owner to manage and deliver all aspects of a major works scheme.
Works Value	The value of a works contract before the addition of any value added tax.
Pre Tender Estimate	An estimate of the outturn cost of works less any tax based upon at least 75% of the completed design.
Supply Chain Partner	A contracting partner normally engaged under the Design for Life-Building for Wales Framework, under whose control all (save for Trust Project Managers, Trust Cost Advisors and Trust Construction Supervisors) remaining

	external project resources will rest.
Interim Agreement	A written contractual agreement between the Trust and Supply Chain Partner (SCP) established at the earliest possible time following SCP appointment. This agreement should remain valid for no longer than 6 weeks.
Delegated Authority	An officer with the level of financial approval required to confirm the expenditure.
OGC	Office of Government and Commerce
OJEU	Open Journal of European Union
Statutory Utility Provider	A commercial company underwritten by law to provide electricity, gas or water services and for which any alternations to the supply infrastructure required by the Trust requires their approval, co-ordination or execution.

Schedule 2.1.2

CONTRACT NOTIFICATION ARRANGEMENTS

**e-mails from Head of Financial Control & Governance,
Department for Health, Social Services and Children to
Trust Directors of Finance**

**This Schedule forms part of, and shall have effect as if incorporated in the
NHS Trust Standing Financial Instructions**

Dear all

Please see attached forms referred to below for NHS Trust use.

Kind regards
Kim

Kim Jenkins
Head of Financial Control & Governance / Pennaeth Rheolaeth Ariannol a
Llywodraethu
Finance Directorate / Cyfarwyddiaeth Cyllid
Department for Health, Social Services and Children / Yr Adran Iechyd,
Gwasanaethau Cymdeithasol a Phlant
Welsh Government / Llywodraeth Cymru
Tel -Ffôn: 029 2080 1056
e-mail - e-bost:
kim.jenkins@wales.gsi.gov.uk
Fax - Ffacs: 029 2082 5429

Dear all

Further to the guidance issued on 19 April 2012 regarding contract approval procedures for LHBs, work has continued to ascertain appropriate contract approval processes with regard to the NHS Wales Trusts accounting for the differing legal regimes between LHBs and Trusts.

As you are aware from discussions, it is the Minister's wish to review all contracts entered into by NHS Wales which exceed £1m, and to be notified of all contracts prior to their award between £500,000 and £1m.

The National Health Service (Wales) Act 2006 includes a provision in Schedule 2 which requires LHBs to have Ministerial consent before entering into contracts. There is no such requirement for NHS Trusts.

Options have continued to be explored with WG legal colleagues who have advised that under current legislation, Ministerial consent should not be sought and cannot be provided in relation to contracts entered into by Trusts. This is the case even if the Trusts Board wished to seek Ministerial consent e.g. despite changes to Velindre's schedule of delegations to voluntarily seek to incorporate Ministerial consent for contracts exceeding £1m, it has been established that the legal position is such that Ministerial 'consent' cannot be provided, even circumstances.

However, the Minister still wishes to review all NHS Wales contracts exceeding £1m in value. Therefore the same processes and timetables should be followed for NHS Trusts as for LHBs, with the only difference being that rather than seeking ' Ministerial Consent' for contracts exceeding £1m in value, NHS Trusts are requested to notify the Minister of their intent to award contracts exceeding £1m. This includes all contracts let by NWSSP Procurement on behalf of LHBs.

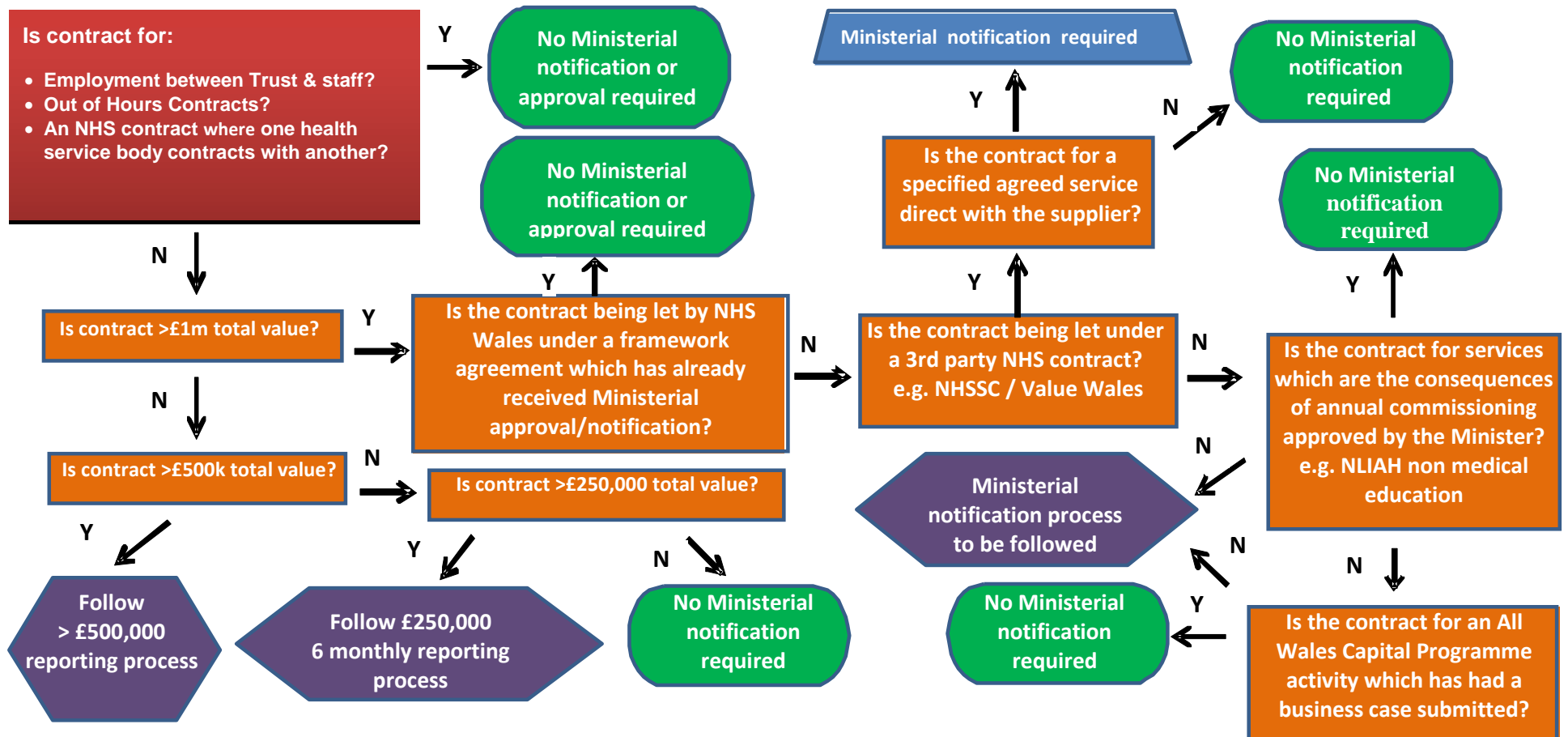
Revised forms will be issued which are amended to reflect the Trusts 'Notification' process. In the meantime we have received contract approval requests from Trusts to date using the forms presently issued for LHB usage, and have notified the Minister accordingly, and will continue to do so until the revised Trust forms can be made available.

Please do not hesitate to contact me if you have any queries.

Kind regards
Kim

Kim Jenkins
Head of Financial Control & Governance / Pennaeth Rheolaeth Ariannol a
Llywodraethu
Finance Directorate / Cyfarwyddiaeth Cyllid
Department for Health, Social Services and Children / Yr Adran Iechyd,
Gwasanaethau Cymdeithasol a Phlant
Welsh Government / Llywodraeth Cymru
Tel -Ffôn: 029 2080 1056
e-mail - e-bost:
kim.jenkins@wales.gsi.gov.uk
Fax - Ffacs: 029 2082 5429

Contracts – Notification and Monitoring Decision Tree



Appendix 2

How to Provide Initial Briefing

1. Trusts should, at the contract planning stage consider whether it is a contract for which they would need to notify to the Welsh Ministers. The contract planning stage is either the 'contract planning stage' as set out in the Shared Services Procurement guidance, if following a Shared Service Procurement process, or at the point at which sufficient information is known to have clarity around the specification requirements.
2. As an aid to determining whether the contract should be notified to the Welsh Ministers a decision tree is provided at Appendix 1 covering different contractual arrangements and their treatment. Any queries at this stage as to whether notification is needed should be directed to Kim.Jenkins@wales.gsi.gov.uk, cc'd to Mary.Swiffen-Walker@wales.gsi.gov.uk.
3. If the Trust decides that they wish to pursue a contract that should be notified to the Welsh Ministers i.e. one which exceeds £1million they should send the [Contract Briefing Paper](#) along with any supporting documentation via e-mail to Kim.Jenkins@wales.gsi.gov.uk, cc'd to Mary.Swiffen-Walker@wales.gsi.gov.uk. The Contract Briefing Paper form can be obtained from the Procurement Services website under the section for Policies, Procedures and Forms under the 'staff' tab (guidance or a copy of the form can be obtained from your Procurement Department) <http://www.procurement.wales.nhs.uk/>
4. The Contract Briefing Paper form should be provided at the 'contract planning stage' if following a Shared Service Procurement process, or at the point at which sufficient information is known to have clarity around the specification requirements.
5. Timely provision of Initial Briefing for Ministerial review is crucial to the smooth running of the approval process. Contracts for which an application for consent is received without the Initial Briefing having been provided may encounter delays in the approval stage.
6. Within the Contract Briefing Paper explanation is sought for Private Sector Procurement Rationale, this is the explanation as to why the goods / services were sought from private sector, rather than in-house NHS delivery. The purpose of this section is to explain what options were considered including in-house delivery and reasons for private sector procurement e.g. value for money, service quality, capacity etc. The degree of detail required here will range dependant upon the goods or services being procured. If the contract is for the provision of goods which can only be bought from the private sector the rationale for private sector procurement is straightforward – as the only source of the goods is the private sector. If the contract is for the provision for example of homecare services, or services that may historically have

been delivered by frontline healthcare professionals, or in a hospital / clinic setting, a more detailed explanation will be required setting out what options were considered for delivery within the NHS, and the improved outcomes (quality, cost, value) achieved by private sector procurement. If such a contract is being pursued under a strategy or policy direction this should be cited in the rationale.

7. Framework contracts. This information should be provided for the tender and letting of the overall framework contract. It will not be necessary to provide this information for subsequent individual contracts entered into if exceeding £1million.
8. These processes do not apply to All Wales Capital Programme contracts, as the application, business case and approvals process for such activity already encompasses Welsh Ministers approval.
9. These processes do not apply to situations where NHS Wales bodies access services which have been contracted for by a third party body e.g. Value Wales, NHS Supply Chain. In these situations NHS Wales is not the contracting body. However, if under such arrangements a Trust enters into a contract with a supplier for specified goods or services, this would be subject to the processes outlined above. See examples below for clarification:
 - a. If a Trust were to access a Value Wales office supplies contract for standard office supplies exceeding £1million this would not require Ministerial notification .
 - b. However, if under an NHS Supply Chain contract for consultancy services a specific consultancy project was scoped and tendered via mini-competition under the Framework, and a contract entered into between the Trust and successful supplier for more than £1million, Ministerial notification would be required.
10. The processes outlined above would not be applicable to situations where Trusts enter into contracts which are the consequence of an annual commissioning paper that is approved by the Minister before contracting arrangements are made e.g. NLIAH contracts with Universities for non-medical education.
11. No formal notification will be provided to Trusts that the Minister has noted the contract. Once the Initial Briefing has been provided the Trust should allow a 10 day period for queries to arise. Officials will notify applicant Trusts of any queries or Ministerial requests if they arise from the Ministers' consideration of the contract. Once the 10 day period has passed the procurement procedure should progress.

Appendix 3

How to provide notification of intent to enter into a Contract >£1m

1. Trusts should, prior to signing a contract, consider whether it is a contract which they need to notify to the Welsh Ministers.
2. As an aid to determining whether the contract should be notified to Welsh Ministers a decision tree is provided at Appendix 1 covering different contractual arrangements and their treatment. Any queries at this stage as to whether notification is needed should be directed to Kim.Jenkins@wales.gsi.gov.uk cc'd to Mary.Swiffen-Walker@wales.gsi.gov.uk
3. If the Trust decides that they wish to enter into a contract that should be notified to the Welsh Ministers i.e. one which exceeds £1million they should complete the [application form for notification >£1m](#) provided with this guidance and submit it along with supporting documentation via e-mail to Kim.Jenkins@wales.gsi.gov.uk cc'd to Mary.Swiffen-Walker@wales.gsi.gov.uk and Tracy.Jones3@wales.nhs.uk
4. If it is not possible to provide all documentation electronically, hard copies should be provided to Mary Swiffen Walker, Finance Directorate, Department of Health, Social Services and Children, Welsh Government, Cathays Park, Cardiff, CF10 3NQ.
5. In addition to the application form, applicants should ensure that all relevant documents required to consider the request are included with the application form.
6. **At the very minimum,** the documents attached to the application should include:
 - The proposed terms of the contract i.e. parties, period and consideration,
 - Evidence of Board approval of the contract, or evidence of appropriate sign off to procure by participating LHBs in the case of All Wales contracts, (*per the NWSSP Procurement contract ratification process*)
 - In the case of notification to dispose of land / buildings, evidence should be submitted that demonstrates market value has been achieved, or a reason given why this is not the case.
7. In order to ensure timely consideration , Welsh Government require 15 working days in which to consider applications. There may be occasions when an urgent response is needed, and officials will endeavour to respond quickly and promptly in these cases to ensure no unnecessary

delay arises. However this is expected to be in exceptional cases only. This does not remove the obligation to provide notification prior to entering into contracts over £1million.

8. Framework contracts. This information should be provided for the tender and letting of the overall framework contract. It will not be necessary to provide this information for subsequent individual contracts entered into if exceeding £1million.
9. These processes do not apply to All Wales Capital Programme contracts, as the application, business case and approvals process for such activity already encompasses Welsh Ministers approval.
10. These processes do not apply to situations where NHS Wales bodies access services which have been contracted for by a third party body e.g. Value Wales, NHS Supply Chain. In these situations NHS Wales is not the contracting body. However, if under such arrangements a Trust enters into a contract with a supplier for specified goods or services, this would be subject to the processes outlined above. See examples below for clarification:
 - If a Trust were to access a Value Wales office supplies contract for standard office supplies exceeding £1million this would not require Ministerial consent.
 - However, if under an NHS Supply Chain contract for consultancy services a specific consultancy project was scoped and tendered via mini-competition under the Framework, and a contract entered into between the Trust and successful supplier for more than £1million, Ministerial consent would be required.
11. The processes outlined above would not be applicable to situations where Trusts enter into contracts which are the consequence of an annual commissioning paper that is approved by the Minister before contracting arrangements are made; e.g. NLIAM contracts with Universities for non-medical education.
12. For volume estimate contracts, the criteria of whether the £1million level will be exceeded should be based upon the original estimates for the letting of the contract.
13. For contracts with an option to extend, if the exercise of the option would take the value of the contract over £1million, application for notification should be made at the point consideration is being given to exercising the option.
14. Within the application for notification explanation is sought for Private Sector Procurement Rationale, this is the explanation as to why the goods / services were sought from private sector, rather than in-house NHS delivery. The purpose of this section is to explain what options were

considered including in-house delivery and reasons for private sector procurement e.g. value for money, service quality, capacity etc. The degree of detail required here will range dependant upon the goods or services being procured. If the contract is for the provision of goods which can only be bought from the private sector the rationale for private sector procurement is straightforward – as the only source of the goods is the private sector. If the contract is for example for the provision of homecare services, or services that may historically have been delivered by frontline healthcare professionals, or in a hospital / clinic setting, a more detailed explanation will be required setting out what options were considered for delivery within the NHS, and the improved outcomes (quality, cost, value) achieved by private sector procurement. If such a contract is being pursued under a strategy or policy direction this should be cited in the rationale.

15. If, once a contract exceeding £1million is awarded, a challenge is raised on the contract, it is only necessary to notify the Welsh Ministers if the challenge results in changes to the contract i.e. the contract would not be awarded in accordance with the Ministerial notification originally received.

Appendix 4

How to provide monitoring information for contracts exceeding £500,000 up to £1million

1. If a Trust decides that they wish to enter into a contract that falls below the Ministerial £1m notification threshold, and is not pursuant to their direct statutory powers, information for all such proposed contracts with a value exceeding £500,000 up to £1million will be required. The Trust must complete the notification form provided with this guidance, (not the notification >£1m form), and submit it along with relevant supporting documentation via e-mail to Kim.Jenkins@wales.gsi.gov.uk cc'd to Mary.Swiffen-Walker@wales.gsi.gov.uk
2. As an aid to determining whether the contract should be notified to the Welsh Ministers a decision tree is provided at Appendix 1 covering different contractual arrangements and their treatment. Any queries at this stage as to whether notification is needed should be directed to Kim.Jenkins@wales.gsi.gov.uk cc'd to Mary.Swiffen-Walker@wales.gsi.gov.uk
3. To ensure timely review, Welsh Government requires provision of this summary information at least 8 working days prior to the intended date of contract letting. There may be occasions when it is not possible to adhere to this timescale, officials will endeavour to respond quickly and promptly in these cases to ensure no unnecessary delay arises.
4. No formal notification will be provided to Trusts that the Minister has noted the contract. Once the notification has been provided the procurement procedure should progress. Officials will notify applicant Trusts of any queries or Ministerial requests if they arise from the Ministers' consideration of the contract.
5. Explanation of detail required:
 - a. Contract Title – name by which contract is generally referred to
 - b. Contract reference – reference to uniquely identify contract
 - c. Purpose of the contract – why the contract is being entered into
 - d. Contract description – description of goods or services or property covered by the contract
 - e. Rationale for private sector procurement – explanation as to why the goods / services were sought from private sector, rather than in-house NHS delivery. The purpose of this section is to explain what options were considered including in-house delivery and reasons for private sector procurement e.g. value for money, service quality, capacity etc.

The degree of detail required here will range dependent upon the goods or services being procured. If the contract is for the provision

of goods which can only be bought from the private sector the rationale for private sector procurement is straightforward – as the only source of the goods is the private sector.

If the contract is for the provision of Healthcare at Home services, or services that may historically have been delivered by frontline healthcare professionals, or in a hospital / clinic setting, a more detailed explanation will be required setting out what options were considered for delivery within the NHS, and the improved outcomes (quality, cost, value) achieved by private sector procurement. If such a contract is being pursued under a strategy or policy direction this should be cited in the rationale.

- f. Contractor details – details of the contractor(s) to whom the contract has been awarded, if a framework contract, information by lot of successful contractor(s)
 - g. Contract value – Total value and annual value
 - h. OJEU Requirements – Description of OJEU requirement and compliance
 - i. Contract duration – Length of contract being entered into, start date & end date, and details of any option to extend
 - j. Confirmation of Funding Stream – Description of funding source
 - k. Identified Risks – Key contract risks
6. This process does not apply to All Wales Capital Programme contracts, as the application, business case and approvals process for such activity already encompasses Welsh Ministers approval.
7. These processes do not apply to situations where NHS Wales bodies access services which have been contracted for by a third party body e.g. Value Wales, NHS Supply Chain. In these situations NHS Wales is not the contracting body. However, if under such arrangements a Trust enters into a contract with a supplier for specified goods or services, this would be subject to the processes outlined above. See examples below for clarification:
- a. If a Trust were to access a Value Wales office supplies contract for standard office supplies exceeding £1million this would not require Ministerial consent.
 - b. However, if under an NHS Supply Chain contract for consultancy services a specific consultancy project was scoped and tendered via mini-competition under the Framework, and a contract entered into between the Trust and successful supplier for more than £1million, Ministerial consent would be required.
8. The processes outlined above would not be applicable to situations where Trusts enter into contracts which are the consequence of an annual commissioning paper that is approved by the Minister before contracting arrangements are made e.g. NLIH contracts with Universities for non-medical education.

9. Framework contracts. This information should be provided for the tender and letting of overall framework contracts with a value exceeding £500,000 up to £1million. It will not be necessary to provide this information for subsequent individual contracts entered into under a Framework if exceeding £500,000.

Appendix 5

How to provide monitoring information for contracts exceeding £250,000 up to £500,000

1. If a Trust decides that they wish to enter into a contract that falls below the Ministerial £1m notification threshold, and is not pursuant to their direct statutory powers, information for all such proposed contracts with a value exceeding £250,000 up to £500,000 will be required. Procurement services will collate from individual Trusts the details required and complete the summary details form provided with this guidance and submit it via e-mail to Kim.Jenkins@wales.gsi.gov.uk cc'd to Mary.Swiffen-Walker@wales.gsi.gov.uk
2. As an aid to determining whether the contract should be notified to the Welsh Ministers a decision tree is provided at Appendix 1 covering different contractual arrangements and their treatment. Any queries at this stage as to whether approval is needed should be directed to Kim.Jenkins@wales.gsi.gov.uk cc'd to Mary.Swiffen-Walker@wales.gsi.gov.uk
3. The form should cover all relevant contracts let in the 6 months preceding the due date.
4. Explanation of detail required:
 - a. Contract Title – name by which contract is generally referred to
 - b. Contract reference – reference to uniquely identify contract
 - c. Contract description – description of goods or services or property covered by the contract
 - d. Contract value – Total value and annual value
 - e. Contract duration – Length of contract being entered into, start date & end date, and detail of any option to extend
 - f. Contractor details – details of the contractor(s) to whom the contract has been awarded, if a framework contract, information by lot of successful contractor(s)
5. This process does not apply to All Wales Capital Programme contracts, as the application, business case and approvals process for such activity already encompasses Welsh Ministers approval.
6. These processes do not apply to situations where NHS Wales bodies access services which have been contracted for by a third party body e.g. Value Wales, NHS Supply Chain. In these situations NHS Wales is not the contracting body. However, if under such arrangements a Trust enters into a contract with a supplier for specified goods or services, this would be subject to the processes outlined above. See examples below for clarification:

- a. If a Trust were to access a Value Wales office supplies contract for standard office supplies exceeding £1million this would not require Ministerial notification.
 - b. However, if under an NHS Supply Chain contract for consultancy services a specific consultancy project was scoped and tendered via mini-competition under the Framework, and a contract entered into between the Trust and successful supplier for more than £1million, Ministerial notification would be required.
7. The processes outlined above would not be applicable to situations where LHBs enter into contracts which are the consequence of an annual commissioning paper that is approved by the Minister before contracting arrangements are made: e.g. NLIAH contracts with Universities for non-medical education.
8. Framework contracts. This information should be provided for the tender and letting of overall framework contracts with a value exceeding £250,000 up to £500,000. It will not be necessary to provide this information for subsequent individual contracts entered into under a Framework if exceeding £250,000.

For Welsh Government Use Only	
Date Received:	
Reference Number:	
Acknowledgement sent:	
Date complete information received:	

Trust Application Form to provide notification to the Welsh Ministers of intent to Enter into Contracts over £1 million

Trust:			
Contact Name:		Position Held:	
Address:			
Contact Telephone No:		E-mail:	
Contract Title & Reference:			
Purpose of the Contract:			
Contract Description:			
Rationale for Private Sector Procurement:			
Name(s) of the Contractor(s) (Parties to the contract):			
What is included in the Contract (Goods / Services / Property):			
Total Value of the Contract (Consideration) – <i>if an option to extend provide for basic contract period and cost for option periods:</i>			
Annual Value of Contract:			
OJEU Requirements Satisfied:	Yes / No		
If OJEU Requirements Not Satisfied, Please Give Reasons:			
Duration of the Contract including details of option to extend, start & finish			

dates:	
Confirmation of Funding Stream:	
Identified Risks:	
Any Other Relevant Information: <i>(Date of initial Contract Briefing Paper to be included here)</i>	

Documents Included in this Application (please tick all that you are including; there are blank spaces left for you to list any other documents you are including with this application):

* Board Papers ¹ :	Memorandum of Sale ^{2&3} :	Invoice ^{2&3} :	Documented Quote:

* These documents must be provided for all applications for consent

1. Board or equivalent papers from appropriate corporate governance group responsible for the endorsement of the contract, confirming they endorse the proposed contract. This could include contract adjudication minutes and approval process.

2. For contracts relating to the acquisition and disposal of land

3. For contracts relating to the acquisition and disposal of land

I certify that the information given above is accurate; I also certify that all relevant documentation relating to this notification to the Welsh Ministers of intent to enter into a contract is enclosed with this application; I understand that failure to include adequate information and/or relevant documentation will result in the application being returned to the Trust and not considered further until the relevant information is provided. I also certify that I am content that correct procedure for letting contracts has been followed within the Trust; that all necessary expert advice has been obtained; and that due diligence has been demonstrated.

Name:

Position Held:

Signature:

Date:

NB: Trusts will be formally notified when the Minister has noted the contract.

LHB & Trust Notification to Welsh Ministers of Contracts > £250,000 and < £500,000 that have been let in the last 6 months

Local Health Board / Trust:		Period:			
Contact Name:		Position Held:			
Address:					
Contact Telephone No:		E-mail:			
Contract Title	Reference	Contract Description	Total Value (for main contract duration and any option to extend) / Annual Value £'s	Duration (including Start / Finish Dates & extension options)	Contractor(s) Details

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I certify that the information given above is accurate. I also certify that I am content that the correct procedure for letting contracts has been followed within the LHB/Trust: that all necessary expert advice has been obtained; and that due diligence has been demonstrated.

Name:

Position Held:

Signature:

Date:

Procurement Services Contracting Briefing Paper

Contract Details

Contract Title:	
Contract Duration:	
Contract Date:	
Estimated Annual Value:	
Estimated Total Value:	
Responsible Contracts Officer:	
Lead Body LHB or Trust:	
Contracts Officer Contact Details:	E-mail address & phone number

Contract Overview

Snap shot from contract plan

Market Research

Summarise information from contract plan to include:

Market research
Other UK Practice
Benchmarking
Themes of SRA

SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none">•	<ul style="list-style-type: none">•
Opportunities	Threats

•	•
---	---

Private Sector Procurement Rationale

This is the explanation as to why the goods / services were sought from private sector, rather than in-house NHS delivery. The purpose of this section is to explain what options were considered including in-house delivery and reasons for private sector procurement e.g. value for money, service quality, capacity etc.

The degree of detail required here will range dependant upon the goods or services being procured. If the contract is for the provision of goods which can only be bought from the private sector the rationale for private sector procurement is straightforward – as the only source of the goods is the private sector.

If the contract is for example for the provision of homecare services, or services that may historically have been delivered by frontline healthcare professionals, or in a hospital / clinic setting, a more detailed explanation will be required setting out what options were considered for delivery within the NHS, and the improved outcomes (quality, cost, value) achieved by private sector procurement. If such a contract is being pursued under a strategy or policy direction this should be cited in the rationale.

Contract Analysis / Proposal

Provide details of contract strategy
Pricing strategy
Expected benefits - Savings / Standardisation / price containment

Contract Proposal

- 1. Tender Type**

- 2. Term of the Contract**

- 3. Supplier Selection**

- 4. Award Criteria**

5. Timeframes

Provide indication of key dates

Contracting Stage	Anticipated Date/Timescales	Responsibility
Briefing paper / Estimates return		
OJEU/PQQ Issue		
Supplier Selection Shortlist		
Tender Return		
Evaluation		
Ratifications Out / Return		
Publish Award		
Contract Start		

Contract Management

Communications

ACCEPTANCE

Please confirm your acceptance to participate in this procurement and your agreement to the proposal either by e-mail or by signing and returning this briefing paper.

Prepared by: _____

Date: _____

Contract briefing presented/
circulated to: _____

Date: _____

Response required by date: _____

Trust agreement to participate:

Trust: _____

Trust decision maker: _____

Agreement to proceed
(if different from above): _____

Date: _____

Schedule 3

Board Committee Arrangements

This schedule forms part of, and shall have effect as it incorporated in the NHS Trust Standing Orders

Terms of Reference and Operating Arrangements for;

- Audit Committee
- Information Governance and IM&T Committee
- Quality & Safety Committee
- Remuneration Committee
- Charitable Funds Committee
- Research and Development Committee
- Planning & Performance Management Committee
- Workforce & Organisational Development Committee

Audit Committee

Terms of Reference &
Operating Arrangements

Trust Board Approved
March 2014

1. INTRODUCTION

- 1.1 The Trust's standing orders provide that "*The Board may and, where directed by the Welsh Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees*".
- 1.2 In line with standing orders and the Trust's scheme of delegation, the Board shall nominate annually a Committee to be known as the Audit Committee. The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are set out below.
- 1.3 These Terms of Reference and Operating Arrangements are based on the model Terms of Reference as detailed in the NHS Wales Audit Committee Handbook June 2012.

2. PURPOSE

- 2.1 The purpose of the Audit Committee ("the Committee") is to:
- **Advise** and **assure** the Board and the Accountable Officer on whether effective arrangements are in place - through the design and operation of the Trust's **system of assurance** - to support them in their decision taking and in discharging their accountabilities for securing the achievement of the Trust's objectives, in accordance with the standards of good governance determined for the NHS in Wales.
- 2.2 Where appropriate, the Committee will advise the Board and the Accountable Officer on where, and how, its system of assurance may be strengthened and developed further.

3. DELEGATED POWERS AND AUTHORITY

- 3.1 With regard to its role in providing advice to the Board, the Committee will comment specifically upon:
- The adequacy of the Trust's strategic governance and assurance arrangements and processes for the maintenance of an effective system of good governance, risk management and internal control across the whole of the organisation's activities (both clinical and non-clinical) designed to support the public disclosure statements that flow from the assurance processes, including the Annual Governance

Statement and the Annual Quality Statement, providing reasonable assurance on:

- the organisations ability to achieve its objectives,
- compliance with relevant regulatory requirements, standards, quality and service delivery requirements and other directions and requirements set by the Welsh Government and others,
- the reliability, integrity, safety and security of the information collected and used by the organisation,
- the efficiency, effectiveness and economic use of resources, and
- the extent to which the organisation safeguards and protects all its assets, including its people

to ensure the provision of high quality, safe healthcare for its citizens;

- The Board's Standing Orders, and Standing Financial Instructions (including associated framework documents, as appropriate);
- The accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, the ISA 260 Report 'Communication with those charged with Governance' and managements' letter of representation to the external auditors;
- The Schedule of Losses and Compensation;
- The planned activity and results of internal audit, external audit, clinical audit and the Local Counter Fraud Specialist (including strategies, annual work plans and annual reports);
- The adequacy of executive and managements response to issues identified by audit, inspection and other assurance activity via monitoring of the Trust's audit action plan;
- Anti fraud policies, whistle-blowing processes and arrangements for special investigations as appropriate; and
- Any particular matter or issue upon which the Board or the Accountable Officer may seek advice from the Committee.

3.2 The Committee will support the Board with regard to its responsibilities for governance (including risk and control) by reviewing:

- All risk and control related disclosure statements (in particular the Annual Governance Statement and the Annual Quality Statement together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances), prior to endorsement by the Board;
 - The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements;
 - The policies for ensuring compliance with relevant regulatory, legal and code of conduct and accountability requirements; and
 - The policies and procedures for all work related to fraud and corruption as set out in Welsh Government Directions and as required by the Counter Fraud and Security Management Service.
- 3.3 In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of good governance, risk management and internal control, together with indicators of their effectiveness.
- 3.4 This will be evidenced through the Committee's use of effective governance and assurance arrangements to guide its work and that of the audit and assurance functions that report to it, and enable the Committee to review and form an opinion on:
- The **comprehensiveness** of assurances in meeting the Board and the Accountable Officers assurance needs across the whole of the Trust's activities, both clinical and non clinical; and
 - The **reliability and integrity** of these assurances.
- 3.5 To achieve this, the Committee's programme of work will be designed to provide assurance that:
- There is an effective internal audit function that meets the standards set for the provision of internal audit in the NHS in Wales and provides appropriate independent assurance to the Board and the Accountable Officer through the Committee;
 - There is an effective counter fraud service that meets the standards set for the provision of counter fraud in the NHS in Wales and

provides appropriate assurance to the Board and the Accountable Officer through the Committee;

- There is an effective clinical audit and quality improvement function that meets the standards set for the NHS in Wales and provides appropriate assurance to the Board and the Accountable Officer through the Quality and Safety Committee by routine and regular receipt of Quality & Safety Committee Highlight Reports at the Audit Committee
- There are effective arrangements in place to secure active, ongoing assurance from management with regard to their responsibilities and accountabilities, whether directly to the Board and the Accountable Officer or through the work of the Board's Committees through the effective completion of Audit Recommendations and the Committee's review of the development and drafting of the Trust's Annual Governance and Annual Quality Statements
- The work carried out by key sources of external assurance, in particular, but not limited to the Trust's external auditors, is appropriately planned and co-ordinated and that the results of external assurance activity complements and informs (but does not replace) internal assurance activity
- The work carried out by the whole range of external review bodies is brought to the attention of the Board, and that the organisation is aware of the need to comply with related standards and recommendations of these review bodies, and the risks of failing to comply;.
- The systems for financial reporting to the Board, including those of budgetary control, are effective; and that
- The results of audit and assurance work specific to the Trust, and the implications of the findings of wider audit and assurance activity relevant to the Trust's operations are appropriately considered and acted upon to secure the ongoing development and improvement of the organisation's governance arrangements.

In carrying out this work, the Committee will follow and implement the Audit Committee's Annual Workplan and will be evidenced through meeting papers, formal minutes, highlight reports to Board and annually via the Annual Governance Statement, Annual Quality Statement and Annual Report to the Board.

Authority

- 3.6 The Committee is authorised by the Board to investigate or have investigated any activity (clinical and non clinical) within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the Trust relevant to the Committee's remit, and ensuring patient/client and staff confidentiality, as appropriate. It may seek relevant information from any:
- Employee (and all employees are directed to cooperate with any reasonable request made by the Committee); and
 - Any other Committee, sub Committee or group set up by the Board to assist it in the delivery of its functions.
- 3.7 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 it necessary, in accordance with the Board's procurement, budgetary and other requirements.

Access

- 3.8 The Head of Internal Audit and the Auditor General and his representatives shall have unrestricted and confidential access to the Chair of the Audit Committee at any time, and the Chair of the Audit Committee will seek to gain reciprocal access as necessary.
- 3.9 The Committee will meet with Internal and External Auditors and the nominated Local Counter Fraud Specialist without the presence of officials on at least one occasion each year.
- 3.10 The Chair of Audit Committee shall have reasonable access to Executive Directors and other relevant senior staff.

Sub Committees

- 3.11 The Committee may, subject to the approval of the Trust Board, establish sub Committees or task and finish groups to carry out on its behalf specific aspects of Committee business. At this stage, no sub Committees/task and finish groups have been established.

4. MEMBERSHIP

Members

- 4.1 Three members, comprising:

Chair Independent member of the Board

Vice Chair	Independent member of the Board
Members	One other independent member of the Board <i>[one of which should be the member of the Quality & Safety Committee]</i>
	The Committee may also co-opt additional independent 'external' members from outside the organisation to provide specialist skills, knowledge and expertise.
	The Chair of the organisation shall not be a member of the Audit Committee.

Attendees

4.2 In attendance	<p>The Chief Executive (who should attend once a year as a minimum to discuss with the Committee the process for assurance that supports the Annual Governance Statement and the Annual Quality Statement.)</p> <p>Executive Director of Finance The Board Secretary Head of Internal Audit Local Counter Fraud Specialist Representative of the Auditor General Other Executive/Service Directors will attend as required by the Committee Chair</p>
By invitation	<p>The Committee Chair may invite:</p> <ul style="list-style-type: none"> - the Chair of the organisation - any other Trust officials; and/or - any others from within or outside the organisation <p>to attend all or part of a meeting to assist it with its discussions on any particular matter.</p>

Secretariat

4.3 Secretary	As determined by the Board Secretary
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Member Appointments

- 4.4 The membership of the Committee shall be determined by the Board, based on the recommendation of the Trust Chair - taking account of the balance of skills and expertise necessary to deliver the Committee's remit and subject to any specific requirements or directions made by the Assembly Government.
- 4.5 Members shall be appointed to hold office for a period of four years. Members can be reappointed up to a maximum of their term of office. During this time a member may resign or be removed by the Board.
- 4.6 Committee members' terms and conditions of appointment, (including any remuneration and reimbursement) are determined on appointment by the Minister for Health.

Support to Committee Members

- 4.7 The Board Secretary, on behalf of the Committee Chair, shall:
- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and
 - Ensure the provision of a programme of organisational development for Committee members as part of the Trust's overall OD programme developed by the Executive Director of Workforce & Organisational Development.

5. COMMITTEE MEETINGS

Quorum

- 5.1 At least two members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair.

Frequency of Meetings

- 5.2 Meetings shall be held no less than quarterly, and otherwise as the Chair of the Committee deems necessary – consistent with the Trust's annual plan of Board Business. The External Auditor or Head of Internal Audit may request a meeting if they consider that one is necessary.

Withdrawal of individuals in attendance

- 5.3 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS

COMMITTEES / GROUPS6

- 6.1 Although the Board has delegated authority to the Committee for the exercise of certain functions as set out within these terms of reference, the Board retains overall responsibility and accountability for ensuring the quality and safety of healthcare for its citizens through the effective governance of the organisation.
- 6.2 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 6.3 The Committee, through its Chair and members, shall work closely with the Board's other Committees to provide advice and assurance to the Board by taking into account:
- Joint planning and co-ordination of Board and Committee business; and
 - Sharing of information

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance arrangements. This will primarily be achieved through the discussions at the Annual Integrated Governance Forum held in April each year.

- 6.4 The Committee will consider the assurance provided through the work of the Board's other Committees and sub Committees to meet its responsibilities for advising the Board on the adequacy of the Trust's overall system of assurance by receipt of their annual workplans.
- 6.5 The Committee shall embed the Trust's corporate standards, priorities and requirements, e.g., equality and human rights through the conduct of its business.

6. REPORTING AND ASSURANCE ARRANGEMENTS

- 7.1 The Committee Chair shall:
- Report formally, regularly and on a timely basis to the Board and the Accountable Officer on the Committee's activities. This includes

verbal updates on activity and the submission of written highlight reports throughout the year;

- Bring to the Board and the Accountable Officer's specific attention any significant matters under consideration by the Committee;
- Ensure appropriate escalation arrangements are in place to alert the Trust Chair, Chief Executive (and Accountable Officer) or Chairs of other relevant Committees of any urgent/critical matters that may affect the operation and/or reputation of the Trust.

7.2 The Committee shall provide a written, annual report to the Board and the Accountable Officer on its work in support of the Annual Governance Statement and the Annual Quality Statement, specifically commenting on the adequacy of the assurance arrangements, the extent to which risk management is comprehensively embedded throughout the organisation, the integration of governance arrangements and the appropriateness of self assessment activity against relevant standards. The report will also record the results of the Committee's self assessment and evaluation.

7.3 The Board may also require the Committee Chair to report upon the Committee's activities at public meetings or to community partners and other stakeholders, where this is considered appropriate, e.g., where the Committee's assurance role relates to a joint or shared responsibility.

7.4 The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self assessment and evaluation of the Committee's performance and operation including that of any sub Committees established. In doing so, account will be taken of the requirements set out in the NHS Wales Audit Committee Handbook.

7. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

8.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:

- Quorum [*as per section on Committee meetings*]
- Notice of meetings
- Notifying the public of Meetings
- Admission of the public, the press and other observers

8. REVIEW

9.1 These terms of reference and operating arrangements shall be reviewed annually by the Committee with reference to the Board.

Information Governance & IM&T Committee

Terms of Reference & Operating Arrangements

1. INTRODUCTION

- 1.1 The Trust's standing orders provide that "*The Board may and, where directed by the Assembly Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees*".
- 1.2 In line with standing orders (and the Trust's scheme of delegation), the Board {Board Committee} shall nominate annually a Committee to be known as the **Information Governance & IM&T Committee**. The detailed terms of reference and operating arrangements set/agreed by the Board in respect of this Committee are set out below.

2. PURPOSE

- 2.1 The purpose of the Information Governance & IM&T Committee "the Committee" is to provide:
- evidence based and timely *advice* to the Board to assist it in discharging its functions and meeting its responsibilities with regard to the:
 - technological advancements and structures
 - sustainability and creativity
 - Expertise and development
 - quality and integrity;
 - safety and security; and
 - appropriate access and use

of information and information technology to support its

provision of high quality healthcare; and

- **assurance** to the Board in relation to the Trust's arrangements for developing, creating, collecting, storing, safeguarding, disseminating, sharing, using and disposing of information and information technology in accordance with its:
 - stated objectives;
 - legislative responsibilities, e.g., the Data Protection Act and Freedom of Information Act; and
 - any relevant requirements and standards determined for the NHS in Wales.

3. DELEGATED POWERS AND AUTHORITY

3.1 The Committee will, in respect of its provision of advice to the Board:

- oversee the initial development of the Trust's strategies and plans for maintaining the trust of patients and public through its arrangements for handling and using information, including personal information, safely and securely, consistent with the Board's overall strategic direction and any requirements and standards set for NHS bodies in Wales;
- consider the information governance implications arising from the development of the Trust's corporate strategies and plans or those of its stakeholders and partners
- consider the Information Governance and IM&T implications for the Trust's of review reports and actions arising from the work of external reviewers.

3.2 The Committee will, in respect of its assurance role, seek assurances that information governance and IM&T arrangements

are appropriately designed and operating effectively to ensure the development, sustainability, creativity, safety, security, integrity and effective use of information and information systems to support the delivery of high quality, safe healthcare across the whole of the Trust's activities.

- 3.3 To achieve this, the Committee's programme of work will be designed to ensure that, in relation to all aspects of Information Governance and Information Management and Technology:
- there is clear, consistent strategic direction, strong leadership and transparent lines of accountability; acknowledging that Local and All Wales responsibilities are clearly defined and considered to ensure organisational decision taking supports information strategies for NHS Wales.
 - ensuring that Information Governance and Information Management and Technology Policies, Procedures and Strategies consistent with internal and external requirements are approved and implemented as appropriate.
 - ensure prioritisation of Capital IT spending for inclusion in the Trust Capital Programme is achieved.
 - the organisation, at all levels (division/ clinical team) has a citizen centred approach, striking an appropriate balance between openness and confidentiality in the management and use of information systems;
 - the handling and use of information and information systems across the organisation (division/clinical team) is consistent, and based upon agreed standards;
 - the workforce is appropriately selected, trained, supported and responsive to requirements in relation to the effective handling

and use of information and information systems – consistent with the interests of patients and the public;

- there is effective collaboration with partner organisations and other stakeholders in relation to the sharing of information in a controlled manner, to provide the best possible outcomes for its citizens (*in accordance with the Wales Accord for the Sharing of Personal Information and Caldicott requirements*);
- risks are actively identified and robustly managed at all levels of the organisation;
- the integrity of data and information is protected, ensuring valid, accurate, complete and timely data and information is available to support decision making across the organisation;
- and that systems used to maintain the above reflect the current responsibilities of the Trust at both a local and national level;
- there is coherent and consistent IT strategy that will lead and innovate in the uses of information systems and the information held on them;
- the board is further assured that key decisions on the development of Information Governance and IM&T Strategies are consistent with those that preside over the legislative requirements of both the Data Protection Act and Freedom of Information Act.
- there is continuous improvement in the handling, management and use of information systems and data across the whole organisation – evidenced through the Healthcare Standards for Wales;

- promote and develop a culture of information openness that supports current legislation.
- the Trust is meeting its legislative responsibilities, e.g., Data Protection and Freedom of Information Acts, as well as complying with national Information Governance policies and guidance;
- the strategy encapsulates the requirements for robust Information Governance and Information Management & Technology audit arrangements to ensure the identification of Key Actions.
- to oversee Informing Healthcare Projects within the Trust and to support the national Informing Healthcare Strategy.
- the strategy is developed to ensure that the new systems meet local clinical and business drivers and that the new technologies are aligned with service improvement, workforce development and system reform initiatives. The demands of stakeholder engagement and communication, benefits realisation and dependency management are robust enough to cope with future demands of the service.
- to ensure there is clarity about the contribution of IM&T to Trust goals over different timeframes so that the benefits of IM&T investment can be assessed.
- To ensure the IM&T governance arrangements that oversee the use of resources and the achievement of the strategic IM&T development plan are accurate and adequate to ensure there is a stronger relationship with the Trust Board and so a greater strategic attention to relationships with stakeholders and neighbouring NHS partners.

- all reasonable steps are taken to prevent, detect and rectify irregularities or deficiencies in the safety, security and use of information, and in particular that:
 - Sources of internal assurance are reliable, and have the capacity and capability to deliver;
 - Recommendations made by internal and external reviewers are considered and acted upon on a timely basis; and
 - Lessons are learned from breaches in the safe, secure and effective use of information, as identified for example through reported incidents, complaints and claims.

3.4 The Committee will advise the Board on the adoption of a set of key indicators in relation to the quality and effectiveness of information systems against which the Trust's performance will be regularly assessed.

Authority

3.5 The Committee is authorised by the Board to investigate or have investigated any activity within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the Trust relevant to the Committee's remit and ensuring patient/client and staff confidentiality, as appropriate. It may seek any relevant information from any:

- employee (and all employees are directed to cooperate with any reasonable request made by the Committee); and
- any other Committee, Sub Committee or group set up by the Board to assist it in the delivery of its functions.

3.6 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 it necessary, in accordance with the Board's procurement, budgetary and other requirements.

- 3.7 Approve policies relevant to the business of the Committee as delegated by the Board

Sub Committees

- 3.8 The Committee may, subject to the approval of the Trust Board, establish Sub Committees or task and finish groups to carry out on its behalf specific aspects of Committee business. The following Sub Committees/task and finish groups have been established:

- Trust Information Governance Working Group
- Trust IM&T working Group
- Health Records Committee (VCC)
- Divisional I G & IM&T Groups/Divisional Management Committees (where Information Governance is discussed)

Local Variation

- 3.9 Local variation made in area 3.3

4. MEMBERSHIP

Members

- 4.1 A minimum of three (3) members, comprising:

Chair	Independent member of the Board with specialist knowledge and expertise relevant to information governance (Non Executive Director)
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Vice Chair	Independent member of the Board (Non Executive Director)
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Members At least one other independent member of the Board (Non Executive Director)

The Committee may also co-opt additional independent 'external' members from outside the organisation to provide specialist skills, knowledge and expertise.

Attendees

4.2 In attendance

- Chief Executive (Executive Director with responsibility for Information Governance)
- Executive Directors holding portfolios containing aspects of Information Governance.
- Caldicott Guardian (x3 for VCC, WBS and HSW)
- Information Governance Manager (Advisory Capacity/Chair of the IG Working Group)
- Head of ISU/IM&T (Advisory Capacity/Chair of the IM&T Working Group)
- Human Resources Representative
- following senior staff responsible for:

Health Records; Chair of VCC health records committee (currently one of the consultant oncologists at VCC)
Informatics

4.3 By invitation

The Committee Chair may extend invitations to attend Committee meetings as required to the following:

- Divisional Directors or Deputies (holding portfolios containing Information Governance and who is also a member of the Divisional SMT Meeting)
- Corporate Leads holding Portfolios containing aspects of the Information Governance:
 - Corporate Services Manager

Representatives of partnership organisation
Trade Union Representatives

As well as others from within or outside the organisation who the Committee considers should attend, taking account of the matters under consideration at each meeting.

Secretariat

4.4 Secretary PA Director of Finance

Member Appointments

4.5 The membership of the Committee shall be determined by the Board, based on the recommendation of the Trust Chair – taking account of the balance of skills and expertise necessary to deliver the Committee’s remit and subject to any specific requirements or directions made by the Assembly Government.

4.6 Members shall be appointed to hold office for a period of four years. Members can be re-appointed to the Committee for a further 4 years, resulting in a maximum of 8 consecutive years. During this time a member may resign or be removed by the Board.

4.7 Terms and conditions of appointment, (including any remuneration and reimbursement) in respect of co-opted independent external members are determined by the Board, based upon the recommendation of the Trust Chair and, where appropriate, on the basis of advice from the Trust’s Remuneration and Terms of Service Committee}.

Support to Committee Members

4.8 The Board Secretary, on behalf of the Committee Chair, shall:

- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and
- Ensure the provision of a programme of organisational development for Committee members as part of the Trust's overall OD programme developed by the Director of Workforce & Organisational Development.

5. COMMITTEE MEETINGS

Quorum

- 5.1 At least two members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair.

Frequency of Meetings

- 5.2 Meetings shall be held no less than quarterly and otherwise as the Chair of the Committee deems necessary – consistent with the Trust's annual plan of Board Business.

Withdrawal of individuals in attendance

- 5.3 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

6. RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/GROUPS

- 6.1 Although the board has delegated authority to the Committee for the exercise of certain functions as set out within these terms of reference, it retains overall responsibility and accountability for the safety, security and use of information to support the quality and

safety of healthcare for its citizens through the effective governance of the organisation.

- 6.2 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 6.3 The Committee, through its Chair and members, shall work closely with the Board's other Committees and Groups to provide advice and assurance to the Board through the:
- joint planning and co-ordination of Board and Committee business; and
 - sharing of information

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework. *This will be achieved primarily through the Independent Members Group who will include 'Integrated Governance' on their agenda at least twice a year.*

- 6.4 The Committee shall embed the Trust's corporate standards, priorities and requirements, e.g., equality and human rights through the conduct of its business.

7. REPORTING AND ASSURANCE ARRANGEMENTS

- 7.1 The Committee Chair shall:
- report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes verbal updates on activity, the submission of Committee minutes and written reports, as well as the presentation of an annual report;

- bring to the Board’s specific attention any significant matters under consideration by the Committee;
- ensure appropriate escalation arrangements are in place to alert the Trust Chair, Chief Executive or Chairs of other relevant Committees/Groups of any urgent/critical matters that may affect the operation and/or reputation of the Trust.

7.2 The Board may also require the Committee Chair to report upon the Committee’s activities at public meetings, e.g., AGM, or to community partners and other stakeholders, where this is considered appropriate, e.g., where the committee’s assurance role relates to a joint or shared responsibility.

7.3 The Board Secretary, on behalf of the Board shall oversee a process of regular and rigorous self assessment and evaluation of the Committee’s performance and operation including that of any Sub Committees established.

8. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

8.1 The requirements for the conduct of business as set out in the Trust’s Standing Orders are equally applicable to the operation of the Committee, except in the following areas:

- Quorum – as per section 5.1 above.

9. REVIEW

9.1 These Terms of Reference shall be reviewed annually by the Committee with reference to the Board.

Quality & Safety Committee

Terms of Reference & Operating Arrangements

1. INTRODUCTION

- 1.1 In line with standing orders (and the Trust's scheme of delegation), the Board shall nominate annually a Committee to be known as the **Quality and Safety Committee**. This Committee's focus is on all aspects aimed at ensuring the quality and safety of healthcare, including activities traditionally referred to as 'clinical governance'. The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are set out below.

2. PURPOSE

- 2.1 The purpose of the Quality & Safety Committee "the Committee" is to provide:
- evidence based and timely **advice** to the Board to assist it in discharging its functions and meeting its responsibilities with regard to the quality and safety of healthcare; and
 - **assurance** to the Board in relation to the Trust's arrangements for safeguarding and improving the quality and safety of patient and service user centred healthcare in accordance with its stated objectives and the requirements and standards determined for the NHS in Wales.

3. DELEGATED POWERS AND AUTHORITY

- 3.1 The Committee will, in respect of its provision of **advice** to the Board:
- oversee the initial development of the Trust's strategies and plans for the development and delivery of high quality and safe services, consistent with the Board's overall strategic direction and any requirements and standards set for NHS bodies in Wales;

- consider the implications for quality and safety arising from the development of the Trust's corporate strategies and plans or those of its stakeholders and partners, including those arising from any Joint (Sub) Committees of the Board
 - consider the implications for the Trust's quality and safety arrangements from review/investigation reports and actions arising from the work of external regulators.
- 3.2 The Committee will, in respect of its assurance role, seek assurances that governance (including risk management) arrangements are appropriately designed and operating effectively to ensure the provision of high quality, safe healthcare and services across the whole of the Trust's activities.
- 3.3 To achieve this, the **Committee's programme of work** has been designed to ensure that, in relation to all aspects of quality and safety:
- there is clear, consistent strategic direction, strong leadership and transparent lines of accountability;
 - the organisation, at all levels (divisional/ team) has a citizen centred approach, putting patients, patient safety and safeguarding above all other considerations;
 - the care and services planned or provided across the breadth of the organisation's functions (including divisional/ team and those provided by the independent or third sector) is consistently applied, based on sound evidence, clinically effective and meeting agreed standards;
 - the organisation, at all levels (divisional/ team) has the right systems and processes in place to deliver, from a patients or

service user perspective – efficient, effective, timely and safe services;

- the workforce is appropriately selected, trained, supported and responsive to the needs of the service, ensuring that professional standards and registration/revalidation requirements are maintained;
- there is an ethos of continual quality improvement and regular methods of updating the workforce in the skills needed to demonstrate quality improvement throughout the organisation;
- there is good team working, collaboration and partnership working to provide the best possible outcomes for its citizens;
- risks are actively identified and robustly managed at all levels of the organisation;
- decisions are based upon valid, accurate, complete and timely data and information;
- there is continuous improvement in the standard of quality and safety across the whole organisation – continuously monitored through the Standards for Health Services in Wales;
- all reasonable steps are taken to prevent, detect and rectify irregularities or deficiencies in the quality and safety of care provided, and in particular that:
 - sources of internal assurance are reliable
 - recommendations made by internal and external reviewers are considered and acted upon on a timely basis; and
 - lessons are learned from concerns, incidents, complaints and claims.

- There is an effective clinical audit and quality improvement function that meets the standards set for the NHS in Wales and provides appropriate assurance to the Board and the Accountable Officer.
- 3.4 The Committee will advise the Board on the adoption of a set of key indicators of quality of care which will be reflected in the organisations performance framework, against which the Trust’s performance will be regularly assessed and reported on through Annual Reports.

Authority

- 3.5 The Committee is authorised by the Board to investigate or have investigated any activity within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the Trust relevant to the Committee’s remit and ensuring patient/service user/client and staff confidentiality, as appropriate. It may seek any relevant information from any:
- employee (and all employees are directed to cooperate with any reasonable request made by the Committee); and
 - other Committee, Sub Committee or Group set up by the Board to assist it in the delivery of its functions.
- 3.6 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 it necessary, in accordance with the Board’s procurement, budgetary and other requirements.

Access

- 3.7 Internal Audit shall have unrestricted and confidential access to the Chair of the Quality & Safety Committee.

3.8 The Committee, or elected representative from the Committee, will meet with Internal Audit [and, as appropriate, nominated representatives of Healthcare Inspectorate Wales] without the presence of officials on at least one occasion each year.

3.9 The Chair of the Quality & Safety Committee shall have reasonable access to Executive Directors and other relevant senior staff.

Sub Committees

3.10 The Committee may, subject to the approval of the Trust Board, establish Sub Committees or task and finish Groups to carry out on its behalf specific aspects of Committee business. The following Sub Committees have been established:

Trust Organisational Learning Committee

Local Variation

MEMBERSHIP

Members

3.11 A minimum of three (3) members, comprising:

Chair	Independent member of the Board (Non Executive Director)
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Vice Chair	Independent member of the Board (Non Executive Director with Lead for Audit)
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Members	At least 1 other independent member of the Board.
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The Committee may also co-opt additional independent 'external' members from outside

the organisation to provide specialist skills, knowledge and expertise.

Attendees

3.12 In attendance The Chief Executive
Executive Directors holding portfolios containing aspects of quality and safety of care – currently Executive Director Nursing & Service Improvement and Medical Director.
Other Executive Directors should attend from time to time as required by the Committee Chair

3.13 By invitation The Committee Chair may extend invitations to attend Committee meetings as required to the following:

Divisional Directors
Directors of Hosted Organisations
Corporate Leads holding portfolios containing aspects of quality & safety, currently:
Quality & Safety Manager
Health & Safety Manager
Legal Services & Governance manager (Claims)
Assistant Director of Nursing & Service Improvement
Diversity Manager

Representatives of Partnership organisations
Public and Patient Involvement Representatives
Trade Union Representatives

as well as others from within or outside the organisation who the Committee considers should attend, taking account of the matters under consideration at each meeting.

Secretariat

3.14 Secretary As determined by the Board Secretary.

Member Appointments

3.15 The membership of the Committee shall be determined by the Board, based on the recommendation of the Trust Chair – taking account of the balance of skills and expertise necessary to deliver the Committee’s remit and subject to any specific requirements or directions made by the Assembly Government.

3.16 Members shall be appointed to hold office for a period of one year at a time, up to a maximum of 3 consecutive years. During this time a member may resign or be removed by the Board.

3.17 Terms and conditions of appointment, (including any remuneration and reimbursement) in respect of co-opted independent external members are determined by the Board, based upon the recommendation of the Trust Chair {and, where appropriate on the basis of advice from the Trust’s Remuneration and Terms of Service Committee}.

Support to Committee Members

3.18 The Board Secretary, on behalf of the Committee Chair, shall:

- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and
- Ensure the provision of a programme of organisational development for Committee members as part of the Trust’s overall OD programme developed by the Director of Workforce & Organisational Development.

4. COMMITTEE MEETINGS

Quorum

- 4.1 At least two members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair.

Frequency of Meetings

- 4.2 Meetings shall be held no less than quarterly and otherwise as the Chair of the Committee deems necessary.

Withdrawal of individuals in attendance

- 4.3 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

5. RELATIONSHIPS & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/GROUPS

- 5.1 Although the Board has delegated authority to the Committee for the exercise of certain functions as set out within these terms of reference, it retains overall responsibility and accountability for ensuring the quality and safety of healthcare for its citizens. The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 5.2 The Committee, through its Chair and members, shall work closely with the Board's other Committees, including Joint (Sub) Committees and Groups to provide advice and assurance to the Board through the:

- joint planning and co-ordination of Board and Committee business; and
- sharing of information

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework. *This will be achieved primarily through the Independent Members Group who will include 'Integrated Governance' on their agenda at least twice a year.*

5.3 The Committee shall embed the Trust's corporate objectives, priorities and requirements, e.g., equality and human rights through the conduct of its business.

6. REPORTING AND ASSURANCE ARRANGEMENTS

6.1 The Committee Chair shall:

- report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes verbal updates on activity, the submission of Committee highlight reports and other written reports, as well as the presentation of an annual Quality & Safety report;
- bring to the Board's specific attention any significant matters under consideration by the Committee;
- ensure appropriate escalation arrangements are in place to alert the Trust Chair, Chief Executive or Chairs of other relevant Committees of any urgent/critical matters that may compromise patient care and affect the operation and/or reputation of the Trust.

- 6.2 The Board may also require the Committee Chair to report upon the Committee's activities at public meetings, e.g., AGM, or to community partners and other stakeholders, where this is considered appropriate, e.g., where the Committee's assurance role relates to a joint or shared responsibility.
- 6.3 The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self assessment and evaluation of the Committee's performance and operation including that of any Sub Committees established. In doing so, account will be taken of the requirements set out in the NHS Wales Quality & Safety Committee Handbook.

7. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

- 7.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:
- Page | 220 Quorum
 - Cross reference standing orders.

8. REVIEW

- 8.1 These terms of reference and operating arrangements and Programme of Work shall be reviewed annually by the Committee with reference to the Board.

Remuneration & Terms of Service Committee

Terms of Reference &
Operating Arrangements

1. INTRODUCTION

- 1.1 The Trust's standing orders provide that "*The Board may and, where directed by the Assembly Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees*".
- 1.2 In line with standing orders (and the Trust's scheme of delegation), the Board shall nominate annually a Committee to be known as the **Remuneration & Terms of Service Committee**. The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are set out below.

2. PURPOSE

- 2.1 The purpose of the Remuneration & Terms of Service Committee "the Committee" is to provide:
- **advice** to the Board on remuneration and terms of service for the Chief Executive, Executive Directors and other senior staff within the framework set by the Welsh Assembly Government; and
 - **assurance** to the Board in relation to the Trust's arrangements for the remuneration and terms of service, including contractual arrangements, for *all staff*, in accordance with the requirements and standards determined for the NHS in Wales.

and to perform certain, specific functions on behalf of the Board.

3. DELEGATED POWERS AND AUTHORITY

3.1 The Board had delegated the following specific powers to the Committee;

- To consider and ratify Voluntary Early Release scheme applications and severance payments

in line with Standing Orders and extant Welsh Assembly Government guidance.

3.2 With regard to its role in providing advice and assurance to the Board, the Committee will comment specifically upon the:

- remuneration and terms of service for the Chief Executive, Executive Directors and other Very Senior Managers (VSMs) not covered by Agenda for Change; ensuring that the policies on remuneration and terms of service as determined from time to time by the Assembly Government are applied consistently;
- objectives for Executive Directors and other VSMs and their performance assessment;
- performance management system in place for those in the positions mentioned above and its application;
- proposals to make additional payments to consultants to include any additional sessions or allowances payable to Senior Medical Staff for managerial duties; and
- proposals regarding termination arrangements, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant Assembly Government guidance.

Authority

- 3.3 The Committee is authorised by the Board to investigate or have investigated any activity within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the Trust, relevant to the Committee's remit and ensuring patient/client and staff confidentiality, as appropriate. It may seek relevant information from any:
- employee (and all employees are directed to cooperate with any reasonable request made by the Committee); and
 - any other Committee, Sub Committee or Group set up by the Board to assist it in the delivery of its functions.
- 3.4 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 it necessary, in accordance with the Board's procurement, budgetary and other requirements.
- 3.5 Approve policies relevant to the business of the Committee as delegated by the Board

Sub Committees

None Identified.

- 3.6 The Committee may, subject to the approval of the LHB/Trust Board, establish Sub Committees or task and finish Groups to carry out on its behalf specific aspects of Committee business. The following Sub Committees/task and finish Groups have been established:

None currently.

4. MEMBERSHIP

Members

4.1 A minimum of three (3) members, comprising:

Chair Chair of the Board (Non Executive Director)

Vice Chair Independent member of the Board (Non Executive Director)

Members At least one other independent member of the Board (Non Executive Director)

The Chair of the Audit Committee (or equivalent) will be appointed to this Committee either as Vice Chair or member

The Trust Chair may decide the business of the Remuneration Committee requires the attendance of all Independent Members and as such extend an invite to all Independent Members

In attendance

4.2 By invitation The Committee Chair may invite:

– the Chief Executive

– the Executive Director of Human Resources; /Workforce & Organisational Development

– any other Trust officials; including a Trade Union Representative from the Trust Board and/or

– any others from within or outside the

organisation

to attend all or part of a meeting to assist it with its discussions on any particular matter (except when issues relating to their personal remuneration and terms and conditions are being discussed).

Secretariat

- 4.3 Secretary As determined by the Board Secretary

Member Appointments

- 4.4 The membership of the Committee shall be determined by the Board, based on the recommendation of the Trust Chair, and subject to any specific requirements or directions made by the Assembly Government.
- 4.5 Members shall be appointed to hold office for any period during their appointment as Board Member of the Trust. Continued membership is subject to being a full Member of the Board.

Support to Committee Members

- 4.6 The Board Secretary, on behalf of the Committee Chair, shall:
- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and
 - ensure the provision of a programme of organisational development for Committee members as part of the Trust's overall OD programme developed by the Executive Director of Human Resources/Workforce & Organisational Development

5. COMMITTEE MEETINGS

Quorum

- 5.1 At least two members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair.

Frequency of Meetings

- 5.2 The Chair of the Committee, in agreement with Committee Members, shall determine the timing and frequency of meetings, as deemed necessary. It is expected that the Committee shall meet at least once a year, consistent with the Trust's annual plan of Board Business.

Withdrawal of individuals in attendance

- 5.3 The Committee may ask any member or individual who is normally in attendance but who is not a member to withdraw to facilitate open and frank discussion of any particular matter.

6. RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/GROUPS

- 6.1 Although the Board has delegated authority to the Committee for the exercise of certain functions as set out within these terms of reference, it retains overall responsibility and accountability in relation to its role as Corporate Trustee.
- 6.2 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 6.3 The Committee, through its Chair and members, shall work closely

with the Board's other Committees and Groups to provide advice and assurance to the Board through the:

- joint planning and co-ordination of Board and Committee business; and
- sharing of appropriate information

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall assurance framework. *This will be achieved primarily through the Independent Members Group who will include 'Integrated Governance' on their agenda at least twice a year.*

- 6.4 The Committee shall embed the Trust's corporate standards, priorities and requirements, e.g., equality and human rights through the conduct of its business.

7. REPORTING AND ASSURANCE ARRANGEMENTS

- 7.1 The Committee Chair shall:

- report formally and on a timely basis to the Board on the Committee's activities, in a manner agreed by the Board;
- bring to the Board's specific attention any significant matter under consideration by the Committee;
- ensure appropriate escalation arrangements are in place to alert the Trust Chair, Chief Executive (and Accountable Officer) or Chairs of other relevant Committees of any urgent/critical matters that may affect the operation and/or reputation of the Trust.

- 7.2 The Board Secretary, on behalf of the Board, shall oversee a process

of regular and rigorous self assessment and evaluation of the Committee's performance and operation including that of any Sub Committees established.

- 7.3 The Committee shall provide a written, annual report to the board on its activities. The report will also record the results of the Committee's self assessment and evaluation.

8. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

- 8.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:

- Quorum *[as per section on Committee meetings]*
- [insert details]Cross reference to standing orders.

9. REVIEW

- 9.1 These terms of reference and operating arrangements shall be reviewed.

Charitable Funds Committee

Terms of Reference & Operating Arrangements

1. INTRODUCTION

- 1.1 The Trust's standing orders provide that "*The Board may and, where directed by the Assembly Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by committees*".
- 1.2 In accordance with standing orders (and the Trust's scheme of delegation), the Board shall nominate annually a Committee to be known as the **Charitable Funds Committee** "the Committee". The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are set out below.

2. CONSTITUTION

- 2.1 The Velindre Trust Board was appointed as corporate trustee of the charitable funds by virtue of the Velindre National Health Service Trust (Establishment) Order No. 2838 that came into existence on 1st December 1993, and that its Board serves as its agent in the administration of the charitable funds held by the Trust.
- 2.2 The purpose of the Committee" is to make and monitor arrangements for the control and management of the Trust's Charitable Funds.

3. SCOPE AND DUTIES

- 3.1 Within the budget, priorities and spending criteria determined by the Trust as trustee and consistent with the requirements of the Charities Act 1993, Charities Act 2006 (or any modification of these acts) to apply the charitable funds in accordance with their

respective governing documents.

- 3.2 To ensure that the Trust policies and procedures for charitable funds investments are followed. To make decisions involving the sound investment of charitable funds in a way that both preserves their value and produces a proper return consistent with prudent investment and ensuring compliance with:-
- The Charities Act 1993
 - The Charities Act 2006
 - The Charities Act 2011
 - Trustee Act 2000
 - The terms outlined in the Velindre NHS Trust Charity's Governing Documents
- 3.3 At least twice a year, receive highlight reports from the Director of Finance in respect of investment decisions, performance and action taken through delegated powers upon the advice of the Trust's Investment adviser.
- 3.4 To oversee and monitor the functions performed by the Director of Finance as defined in Standing Financial Instructions.
- 3.5 To respond to, and monitor the level of donations and legacies received, including the progress of any Charitable Appeal Funds where these are in place and considered to be material.
- 3.6 To monitor and review the Trust's scheme of delegation for Charitable Funds expenditure and to set and reflect in Financial Procedures the approved delegated limits for expenditure from Charitable Funds.
- 3.7 To ensure that funds are being utilised appropriately in accordance with both the instructions and wishes of the donor, and to ensure that fund balances are maintained in accordance with the Reserves Policy.

4. DELEGATED POWERS AND DUTIES OF THE DIRECTOR OF FINANCE

4.1 The Director of Finance has prime responsibility for the Trust's Charitable Funds as defined in the Trust's Standing Financial Instructions. The specific powers, duties and responsibilities delegated to the Director of Finance are:-

- Administration of all existing charitable funds
- To identify any new charity that may be created (of which the Trust would also be Trustee). Ensuring that all legal requirements are followed in the creation of any new charity in order to formalise the governing arrangements.
- Provide guidelines with response to donations, legacies and bequests, fundraising and trading income.
- Responsibility for the management of investment of funds held on trust
- Ensure appropriate banking services are available to the Trust
- Prepare reports to the Trust Board including the Annual Accounts and Annual Report.

5. AUTHORITY

5.1 The Committee is empowered with the responsibility for:-

- Overseeing the day to day management of the investments of the charitable funds in accordance with the investment strategy set down from time to time by the Trustee and the requirements of the Trust's Standing Financial Instructions

- The appointment of an Investment Manager (where appropriate) to advise it on investment matters. Delegating, where applicable, the day-to-day management of some or all of the investments to that Investment Manager. In exercising this power the Committee must ensure that:
 - a) The scope of the power delegated is clearly set out in writing and communicated with the person or persons who will exercise it
 - b) There are in place adequate internal controls and procedures which will ensure that the power is being exercised properly and prudently
 - c) The performance of the person or persons exercising the delegated power is regularly reviewed
 - d) Where an investment manager is appointed, that the person is regulated under the Financial Services Act 2012.
 - e) Acquisitions or disposal of a material nature must always have written authority of the Committee or the Chair of the Committee in conjunction with the Director of Finance

- Ensuring that the banking arrangements for the charitable funds is kept entirely distinct from the Trust's NHS funds.

- Ensuring that arrangements are in place to maintain current account balances at minimum operational levels consistent with meeting expenditure obligations, the balance of funds being invested in interest bearing deposit accounts

- The amount to be invested or redeemed from the sale of investments shall have regard to the requirements for immediate and future expenditure commitments
- The operation of an investment pool when this is considered appropriate to the charity in accordance with charity law and the directions and guidance of the Charity Commission. The Committee shall propose the basis to the Trust Board for applying accrued income to individual funds in line with charity law and Charity Commissioner guidance
- Obtaining appropriate professional advice to support its investment activities
- Regularly reviewing investments to see if other opportunities or investment services offer a better return.

5.2 The Committee is authorised by the Board to:

- investigate or have investigated any activity within its Terms of Reference and in performing these duties shall have the right, at all reasonable times, to inspect any books, records or documents of the Trust relevant to the Committee's remit. It can seek any relevant information it requires from any employee and all employees are directed to co-operate with any reasonable request made by the Committee;
- 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, subject to the Board's budgetary and other requirements; and
- by giving reasonable notice, require the attendance of any of the officers or employees and auditors of the Board at any meeting of the Committee.

5.3 Approve policies relevant to the business of the Committee as delegated by the Board

5.4 Sub Committees

As part of its function, the Charitable Funds Committee has determined to establish a Sub Committee, the '*Charitable Funds Investment Performance Review Sub Committee*', to specifically monitor the performance of the Investment portfolio on its behalf whilst recognising that the Trust Board as Corporate Trustee is ultimately accountable.

6. MEMBERSHIP

Members

6.1 A minimum of four (4) members, comprising:

Chair	Independent member of the Board (Non Executive Director)
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Vice Chair	Independent member of the Board (Non Executive Director)
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Members	2 Executive Directors, to include the Trust's Chief Executive and Director of Finance (one of which at any one meeting may be represented by a Nominated Representative in their absence)
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Attendees

6.2 In attendance	The Committee may require the attendance for advice, support and information routinely at meetings from:
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- Director Velindre Cancer Centre (or their deputy)
- Director of Welsh Blood Service (or their deputy)
- Investment Manager/Advisor
- Patient Representative
- Charitable Funds Accountant
- Board Secretary
- Fundraising Manager
- Legal Services & Governance Manager (*Charity Governance Lead*)
- Head of Communications

Secretariat

- 6.3 Secretary As determined by the Board Secretary

Member Appointments

- 6.4 The membership of the Committee shall be determined by the Board, based on the recommendation of the Trust Chair – taking account of the balance of skills and expertise necessary to deliver the Committee’s remit and subject to any specific requirements or directions made by the Welsh Government.
- 6.5 Appointed Independent Members shall hold office for a period of four years. Members can be re-appointed to the Committee for a further 4 years, resulting in a maximum of 8 consecutive years. During this time a member may resign or be removed by the Board.
- 6.6 In order to demonstrate that there is a visible independence in the consideration of decisions and management of charitable funds from the Trust’s core functions, the Board should consider extending invitations to the Charitable Funds Committee to individuals outside of the Board. One option might be to seek representation from the Patient Liaison Group.

Support to Committee Members

- 6.7 The Board Secretary, on behalf of the Committee Chair, shall:
- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and
 - Ensure and co-ordinate the provision of a programme of organisational development for Committee members as part of the Trust's overall Organisational Development programme developed by the Executive Director of Organisational Development & Workforce.

7. COMMITTEE MEETINGS

Quorum

- 7.1 At least two members must be present to ensure the quorum of the Committee. Of the two, one must be an Independent Member (Non Executive Director – one of whom is the Chair or Vice Chair) and one must be the Director of Finance or Nominated Representative.

Frequency of meetings

- 7.2 Meetings shall be held every three months and otherwise as the Committee Chairs deems necessary – consistent with the Trust's annual plan of Board Business.

Withdrawal of individuals in attendance

- 7.3 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

8. RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/GROUPS

8.1 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.

8.2 The Committee, through its Chair and members, shall work closely with the Board and, [*where appropriate, its Committees and Groups*], through the:

- joint planning and co-ordination of Board and Committee business; and
- appropriate sharing of information

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board’s overall risk and assurance framework. *This will be achieved primarily through the Independent Members Group who will include ‘Integrated Governance’ on their agenda at least twice a year.*

8.3 The Committee shall embed the Trust’s corporate standards, priorities and requirements, e.g., equality and human rights through the conduct of its business.

9. REPORTING AND ASSURANCE ARRANGEMENTS

9.1 The Committee Chair shall agree arrangements with the Trust’s Chair to report to the Board in their capacity as Trustees. This may include, where appropriate, a separate meeting with the Board.

9.2 The Committee Chair shall report formally, regularly and on a timely basis to the Board and the Accountable Officer on the Committee's activities. This includes verbal updates on activity and the submission of Committee minutes and written reports throughout the year.

9.3 The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self assessment and evaluation of the Committee's performance and operation.

10. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

10.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:

- Quorum

Cross reference with the Trust Standing Orders.

11. REVIEW

11.1 These terms of reference and operating arrangements shall be reviewed annually by the Committee with reference to the Board.

12. CHAIR'S ACTION ON URGENT MATTERS

12.1 There may, occasionally, be circumstances where decisions which normally be made by the Committee need to be taken between scheduled meetings. In these circumstances, the Committee Chair, supported by the Board Secretary as appropriate, may deal with the matter on behalf of the Board, after first consulting with two other Independent Members of the Committee. The Board Secretary must ensure that any such action is formally recorded and reported to the next meeting of the Committee for consideration and

ratification.

- 12.2 Chair's urgent action may not be taken where the Chair has a personal or business interest in the urgent matter requiring decision.

Research and Development Committee

Terms of Reference & Operating Arrangements

1. INTRODUCTION

- 1.1 3.1.1 of the Trust's standing orders provide that *"The Board may and, where directed by the Welsh Ministers must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees"*.
- 1.2 In line with standing orders (and the Trust's scheme of delegation), the Board shall nominate annually a Committee to be known as the Research and Development (R&D) Committee. The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are set out below:

2. PURPOSE

- 2.1 The purpose of the R&D Committee is to provide:
- Evidence based timely advice to the Board to assist it in discharging its functions and meeting its responsibilities with regards to the quality and safety of research activity carried out within the Organisation both as a research sponsor and host organisation in the conduct of non commercial CTIMP and non CTIMP studies
 - Assurance to the Board in relation to the Trust's arrangements for ensuring compliance with the Research Governance Framework for Health and Social Care in Wales, second edition 2009, and the EU Clinical Trials Directive 2004 as amended from time to time.
- 2.2 The Committee will advise the Board on where, and how, its research governance arrangements may be further strengthened and developed.

3. DELEGATED POWERS AND AUTHORITY

- 3.1 With regards to its role in providing advice to the Board, the Committee will:
- Oversee the development of all R&D related strategies and implementation plans ensuring the conduct of good quality

scientifically valid projects within the Trust's portfolio of research activity

- Consider the research governance implications arising from the development of Trust R&D related corporate strategies and plans as well as those of its stakeholder Organisations
- Consider the implications for the Trust of the outcomes arising from review, audit or inspection carried out by external regulatory authorities
- Monitor the successful implementation of any actions required resulting from audit / inspection recommendations

3.2 The Committee will, in respect of its assurance role, seek assurance that research governance arrangements are appropriately designed, implemented and are operating appropriately to ensure the provision of a high quality R&D service to the Divisions of the Trust

3.3 To achieve this, the Committee will ensure in relation to all aspects of research and development that:

- The dignity, rights, safety and well being of the trial subject is above all other considerations
- There is clear, consistent strategic direction, strong leadership and transparent lines of accountability
- Within the strategy there is linkage of research to national priorities and needs, the Organisation's business and to clinical governance
- The diversity of the organisation's patients, service users and staff is valued and that their active participation in the development, undertaking and use of research is promoted
- There is close collaboration with partner Organisations in higher education to ensure quality, promote joint working and avoid unnecessary duplication of functions
- The Organisation ensures compliance with Good Laboratory Practice, Good Manufacturing Practice in manufacturing products for clinical trials and Good Clinical Practice in the conduct of all clinical research
- Systems are in place to monitor compliance with standards and to investigate complaints and deal with irregular or inappropriate behaviour in the conduct of research

- All research being undertaken in the Organisation is held on a database containing details of research providers, funding, intellectual property rights, recruitment, research outputs and impact.
- The R&D office provides access to all up to date regulatory and advisory documentation pertaining to research governance, together with procedural guidance
- The Organisation is aware of the cost of supporting research and that all research expenditure is accounted for and complies with all audit required by external funders or sponsors.
- When research findings have commercial potential the Organisation takes action to protect and exploit them in collaboration with its research partners and where appropriate commercial Organisations
- The performance of the Organisation in relation to R&D is assessed via annual reporting to the Board and the Division for Social Care and Health Research (DSCHR).

Authority

- 3.4 The Committee is authorised by the Board to investigate or have investigated any activity within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the Trust relevant to the Committees remit and ensuring patient/service user, client and staff confidentiality, as appropriate. It may seek any relevant information from any:
- Employee (and all employees and directed to cooperate with any reasonable request made by the Committee); and
 - Other Committee, sub Committee, or group set up by the Board to assist it in the delivery of its functions
- 3.5 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 it necessary, in accordance with the Board's procurement, budgetary and other requirements.

Sub Committees

- 3.7 The Committee has established two Sub Committees and one Management Group to carry out specific aspects of Committee business on behalf of the Committee.

The following Sub Committees and R&D Management Group have been established:

- Research Risk Review Committee
 - To include Trust Trial Sponsorship Steering Committee responsibilities
- Genetic Modification Safety Committee

4. MEMBERSHIP

Members

- | | |
|------------|---|
| 4.1 Chair | Independent member of the Board (Non Executive Director) |
| Vice Chair | Independent member of the Board (Non Executive Director) |
| | At least one other independent member of the Board |
| | Executive Director with responsibility for R&D currently Medical Director |
| Members | The Committee may co-opt independent members from outside the Organisation to provide specialist skills, knowledge and expertise if required. |

Attendees

- 4.2 In attendance
- Executive Director of finance or nominated officer with R&D funding responsibilities
 - Executive Director of Nursing and Service Improvement
 - Divisional R&D leads (x2 for VCC, WBS)
 - Director of Velindre Cancer Centre Clinical Trials Unit
 - Trust R&D Manager
 - Information Governance Manager (in advisory capacity)
 - Trust R&D Officer
 - Service User representatives

By invitation

4.3 The Committee Chair may extend invitations as required to the following:

- Divisional Directors
- Representatives of partnership Organisations
- Trade Union representatives

As well as others from within or outside the Organisation who the Committee consider should attend, taking account of the matters under consideration of each meeting.

Secretariat

4.4 As determined by the Board Secretary.

Member Appointments

4.5 The membership of the Committee shall be determined by the Board based on recommendation of the Trust Chair – taking account of the balance of skills and expertise necessary to deliver the Committee’s remit and subject to any specific requirements or directions made by the Welsh Government

4.6 Members shall be appointed to hold office for a period of one year at a time, up to a maximum of 3 consecutive years. During this time a member may resign or be removed by the Board.

4.7 Terms and conditions of appointment, (including any remuneration and reimbursement) in respect of co-opted independent external members are determined by the Board, based upon recommendation of the Trust Chair and, where appropriate, on the basis of advice from the Trust’s remuneration and Terms of Service Committee).

Support to Committee Members

4.8 The Board Secretary, on behalf of the Committee Chair, shall:

- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role: and
- Ensure the provision of a programme of Organisational development for Committee members as part of the Trust’s overall OD programme developed by the Director of Workforce and Organisational Development.

5. COMMITTEE MEETINGS

Quorum

- 5.1 At least ~~two~~ ~~three~~ members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair.

Frequency of Meetings

- 5.2 Meetings shall be held no less than four times a year and otherwise as the Chair of the Committee deems necessary – consistent with the Trust’s annual plan of Board Business.

Withdrawal of individuals in attendance

- 5.3 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

6. RELATIONSHIPS & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/GROUPS

- 6.1 Although the Board has delegated authority to the Committee for the exercise of certain functions as set out within these terms of reference, it retains overall responsibility and accountability for the safety, security and use of information to support the quality and safety of healthcare for its citizens through the effective governance of the Organisation.
- 6.2 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 6.3 The Committee, through its Chair and members, shall work closely with the Board’s other Committees and Groups to provide advice and assurance to the Board through the:
- Joint planning and co-ordination of Board and Committee business: and
 - Sharing of information

In doing so, contributing to the integration of good governance across the Organisation, ensuring that all sources of assurance are incorporated into the Board’s overall risk and assurance framework

- 6.4 The Committee shall embed the Trust's corporate objectives, priorities, and requirements, e.g., equality and human rights through the conduct of its business.
- 6.5 The R&D Management Group has been established, reporting to the Executive Management Board and liaising with the R&D Committee to;
- Oversee Small Grant Scheme Awards
 - Management of IP
 - R&D Conference oversight

7. REPORTING AND ASSURANCE ARRANGEMENTS

- 7.1 The Committee Chair shall:
- Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes verbal updates on the activity of the Committee, its Sub Committees and R&D Management Group. The submission of Committee minutes and written reports, as well as the presentation of an annual Research & Development committee report:
 - Bring to the Board's specific attention any significant matters under consideration by the Committee:
 - Ensure appropriate escalation arrangements are in place to alert the Trust Chair, Chief Executive or Chairs of other relevant Committees of any urgent/critical matters that may compromise patient care and affect the operation and/or the reputation of the Trust.
- 7.2 The Board may also require the Committee Chair to report upon the Committee's activities at public meetings, e.g., AGM, or to community partners and other stakeholders, where this is considered appropriate, e.g., where the Committee's assurance role relates to a joint or shared responsibility.
- 7.3 The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self assessment and evaluation of the Committee's performance and operation including that of any Sub Committees established.

8. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

8.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following area:

- Quorum as per section 5.1 of Trust Standing Orders

9. REVIEW

9.1 These terms of reference and operating arrangements shall be reviewed annually by the Committee with reference to the Board.

Workforce & Organisational Development Committee

Terms of Reference & Operating Arrangements

1. INTRODUCTION

- 1.1 The Trust's standing orders provide that "*The Board may and, where directed by the Assembly Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees*".
- 1.2 In line with the standing orders and the Trust's scheme of delegation, the Board shall nominate annually a Committee to be known as the **Workforce & Organisation Development Committee**.

The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are set out below.

2. PURPOSE

- 2.1 The purpose of the Workforce and Organisational Development Committee ("the Committee") is:
- To advise and assure the Trust Board on all aspects of Workforce & Organisational Development matters and the associated arrangements across the Trust.

3. DELEGATED POWERS AND AUTHORITY

- 3.1 With regard to its role in providing advice to the Board on *workforce and organisational development*, the Committee will:
- Develop and monitor progress against the appropriate areas and actions of within the Trust's 3 year Plan ensuring that

areas of weakness or risk are identified and areas of best practice are reported to the Board.

- Review appropriate performance information/metrics for the Trust's Quality and Performance Management Framework
- Monitor that the function works within the agreed governance and legal framework and standards determined for NHS Wales.
- Receive key papers on Workforce & Organisational Development including strategies and policies, prior to Trust Board approval.
- Receive audit reports from internal and external audit, agreeing action plans to be incorporated with the Trust Audit Action Plan (monitored by the Trust Audit Committee)
- Oversee the implementation of Welsh Government Workforce & Organisational Development initiatives across the Trust.

3.3 To achieve this, the Committee's programme of work will be designed to provide assurance that;

- There is an effective planning cycle that meets the needs of the Board in delivering the Trust's objectives.
- There is effective scrutiny of performance issues and the associated plans to address poor performance.
- There is an effective system in place to consider and respond in a timely manner to audits received across the organisation and an effective system in place to monitor progress on actions resulting from audits.

Authority

- 3.4 The Committee is authorised by the Board to investigate or have investigated any activity (clinical and non clinical) within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the Trust relevant to the Committee's remit, and ensuring patient/client and staff confidentiality, as appropriate. It may seek relevant information from any:
- employee (and all employees are directed to cooperate with any reasonable request made by the Committee); and
 - any other Committee, Sub Committee or Group set up by the Board to assist it in the delivery of its functions.

Access

- 3.5 The Chair of the Workforce Committee shall have reasonable access to Executive Directors and other relevant senior staff.

Sub Committees

None currently identified.

- 3.6 The Committee may, subject to the approval of the Trust Board, establish Sub Committees or task and finish groups to carry out on its behalf specific aspects of Committee business.

Local Variation

None currently identified.

4. MEMBERSHIP

Members

4.1 A minimum of two (2) members, comprising:

Chair Independent Member of the Board

Vice Chair Independent Member of the Board

By Invitation The Committee Chair may invite:

- any other Trust officials; and / or
- any others from within or outside the organisation

to attend all or part of a meeting to assist it with its discussions on any particular matter.

Attendees

Executive Director of Workforce and OD

Deputy Director of WBS

Deputy Director of VCC

4 Senior Departmental Managers (2 each nominated by Director of VCC & WBS)

Deputy Director of Workforce and Organisational Development

Workforce Modernisation Manager

Training and Development Manager

Board Secretary

2 Staff Representatives (nominated by staff members of LPF)

*Medical Staffing Representative (to attend when relevant items are on the agenda)

Secretariat

4.3 Secretary As determined by the Board Secretary.

Member Appointments

4.4 The membership of the Committee shall be determined by the Board, based on the recommendation of the Trust Chair – taking account of the balance of skills and expertise necessary to deliver the Committee’s remit and subject to any specific requirements or directions made by the Welsh Government.

4.5 Members shall be appointed to hold office for a period of four years. Members can be re-appointed to the Committee for a further 4 years, resulting in a maximum of 8 consecutive years. During this time a member may resign or be removed by the Board.

Support to Committee Members

- 4.6 The Board Secretary, on behalf of the Committee Chair, shall:
- arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and
 - ensure the provision of a programme of organisational development for Committee members as part of the Trust’s overall OD programme developed by the Executive Director of Human Resources/Workforce Organisational Development.

5. COMMITTEE MEETINGS

Quorum

5.1 At least 2 members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair.

Frequency of Meetings

- 5.2 Meetings shall be held no less than quarterly and otherwise as the Chair of the Committee deems necessary – consistent with the Trust’s annual plan of Board Business.

Withdrawal of individuals in attendance

- 5.3 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

6. RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/GROUPS

- 6.1 Although the Board has delegated authority to the Committee for the exercise of certain functions as set out within these terms of reference, it retains overall responsibility and accountability for ensuring the quality and safety of healthcare for its citizens through the effective governance of the organisation.
- 6.2 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 6.3 The Committee, through its Chair and members, shall work closely with the Board’s other Committees, including joint (Sub) Committees and Groups to provide advice and assurance to the Board through the:
- joint planning and co-ordination of Board and Committee business; and
 - sharing of information

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework. *This will be achieved primarily through the Independent Members Group who will include 'Integrated Governance' on their agenda at least twice a year.*

- 6.4 The Committee will consider the assurance provided through the work of the Board's other Committees and Sub Groups to meet its responsibilities for advising the Board on the adequacy of the Trust's overall framework of assurance.
- 6.5 The Committee shall embed the Trust's corporate standards, priorities and requirements, e.g., equality and human rights through the conduct of its business.

7. REPORTING AND ASSURANCE ARRANGEMENTS

- 7.1 The Committee Chair shall:
- report formally, regularly and on a timely basis to the Board and the Accountable Officer on the Committee's activities. This includes verbal updates on activity and the submission of Committee Highlight Reports throughout the year and an Annual Report;
 - bring to the Board and the Accountable Officer's specific attention any significant matters under consideration by the Committee;
 - ensure appropriate escalation arrangements are in place to alert the Trust Chair, Chief Executive (and Accountable Officer) or Chairs of other relevant Committees of any urgent/critical matters that may affect the operation and/or reputation of the Trust.

- 7.2 The Committee shall provide a written, annual report to the board and the Accountable Officer on its work. The report will also record the results of the Committee's self assessment and evaluation.
- 7.3 The Board may also require the Committee Chair to report upon the Committee's activities at public meetings or to community partners and other stakeholders, where this is considered appropriate, e.g., where the Committee's assurance role relates to a joint or shared responsibility.
- 7.4 The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self assessment and evaluation of the Committee's performance and operation including that of any Sub Committees established.

8. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

- 8.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:
- Quorum – as per section 5.1 above.

9. REVIEW

- 9.1 These terms of reference and operating arrangements shall be reviewed annually by the Committee with reference to the Board.

Planning and Performance Committee

Terms of Reference & Operating Arrangements

1. INTRODUCTION

- 1.1 The Trust's standing orders provide that "*The Board may and, where directed by the Assembly Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees*".
- 1.2 In line with standing orders (*insert specific SO reference*) and the Trust's scheme of delegation, the Board shall nominate annually a Committee to be known as the **Planning and Performance Committee**. The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are set out below.

2. PURPOSE

- 2.1 The purpose of the Planning and Performance Committee ("the Committee") is to:
- To advise and assure the Trust Board on all aspects of planning and performance and the associated arrangements across the Trust.
- 2.2 Where appropriate, the Committee will advise the Board and the Accountable Officer on where, and how, its planning and its Quality Management Framework may be strengthened and developed further.

3. DELEGATED POWERS AND AUTHORITY

3.1 With regard to its role in providing advice to the Board on *planning (including financial planning)*, the Committee will:

- Develop and monitor progress against the Trust's Service, Workforce and Financial Framework (SWFF) and its Delivery Plan ensuring that areas of weakness or risk and areas of best practice are reported to the Board.
- Advise the Board on aligning service, workforce and financial performance matters into an integrated approach to support sustainability.
- Review and monitor the Trust's sustainability activities and responsibilities.
- Monitor progress against cost improvement programmes.
- Ensure that appropriate systems are in place to develop and approve all Business Cases above Chief Executive's authorised limits in line with agreed policy.
- Provide initial scrutiny of all business cases above Chief Executive's authorised limits.
- Monitor & review the Trust's Capital Programme expenditure.
- Ensure a system is in place and running effectively to prioritise schemes from the Trust Capital Programme.
- Oversee any Trust developments involving significant investment or modernisation involving finance or staffing issues.

3.2 With regard to its role in providing advice to the Board on *performance*, the Committee will:

- Monitor and review performance against the Trust Quality Management Framework.
- Monitor outcomes/outputs from service improvement programmes to provide assurance on sustainable improvements in the quality and efficiency of service delivery.
- Ensure areas of significant service/performance improvement are highlighted to the Board and other relevant Board Committees as necessary to ensure best practice is shared across the organisation.
- Oversee the implementation of WG Performance Policy across the Trust.
- Review the implementation & effectiveness of the Trust's Quality Management Framework.
- Receive performance audit reports from Internal and External Audit, agreeing action plans to be incorporated into the Trust Audit Action Plan (monitored by Trust Audit Committee).

3.3 To achieve this, the Committee's programme of work will be designed to provide assurance that;

- There is an effective planning and performance management cycle that meets the needs of the Board in delivering the Trust's objectives.
- There is effective scrutiny of performance issues and the associated plans to address poor performance.
- There is an effective system in place to consider and respond in a timely manner to performance audits received across the

organisation and an effective system in place to monitor progress on actions resulting from performance audits.

Authority

3.4 The Committee is authorised by the Board to investigate or have investigated any activity (clinical and non clinical) within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the Trust relevant to the Committee's remit, and ensuring patient/client and staff confidentiality, as appropriate. It may seek relevant information from any:

- employee (and all employees are directed to cooperate with any reasonable request made by the Committee); and
- any other Committee, Sub Committee or Group set up by the Board to assist it in the delivery of its functions.

3.5 Approve policies relevant to the business of the Committee as delegated by the Board

Access

3.6 The Chair of the Planning and Performance Committee shall have reasonable access to Executive Directors and other relevant senior staff.

Sub Committees

None currently identified.

3.7 The Committee may, subject to the approval of the Trust Board, establish Sub Committees or task and finish groups to carry out on its behalf specific aspects of Committee business.

Local Variation

None currently Identified.

4. MEMBERSHIP

Members

4.1 A minimum of three (3) members, comprising:

Chair	Independent Member of the Board
Vice Chair	Independent Member of the Board (Non Executive Director)
Members	At least one other Independent Member of the Board (Non Executive Director)

Attendees

4.2 In attendance	Chief Executive Executive Director of Finance Executive Director of Nursing & Service Development Executive Director of Workforce & OD Director of Planning, Performance & Estates Director of Cancer Services Director of Welsh Blood Service Deputy Director of Finance Board Secretary 2 x Staff Representatives
By invitation	The Committee Chair may invite: – any other Trust officials; and/or

- any others from within or outside the organisation

to attend all or part of a meeting to assist it with its discussions on any particular matter.

Secretariat

- 4.3 Secretary As determined by the Board Secretary

Member Appointments

- 4.4 The membership of the Committee shall be determined by the Board, based on the recommendation of the Trust Chair – taking account of the balance of skills and expertise necessary to deliver the Committee’s remit and subject to any specific requirements or directions made by the Assembly Government.
- 4.5 Members shall be appointed to hold office for a period of four years. Members can be re-appointed to the Committee for a further 4 years, resulting in a maximum of 8 consecutive years. During this time a member may resign or be removed by the Board.
- 4.6 Committee members’ terms and conditions of appointment, (including any remuneration and reimbursement) are determined by the Board, based upon the recommendation of the Trust Chair and on the basis of advice from the Trust’s Remuneration and Terms of Service Committee.

Support to Committee Members

- 4.7 The Board Secretary, on behalf of the Committee Chair, shall:
- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and

- ensure the provision of a programme of organisational development for Committee members as part of the Trust's overall OD programme developed by the Executive Director of Human Resources/Workforce Organisational Development.

5. COMMITTEE MEETINGS

Quorum

- 5.1 At least 2 members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair.

Frequency of Meetings

- 5.2 Meetings shall be held no less than quarterly and otherwise as the Chair of the Committee deems necessary – consistent with the Trust's annual plan of Board Business.

Withdrawal of individuals in attendance

- 5.3 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

6. RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/GROUPS

- 6.1 Although the Board has delegated authority to the Committee for the exercise of certain functions as set out within these terms of reference, it retains overall responsibility and accountability for ensuring the quality and safety of healthcare for its citizens through the effective governance of the organisation.

- 6.2 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 6.3 The Committee, through its Chair and members, shall work closely with the Board's other Committees, including joint (Sub) Committees and Groups to provide advice and assurance to the Board through the:
- joint planning and coordination of Board and Committee business; and
 - Sharing of Information

In doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework. *This will be achieved primarily through the Independent Members Group who will include "Integrated Governance"*

- 6.4 The Committee will consider the assurance provided through the work of the Board's other Committees and Sub Groups to meet its responsibilities for advising the Board on the adequacy of the Trust's overall framework of assurance.

7. REPORTING AND ASSURANCE ARRANGEMENTS

- 7.1 The Committee Chair shall:
- report formally, regularly and on a timely basis to the Board and the Accountable Officer on the Committee's activities. This includes verbal updates on activity and the submission of Committee minutes and written reports throughout the year;

- bring to the Board and the Accountable Officer's specific attention any significant matters under consideration by the Committee;
- ensure appropriate escalation arrangements are in place to alert the Trust Chair, Chief Executive (and Accountable Officer) or Chairs of other relevant Committees of any urgent/critical matters that may affect the operation and/or reputation of the Trust.

7.2 The Committee shall provide a written, annual report to the board and the Accountable Officer on its work. The report will also record the results of the Committee's self assessment and evaluation.

7.3 The Board may also require the Committee Chair to report upon the Committee's activities at public meetings or to community partners and other stakeholders, where this is considered appropriate, e.g., where the Committee's assurance role relates to a joint or shared responsibility.

7.4 The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self assessment and evaluation of the Committee's performance and operation including that of any Sub Committees established.

8. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

8.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:

- Quorum – as per section 5.1 above.

9. REVIEW

9.1 These terms of reference and operating arrangements shall be reviewed annually by the Committee with reference to the Board.

Transforming Cancer Services in South East Wales: Programme Management Committee

Terms of Reference and Operating Arrangements

1. INTRODUCTION

- 1.1 Velindre NHS Trust ('the Trust') has submitted a Strategic Outline Programme ('SOP') relating to an ambitious portfolio of projects relating to the "Transforming Cancer Services in SE Wales Programme ('the Programme')". The Programme is being led by the Trust with support from Welsh Government. The programme of services is intended to revolutionise the current service model and so further improve the treatment and outcomes for people in SE Wales who are diagnosed with cancer. The SOP case has posed and then has started to answer the question ' what does a high performing cancer [care] system which delivers outcomes comparable with the best look like?'. This has led to the identification of a series of improvements which could be implemented with wider NHS colleagues as well as the voluntary and other public services over the coming years. This is an opportunity to plan for the long term but there are many interdependencies.

The SOP was approved by the Minister on 28 January 2015 and permission given to develop the proposal further.

The Trust's Standing Orders provide that "The Board may and, where directed by the Assembly Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees".

- 1.2 In order to govern and manage the Programme appropriately and in line with its Standing Orders and the Trust's Scheme of Delegation, the Trust Board has decided to nominate a committee to be known as the **Transforming Cancer Services in South East Wales Programme Management Committee**. The detailed terms of reference and operating arrangements set by the Trust Board in respect of this committee are set out below.

2. PURPOSE

- 2.1 The purpose of the committee known as the Transforming Cancer Services in South East Wales Programme Management Committee (“the Programme Management Committee”) is to:
- To lead, advise and assure on behalf of the Trust Board on all aspects of the Programme and the associated arrangements across the Trust.
- 2.2 By way of context, the Programme Management Committee will provide leadership, strategic direction and provide an oversight and advisory role in relation to the purpose of developing the Programme. It will help ensure a smooth transition through the various gateways and approval processes to the successful delivery of a transformational clinical change programme which achieves better outcomes for our patients and an improved service which can cope with increased future demands in a timely and efficient manner.
- 2.3 The Programme Management Committee is responsible for ensuring that the programme addresses the challenges set out above and that it leads to improved cancer services in South East Wales and to improved patient outcomes, quality of care and patient experience resulting from them. It is responsible for ensuring that the Programme delivers its objectives and realised the identified benefits, manages risk and for ensuring that there is a comprehensive and effective approach to stakeholder participation and involvement.

3. DELEGATED POWERS AND AUTHORITY

- 3.1 With regard to its role in providing advice to the Trust Board on the Programme, the Programme Management Committee will:

- Provide leadership and strategic direction to the Programme and to ensure that it is aligned and integrated with key national and local strategies as well as promoting effective external and internal communication of the Programme's goals and progress
- Ensure a Transforming Cancer Services Programme Plan is developed that is designed to meet the Investment Objectives as agreed by the Trust Board
- Keep the strategic priorities for the Programme under review, ensuring that Programme outputs and outcomes accord with the overarching Investment Objectives ('IO's)
- Ensure that the Programme Team are made aware of any strategic issues which could impact upon the remit and scope of the Programme
- Actively support and commit to the change process necessary to deliver the Programme
- Ensure that sufficient skilled resources are allocated to the Programme
- Agree the Programme and project structures and memberships of all project groups and sub-groups
- Ensure that the preferred way forward provides value for money and meets the Programme's agreed IO's
- Approve all major Programme related plans and actions and to authorise any major derogation from these plans
- Provide governance and guidance in the development of robust business cases for the Programme and for ensuring that the IO's are realistic and appropriate
- Ensure that the Programme remains within scope in terms of time, quality and cost.

- Ensure that Programme risks are monitored and effectively managed, being escalated to the Trust Board and other Trust Board Committees as appropriate
- Ensure all outputs emanating from the Programme are communicated to stakeholders in an appropriate and timely manner
- Monitor the progress of the overall programme, highlighting significant deviations or proposed amendments to the Trust Board
- Provide ownership of risks and issues and develop proposals for mitigation /resolution
- Ensure resolution of any escalated issues; and
- Report regularly and routinely to the Trust Board

3.2 More specifically the Trust Board has delegated the responsibility for the following;

- Appointment of staff, on agreed terms and where funded, into the Programme Team.
- Appointment of advisers who may be required from time to time (other than those listed as non-delegated matters at paragraph 3.3 below)
- Submission of any Outline Planning Application in relation to any site required to deliver the Programme in line with strategic direction agreed by the Trust Board
- Decisions in relation to the scope of any engagement with the wider NHS and other stakeholders in relation to the Programme

- Commissioning and agreeing scope and timelines of projects established under the Programme
- Explore non-binding partnership/alliance arrangements with specific organisations such as third sector, higher education institutions or business entities;
- Monitoring of the Programme against agreed milestones as outlined in the Programme Plan agreed by the Trust Board and overseeing any first line escalation of Programme team risks or concerns including ensuring remedial action is taken to manage these.

3.3 The Trust Board reserves authority for making decisions relating to the strategic direction of the programme and any decisions relating to the Programme that may have implications that breach financial limits or matters detailed within the Scheme of Delegation in the Trust's Standing Orders.

3.4 To achieve this, the Programme Management Committee's programme of work will be designed to provide assurance to the Trust Board that:

- There are effective planning, programme management, governance and delivery arrangements in place
- The Programme is fit for purpose to deliver the stated Investment Objectives ('IO's)
- There is effective scrutiny of programme delivery and any required actions are taken in a timely manner; and
- All risks are identified, transparent to all stakeholders and there are appropriate management controls in place.

Access

3.5 The Chair of the Programme Management Committee shall have reasonable access to Executive Directors and other relevant senior staff.

Sub-Committees

- 3.6 The Programme Management Committee may, subject to the approval of the Trust Board, establish Sub Committees or task and finish groups to carry out on its behalf specific aspects of Programme Management Committee business.

4. MEMBERSHIP

Members

- 4.1 The membership shall comprise:

<u>Chair</u>	Interim Chief Executive
<u>Vice Chair</u>	Director of Planning, Performance & Estates
<u>Members</u>	Independent Member of the Trust Board (Non Executive Director) – with Responsibilities for Planning and Performance
	Independent member of the Trust Board (Non-Executive Director)
	Medical Director
	Director of Finance

- 4.2 In attendance, there shall be:

<u>In attendance</u>	Director of Velindre Cancer Centre
	Trust Board Secretary
	Programme Director
	Programme Manager
	Director of Clinical Systems Transformation
	Assistant Director Planning and Performance
	Assistant Director Estates, Environment & Capital Development
	Director of Workforce and OD Representative
	Staff Side Representative
	Patient Liaison Group representative
	WG Director of Finance, DHSS Welsh Government

WG Innovative Finance Unit representative
LHB/All Wales Collaborative representative

Observers

Nominated representative, Abertawe Bro

Morgannwg

University Health Board
Wales Audit Office

4.4 The Programme Management Committee Chair may invite:

- any other Trust officers; and/or
- any others from within or outside the organisation to attend all or part of a meeting to assist it with its discussions on any particular matter.

4.5 An open invitation will be extended to representative from Wales Audit Office to observe each meeting.

Secretariat

4.6 Secretary as determined by the Programme Manager

Member Appointments

4.7 The membership of the Programme Management Committee shall be determined by the Trust Board, based on the recommendation of the Trust Chair – taking account of the balance of skills and expertise necessary to deliver the Programme Management Committee’s remit and subject to any specific requirements or directions made by the Welsh Government and may be reviewed as the Programme develops and changes over time.

Support to Programme Management Committee Members

4.9 The Trust Board Secretary, on behalf of the Programme Management Committee Chair, shall:

- Arrange the provision of advice and support to Programme Management Committee members on any aspect related to the conduct of their role; and
- Ensure the provision of a programme of organisational development for Programme Management Committee members as part of the Trust's overall Organisational Development (OD) programme developed by the Executive Director of Workforce & Organisational Development.

5. PROGRAMME MANAGEMENT COMMITTEE MEETINGS

Quorum

- 5.1 At least 3 members must be present to ensure the quorum of the Programme Management Committee, one of whom should be the Programme Management Committee Chair or Vice Chair and the other being an Independent Member.

Frequency of Meetings

- 5.2 Meetings shall be held no less than bi-monthly and usually monthly or as otherwise as the Chair of the Programme Management Committee deems necessary.

Withdrawal of individuals in attendance

- 5.3 The Programme Management Committee may ask any or all of those who normally attend but who are not members to withdraw in order to facilitate open and frank discussion of particular matters.

6. RELATIONSHIP & ACCOUNTABILITIES WITH THE TRUST BOARD AND ITS COMMITTEES/GROUPS

- 6.1 Although the Trust Board has delegated authority to the Programme Management Committee for the exercise of certain functions as set out within these terms of reference, it retains overall responsibility and accountability for ensuring the quality and performance of the Programme through the effective governance of the Trust.

- 6.2 The Programme Management Committee is directly accountable to the Trust Board for its performance in exercising the functions set out in these terms of reference.
- 6.3 The Programme Management Committee, through its Chair and members, shall work closely with the Trust Board's other Committees, including joint (Sub) Committees and Groups to provide advice and assurance to the Trust Board through the:
- Joint planning and coordination of Trust Board and Programme Management Committee business; and
 - Sharing of information.
- 6.4 In doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Trust Board's overall risk and assurance framework.
- 6.5 The Programme Management Committee will consider the assurance provided through the work of the Trust Board's other Committees and Sub Groups to meet its responsibilities for advising the Trust Board on the adequacy of the Trust's overall framework of assurance.

7. REPORTING AND ASSURANCE ARRANGEMENTS

- 7.1 The Programme Management Committee Chair shall:
- Report formally, regularly and on a timely basis to the Trust Board on the Programme Management Committee's activities. This includes verbal updates on activity and the submission of Programme Management Committee highlight reports and other written reports throughout the year;
 - Bring to the Trust Board's attention any significant matters under consideration by the Programme Management Committee; and
 - Ensure appropriate escalation arrangements are in place to alert the Trust Chair or Chairs of other relevant committees of any

urgent/critical matters that may affect the operation and/or reputation of the Trust.

- 7.2 The Trust Board may also require the Programme Management Committee Chair to report upon the Programme Management Committee's activities at public meetings or to community partners and other stakeholders, where this is considered appropriate, e.g., where the Programme Management Committee's assurance role relates to a joint or shared responsibility.
- 7.3 The Trust Board Secretary, on behalf of the Trust Board, shall oversee a process of regular and rigorous self assessment and evaluation of the Programme Management Committee's performance and operation including that of any Sub Committees established.

8. APPLICABILITY OF STANDING ORDERS TO PROGRAMME MANAGEMENT COMMITTEE BUSINESS

- 8.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Programme Management Committee, except in the following areas:
- Quorum – as per paragraph 5.1 above.

9. REVIEW

- 9.1 These terms of reference and operating arrangements shall be reviewed no less than annually by the Programme Management Committee with reference to the Trust Board.

ADVISORY CONSULTANT APPOINTMENT COMMITTEE

Terms of Reference & Operating Arrangements

1. INTRODUCTION

- 1.1 The Trust's standing orders provide that "*The Board may and, where directed by the Assembly Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by committees*".
- 1.2 In accordance with standing orders (and the Trust's scheme of delegation), the Board shall nominate annually a Committee to be known as the **Advisory Appointment Committees (AACs)** "the Committee". The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are set out below.
- 1.3 These Terms of Reference and Operating Arrangements are based on and compliant with the National Health Service (*Appointment of Consultants Regulations*), Good Practice Guidance – January 2005.
- 1.4 Due to the nature of the business considered by the Committee, all relevant paperwork will be kept confidential and not routinely published.

2. PURPOSE

- 2.1 The arrangements for appointments to NHS Consultant posts are stipulated in statutory regulations: "The NHS (Appointment of Consultants) Regulations 1996", as amended. These are supported by "The National Health Service (Appointment of Consultants) Regulations Good Practice Guidance", published by the Department of Health in January 2005.

- 2.2 The regulations provide for appointments to be made via Advisory Appointments Committees (AACs).

3. DELEGATED POWERS AND AUTHORITY

- 3.1 The Trust Board has delegated to the Committee the authority to make decisions on all appointments and for appointments to be reported to the Trust Board at a subsequent meeting where the decision to appoint is unanimous. Cross reference section 5.5 and Annex B of the National Health Service (*Appointment of Consultants Regulations*), Good Practice Guidance – January 2005
- 3.2 If the Committee cannot make a unanimous decision, the majority recommendation will be referred to the Trust Board for ratification, before an offer of appointment is made.

4. MEMBERSHIP

- 4.1 The NHS (Appointment of Consultants) Regulations 1996 set out the governing membership for the AAC. In meeting these provisions the Trust should seek to secure a balanced Committee.
- 4.2 An outgoing consultant should not be a member of the Committee set up to select his/her successor.
- 4.3 Particular care needs to be taken in relation to Committee membership when appointing to posts across two or more Trusts, or to appointments made in conjunction with universities. For example, it is possible to contract an employee jointly between two Trusts. When constituting the AAC in such cases, the requirements in the Regulations for joint appointments will need to be met.
- 4.4 Trusts must ensure that no close relative of any candidate or candidate's partner serves on the Committee. If it becomes

apparent during the short-listing of candidates that any member of the Committee is a close relative or partner of a candidate, that member should be invited to stand down and a replacement nomination sought.

4.5 Occasionally, one of the candidates will be well known to the 'local' members of the Committee. Such prior experience must not be allowed to interfere with an objective assessment of the candidates. A member may also have provided a reference for a candidate. On such occasions, the member must declare an interest and be careful not to show a bias.

4.6 The core membership of the Committee, as specified in Regulations, is set out below:

Chair	Chairman of the Board (Independent Member)
Members	Chief Executive Officer
	Medical Director (Clinical Director to deputise in their absence)
	Clinical Director or Consultant from relevant specialty as their deputy.
	External Professional Assessor from the College or University.

4.7 The Trust is free to add additional members, but the balance of the Committee must continue to have local and a medical majority. The Trust must seek to ensure that the size of the Committee is, in all cases, kept to a minimum.

Attendees

4.8 The Committee may require the attendance for advice, support and information routinely at meetings from:

- Faculty Consultant Lead
- Executive Director of Workforce & Organisational Development
- Trust Secretary
- Assistant Director of Research & Development

Secretariat

- 4.9 Secretary as determined by the Medical Director or the Executive Director of Workforce & Organisational Development who is involved in the recruitment procedure. Cross-reference section 4.9 of the National Health Service (*Appointment of Consultants Regulations*), Good Practice Guidance – January 2005.

Member Appointments

- 4.10 Appointed Independent Members shall hold office for a period that corresponds with their appointment to the Trust Board.

Support to Committee Members

- 4.11 The Executive Director of Workforce & Organisational Development, on behalf of the Committee Chair, shall:
- Ensure all Committee members receive the NHS Appointment of Consultants Regulations outlining their individual and collective role on the Committee.
 - Retain all records and documents in connection with the short-listing and interviewing, including formal records of the decision and informal notes taken by members of the Committee, for a minimum of five years, confidentiality being secured in case an applicant were to bring a claim against the

Trust (e.g. alleging discrimination), as an employment tribunal may require these papers.

- Ensure all members of the Committee will have received appropriate training. It is the responsibility of the Trust to ensure that training has been provided. This should cover all aspects of the appointments process and concentrate on those areas where difficulties may arise:
 - Equal opportunities (refer to Annex E of the guidance)
 - Matters which should not be discussed at the interview other than in exceptional circumstances.

4.12 The role of the Board Secretary shall be to:

- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and
- Ensure and co-ordinate the provision of a programme of organisational development for Committee members as part of the Trust's overall Organisational Development programme developed by the Executive Director of Organisational Development & Workforce.

5. COMMITTEE MEETINGS

Quorum

- 5.1 The Committee may not proceed if any core member (or their appointed deputy) is not present.
- 5.2 Prospective members of the Committee should notify the Trust immediately they become aware they are no longer able to attend the Committee on the set date. The Trust should then find an

appropriate replacement.

Frequency of meetings

- 5.3 Meetings shall be held as required to ensure support to the timely recruitment of consultants and otherwise as the Committee Chairs deems necessary.

6. RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/GROUPS

- 6.1 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 6.2 The Committee, through its Chair and members, shall work closely with the Board and, [*where appropriate, its Committees and Groups*], through the:
- joint planning and co-ordination of Board and Committee business; and
 - appropriate sharing of information

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework.

- 6.3 The Committee shall embed the Trust's corporate standards, priorities and requirements, e.g. equality and human rights through the conduct of its business.

7. REPORTING AND ASSURANCE ARRANGEMENTS

- 7.1 A brief report of the Committee should be prepared and signed by

the Chair.

- 7.2 The Committee Chair shall report formally, regularly and on a timely basis to the Board via the Workforce & Organisational Development Committee and the Accountable Officer on the Committee's activities. This includes verbal updates on activity and the submission of Committee minutes and written reports as necessary throughout the year.
- 7.2 The Trust Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self assessment and evaluation of the Committee's performance and operation.
- 7.4 Formal records of the decision made by the Committee should be retained for a minimum of five years, confidentiality being secured.
- 7.5 Due to the nature of the business considered by the Committee, all relevant paperwork will be kept confidential and not routinely published.

8. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

- 8.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:
- Quorum
 - Chairs Action on Urgent Matters

Cross reference with the Trust Standing Orders.

9. REVIEW

- 9.1 These terms of reference and operating arrangements shall be reviewed annually by the Committee with reference to the NHS (Appointment of Consultants) Regulations and the Board.

Schedule 4

LOCAL PARTNERSHIP FORUM AND ADVISORY GROUPS TERMS OF REFERENCE

This schedule forms part of, and shall have effect as it incorporated in the NHS Trust Standing Orders

Terms of Reference and Operating Arrangements for;

- Local Partnership Forum

Local Partnership Forum

Terms of Reference & Operating Arrangements

1. INTRODUCTION

- 1.1 The Trust's standing orders provide for the establishment of a Local Partnership Forum (LPF) and that the Board must formally approve terms of reference and operating arrangements for the LPF.

The LPF will also operate in accordance with the TUC six principles of partnership working, namely;

- A shared commitment to the success of the organisation.
- A focus on quality of working life.
- Recognition of the legitimate roles of the employer and trade union.
- A commitment by the employer to employment security.
- Openness on both sides and a willingness by the employer to share information and discuss future plans of the organisation.
- Adding value – a shared understanding that the partnership is delivering measurable improvements for the employer, the union and employees.

- 1.2 The detailed terms of reference and operating arrangements set by the Board in respect of this forum are set out below.

2. PURPOSE

- 2.1 The purpose of the Local Partnership Forum (LPF) is;

To provide a formal mechanism where the Trust, as employer and trade unions/professional bodies representing Trust employees (hereafter referred to as staff organisations) work together to improve health services for the citizens served by the Trust – achieved through a regular and timely process of consultation, negotiation and communication. In doing so, the LPF must effectively represent the views and interests of the Trust's workforce.

- 2.2 It is the forum where the Trust and staff organisations will engage with each other to inform, debate and seek to agree local priorities on workforce and health service issues; and inform thinking around national priorities on health matters.
- 2.3 The Trust may specifically request advice and feedback from the LPF on any aspect of its business and the LPF may also offer advice and feedback even if not specifically requested by the Trust. The LPF may provide advice to the Board:
- In written advice or
 - In any other form specified by the Board.

3. MEMBERSHIP

Joint Chairs

- 3.1 The LPF shall have two Chairs on a rotational basis, one of whom shall be drawn from the management representative membership, and one from the staff representative membership.

The Chairs shall be jointly responsible for the effective operation of the LPF:

- Chairing meetings, rotated equally between the Staff Representative and Management Representative Chairs;
- Establishing and ensuring adherence to the standards of good governance set for the NHS in Wales, ensuring that all business is conducted in accordance with its agreed operating framework and
- Developing positive and professional relationships amongst the Forum's membership and between the Forum and the Board.

The Chairs shall work in partnership with each other and, as appropriate, with the Chairs of the Trust's other advisory groups. Chairs shall ensure that key and appropriate issues are discussed by the Forum in a timely manner with all the necessary information and advice being made available to members to inform the debate and ultimate resolutions.

The Chairs are accountable to the Board for the conduct of business in accordance with the governance and operating framework set by the Trust.

Joint Vice Chairs

- 3.2 The LPF shall have two Vice Chairs, one of whom shall be drawn from the Management Representative membership, and one from the staff representative membership.

Each Vice Chair shall deputise for their Chair in that Chair's absence for any reason, and will do so until either the existing Chair resumes their duties or a new Chair is appointed.

The Vice Chair is accountable to their Chair for their performance as Vice Chair.

Members

3.3 Membership of the LPF comprises;

	Staff Representative	Management Representative
Joint Chair	Stephen Pearce, UNITE Staff Rep	Ian Sharp, Exec Director of Workforce & OD
Joint Vice Chair	Bev Carlick, GMB Staff Rep	Simon Dean, Chief Executive
	All accredited staff reps within Trust	Executive Director of Workforce & OD
		Executive Director of Finance
		Executive Director of Nursing & Service Improvement
		Medical Director
		Director VCC
		Director WBS
		Programme Implementation Director NWIS

All members of the LPF are full and equal members and collectively share responsibility for its decision.

All members must:

- Be prepared to engage with and contribute to the LPFs activities and in a manner that upholds the standards of good governance set for the NHS in Wales.
- Comply with their terms and conditions of appointment.
- Equip themselves to fulfil the breadth of their responsibilities by participating in appropriate personal and organisational development programmes and

- Promote the work of the LPF within the professional discipline they represent.

Members of the LPF who are unable to attend a meeting may send a deputy, providing such deputies are eligible for appointment to the LPF and their attendance has been agreed by the Joint Chairs/Vice Chairs prior to the meeting.

Appointment and Terms of Office

3.4 Management representative members shall be determined by the Board.

Staff representatives shall be determined by the staff organisations recognised by the Trust, subject to the following conditions:

- Staff representatives must be employed by the Trust and accredited by their respective trade union and
- A member's tenure of appointment will cease in the event that they are no longer employed by the Trust or cease to be a member of their nominating trade union.

The Management Representative Chair shall be appointed by the Board.

The Staff Representative Chair shall be elected from within the staff representative membership of the LPF, by staff representative members, in a manner determined by the staff representative members. The Staff Representative Chair's term of office shall be for one (1) year.

The Management Representative Vice Chair shall be appointed from within the management representative membership of the LPF by the Management Representative Chair.

The Staff Representative Vice Chair shall be elected from within the staff representative membership of the LPF, by staff representative members, in a manner determined by the staff representative members. The Staff Representative Vice Chair's term of office shall be for one (1) year.

A member's tenure of appointment will cease in the event that they no longer meet any of the eligibility requirements determined for the position. A member must inform their respective LPF Chair as soon as is reasonably practicable to do so in respect of any issue which may impact on the conduct of their role.

Removal, suspension and replacement of members

3.5 If an LPF member fails to attend three (3) consecutive meetings, the next meeting of the LPF shall consider what action should be taken. This may include removal of that person from officer unless they are satisfied that:

- (a) The absence was due to a reasonable cause and
- (b) The person will be able to attend such meetings within such period as the LPF considers reasonable.

If the LPF considers that it is not conducive to its effective operation that a person should continue to hold office as a member, it may remove that person from office by giving immediate notice in writing to the person and the relevant nominating body.

3.6 Before making a decision to remove a person from office, the LPF may suspend the tenure of office of that person for a limited period (as determined by the LPF) to enable it to carry out a proper investigation of the circumstances leading to the consideration of removal. Where the LPF suspends any member, that member shall be advised immediately in writing

of the reasons for their suspension. Any such member shall not perform any of the functions of membership during a period of suspension.

- 3.7 A nominating body may remove and, where appropriate, replace a member appointed to the LPF to represent their interests by giving immediate notice in writing to the LPF.

4. SUB FORA

- 4.1 The LPF may establish sub-fora to assist it in the conduct of its work, to facilitate:

- Ongoing dialogue, communication and consultation on service and operational management issues specific to Divisions/Directorates/Service areas: and or
- Detailed discussion in relation to a specific issue(s).

Sub fora that have been established;

- The LPF Policy Sub-Group.

5. MEETINGS

Quorum

- 5.1 At least four members must be present to ensure the quorum of the LPF, one of whom should be the Management Chair or Vice Chair, and one of whom should be the staff representative Chair or Vice Chair.

Frequency of Meetings

- 5.2 Meetings shall be held bi-monthly or otherwise as the Joint Chairs deem necessary. Where joint Chairs agree, an extraordinary meeting of the LPF may be scheduled with 7 calendar days notice.

6. RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/GROUPS

- 6.1 The LPF's main link with the Board is through the Executive Members of the LPF.
- 6.2 The Board may determine that designated Trust Members or staff shall be in attendance at LPF meetings. The LPF's Chair may also request the attendance of Trust members or staff, subject to the agreement of the Trust Chair.
- 6.3 The Board shall determine the arrangements for any joint meetings between the Board and the LPF's staff representative members.
- 6.4 The Board's Chair shall put in place arrangements to meet with the LPG's Joint Chairs on a regular basis to discuss the LPF's activities and operation.
- 6.5 The LPF shall ensure effective links and relationships with other groups/fora at a local and, where appropriate, national level.

7. SUPPORT TO THE LPF

- 7.1 The LPF's work shall be supported by two designated Secretary's one of whom shall support the staff representative members and one shall support the management representative members.
- 7.2 The Director of Workforce and OD will act as Management Representative Secretary and will be responsible for the maintenance of the constitution of the membership, the circulation of agenda and minutes and notification of meetings.

- 7.3 The Staff Representative Secretary shall be elected from within the staff representative membership of the LPF, by staff representative members in a manner determined by the staff representatives.
- 7.4 Both Secretaries shall work closely with the Trust's Board Secretary who is responsible for the overall planning and co-ordination of the Trust's programme of Board business, including that of its Committees and Advisory Groups.

8. REPORTING AND ASSURANCE ARRANGEMENTS

8.1 The Joint Chairs shall:

- report formally, regularly and on a timely basis to the Board and the Accountable Officer on the LPF's activities. This includes verbal updates on activity and the submission of LPF minutes and written reports throughout the year;
- bring to the Board and the Accountable Officer's specific attention any significant matters under consideration by the LPF;
- ensure appropriate escalation arrangements are in place to alert the Trust Chair, Chief Executive (and Accountable Officer) or Chairs of other relevant Committees of any urgent/critical matters that may affect the operation and/or reputation of the Trust.

9. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

9.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the LPF, except in the following areas:

- Quorum – as per section 5.1 above.

10. REVIEW

10.1 These terms of reference and operating arrangements shall be reviewed annually by the LPF with reference to the Board.

Schedule 5

STANDING ORDERS FOR THE OPERATION OF THE SHARED SERVICES PARTNERSHIP COMMITTEE

This Schedule forms part of, and shall have effect as if incorporated in the
Velindre NHS Trust Standing Orders

Standing Orders

Reservation and Delegation of Powers

For the

Shared Services Partnership Committee

July 2014

Foreword

These Model Standing Orders are issued by Welsh Ministers to Local Health Boards using powers of direction provided in section 12(3) of the National Health Services (Wales) Act 2006. Velindre NHS Trust (Velindre) must agree Standing Orders (SOs) for the regulation of the Shared Services Partnership Committee's (the SSPC) proceedings and business. These SSPC SOs form a schedule to Velindre's own SOs, and have effect as if incorporated within them. They are designed to translate the statutory requirements set out in the Velindre NHS Trust Shared Services (Wales) Regulations 2012 (2012/1261 (W.156)) and Velindre's Standing Order 3 into day to day operating practice. Together with the adoption of a scheme of decisions reserved to the SSPC; a scheme of delegations to Shared Services officers and others; and in conjunction with Velindre NHS Trust Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of the SSPC.

These documents, together with the Shared Services Memorandum of Co-operation dated **[June 2012]** made between the seven LHBs and three NHS Trusts in Wales that defines the obligations of the ten NHS bodies (the Partners) to participate in the SSPC and to take collective responsibility for the delivery of the services, a Hosting Agreement dated **[June 2012]** between the Partners that provides for the terms on which Velindre will host the NHS Wales Shared Services Partnership (NWSSP) and the Interface Agreement between the Chief Executive of Velindre (as the Accountable Officer for the

organisation) and the Managing Director of Shared Services (as the Accountable Officer for NHS Wales Shared Services Partnership) dated **[June 2012]** that defines the respective roles of the two Accountable Officers, form the basis upon which the SSPC governance and accountability framework is developed. Together with the adoption of a Values and Standards of Behaviour framework this is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

All SSPC members, NWSSP Shared Services staff and Velindre non-Shared Services staff must be made aware of these Standing Orders and, where appropriate, should be familiar with their detailed content. The Committee Secretariat of the SSPC will be able to provide further advice and guidance on any aspect of the SOs or the wider governance arrangements for the SSPC. Further information on governance in the NHS in Wales may be accessed at www.wales.nhs.uk/governance-emanual/

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Section: A – Introduction

Statutory Framework

- i) Velindre National Health Service Trust (Velindre) is a statutory body that came into existence on 1st December 1993 under the **Velindre National Health Service Trust (Establishment) Order 1993 (1993/2838)** (the Establishment Order).
- ii) The Velindre NHS Trust Shared Services Partnership Committee (to be known as the SSPC for operational purposes) was established under the **Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012 (2012/1261 (W.156))** (the Shared Services Regulations). The Shared Services Regulations define Shared Services at regulation 2 and the functions of the SSPC at regulation 4. The SSPC functions are subject to variations to those functions agreed from time to time by the SSPC. The SSPC is hosted by Velindre on behalf of each of the seven LHBs and the three NHS Trusts (the Partners).
- iii) The principal place of business of the SSPC is:

NHS Wales Shared Services Partnership
4-5 Charnwood Court
Heol Billingsly
Parc Nantgarw
Cardiff
CF15 7QZ
- iv) All business shall be conducted in the name of the NHS Wales Shared Services Partnership on behalf of the Partners.
- v) Velindre is a corporate body and its functions must be carried out in accordance with its statutory powers and duties. Velindre's statutory powers and duties are mainly contained in the **NHS (Wales) Act 2006 (c.42)** which is the principal legislation relating to the NHS in Wales. Whilst the **NHS Act 2006 (c.41)** applies equivalent legislation to the NHS in England, it also contains some legislation that applies to both England and Wales. The NHS (Wales) Act 2006 and the NHS Act 2006 are a consolidation of the NHS Act 1977 and other health legislation which has now been repealed. The NHS (Wales) Act 2006 contains various powers of the Welsh Ministers to make subordinate legislation and details how NHS Trusts are governed and their functions.
- vi) **The National Health Service Trusts (Membership and Procedure) Regulations 1990 (1990/2024)**, as amended (the Membership Regulations) set out the membership and procedural arrangements of the

Trust.

- vii) Sections 18 and 19 of Schedule 3 to the NHS (Wales) Act 2006 provide for Welsh Ministers to confer functions on NHS Trusts and to give Directions about how they exercise those functions. Trusts must act in accordance with those Directions. Velindre's statutory functions are set out in its Establishment Order but many functions are also contained in other legislation such as the NHS (Wales) Act 2006.
- viii) However in some cases the relevant function may be contained in other legislation. In exercising its powers Velindre must be clear about the statutory basis for exercising such powers.
- ix) Under powers in paragraph 4(1)(f) of Schedule 3 to the NHS (Wales) Act 2006 the Minister has made the Shared Services Regulations which set out the constitution and membership arrangements of the Shared Services Committee. Certain provisions of the Membership Regulations will also apply to the operations of the SSPC, as appropriate.
- x) In addition to Directions the Welsh Ministers may from time to time issue guidance relating to the activities of the SSPC which the Partners must take into account when exercising any function.
- xi) Velindre shall issue an indemnity to the Shared Services Chair, on behalf of the Partners.

NHS Framework

- xii) In addition to the statutory requirements set out above, the SSPC, on behalf of each of the Partners, must carry out all its business in a manner that enables it to contribute fully to the achievement of the Minister's vision for the NHS in Wales and its standards for public service delivery. The governance standards set for the NHS in Wales are based upon the Assembly's Citizen Centred Governance principles. These principles provide the framework for good governance and embody the values and standards of behaviour that is expected at all levels of the service, locally and nationally.
- xiii) Adoption of the principles will better equip the SSPC to take a balanced, holistic view of its work and its capacity to deliver high quality, safe healthcare services on behalf of all citizens in Wales within the NHS framework set nationally.
- xiv) The overarching NHS governance and accountability framework within which the SSPC must work incorporates Velindre's SOs; Schedules of Powers reserved for the Board and Delegation to others and SFIs, together with a range of other frameworks designed to cover specific aspects. These include the NHS Values and Standards of Behaviour

Framework; the *'Doing Well, Doing Better: Standards for Health Services in Wales'*, the NHS Risk and Assurance Framework, and the NHS planning and performance management systems.

- xv) The Assembly, reflecting its constitutional obligations, has stated that sustainable development should be the central organising principle for the public sector and a core objective for the restructured NHS in all it does.
- xvi) Full, up to date details of the other requirements that fall within the NHS framework – as well as further information on the Welsh Government's Citizen Centred Governance principles - are provided on the NHS Wales Governance e-manual which can be accessed at www.wales.nhs.uk/governance-emanual/. Directions or guidance on specific aspects of Trusts' business are also issued in hard copy, usually under cover of a Ministerial letter.

Shared Services Partnership Committee Framework

- xvii) The specific governance and accountability arrangements established for the SSPC are set out within the following documents (which is not an exhaustive list):
 - these SSPC SOs and Annex 1: Scheme of Powers reserved for the SSPC and Delegation to others;
 - the Velindre NHS Trust SFIs;
 - a Memorandum of Co-operation that defines the obligations of the Partners to participate in the SSPC and to take collective responsibility for the delivery of the services defining the respective roles of the Partners;
 - a Hosting Agreement between the Partners that provides for the terms on which Velindre will host the Shared Services;
 - an Interface Agreement between the Chief Executive of Velindre (as the Accountable Officer for the organisation) and the Managing Director of Shared Services (as the Accountable Officer for Shared Services) that defines the respective roles of the two Accountable Officers; and
 - an Accountability Agreement between the Chair of the SSPC and the Managing Director of Shared Services (as the Accountable Officer for the NHS Wales Shared Services Partnership)
- xviii) Annex 2 to these SOs provides details of the key documents that, together with these SOs, make up the SSPC's governance and accountability

framework. These documents must be read in conjunction with these Shared Services SOs.

- xix) The SSPC may from time to time, subject to the prior approval of Velindre's Board, agree operating procedures which apply to SSPC members and/or members of the Shared Services staff and others. The decisions to approve these operating procedures will be recorded in an appropriate SSPC minute and, where appropriate, will also be considered to be an integral part of these Shared Services SOs and SFIs. Details of the SSPC's key operating procedures are also included in Annex 2 of these SOs.

Applying Shared Services Standing Orders

- xx) These Shared Services SOs (together with the Velindre NHS Trust SFIs and other documents making up the governance and accountability framework) will, as far as they are applicable, also apply to meetings of any Sub-Committees established by the SSPC, including any Advisory Groups. These Shared Services SOs may be amended or adapted for the Sub-Committees or Advisory Groups as appropriate, with the approval of the SSPC. Further details on Sub-Committees and Advisory Groups may be found in Annexes 3 and 4 of these Shared Services, respectively.
- xxi) Full details of any non compliance with these Shared Services SOs, including an explanation of the reasons and circumstances must be reported in the first instance to the Committee Secretariat, who will ask the Velindre Audit Committee to formally consider the matter and make proposals to the SSPC on any action to be taken. All SSPC members and SSPC officers have a duty to report any non compliance to the Committee Secretariat as soon as they are aware of any circumstance that has not previously been reported. **Ultimately, failure to comply with Shared Services SOs is a disciplinary matter.**

Variation and amendment of Shared Services Standing Orders

- xxii) Although SOs are subject to regular, annual review there may, exceptionally, be an occasion where the SSPC determines that it is necessary to vary or amend the SOs during the year. In these circumstances, the Chair of the SSPC, advised by the Committee Secretariat, shall submit a formal report to the Velindre Board setting out the nature and rationale for the proposed variation or amendment. Such a decision may only be made if:
- Each of the SSPC members are in favour of the amendment; or
 - In the event that agreement cannot be reached, the Velindre Board determine that the amendment should be approved.

Interpretation

- xxiii) During any SSPC meeting where there is doubt as to the applicability or interpretation of the Shared Services SOs, the Chair of the Shared Services Committee shall have the final say, provided that his or her decision does not conflict with rights, liabilities or duties as prescribed by law. In doing so, the Chair should take appropriate advice from the Committee Secretariat.
- xxiv) The terms and provisions contained within these SOs aim to reflect those covered within all applicable health legislation. The legislation takes precedence over these Shared Services SOs when interpreting any term or provision covered by legislation.

Relationship with Velindre NHS Trust Standing Orders

- xxv) These Shared Services SOs form a schedule to Velindre's own SOs, and shall have effect as if incorporated within them.

The Role of the Committee Secretariat

- xxvi) The role of the Committee Secretariat is crucial to the ongoing development and maintenance of a strong governance framework within the SSPC, and is a key source of advice and support to the Chair and SSPC members. Independent of the SSPC, the Committee Secretariat will act as the guardian of good governance within the SSPC and shall ensure that the functions outlined below are delivered:
- providing advice to the SSPC as a whole and to individual Committee members on all aspects of governance;
 - facilitating the effective conduct of SSPC business through meetings of the SSPC, its Sub-Committees and Advisory Groups;
 - ensuring that SSPC members have the right information to enable them to make informed decisions and fulfil their responsibilities in accordance with the provisions of these SOs;
 - ensuring that in all its dealings, the SSPC acts fairly, with integrity, and without prejudice or discrimination;
 - contributing to the development of an organisational culture that embodies NHS values and standards of behaviour; and
 - monitoring the SSPC's compliance with the law, Shared Services SOs and the framework set by Velindre and Welsh Ministers.
- xxvii) As advisor to the SSPC, the *Committee Secretariat's* role does not affect the specific responsibilities of SSPC members for governing the Committee's operations. The Committee Secretariat is directly accountable for the conduct of their role to the Chair of the SSPC.

Section: B – Shared Services Partnership Committee Standing Orders

1. THE SHARED SERVICES PARTNERSHIP COMMITTEE

1.1 Purpose, Role, Responsibilities and Delegated Functions

- 1.1.1 The SSPC has been established for the purpose of exercising Velindre's functions in relation to Shared Services, including the setting of policy and strategy and the management and provision of Shared Services to LHBs

and Trusts in Wales.

1.1.2 The purpose of the SSPC is to:

- set the policy and strategy for shared services;
- monitor the delivery of shared services through the Managing Director of Shared Services;
- seek to improve the approach to delivering shared services which are effective, efficient and provide value for money for Partners;
- ensure the efficient and effective leadership direction and control of shared services; and
- ensure a strong focus on delivering savings that can be re-invested in direct patient care.

1.1.3 The role of the Shared Services Committee is to:

- take into account NHS Wales organisations' plans and objectives when considering the strategy of Shared Services;
- encourage and support the aims and objectives of Shared Services;
- identify synergies between each of the Shared Services and ensure that future strategies incorporate synergistic opportunities;
- foster and encourage partnership working between all key stakeholders and staff;
- oversee the identification and sharing of financial benefits to NHS Wales' organisations on a fair basis that minimises administrative costs and financial transactional arrangements;
- seek to identify potential opportunities for further collaboration across the wider public sector;
- consider implications for Shared Services in relation to any reviews / reports undertaken by internal auditors, external auditors and regulators, including Healthcare Inspectorate Wales; and
- seek assurance, through the Managing Director of Shared Services on the adequacy and robustness of systems, processes, procedures and risk management, staffing issues and that risks and benefits are shared on an equitable basis in relation to Shared Services.

1.1.4 The responsibilities of the SSPC are to:

- produce an Integrated Medium Term Plan, including the balanced Medium Term Financial Plan for agreement by the Committee following the publication of the individual LHB's and Trusts Integrated Medium Term Plans;
- agree on an annual basis Service Improvement Plans (prepared by the Managing Director of Shared Services) for the delivery by services;
- be accountable for the development and agreement of policies and strategies in relation to Shared Services and for monitoring the performance and delivery of agreed targets for Shared Services through the Managing Director of Shared Services;
- take the lead in overseeing the effective and efficient use of the resources of Shared Services;
- benchmark the performance of Shared Services against the best in class;
- consider extended-scope opportunities for Shared Services;
- monitor compliance of best practice within Shared Services with NHS Wales recommended best practice;
- oversee the identification and delivery of "invest to save" opportunities; and
- explore future Shared Services organisational delivery models across the NHS and the broader public sector.

1.1.5 The SSPC must ensure that all its activities are in exercise of these functions or any other functions that may be conferred on it. Each LHB and Trust shall be bound by the decisions of the SSPC in the exercise of its roles. In the event that the SSPC is unable to reach unanimous agreement in relation to the funding levels to be provided by each LHB and Trust, then this matter shall be escalated to the Welsh Government for resolution ultimately by Welsh Ministers.

1.1.6 To fulfil its functions, the SSPC shall lead and scrutinise the operations, functions and decision making of the Shared Services Senior Management Team (SMT) undertaken at the direction of the SSPC.

1.1.7 The SSPC shall work with all its Partners and stakeholders in the best interests of its population across Wales.

1.2 Membership of the SSPC

1.2.1 The membership of the SSPC shall be 12 voting members, comprising:

- the Chair (appointed by the SSPC in accordance with the Chair Selection Process at Annex 5 to these SOs):
- the Chief Executives of each of the LHBs and Trusts (or their nominated representatives); and
- the Managing Director of Shared Services who has been designated as the accountable officer for shared services.

1.2.2 Vice Chair – The SSPC shall appoint a Vice Chair from one of the Chief Executives (or their nominated representative) SSPC members. A Vice Chair cannot be appointed if the current Chair is employed by the same Partner organisation.

1.2.3 Nominated Representatives – All nominated representatives must be agreed by the Chair.

1.2.4 Co-opted Members – The SSPC may also co-opt additional independent ‘external’ members from outside NHS Wales to provide specialist skills, knowledge and expertise. Co-opted members will not be entitled to vote.

1.2.5 Attendees – The NWSSP Director of Finance / Deputy Director for Shared Services, the NWSSP Director of Workforce & Organisational Development and the Department of Health, Social Services and Children Director of Finance (or nominated representative) may attend the SSPC meetings but will not be entitled to vote. Other NWSSP Service Directors / Heads of Service may only attend SSPC meetings as and when invited.

Use of the term ‘Independent Member’

1.2.6 For the purposes of these Shared Services SOs, use of the term ‘Independent Member’ refers to the non-officer members of a LHB or the independent members of a Trust.

1.3 Member and Staff Responsibilities and Accountability

1.3.1 The SSPC will function as a decision-making body, all voting members being full and equal members and sharing corporate responsibility for all the decisions of the SSPC.

1.3.2 All members must comply with the terms of their appointment to the SSPC. They must equip themselves to fulfil the breadth of their responsibilities on the SSPC by participating in relevant personal and organisational development programmes, engaging fully in the activities of the SSPC and promoting understanding of its work.

The Chair

1.3.3 The Chair of the SSPC must act in a balanced manner, ensuring that any

opinion expressed is impartial and based upon the best interests of the health service across Wales.

1.3.4 The Chair is responsible for the effective operation of the SSPC:

- chairing SSPC meetings;
- establishing and ensuring adherence to the standards of good governance set for the NHS in Wales, ensuring that all SSPC business is conducted in accordance with these Shared Services SOs; and
- developing positive and professional relationships amongst the SSPC's membership and between the SSPC and each LHB's and Trust's Board.

1.3.5 The Chair shall work in close harmony with the Chief Executives of each of the LHBs and Trusts (or their nominated representatives) and, supported by the Committee Secretariat, shall ensure that key and appropriate issues are discussed by the SSPC in a timely manner with all the necessary information and advice being made available to members to inform the debate and ultimate resolutions.

1.3.6 The Chair is accountable to the SSPC in relation to the delivery of the functions exercised by the SSPC on its behalf and, through Velindre's Chair, as the hosting organisation, for the conduct of business in accordance with the defined governance and operating framework.

The Vice Chair

1.3.7 The Vice Chair shall deputise for the Chair in their absence for any reason, and will do so until either the existing Chair resumes their duties or a new Chair is appointed.

1.3.8 The Vice Chair is accountable to the Chair for their performance as Vice Chair.

Managing Director of Shared Services and the Chief Executive of Velindre

1.3.9 **Managing Director of Shared Services** – The Managing Director of Shared Services, as head of the SMT reports to the Chair and is responsible for the overall performance of Shared Services. The Managing Director of Shared Services is the designated Accountable Officer for Shared Services (see 1.3.11 below). The Managing Director of Shared Services is accountable to the SSPC in relation to those functions delegated to them by the SSPC. The Managing Director of Shared Services is also accountable to the Chief Executive of Velindre in respect of the hosting arrangements supporting the operation of Shared Services.

1.3.10 **Chief Executive of Velindre** – The Chief Executive of Velindre is responsible for the overall performance of the executive functions of the Trust and is the designated Accountable Officer for the Trust (see 1.3.11 below). As the host organisation, the Chief Executive (and the Velindre Board) has a legitimate interest in the activities of the Shared Services and has certain statutory responsibilities as the legal entity hosting Shared Services.

1.3.11 **Accountable Officers** – The Managing Director of Shared Services (as the Accountable Officer for Shared Services) and the Chief Executive of Velindre (as the Accountable Officer for the Trust) shall be responsible for meeting all the responsibilities of their roles, as set out in their respective Accountable Officer Memoranda. Both Accountable Officers shall co-operate with each other so as to ensure that full accountability for the activities of the Shared Services and Velindre is afforded to the Welsh Ministers whilst minimising duplication.

Senior Management Team

1.3.12 The Managing Director of Shared Services will lead a SMT to deliver the SSPC's annual Business Plan. The SMT will be determined by the Managing Director of Shared Services.

1.4 Appointment and tenure of Shared Services Partnership Committee members

1.4.1 The **Chair**, is appointed by the SSPC in accordance with the appointment process outlined in Annex 5 and shall be appointed for a period specified by the SSPC, but for no longer than 4 years in any one term. The Chair may not hold office as the Chair of the SSPC for a total period of more than 8 years, and may not have consecutive appointments as the Chair. Through the appointment process, the Shared Service Partnership Committee must satisfy itself that the person appointed has the necessary skills and experience to perform the duties. In accordance with the Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012 the first chair of the committee will be appointed by Velindre for a period of six months.

1.4.2 The **Vice Chair** is appointed by the SSPC from its Chief Executive (or their nominated representatives) members and shall be appointed for a period specified by the SSPC, but for no longer than 4 years in any one term. The Vice Chair may not hold office as the Vice Chair of the SSPC for a total period of more than 8 years, and may not have consecutive appointments as the Vice Chair.

1.4.3 The appointment and removal process for the Chair and Vice Chair shall

be determined by the SSPC. In making these appointments, the SSPC must ensure:

- a balanced knowledge and understanding amongst the membership of the needs of all geographical areas served by the SSPC;
- that wherever possible, the overall membership of the SSPC reflects the diversity of the population;
- potential conflicts of interest are kept to a minimum;
- the Vice Chair is not employed by the same Partner organisation as the Chair; and
- that the person has the necessary skills and experience to perform the duties of the chair.

1.5 Termination of Appointment of SSPC Chair and Vice Chair

1.5.1 The Committee may remove the SSPC Chair or Vice Chair by the process outlined in Annex 5 to these SOs if it determines:

- It is not in the interests of the SSPC; or
- It is not conducive to good management of the SSPC

for that Chair or Vice Chair to continue to hold office.

1.5.2 All SSPC members' tenure of appointment will cease in the event that they no longer meet any of the eligibility requirements set for their role, so far as they are applicable, and as specified in the relevant Regulations. Any member must inform the SSPC Chair as soon as is reasonably practicable to do so in respect of any issue which may impact on their eligibility to hold office.

1.5.3 The SSPC will require its Chair and members to confirm their continued eligibility on an annual basis in writing.

1.6 Appointment of Shared Services Staff

1.6.1 The Shared Services staff shall be appointed by Velindre. The appointments process shall be in line with the workforce policies and procedures of Velindre and any directions made by the Welsh Ministers.

2. RESPONSIBILITIES AND RELATIONSHIPS WITH EACH LHB AND TRUST BOARD, VELINDRE NHS TRUST AS THE HOST AND OTHERS

- 2.0.1 The SSPC is not a separate legal entity from each of the LHBs or Trusts. It shall report to each LHB and Trust Board on its activities, to which it is formally accountable in respect of the exercise of the Shared Services functions carried out on their behalf.
- 2.0.2 Velindre's Board will not be responsible or accountable for exercising Velindre's functions in relation to Shared Services, including the setting of policy and strategy and the management and provision of Shared Services to LHBs and Trusts. Velindre's Board, as the host organisation, shall be responsible for ensuring that the Shared Services staff act in accordance with the administrative policies and procedures agreed between Velindre and the SSPC.
- 2.0.3 Each LHB and Trust shall determine the arrangements for any meetings with the Managing Director of Shared Services and their organisation through the SSPC.
- 2.0.4 The LHB and Trust Chairs, through the lead Chair, shall put in place arrangements to meet with the SSPC Chair on a regular basis to discuss the SSPC's activities and operation.

3. RESERVATION AND DELEGATION OF SHARED SERVICES FUNCTIONS

- 3.0.1 Within the framework agreed by Velindre and set out within these Shared Services SOs - and subject to any directions that may be given by the Welsh Ministers - the SSPC may make arrangements for certain functions to be carried out on its behalf so that the day to day business of the SSPC may be carried out effectively and in a manner that secures the achievement of its aims and objectives. In doing so, the SSPC must set out clearly the terms and conditions upon which any delegation is being made.
- 3.0.2 The SSPC's determination of those matters that it will retain, and those that will be delegated to others shall be set out in a:
- i Scheme of matters reserved to the SSPC;
 - ii Scheme of Delegation to Sub-Committees of the SSPC and others; and
 - iii Scheme of Delegation, including financial limits, to Velindre Shared Services officers and Velindre non-Shared Services officers

- 1.6.1 all of which must be formally agreed by Velindre and adopted by the

SSPC.

- 3.0.3 The SSPC retains full responsibility for any functions delegated to others to carry out on its behalf.

3.1 Chair's Action on Urgent Matters

- 3.1.1 There may, occasionally, be circumstances where decisions which would normally be made by the SSPC need to be taken between scheduled meetings, and it is not practicable to call a meeting of the SSPC. In these circumstances, the SSPC Chair and the Managing Director of Shared Services may deal with the matter on behalf of the SSPC - after first consulting with at least one other LHB or Trust Chief Executive (or their representative). The Committee Secretariat must ensure that any such action is formally recorded and reported to the next meeting of the SSPC for consideration and ratification.

3.2 Delegation to Sub-Committees and Others

- 3.2.1 The SSPC shall agree the delegation of any of their functions to Sub-Committees or others (including networks), setting any conditions and restrictions it considers necessary and following any directions agreed by Velindre.
- 3.2.2 The SSPC shall agree and formally approve the delegation of specific powers to be exercised by Sub-Committees which it has formally constituted or to others.

3.3 Delegation to Officers

- 3.3.1 The SSPC will delegate certain functions to the Managing Director of Shared Services. For these aspects, the Managing Director of Shared Services, when compiling the Scheme of Delegation, shall set out proposals for those functions they will perform personally and shall nominate other Velindre officers to undertake the remaining functions. The Managing Director of Shared Services will still be accountable to the SSPC for all functions delegated to them irrespective of any further delegation to other Velindre officers.
- 3.3.2 This must be considered and approved by the SSPC (subject to any amendment agreed during the discussion) and agreed by Velindre. The Managing Director of Shared Services may periodically propose amendment to the Scheme of Delegation and any such amendments must also be considered and approved by the SSPC and agreed by Velindre.
- 3.3.3 Individual members of the Shared Services SMT are in turn responsible for delegation within their own teams in accordance with the framework established by the Managing Director of Shared Services and agreed by

the SSPC and Velindre.

4. SUB-COMMITTEES

- 4.0.1 In accordance with Shared Services Standing Order 4.0.3, the SSPC may and, where directed by Velindre must, appoint Sub-Committees of the SSPC either to undertake specific functions on the SSPC's behalf or to provide advice and assurance to others (whether directly to the SSPC, or on behalf of the SSPC). Velindre's Shared Services officers should not normally be appointed as Sub-Committee Chairs. Shared Services officers may only be appointed to serve as members on any committee where that committee does not have the function of holding that officer to account.
- 4.0.2 These may consist wholly or partly of SSPC members or of persons who are not SSPC members.
- 4.0.3 The SSPC shall establish a Sub-Committee structure that meets its own advisory and assurance needs and/or utilise Velindre's Committee arrangements to assist it in discharging its governance responsibilities. The SSPC shall ensure its Sub-Committee structure meets the needs of Velindre, as the host organisation, and also the needs of its Partners. As a minimum, it shall ensure arrangements are in place to cover the following aspects of SSPC business:
- Quality and Safety
 - Audit
- 4.0.4 The SSPC may make arrangements to receive and provide assurance to others through the establishment and operation of its own Sub-Committees or by placing responsibility with Velindre, as the host. Where responsibility is placed with Velindre, the arrangement shall be detailed within the Hosting Agreement between the SSPC and Velindre as the host organisation and/or the Interface Agreement between the Managing Director of Shared Services (as the Accountable Officer for Shared Services) and Velindre's Chief Executive (as Accountable Officer for the Trust).
- 4.0.5 Full details of the Sub-Committee structure established by the SSPC, including detailed terms of reference for each of these Sub-Committees are set out in Annex 3 of these Shared Services SOs.
- 4.0.6 Each Sub-Committee established by or on behalf of the SSPC must have its own terms of reference and operating arrangements, which must be formally approved by the SSPC and agreed by Velindre. These must establish its governance and ways of working, setting out, as a minimum:
- the scope of its work (including its purpose and any delegated

- powers and authority);
- membership and quorum;
- meeting arrangements;
- relationships and accountabilities with others;
- any budget and financial responsibility, where appropriate;
- secretariat and other support;
- training, development and performance; and
- reporting and assurance arrangements.

4.0.7 In doing so, the SSPC shall specify which aspects of these Shared Services SOs are not applicable to the operation of the Sub-Committee, keeping any such aspects to the minimum necessary.

4.0.8 The membership of any such Sub-Committees - including the designation of Chair; definition of member roles and powers and terms and conditions of appointment (including remuneration and reimbursement) - will usually be determined by the SSPC, subject to any specific requirements or directions agreed by Velindre. Depending on the Sub-Committee's defined role and remit; membership may be drawn from the SSPC or Velindre staff (subject to the conditions set in Shared Services Standing Order 4.0.9) or others.

4.0.9 Velindre's Shared Services officers should not normally be appointed as Sub-Committee Chairs, nor should they be appointed to serve as members on any committee set up to review the exercise of functions delegated to Shared Services officers. Designated Shared Services Directors or Heads of Services or other Shared Services officers shall, however, be in attendance at such Sub-Committees, as appropriate.

4.1 Other Groups

4.1a The SSPC may also establish other groups to help it in the conduct of its business

4.2 Reporting Activity to the Shared Services Partnership Committee

4.2.1 The SSPC must ensure that the Chairs of all Sub-Committees and other bodies or groups operating on its behalf report formally, regularly and on a timely basis to the SSPC on their activities. Sub-Committee Chairs' shall bring to the SSPC's specific attention any significant matters under consideration and report on the totality of its activities through the production of minutes or other written reports.

4.2.2 Each Sub-Committee shall also submit an annual report to the SSPC through the Chair within 3 months of the end of the reporting year setting out its activities during the year and detailing the results of a review of its performance and that of any sub groups it has established.

5. EXPERT PANEL AND OTHER ADVISORY GROUPS

4.0.2 The SSPC may appoint an Expert Panel and other Advisory Groups to provide it with advice in the exercise of its functions. Full details of the Expert Panel and other Advisory Groups established by the SSPC, including detailed terms of reference are set out in Annex 4 of these Shared Services SOs.

4.0.3 Any Expert Panel or Advisory Group established by the SSPC must have its own terms of reference and operating arrangements, which must be formally approved by the SSPC and agreed by Velindre. These must establish its governance and ways of working, setting out, as a minimum:

1.6.2

- the scope of its work (including its purpose and any delegated powers and authority);
- membership and quorum;
- meeting arrangements;
- relationships and accountabilities with others;
- any budget and financial responsibility, where appropriate;;
- secretariat and other support;
- training, development and performance; and
- reporting and assurance arrangements.

4.0.4 In doing so, the SSPC shall specify which aspects of these SOs are not applicable to the operation of the Expert Panel or Advisory Group, keeping any such aspects to the minimum necessary.

4.0.5 The membership of any Expert Panel or Advisory Group - including the designation of Chair; definition of member roles and powers and terms and conditions of appointment (including remuneration and reimbursement) - will usually be determined by the SSPC, subject to any specific requirements or directions agreed by Velindre.

4.6 Reporting Activity

4.6.1 The SSPC shall ensure that the Chairs of any Expert Panel or Advisory Group reports formally, regularly and on a timely basis to the SSPC on their activities. Expert Panel or Advisory Group Chairs shall bring to the SSPC's specific attention any significant matters under consideration and report on the totality of its activities through the production of minutes or other written reports.

4.6.2 Any Expert Panel or Advisory Group shall also submit an annual report to the SSPC through the Chair within 1 month of the end of the reporting year setting out its activities during the year and detailing the results of a review

of its performance and that of any sub groups it has established.

6. MEETINGS

6.1 Putting Citizens first

6.1.1 The SSPC's business will be carried out openly and transparently in a manner that encourages the active engagement of its citizens and other stakeholders. The SSPC, through the planning and conduct of meetings held in public, shall facilitate this in a number of ways, including:

- active communication of forthcoming business and activities;
- the selection of accessible, suitable venues for meetings;
- the availability of papers in English and Welsh languages and in accessible formats, such as Braille, large print, easy read and in electronic formats;
- requesting that attendees notify the Committee Secretariat of any access needs sufficiently in advance of a proposed meeting, and responding appropriately, e.g. arranging British Sign Language (BSL) interpretation at meetings; and
- where appropriate, ensuring suitable translation arrangements are in place to enable the conduct of meetings in either English or Welsh,

in accordance with legislative requirements, e.g. Disability Discrimination Act, as well as its Communication Strategy and Velindre's Welsh Language Scheme.

6.1.2 The SSPC Chair will ensure that, in determining the matters to be considered by the SSPC, full account is taken of the views and interests of all citizens served by the SSPC on behalf of each LHB and Trust, including any views expressed formally. The Chair will ensure that, in determining the matters to be considered by the Committee, full account is taken of the views and interests of the Committee's stakeholders, including any views expressed formally to the Committee, e.g. through Community Health Councils.

6.2 Annual Plan of Committee Business

6.3.1 The Committee Secretariat, on behalf of the SSPC Chair, shall produce an annual Business Plan of Committee business. This plan will include proposals on meeting dates, venues and coverage of business activity during the year. The Business Plan shall also set out any standing items

that shall appear on every SSPC agenda.

- 6.3.2 The Business Plan shall set out the arrangements in place to enable the SSPC to meet its obligations to its citizens as outlined in paragraph 6.1.1 whilst also allowing SSPC members to contribute in either English or Welsh languages, where appropriate.
- 6.3.3 The Business Plan shall also incorporate formal SSPC meetings, regular Committee development sessions and, where appropriate, and the planned activities of Sub-Committees, Expert Panel and Advisory Groups.
- 6.3.4 The SSPC shall agree the Business Plan for the forthcoming year by the end of March.

6.3 Calling Meetings

- 6.4.1 In addition to the planned meetings agreed by the SSPC, the SSPC Chair may call a meeting of the SSPC at any time. An individual SSPC member may request that the SSPC Chair call a meeting provided that in at least one third of the whole number of Committee members supports such a request.
- 6.4.2 If the Chair does not call a meeting within seven days after receiving such a request from SSPC members, then those SSPC members may themselves call a meeting.

6.4 Preparing for Meetings

Setting the agenda

- 6.4.1 The SSPC Chair, in consultation with the Committee Secretariat and the Managing Director of Shared Services, will set the agenda. In doing so, they will take account of the planned activity set in the annual cycle of SSPC business; any standing items agreed by the SSPC; any applicable items received from Sub-Committees and other groups as well as the priorities facing the SSPC. The SSPC Chair must ensure that all relevant matters are brought before the SSPC on a timely basis.
- 6.4.2 Any SSPC member may request that a matter is placed on the agenda by writing to the SSPC Chair, copied to the Committee Secretariat, at least 12 calendar days before the meeting. The request shall set out whether the item of business is proposed to be transacted in public and shall include appropriate supporting information. The Chair may, at their discretion, include items on the agenda that have been requested after the 12 day notice period if this would be beneficial to the conduct of SSPC business.

Notifying and equipping SSPC members

- 6.4.3 SSPC members should be sent an agenda and a complete set of supporting papers at least 10 calendar days before a formal SSPC meeting. This information may be provided to SSPC members electronically or in paper form, in an accessible format, to the address provided, and in accordance with their stated preference. Supporting papers may, exceptionally, be provided after this time, provided that the SSPC Chair is satisfied that the SSPC's ability to consider the issues contained within the paper would not be impaired.
- 6.4.4 No papers should be included for decision by the SSPC unless the SSPC Chair is satisfied (subject to advice from the Committee Secretariat, as appropriate) that the information contained within it is sufficient to enable the SSPC to take a reasonable decision. Equality Impact Assessments (EIA) shall be undertaken on all new or revised policies, strategies, guidance and or practice to be considered by the SSPC, and the outcome of that EIA shall accompany the report to the SSPC to enable the SSPC to make an informed decision.
- 6.4.5 In the event that at least half of the SSPC members do not receive the agenda and papers for the meeting as set out above, the SSPC Chair must consider whether or not the SSPC would still be capable of fulfilling its role and meeting its responsibilities through the conduct of the meeting. Where the SSPC Chair determines that the meeting should go ahead, their decision, and the reason for it, shall be recorded in the minutes.
- 6.4.6 In the case of a meeting called by SSPC members, notice of that meeting must be signed by those members and the business conducted will be limited to that set out in the notice.

Notifying the public and others

- 6.4.7 Except for meetings called in accordance with Shared Services Standing Order 6.4, at least 10 calendar days before each meeting of the SSPC a public notice of the time and place of the meeting, and the public part of the agenda, shall be displayed bilingually (in English and Welsh):
- at the SSPC's principal sites;
 - on the SSPC's website, together with the papers supporting the public part of the agenda; as well as
 - through other methods of communication as set out in the SSPC's communication strategy.
- 6.4.8 When providing notification of the forthcoming meeting, the SSPC shall set out when and how the agenda and the papers supporting the public part of the agenda may be accessed, in what language and in what format, e.g. as Braille, large print, easy read, etc.

6.5 Conducting Shared Services Partnership Committee Meetings

Admission of the public, the press and other observers

6.6.1 The SSPC shall encourage attendance at its formal SSPC meetings by the public and members of the press as well as officers or representatives from organisations who have an interest in the business of the SSPC. The venue for such meetings must be appropriate to facilitate easy access for attendees and translation services; and should have appropriate facilities to maximise accessibility such as an induction loop system.

6.6.2 The SSPC shall conduct as much of its formal business in public as possible. There may be circumstances where it would not be in the public interest to discuss a matter in public, e.g. business that relates to a confidential matter affecting a Shared Services officer, a patient or a procurement contract. In such cases the Chair (advised by the Committee Secretariat where appropriate) shall schedule these issues accordingly and require that any observers withdraw from the meeting. In doing so, the SSPC shall resolve:

"That representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest" [Section 1(2) Public Bodies (Admission to Meetings) Act 1960].

6.6.3 In these circumstances, when the SSPC is not meeting in public session it shall operate in private session, formally reporting any decisions taken to the next meeting of the SSPC in public session. Wherever possible, that reporting shall take place at the end of a private session, by reconvening a SSPC meeting held in public session.

6.6.4 The Committee Secretariat, on behalf of the SSPC Chair, shall keep under review the nature and volume of business conducted in private session to ensure such arrangements are adopted only when absolutely necessary.

6.6.5 In encouraging entry to formal SSPC meetings from members of the public and others, the SSPC shall make clear that attendees are welcomed as observers. The SSPC Chair shall take all necessary steps to ensure that the SSPC's business is conducted without interruption and disruption. In exceptional circumstances, this may include a requirement that observers leave the meeting. In doing so, the SSPC shall resolve:

"That in the interests of public order the meeting adjourn for (the period to be specified) to enable the SSPC to reconvene the meeting and to complete business without the presence of the public".

6.6.6 Unless the SSPC has given prior and specific agreement, members of the

public or other observers will not be allowed to record proceedings in any way other than in writing.

Addressing the SSPC, its Sub-Committees, Expert Panel or Advisory Groups

- 6.6.7 The SSPC shall decide what arrangements and terms and conditions are appropriate in extending an invitation to observers to attend and address any meetings of the SSPC, its Sub-Committees, expert panel or Advisory Groups, and may change, alter or vary these terms and conditions as it considers appropriate. In doing so, the SSPC will take account of its responsibility to actively encourage the engagement and, where appropriate, involvement of citizens and stakeholders in the work of the SSPC (whether directly or through the activities of bodies such as Community Health Councils) and to demonstrate openness and transparency in the conduct of business.

Chairing SSPC Meetings

- 6.6.8 The Chair of the SSPC will preside at any meeting of the SSPC unless they are absent for any reason (including any temporary absence or disqualification from participation on the grounds of a conflict of interest). In these circumstances the Vice Chair shall preside. If both the Chair and Vice-Chair are absent then no formal business shall take place.
- 6.6.9 The Chair must ensure that the meeting is handled in a manner that enables the SSPC to reach effective decisions on the matters before it. This includes ensuring that SSPC members' contributions are timely and relevant and move business along at an appropriate pace. In doing so, the SSPC must have access to appropriate advice on the conduct of the meeting through the attendance of the Committee Secretariat. The Chair has the final say on any matter relating to the conduct of SSPC business.

Quorum

- 6.6.10 At least 6 voting members, at least 4 of whom are LHB or Trust Chief Executives (or their nominated representatives) and one is either the Chair or the Vice Chair, must be present to allow any formal business to take place at a Shared Services Committee meeting. If the Managing Director of Shared Services is not present, then no formal business should be transacted unless there is in attendance a properly authorised deputy for the Managing Director.

1.6.3

1.6.4

- 6.6.11 If a LHB or Trust Chief Executive (or their nominated representative) or the Managing Director of Shared Services is unable to attend a SSPC meeting, then a nominated deputy may attend in their absence and may participate in the meeting, provided that the Chair has agreed the

nomination before the meeting. However, SSPC members' voting rights cannot be delegated so the nominated deputy may not vote or be counted towards the quorum.

6.6.12 The quorum must be maintained during a meeting to allow formal business to be conducted, i.e. any decisions to be made. Any SSPC member disqualified through conflict of interest from participating in the discussion on any matter and/or from voting on any resolution will no longer count towards the quorum. If this results in the quorum not being met that particular matter or resolution cannot be considered further at that meeting, and must be noted in the minutes. A member may participate in a meeting via video or teleconference where this is available.

Dealing with Motions

6.6.13 In the normal course of SSPC business items included on the agenda are subject to discussion and decisions based on consensus. Considering a motion is therefore not a routine matter and may be regarded as exceptional, e.g. where an aspect of service delivery is a cause for particular concern, a SSPC member may put forward a motion proposing that a formal review of that service area is undertaken. The Committee Secretariat will advise the Chair on the formal process for dealing with motions. No motion or amendment to a motion will be considered by the SSPC unless moved by a SSPC member and seconded by another SSPC member (including the SSPC Chair).

6.6.14 **Proposing a formal notice of Motion** – Any SSPC member wishing to propose a motion must notify the SSPC Chair in writing of the proposed motion at least 12 calendar days before a planned meeting. Exceptionally, an emergency motion may be proposed up to one hour before the fixed start of the meeting, provided that the reasons for the urgency are clearly set out. Where sufficient notice has been provided, and the SSPC Chair has determined that the proposed motion is relevant to the SSPC's business, the matter shall be included on the agenda, or, where an emergency motion has been proposed, the SSPC Chair shall declare the motion at the start of the meeting as an additional item to be included on the agenda.

6.6.15 The SSPC Chair also has the discretion to accept a motion proposed during a meeting provided that the matter is considered of sufficient importance and its inclusion would not adversely affect the conduct of SSPC business.

6.6.16 **Amendments** - Any SSPC member may propose an amendment to the motion at any time before or during a meeting and this proposal must be considered by the SSPC alongside the motion.

6.6.17 If there are a number of proposed amendments to the Motion, each

amendment will be considered in turn, and if passed, the amended Motion becomes the basis on which the further amendments are considered, i.e. the substantive motion.

6.6.18 Motions under discussion – When a motion is under discussion, any SSPC member may propose that:

- the motion be amended;
- the meeting should be adjourned;
- the discussion should be adjourned and the meeting proceed to the next item of business;
- a SSPC member may not be heard further;
- the SSPC decides upon the motion before them;
- an ad hoc committee should be appointed to deal with a specific item of business; or
- The public, including the press, should be excluded.

6.6.19 Rights of reply to motions – The mover of a motion (including an amendment) shall have a right of reply at the close of any debate on the motion or the amendment immediately prior to a vote on the proposal.

6.6.20 Withdrawal of Motion or Amendments – A motion or an amendment to a motion, once moved and seconded, may be withdrawn by the proposer with the agreement of the seconded and the SSPC Chair.

6.6.21 Motion to rescind a resolution – The SSPC may not consider a motion to amend or rescind any resolution (or the general substance of any resolution) which has been passed within the preceding six (6) calendar months unless the motion is supported by the (simple) majority of SSPC members.

6.6.22 A motion that has been decided upon by the SSPC cannot be proposed again within six months except by the SSPC Chair, unless the motion relates to the receipt of a report or the recommendations of a Sub-Committee/Managing Director of Shared Services to which a matter has been referred.

Voting

6.6.23 The SSPC Chair will determine whether SSPC members' decisions should be expressed orally, through a show of hands, or by secret ballot or by recorded vote. The SSPC Chair must require a secret ballot if the majority of voting SSPC members request it. Where voting on any question is conducted, a record shall be maintained. In the case of a secret ballot the decision shall record the number voting for, against or abstaining. Where a recorded vote has been used the minutes shall record the name of the individual and the way in which they voted.

- 6.6.24 In determining every question at a meeting, the SSPC members must take account, where relevant, of the views expressed and representations made by individuals who represent the interests of citizens in Wales. Such views may be presented to the SSPC through the Chairs of any Expert Panel, Advisory Group and/or the Community Health Council representative(s).
- 6.6.25 Except for decisions related to the overall funding contribution from each of the LHBs and Trusts, where a decision taken by the SSPC must be unanimous, the SSPC will make decisions based on a simple majority view held by the voting SSPC members present. In the event of a split decision, i.e. no majority view being expressed, the SSPC Chair shall have a second and casting vote.
- 6.6.26 In no circumstances may a nominated deputy vote, nor may an absent SSPC member vote by proxy. Absence is defined as being absent at the time of the vote.

6.6 Record of Proceedings

- 6.7.1 A record of the proceedings of formal SSPC meetings (and any other meetings of the SSPC where the SSPC members determine) shall be drawn up as 'minutes'. These minutes shall include a record of SSPC member attendance (including the SSPC Chair) together with apologies for absence, and shall be submitted for agreement at the next meeting of the SSPC, where any discussion shall be limited to matters of accuracy. Any agreed amendment to the minutes must be formally recorded.
- 1.6.5
- 6.7.2 Agreed minutes shall be circulated in accordance with SSPC members' wishes, and, where providing a record of a formal SSPC meeting shall be made available to the public on the Shared Services website and in hard copy or other accessible format on request, in accordance with any legislative requirements, e.g. Data Protection Act, the SSPC's Communication Strategy and Velindre's Welsh Language Scheme.

6.7 Confidentiality

- 6.8.1 All SSPC members, together with members of any Sub-Committee, Expert Panel or Advisory Group established by or on behalf of the SSPC and SSPC members and/or LHB/Trust officials must respect the confidentiality of all matters considered by the SSPC in private session or set out in documents which are not publicly available. Disclosure of any such matters may only be made with the express permission of the SSPC Chair or relevant Sub-Committee or group, as appropriate, and in accordance with any other requirements set out elsewhere, e.g. in contracts of employment, within the Values and Standards of Behaviour framework or legislation such as the Freedom of Information Act (2000), etc.

7. VALUES AND STANDARDS OF BEHAVIOUR

7.0.1 The SSPC must operate within a set of values and standards of behaviour that meets the requirements of the NHS Wales Values and Standards of Behaviour framework. These values and standards of behaviour will apply to all those conducting business by or on behalf of the SSPC, including SSPC members, Velindre Shared Services officers and others, as appropriate. The framework adopted by the SSPC will form part of these SOs.

7.1 Declaring and Recording Shared Services Partnership Committee Members' Interests

7.1.1 **Declaration of interests** – It is a requirement that all SSPC members should declare any personal or business interests they may have which may affect, or be perceived to affect, the conduct of their role as a SSPC member. This includes any interests that may influence or be perceived to influence their judgement in the course of conducting the SSPC's business. SSPC members must be familiar with the Values and Standards of Behaviour Framework and their statutory duties under the relevant Constitution Regulations. SSPC members must notify the SSPC of any such interests at the time of their appointment, and any further interests as they arise throughout their tenure as SSPC members.

7.1.2 SSPC members must also declare any interests held by family members or persons or bodies with which they are connected. The Committee Secretariat will provide advice to the SSPC Chair and the SSPC on what should be considered as an 'interest', taking account of the regulatory requirements and any further guidance, e.g. the Values and Standards of Behaviour framework. If individual SSPC members are in any doubt about what may be considered as an interest, they should seek advice from the Committee Secretariat. However, the onus regarding declaration will reside with the individual SSPC member.

7.1.3 **Register of interests** – The Managing Director of Shared Services, through the Committee Secretariat will ensure that a Register of Interests is established and maintained as a formal record of interests declared by all SSPC members. The register will include details of all Directorships and other relevant and material interests which have been declared by SSPC members.

7.1.4 The register will be held by the Committee Secretariat, and will be updated during the year, as appropriate, to record any new interests, or changes to the interests declared by SSPC members. The Committee Secretariat will also arrange an annual review of the register, through which SSPC members will be required to confirm the accuracy and completeness of the

register relating to their own interests.

7.1.5 In line with the SSPC's commitment to openness and transparency, the Committee Secretariat must take reasonable steps to ensure that citizens served by the SSPC are made aware of, and have access to view the SSPC's Register of Interests. This will include publication on the Shared Services website.

7.1.6 **Publication of declared interests in Annual Report** – SSPC members' directorships of companies or positions in other organisations likely or possibly seeking to do business with the NHS shall be published in each Shared Services' Annual Report.

7.2 Dealing with Members' interests during Shared Services Partnership Committee meetings

7.2.1 The SSPC Chair, advised by the Committee Secretariat, must ensure that the SSPC's decisions on all matters brought before it are taken in an open, balanced, objective and unbiased manner. In turn, individual board members must demonstrate, through their actions, that their contribution to the SSPC's decision making is based upon the best interests of the NHS in Wales. This is particularly important as there is an inherent tension in a member's role on the SSPC and as a member of the Board of an LHB or Trust.

7.2.2 Where individual SSPC members identify an interest in relation to any aspect of SSPC business set out in the SSPC's meeting agenda, that member must declare an interest at the start of the SSPC meeting. SSPC members should seek advice from the SSPC Chair, through the Committee Secretariat before the start of the SSPC meeting if they are in any doubt as to whether they should declare an interest at the meeting. All declarations of interest made at a meeting must be recorded in the SSPCs minutes.

7.2.3 It is the responsibility of the SSPC Chair, on behalf of the SSPC, to determine the action to be taken in response to a declaration of interest, taking account of any regulatory requirements or directions given by the Welsh Ministers. The range of possible actions may include determination that:

- i the declaration is formally noted and recorded, but that the SSPC member should participate fully in the SSPC's discussion and decision, including voting.
- ii
 - iii the declaration is formally noted and recorded, and the SSPC member participates fully in the SSPC's discussion, but takes no part in the SSPC's decision;

- iv the declaration is formally noted and recorded, and the SSPC member takes no part in the SSPC discussion or decision;
- v the declaration is formally noted and recorded, and the SSPC member is excluded for that part of the meeting when the matter is being discussed. A SSPC member must be excluded, where that member has a direct or indirect financial interest in a matter being considered by the SSPC.

7.2.4 In extreme cases, it may be necessary for the member to reflect on whether their position as a SSPC member is compatible with an identified conflict of interest.

7.2.5 Where the SSPC Chair is the individual declaring an interest, any decision on the action to be taken shall be made by the Vice Chair, on behalf of the SSPC.

7.2.6 In all cases the decision of the SSPC Chair (or the Vice Chair in the case of an interest declared by the Shared Services Committee Chair) is binding on all SSPC members. The SSPC Chair should take advice from the Committee Secretariat when determining the action to take in response to declared interests; taking care to ensure their exercise of judgement is consistently applied.

7.2.7 **Members with pecuniary (financial) interests** – Where a SSPC member, or any person they are connected with⁷ has any direct or indirect pecuniary interest in any matter being considered by the SSPC including a contract or proposed contract, that member must not take part in the consideration or discussion of that matter or vote on any question related to it. The SSPC may determine that the SSPC member concerned shall be excluded from that part of the meeting.

7.2.8 The Membership Regulations define ‘direct’ and ‘indirect’ pecuniary interests and these definitions always apply when determining whether a member has an interest. These Shared services SOs must be interpreted in accordance with these definitions.

7.2.9 **Members with Professional Interests** – During the conduct of a SSPC meeting, an individual SSPC member may establish a clear conflict of interest between their role as a SSPC member and that of their professional role outside of the SSPC. In any such circumstance, the SSPC shall take action that is proportionate to the nature of the conflict,

⁷ In the case of persons who are married to each other or in a civil partnership with each other or who are living together as if married or civil partners, the interest of one person shall, if known to the other, be deemed for the purpose of this Standing Order to be also an interest of the other

taking account of the advice provided by the Committee Secretariat.

7.3 Dealing with Officers' Interests

7.3.1 The SSPC must ensure that the Committee Secretariat, on behalf of the Managing Director of Shared Services, establishes and maintains a system for the declaration, recording and handling of Shared Services officers' interests in accordance with the Values and Standards of Behaviour Framework.

7.4 Reviewing How Interests are Handled

7.4.1 The SSPC's Audit Committee will review and report to the LHBs and Trusts upon the adequacy of the arrangements for declaring, registering and handling interests at least annually.

7.5 Dealing with Offers of Gifts⁸ and Hospitality

7.5.1 The Committee will adopt the Values and Standards of Behaviour Framework of Velindre NHS Trust, which prohibits SSPC members and Shared Services officers from receiving gifts, hospitality or benefits in kind from a third party which may reasonably give rise to suspicion of conflict between their official duty and their private interest, or may reasonably be seen to compromise their personal integrity in any way.

7.5.2 Gifts, benefits or hospitality must never be solicited. Any SSPC member or Shared Services officer who is offered a gift, benefit or hospitality which may or may be seen to compromise their position must refuse to accept it. This may in certain circumstances also include a gift, benefit or hospitality offered to a family member of a SSPC member or Shared Services officer. Compliance with the Velindre NHS Trust Values and Standards of Behaviour Framework is mandatory for all Trust employees.

7.5.3 In determining whether any offer of a gift or hospitality should be accepted, an individual must make an active assessment of the circumstances within which the offer is being made, seeking advice from the Committee Secretariat as appropriate. In assessing whether an offer should be accepted, individuals must take into account:

- **Relationship:** Contacts which are made for the purpose of information gathering are generally less likely to cause problems than those which could result in a contractual relationship, in which case, accepting a gift or hospitality could cause embarrassment or be seen as giving rise to an obligation;

⁸The term gift refers also to any reward or benefit

- **Legitimate Interest:** Regard should be paid to the reason for the contact on both sides and whether it is a contact that is likely to benefit the SSPC;
- **Value:** Gifts and benefits of a trivial or inexpensive seasonal nature, e.g. diaries/calendars, are more likely to be acceptable and can be distinguished from more substantial offers. Similarly, hospitality in the form of a working lunch would not be treated in the same way as more expensive social functions, travel or accommodation (although in some circumstances these may also be accepted);
- **Frequency:** Acceptance of frequent or regular invitations particularly from the same source would breach the required standards of conduct. Isolated acceptance of, for example, meals, tickets to public, sporting, cultural or social events would only be acceptable if attendance is justifiable in that it benefits the SSPC; and
- **Reputation:** If the body concerned is known to be under investigation by or has been publicly criticised by a public body, regulators or inspectors, acceptance of a gift or hospitality might be seen as supporting the body or affecting in some way the investigation or negotiations and it must always be declined.

7.5.4 A distinction shall be drawn between items offered as hospitality and items offered in substitution for fees for broadcasts, speeches, lectures or other work done. There may be circumstances where the latter may be accepted if they can be used for official purposes.

1.6.6

7.6 Register of Gifts and Hospitality

7.6.1 The Committee Secretariat, on behalf of the SSPC Chair, will maintain a Register of Gifts and Hospitality to record offers of gifts and hospitality made to SSPC members. Shared Services Director of Finance and Heads of Services will adopt the Velindre NHS Trust Policy on Gifts and Hospitality in relation to Shared Services officers working within their areas.

7.6.2 Every SSPC member and Shared Services officer has a personal responsibility to volunteer information in relation to offers of gifts and hospitality made in their capacity as SSPC members, including those offers that have been refused. The Committee Secretariat, on behalf of the SSPC Chair and Managing Director of Shared Services, will ensure the incidence and patterns of offers and receipt of gifts and hospitality is kept under active review, taking appropriate action where necessary.

1.6.7

- 7.6.3 When determining what should be included in the register, Shared Services Officers must apply the principles as set out in the Velindre Trust Policy.
- 7.6.4 SSPC members and Shared Services officers may accept the occasional offer of modest and proportionate hospitality but in doing so must consider whether the following conditions are met:
- acceptance would further the aims of the SSPC;
 - the level of hospitality is reasonable in the circumstances;
 - it has been openly offered; and,
 - it could not be construed as any form of inducement and will not put the individual under any obligation to those offering it.
- 7.6.5 The Committee Secretariat will arrange for a full report of all offers of Gifts and Hospitality recorded by the SSPC to be submitted to Velindre's Audit Committee at least annually. The Audit Committee will then review and report to the SSPC and the Velindre Board upon the adequacy of the SSPCs arrangements for dealing with offers of gifts and hospitality.
- 7.6.6 Detailed arrangements for the handling of gifts and hospitality are set out within the Velindre NHS Trust Values and Standards of Behaviour framework and its policy on Gifts and Hospitality.

8. GAINING ASSURANCE ON THE CONDUCT OF SHARED SERVICES PARTNERSHIP COMMITTEE BUSINESS

- 8.0.1 The SSPC shall set out explicitly, within a Risk and Assurance Framework, how it will gain assurance, and how it will in turn provide assurance to Velindre on the conduct of SSPC business, its governance and the effective management of risks in pursuance of its aims and objectives. It shall set out clearly the various sources of assurance, and where and when that assurance will be provided, in accordance with any requirements determined by the Welsh Ministers.
- 8.0.2 The SSPC shall ensure that its assurance arrangements are operating effectively, advised by Velindre's Audit Committee.

8.1 The role of Internal Audit in Providing Independent Internal assurance

- 8.1.1 The SSPC shall ensure the effective provision of an independent internal audit function as a key source of its internal assurance arrangements, in accordance with NHS Wales Internal Auditing Standards and any others requirements determined by the Welsh Ministers.

8.2 Reviewing the performance of the Shared Services Partnership Committee, its sub- Committees, Expert Panel and Advisory Groups

8.2.1 The SSPC shall introduce a process of regular and rigorous self assessment and evaluation of its own operations and performance and that of its Sub-Committees, Expert Panel and any other Advisory Groups. Where appropriate, the SSPC may determine that such evaluation may be independently facilitated.

8.2.2 Each Sub-Committee and, where appropriate, Expert Panel and any other Advisory Group must also submit an annual report to the SSPC through the Chair within 1 month of the end of the reporting year setting out its activities during the year and including the review of its performance and that of any sub-groups it has established.

8.2.3 The SSPC shall use the information from this evaluation activity to inform:

- the ongoing development of its governance arrangements, including its structures and processes;
- its Committee Development Programme, as part of an overall Organisation Development framework; and
- inform its Partners through its annual report of its alignment with the Assembly Government's Citizen Centred Governance Principles, completed as part of its ongoing review and reporting arrangements.

8.3 External Assurance

8.3.1 The SSPC shall ensure it develops effective working arrangements and relationships with those bodies that have a role in providing independent, external assurance to the public and others on its operations, e.g. the Wales Audit Office and Healthcare Inspectorate Wales.

8.3.2 The SSPC may be assured, from the work carried out by external audit and others, on the adequacy of its own assurance framework, but that external assurance activity shall not form part of, or replace its own internal assurance arrangements, except in relation to any additional work that the SSPC itself may commission specifically for that purpose.

1.6.8

8.3.3 The SSPC shall keep under review and ensure that, where appropriate, the SSPC implements any recommendations relevant to its business made by the National Assembly for Wales's Audit Committee, the Public Accounts Committee or other appropriate bodies.

1.6.9

8.3.4 The SSPC shall provide the Auditor General for Wales with assistance,

information and explanation which the Auditor General thinks necessary for the discharge of their statutory powers and responsibilities under section 145 of and paragraph 17 to Schedule 8 to the Government of Wales Act 2006 (C.42).

9. DEMONSTRATING ACCOUNTABILITY

9.0.1 Taking account of the arrangements set out within these Shared Services SOs, the SSPC shall demonstrate to its Partners, citizens and other stakeholders and to Velindre, as host, a clear framework of accountability within which it:

- conducts its business internally;
- works collaboratively with NHS colleagues, Partners, service providers and others; and
- responds to the views and representations made by those who represent the interests of the citizens it serves and its own Shared Services officers.

9.0.2 The SSPC shall also facilitate effective scrutiny of its operations through the publication of regular reports on activity and performance, including publication of an annual report.

9.0.3 The SSPC shall ensure that within the Shared Services staff, individuals at all levels are supported in their roles, and held to account for their personal performance through effective performance management arrangements.

9.1 Support to the Shared Services Partnership Committee

9.1.1 The Committee Secretariat, on behalf of the SSPC Chair, will ensure that the SSPC is properly equipped to carry out its role by:

- overseeing the process of nomination and appointment to the SSPC;
- co-ordinating and facilitating appropriate induction and organisational development activity;
- ensuring the provision of governance advice and support to the SSPC Chair on the conduct of its business and its relationship with its Partners, Velindre, as the host and others;
- ensuring the provision of secretariat support for SSPC meetings;
- ensuring that the SSPC receives the information it needs on a timely basis;

- ensuring strong links to communities/groups;
- ensuring an effective relationship between the SSPC and Velindre as its host;
- facilitating effective reporting to each LHB and Trust;

1.6.10 thereby enabling each LHB and Trust Board to gain assurance on the conduct of business carried out by SSPC on their behalf.

10. REVIEW OF STANDING ORDERS

10.0.1 These Shared Services SOs shall be reviewed annually by the SSPC, which shall report any proposed amendments to the Velindre Board for consideration. The requirement for review extends to all documents having the effect as if incorporated in Shared Services SOs, including the Equality Impact Assessment.

Annex 1

MODEL SCHEME OF RESERVATION AND DELEGATION OF POWERS

**This Annex forms part of, and shall have effect as if incorporated in the
Shared Services Partnership Committee Standing Orders**

SECTION 1- DELEGATION OF POWERS TO COMMITTEES AND OTHERS

Under the Velindre Trust Standing Orders Section 2 it provides that the Board may delegate powers to Board Committees, Sub Committees and others. In doing so, the Board has formally determined:

- the composition, terms of reference and reporting requirements in respect of any such Committees;
- the governance arrangements, terms and conditions and reporting requirements in respect of any delegation to others;

in accordance with any regulatory requirements and any directions set by the Welsh Ministers.

- The Board has delegated a range of its powers to the SSPC

Subject to Clauses within the Trust Standing Orders and to such directions as may be given by the Welsh Government, the Trust Board may appoint ad hoc committees of the Trust whose membership can be wholly or partly of the Chairman and Directors of the Trust or persons who are not Directors of the Trust.

A committee appointed under this regulation may subject to such directions as may be given by the Welsh Assembly Government or the Trust Board, appoint ad hoc Sub-Committees consisting wholly or partly of members of the committee (whether or not they are Directors of the Trust) or wholly of persons who are not members of the committee (whether or not they include Directors of the Trust).

The Standing Orders, with appropriate alterations, apply to a committee or Sub-Committee and to a committee or Sub-Committee as they apply to the Trust Board and apply to a member of such committee or subcommittee (whether or not he is a Director of the Trust) as it applies to a Director of the Trust.

The Trust Board may make, vary and revoke Standing Orders relating to the quorum, proceedings and place of meetings of a committee or Sub-Committee

but, this shall be carried out in accordance with the identified procedures laid down for these changes as outlined in these Standing Orders.

The scope of the powers delegated, together with the requirements set by the Board in relation to the exercise of those powers are as set out in i) Committee terms of reference, and ii) Formal arrangements for the delegation of powers to others. Collectively, these documents form the Trust's Scheme of Delegation to Committees.

SCHEDULE OF MATTERS RESERVED TO THE SSPC⁹

SSPC		AREA	DECISIONS RESERVED TO THE SSPC
1	FULL	GENERAL	The SSPC may determine any matter for which it has statutory or delegated authority, in accordance with NWSSP SOs
2	FULL	GENERAL	The SSPC must determine any matter that will be reserved to the whole SSPC. These are: [SSPC to insert details]
3	FULL	OPERATING ARRANGEMENTS	Adopt the standards of governance and performance (including the quality and safety of healthcare, and the patient experience) to be met by the SSPC, including standards/requirements determined by professional bodies/others, e.g., Royal Colleges

⁹ Any decision to reserve a matter, and the manner in which that retained responsibility is carried out will be in accordance with any regulatory and/or Assembly Government requirements

4	FULL	OPERATING ARRANGEMENTS	<p>Approve, vary and amend:</p> <ul style="list-style-type: none"> • NWSSP SOs ; • NWSSP SFIs; • Schedule of matters reserved to the SSPC; • Scheme of delegation to SSPC others; and • Scheme of delegation to officers. <p>In accordance with any directions set by the Welsh Ministers.</p>
5	FULL	OPERATING ARRANGEMENTS	Approve the SSPC Values and Standards of Behaviour framework
6	FULL	OPERATING ARRANGEMENTS	Approve the SSPC framework for performance management, risk and assurance
7	FULL	OPERATING ARRANGEMENTS	Approve the introduction or discontinuance of any significant activity or operation. Any activity or operation shall be regarded as significant if the SSPC determines it so based upon its contribution/impact on the achievement of the SSPC's aims, objectives and priorities
8	FULL	OPERATING ARRANGEMENTS	Ratify any urgent decisions taken by the Chair and the Managing Director in accordance with NWSSP Standing Order requirements

9	FULL	OPERATING ARRANGEMENTS	Ratify in public session any instances of failure to comply with NWSSP SOs
10	FULL	OPERATING ARRANGEMENTS	Approve procedures for dealing with complaints and incidents.
11	FULL	OPERATING ARRANGEMENTS	Approve individual compensation payments in line with NWSSP SFIs
12	FULL	OPERATING ARRANGEMENTS	Approve individual cases for the write off of losses or making of special payments above the limits of delegation to the Managing Director and officers
13	FULL	OPERATING ARRANGEMENTS	Approve proposals for action on litigation on behalf of the NWSSP
14	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the appointment, appraisal, discipline and dismissal of the Management Team and any other NWSSP level appointments, e.g., the Committee Secretary
15	FULL	ORGANISATION STRUCTURE & STAFFING	Require, receive and determine action in response to the declaration of NWSSP members' interests, in accordance with advice received, e.g. From Audit Committee
14	FULL	ORGANISATION STRUCTURE & STAFFING	Approve, [arrange the] review, and revise the NWSSP's top level organisation structure and SSPC policies
15	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, [arrange the] review, revise and dismiss SSPC sub-Committees, including any joint sub-Committees directly accountable to the SSPC

16	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss the Chair and members of any sub-Committee, joint sub-Committee or Group set up by the SSPC
17	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss individuals appointed to represent the SSPC on outside bodies and groups
18	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the terms of reference and reporting arrangements of all sub-Committees, joint sub-Committees and groups established by the SSPC
19	FULL	STRATEGY & PLANNING	Determine the SSPCs strategic aims, objectives and priorities
20	FULL	STRATEGY & PLANNING	Approve the SSPCs Integrated Medium Term Plan, including the balanced Medium Term Financial Plan
21	FULL	STRATEGY & PLANNING	Approve the SSPCs Risk Management Strategy and plans
22	FULL	STRATEGY & PLANNING	Approve the SSPCs citizen engagement and involvement strategy, including communication
23	FULL	STRATEGY & PLANNING	Approve the SSPCs Committee's partnership and stakeholder engagement and involvement strategies

24	FULL	STRATEGY & PLANNING	Approve the SSPCs budget and financial framework (including overall distribution of year end surplus/deficits including risk sharing agreements)
25	FULL	STRATEGY & PLANNING	Approve individual contracts (other than NHS contracts) above the limit delegated to the Managing Director set out in the NWSSP SFIs
26	FULL	PERFORMANCE & ASSURANCE	Approve the SSPCs audit and assurance arrangements
27	FULL	PERFORMANCE & ASSURANCE	Receive reports from the SSPCs NWSSP Directors on progress and performance in the delivery of the SSPCs strategic aims, objectives and priorities and approve action required, including improvement plans
28	FULL	PERFORMANCE & ASSURANCE	Receive assurance reports from the SSPCs sub-Committees, groups and other internal sources on the Joint Committee's performance and approve action required, including improvement plans

29	FULL	PERFORMANCE & ASSURANCE	Receive reports on the SSPC's performance produced by external regulators and inspectors (including, e.g., WAO, HIW, etc) that raise issue or concerns impacting on the NWSSP's ability to achieve its aims and objectives and approve action required, including improvement plans, taking account of the advice of SSPC sub-Committees (as appropriate)
30	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion of the SSPCs Head of Internal Audit and approve action required, including improvement plans
31	FULL	PERFORMANCE & ASSURANCE	Receive the annual management letter from the SSPC's external auditor and approve action required, including improvement plans
32	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion on the SSPC's performance against Healthcare Standards for Wales and approve action required, including improvement plans
33	FULL	REPORTING	Approve the SSPC's Reporting Arrangements, including reports on activity and performance locally, to citizens, partners and stakeholders and nationally to the Assembly Government
34	FULL	REPORTING	Receive, approve and ensure the publication of SSPC reports, including its Annual Report

ADDITIONAL AREAS OF RESPONSIBILITY DELEGATED TO CHAIR, VICE CHAIR			
	CHAIR		[insert details] in accordance with statutory and Assembly Government requirements
	VICE CHAIR		[insert details] in accordance with statutory and Assembly Government requirements

DELEGATION OF POWERS TO COMMITTEES AND OTHERS¹⁰

NWSSP Standing Order 3 provides that the SSPC may delegate powers to sub-Committees and others. In doing so, the SSPC has formally determined:

- the composition, terms of reference and reporting requirements in respect of any such sub-Committees; and
- the governance arrangements, terms and conditions and reporting requirements in respect of any delegation to others, including **[insert details]**

in accordance with any regulatory requirements and any directions set by the Welsh Ministers.

The SSPC has delegated a range of its powers to the following sub-Committees and others:

- ***Welsh Risk Pool Committee***
- ***Velindre NHS Trust Audit Committee for NHS Wales Shared Services Partnership***

The scope of the powers delegated, together with the requirements set by the SSPC Committee in relation to the exercise of those powers are as set out in i) sub-Committee terms of reference, and ii) formal arrangements for the delegation of powers to others. Collectively, these documents form the SSPCs Scheme of Delegation to sub-Committees.

¹⁰ As defined in Standing Orders

SCHEME OF DELEGATION TO NWSSP DIRECTORS AND OFFICERS

SECTION 2 - SCHEME OF DELEGATION TO THE DIRECTORS AND OFFICERS

The SSPC SOs, alongside the Trust SOs and the SFIs specify certain key responsibilities of the Chief Executive, Managing Director of Shared Services, Directors, Heads of Service and other officers. The Chief Executive and Managing Director of Shared Service's Job Descriptions, together with their Accountable Officer Memorandums set out their specific responsibilities, and the individual job descriptions determined for Director and Heads of Service level posts also define in detail the specific responsibilities assigned to those post holders. These documents, together with the schedule of additional delegations below and the associated financial delegations set out in the Velindre Trust SFIs form the basis of the Scheme of Delegation to Officers.

Delegated matter	High level delegation	Further Delegation Allowable?	Control Documents required to be in place prior to further delegation of matters
Management of budgets	Managing Director of Shared Services / NWSSP Director of Finance	Yes	Financial delegations set out in Sections 4-6. Further delegations subject to authorisation matrix.
Management of cash and bank accounts	Trust Director of Finance	Yes	Authorisation matrix. Financial policies & procedures
Approval of petty cash	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. Financial policies & procedures
Engagement of staff within funded establishment	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Engagement of staff outside funded establishment	Managing Director of Shared Services	Nominated deputy	In absence of Director of Shared Services
Staff re-grading and awarding of incremental points	NWSSP Director of W&OD	Yes	Written authority to suitably qualified HR staff
Approval of overtime	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of annual leave	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of compassionate leave	NWSSP Directors / Heads	Yes	Authorisation matrix. HR policies & procedures

	of Service		
Approval of maternity and paternity leave	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of carers leave	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of leave without pay	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Extension of sick leave on full or ½ pay <ul style="list-style-type: none"> • Directors • Other staff 	Managing Director of Shared Services NWSSP Directors	No Yes	Authorisation matrix. HR policies & procedures
Approval of study leave < £2k	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. HR policies & procedures
Approval of study leave > £2k	Managing Director NWSSP/ NWSSP Director of W&OD	No	
Approval of relocation costs	NWSSP Director of W&OD	Yes	Authorisation matrix. HR policies & procedures
Approval of lease cars & phones <ul style="list-style-type: none"> • NWSSP Directors • Other staff 	Managing Director of Shared Services NWSSP Directors	No No	
Approval of redundancy, early retirement and ill-health retirement	Managing Director of Shared Services	Yes	Authorisation matrix. HR policies & procedures
Dismissal of staff	Managing Director of Shared Services and NWSSP Director of W&OD	Yes	Authorisation matrix. HR policies & procedures
Approval to procure goods and services within budget	NWSSP Directors / Heads of Service	Yes	Standing financial instructions. Authorisation matrix. Procurement & finance policies & procedures.
Approval to procure goods and services outside of budget that would result in a budgetary overspend	Managing Director of Shared Services	Nominated deputy	In absence of the Director of Shared Services
Approval to commission services from other NHS bodies	Managing Director of Shared Services	Yes	Authorisation matrix. Commissioning policies & procedures

Standing Orders, Reservation and Delegation of Powers for Velindre NHS Trust

Approval to commission services from voluntary sector	Managing Director of Shared Services	Yes	Authorisation matrix. Commissioning policies & procedures
Approval to commission services from private and independent providers	Managing Director of Shared Services	Yes	Authorisation matrix. Commissioning policies & procedures
Approval to enter into pooled budget arrangements under section 33 of the NHS (Wales) Act 2006	Managing Director of Shared Services	Yes	Authorisation matrix. Commissioning policies & procedures
Management and Control of Stocks	NWSSP Director (Head of Procurement Services)/ NWSSP DoF	Yes	Authorisation matrix
Work in relation to counter fraud and corruption	Trust Director of Finance/ NWSSP DoF	Yes	Authorisation matrix Fraud & Corruption policies and procedures
Authorisation of sponsorship	Managing Director of Shared Services	No	Sponsorship policies & procedures
Approval of research projects	Managing Director of Shared Services	Yes	Research policies & procedures
Management of complaints	NWSSP Director of Finance	No	Complaints policies & procedures
Provision of information to the press, public and other external enquiries	NWSSP Directors / Trust Board Secretary	Yes	Communication policies & procedures
Approval for use of charitable funds	Trust Chief Executive	Yes	Authorisation matrix. Financial policies & procedures
Approval to condemn and dispose of equipment	NWSSP Directors / Heads of Service	Yes	Authorisation matrix. Disposal policies & procedures
Approval of losses and compensation (except for personal effects)	Managing Director of Shared Services	No	Within authorised limits set by WAG.
Approval of compensation for staff and patients personal effects <ul style="list-style-type: none"> • Up to £1000 • £1,000 > £10,000 • £10,000 > £50,000 • Over £50,000 	Trust Small Claims Panel Managing Director of Shared Services Approval by WAG	No No No No	
Approval of clinical negligence and personal injury claims	Trust Director of Nursing	Yes	Authorisation matrix and within limits set by WAG.

Standing Orders, Reservation and Delegation of Powers for Velindre NHS Trust

Approval of capital expenditure	Managing Director of Shared Services / NWSSP Director of Finance	Yes	High level delegation set out in Section 4. Further delegations subject to authorisation matrix
Approval to engage external building and other professional contractors	NWSSP Director of Finance	Yes	Authorisation matrix. Capital policies & procedures.
Approval to seek professional advice and ensure the implementation of any statutory and regulatory requirements	Managing Director of Shared Services	Yes	Financial delegations set out in Section 4. Further delegations subject to authorisation matrix
The negotiation and agreement of service contracts / long term agreements	Managing Director of Shared Service & NWSSP Director of Finance	Yes	Further delegations (re: negotiation only – not agreement) to Heads of Service.

This scheme only relates to matters delegated by the Board and the SSPC to the Managing Director of Shared Services and their NWSSP Directors and Heads of Service, together with certain other specific matters referred to in SFIs.

Each NWSSP Director and Head of Service is responsible for delegation within their department. They shall produce a Scheme of Delegation for matters within their department, which shall also set out how departmental budget and procedures for approval of expenditure are delegated.

SECTION 3 – DELEGATION OF BUDGETARY RESPONSIBILITY

Section 5 of the Trust Standing Financial Instructions detail the requirements for Budgetary Control, including:

Standing Orders, Reservation and Delegation of Powers for Velindre NHS Trust

- 2.4 Budget Setting
- 2.5 Budgetary Delegation
- 2.6 Budgetary Control and Reporting

Paragraphs 5.2.1 to 5.2.4 detail the specific requirements on Budgetary Delegation. In line with 5.2.1 the Income and Expenditure budgetary responsibility for the NHS Wales Shared Services Partnership has been delegated to the Managing Director of Shared Services.

The Managing Director of Shared Services and other Shared Service Directors will, in turn, delegate budgetary responsibility to other Heads of Service and managers. The detailed schedule of this second tier delegation will be reviewed, revised and reapproved on an annual basis by the Managing Director of Shared Services and the Senior Management Team as part of the annual Financial Strategy and Budget Setting process. Within the budgetary delegation there are delegated powers of budget virement:

- between Divisions must be approved by the Managing Director of Shared Services.
- between budgets within the same Division must be approved by the relevant Director / Heads of Service.
- between staff and non-staff within the same budget must be approved by the Budget Holder.

These delegated powers of virement, from the Managing Director of Shared Services to Heads of Service and Budget Holders, assume that the NWSSP is achieving its financial targets and can be revised, in year, by the Director of Shared Services in the light of adverse financial performance.

Budget virements within Divisions can be authorised by the Head of Service and Director of Finance up to the limit of £60,000.

SECTION 4 NHS WALES SHARED SERVICES PARTNERSHIP				
SCHEME OF DELEGATION				
Financial Limits (All Values exclude VAT)	Revenue	Capital	Charitable Funds	Education & Training Contracts
	£000	£000	£000	£m
Velindre - Corporate Services:				
Trust Board	No Limit	No Limit	0	
Charitable Funds Committee	0	0	No Limit	
NWSSP (excluding all Wales Procurement Contracts)				
Managing Director of Shared Services	100	100	N/A	£5m
Director of Finance and Corporate Services	60	60	N/A	£2m
Director of Workforce and OD	30	30	N/A	N/A
Service Directors/Heads of Services (within own area)	10	0	N/A	N/A
Service Directors/Heads of Service's Nominee (within Agreed area)	7.5	0	N/A	N/A
Heads of Function (within own area)	5	5	N/A	N/A
Head of Financial Sustainability and Improvement	5	5	N/A	N/A
Head of Financial Management	5	5	N/A	N/A
Delegated Budget Holders (within own area) Level 1	5	0	N/A	N/A
Delegated Budget Holders (within own area) Level 2	1	0	N/A	N/A
Note:				
Franking Machine and Secure Printing Contract within Primary Care Services has a higher limit for Service Directors/Head of				

Standing Orders, Reservation and Delegation of Powers for Velindre NHS Trust

Service this is 20k and for Head of Function it is £10K.				

Workforce and Education Budget Limits

Scheme Designation	Education & Training Contracts with Universities	Education & Training Invoices
Managing Director/NWSSP Chairman	over £5m	£2m
Managing Director	up to £5m	£2m
Director of Finance and Corporate Services	up to £2m	£2m
Heads of Services (within own area)	x	£50k**
Head of Finance	x	20

Note Specific Local arrangement

**On Education and Training Invoices: Director of WEDS is able to approve invoices between £50k and £250k in the absence of the Director of Finance and Corporate Services

Legal & Risks Services Limits

Scheme Designation	Reimbursement of claims following Advisory Board approval	WRP Managed Claims (Health Authority and Powys LHB)
Managing Director of Shared Services/NWSSP Chairman	Over £2m	Over £2m
Managing Director of Shared Services	Up to £2m	Up to £2m
Director of Finance and Corporate Services	Up to £1m	Up to £1m
Director - Legal and Risk Services	Up to £500k	Up to £500k
Head of WRP Finance	Up to £100k	Up to £100k
WRP Claims Support		£20k

Notes: All reimbursement claims are reviewed by the Advisory Board prior to approval and claims above £1m are reviewed by Welsh Government prior to the Advisory Board.

Claims above £2m will also be signed by the Managing Director of Shared Services and NWSSP Chairman

Periodical Payments: Head of WRP Finance - authorises new periodical payment. Head of WRP Finance - authorises payment schedules

Procurement Service Limits

Standing Orders, Reservation and Delegation of Powers for Velindre NHS Trust

Procurement Services Scheme Designation	*Contracts for and on behalf of NHS Wales	NWSSP Stock Requisitions and Invoices	** NWSSP Stock Write offs
Welsh Government/Velindre Board	N/A	N/A	Over £50k
Managing Director of Shared Services/NWSSP Chair(with Committee support)	Over £1m	Over £2m	N/A
Managing Director of Shared Services	Up to £1m	Up to £100k	Up to £50k
NWSSP Director of Finance and Corporate Services	Up to £750k	Up to £60k	Up to £25k
Director of of Procurement Services	Up to £750k	Up to £50k	Up to £25k
Senior Manager Procurement Services (Logistics)		Up to £25k	Up to £10k

Note Specific Local arrangement

Stock, Local Contracting and Capital limits remain in relevant organisations scheme of Delegation.

*Prior consent of the Minister is required for contracts over £1m

Periodical Payments: Head of WRP Finance - authorises new periodical payment. Head of WRP Finance – authorises payment schedules

Annex 2

KEY GUIDANCE, INSTRUCTIONS AND OTHER RELATED DOCUMENTS

This Annex forms part of, and shall have effect as if incorporated in the Shared Services Partnership Committee Standing Orders

Shared Services Partnership Committee Framework

The SSPC's governance and accountability framework comprises these Shared Services SOs, incorporating annexes of Powers reserved for the SSPC and Delegation to others, together with the following documents:

- *Velindre Trust SFIs*
- *Values and Standards of Behaviour Framework*
- *Risk and Assurance Framework*
- *Key policy documents*

agreed by the SSPC. These documents must be read in conjunction with the Shared Services SOs and will have the same effect as if the details within them were incorporated within the Shared Services SOs themselves.

These documents may be accessed by:

NHS Wales framework

Full, up to date details of the guidance, instructions and other documents that together make up the framework of governance, accountability and assurance for the NHS in Wales are published on the NHS Wales Governance e-Manual which can be accessed at www.wales.nhs.uk/governance-emanual/. Directions or guidance on specific aspects of SSPC business are also issued in hard copy, usually under cover of a Ministerial Letter.

Annex 3

SHARED SERVICES PARTNERSHIP COMMITTEE SUB-COMMITTEE ARRANGEMENTS

This Annex forms part of, and shall have effect as if incorporated in the SSPC Standing Orders

[SSPC to insert details, including detailed Terms of Reference and Operating Arrangements for each Sub-Committee]

- 1. Welsh Risk Pool Committee - Terms of Reference*
- 2. Velindre NHS Trust Audit Committee For NHS Wales Shared Service Partnership - Terms of Reference*

1. Welsh Risk Pool Committee Terms of Reference

1. Background

NHS Wales Shared Service Partnership (NWSSP) has responsibility for the administration of the Welsh Risk Pool Service including the management of the Welsh Risk Pool Budget.

The transfer of the WRP budget management to the NHS in Wales seeks to align the financial governance relating to claims with the corporate and quality governance. As part of the transfer arrangements NWSSP, NHS Organisations and the Welsh Government will need to work together to develop and recommend appropriate risk sharing arrangements for the management of any under/overspends annually.

The Welsh Risk Pool Services has a responsibility for the reimbursement of claims over £25,000 but it is also required to have processes for ensuring that NHS Wales learns from claims to limit the risk of recurrence and improve the quality and safety for both patients and staff.

- 1.6.11 In line with standing orders the Committee has resolved to establish a sub committee to be known as the Welsh Risk Pool Committee (WRPC). The WRPC is a sub-committee of the NWSSP Committee and has no executive powers, other than those specifically delegated in these Terms of Reference.

2. Membership

The membership of the WRPC shall be determined by the NWSSPC, taking account of the balance of skills and expertise necessary to deliver the WRPC's remit and subject to any specific requirements or directions made by the Welsh Government.

The WRPC comprises of representation from senior NHS professionals from Trusts, Local Health Boards, Legal & Risk Services and the Welsh Government. The membership includes:

Chairman: Chairman of NWSSP

Members: Managing Director, NWSSP
NWSSP Director Legal & Risk Services
NWSSP Director of Finance & Corporate Services
Health Board or Trust Chair (1)
Health Board or Trust Chief Executive (1)
Health Board or Trust Medical Director (1)
Health Board or Trust Director of Nursing (1)
Health Board or Trust Director of Finance (1)
Health Board or Trust Chair Audit Committee Chair (1)
Health Board or Trust Board Secretary (1)
Welsh Government (2)

In attendance:

NWSSP – WRPS Head of Finance
WRPS Assessor
WRPS Assessor
WRPS Senior Claims Support Officer } WRPS Support

Other individuals may be involved at the discretion of the Chairman (e.g. representatives from NSAGs as appropriate). The WRPC shall appoint a vice chairman from the agreed membership. The vice-chair shall deputise for the Chair in their absence for any reason.

In the event that a member of the WRPC is unable to attend a meeting he/she is required to seek a suitable person to attend on their behalf.

3. Dealing with Members' interests during meetings

1.6.12 The Chair, advised by the Committee Secretariat, must ensure that the WRPC's decisions on all matters brought before it are taken in an open, balanced, objective and unbiased manner. In turn, individual members must demonstrate, through their actions, that their contribution to the WRPC's decision making is based upon the best interests of the NHS in Wales.

Where individual members identify an interest in relation to any aspect of business set out in the meeting agenda, that member must declare an interest at the start of the meeting. Members should seek advice from the Chair, through the Committee Secretariat before the start of the meeting if they are in any doubt as to whether they should declare an interest at the meeting. All declarations of interest made at a meeting must be recorded in the minutes. It is responsibility of the chair, on behalf of the Committee, to determine the action to be taken in response to the declaration of interest, this can include excluding the member, where they have a direct or indirect financial interest or participating fully in the discussion but taking no part in the WRPC decision.

4. Quorum

A quorum shall be the Chairman or Vice Chair and at least 4 other representatives, 2 of which must be officer members of shared services and 2 of which must be NHS Trust or LHB representatives.

Repeated non-attendance will be reported to the NWSSP Committee.

5. Frequency of Meetings

Meetings will be held at least 8 times per year, with additional meetings held if considered necessary.

6. Authority

The Accountable Officer for NWSSP is authorised to carry out any activity within the terms of reference and the scheme of delegation. In the normal course of WRPC business items included on the agenda are subject to discussion and decisions based on consensus. Decisions made by the Accountable Officer against that recommended by the WRPC will be reported to the NWSSP Committee and the Velindre NHS Trust Audit Committee for Shared Services.

The WRPC may, establish sub groups or task and finish groups as appropriate to address specific issues and to carry out on its behalf specific aspects of business.

7. Responsibilities of the WRPC

It is important that there is clarity between the role of the WRPC and that of the NWSSP Committee. The NWSSP Committee will have overall responsibility for overseeing the governance arrangements within WRPS and in support of this function the minutes of the WRPC will be forwarded for information and assurance including the highlighting of matters of significance.

The role of the WRPC is to:

- a. Receive assurance on the management of delegations for areas of responsibility detailed within this Terms of Reference and to report regularly to the Shared Services Partnership Committee on performance;
- b. Undertake actions reserved specifically for the WRPC;
- c. To provide advice and guidance to the NWSSP Accountable Officer on claims reimbursement decisions; and
- d. To support and promote a learning culture within NHS Wales.

WRPS areas of responsibility

The main areas of responsibility for which WRPS will be held to account by the WRPC are:

- To develop and approve the Welsh Risk Pool Services (WRPS) Annual Business Plan which sets out the key deliverables which will be monitored by the WRPC.
- To present key financial and performance information.
- To develop an effective and efficient process including technical notes for the receipt of claims and reimbursement of monies to NHS Wales.
- To ensure that there are effective processes for the forecasting of resource requirements over the short and medium term and that there is sufficient liquidity to meet obligations.
- To ensure that the transactions of the WRPS are fully recorded and that financial accounts are produced in accordance with the timetable set by the Welsh Government.
- To undertake an annual assessment of the arrangements for the management of Concerns and Claims by NHS Wales.
- To undertake the annual assessment of high risk clinical areas as required by Chief Executives of NHS Wales Bodies.
- To develop processes for learning from events and cascading information to all NHS Wales Bodies including undertaking detailed reviews of claims and identifying trends arising from claims.
- To undertake project work as required by the WRPC.
- To develop a process for the scrutiny of claims presented to each WRPC to provide assurance across NHS Wales that appropriate action has been

taken to reduce the risk of recurrence. This process should have regard for the number and complexity of claims being presented to ensure that sufficient consideration is given to issues arising.

Advisory Group reserved matters

- To approve the payment and reimbursement of claims and impose penalties in accordance with the WRPS Claims Reimbursement Procedure
- To enact the risk sharing arrangements as agreed by the NWSSP
- To receive and consider the annual statements of account
- To receive and consider the annual assessment reports and to approve recommendations for any necessary action.
- To receive and consider the outcome of claims reviews and to approve recommendations for any necessary action.
- To agree on a communication strategy across NHS Wales to ensure that learning from events is captured and communicated appropriately.
- To consider advice and guidance on matters of indemnity which are novel, contentious or expose NHS Wales to significant risk.
- To request claims reviews where the WRPC considers appropriate in order that lessons can be learnt on an All Wales basis.
- To ensure that arrangements are in place to enable the reporting of key issues and trends via the National Quality and Safety Forum.

Support and promote a learning culture across NHS Wales

The members of the WRPC will have collective responsibility for ensuring that the learning from events is formally considered and that a culture of improvement across NHS Wales is fostered. This will include providing advice and guidance at each meeting and where necessary taking action to address weaknesses identified, either at an individual organisational level or at a more strategic level.

8. Reporting Arrangements

Minutes shall be taken at each meeting and circulated to all members of the WRPC and to the NWSSP Committee for information.

Risk sharing arrangements will be agreed by the NWSSP Committee.

Regular financial reports on the risk sharing forecasting will be considered by the Shared Services Committee and provide to Welsh Government as and when required.

Annual presentations will be made to the groups identified by the WRPC (e.g. Chief Executives, Directors of Finance, Directors of Nursing and Medical Directors).

9. Audit Arrangements

The WRPS will be subject to audit by both internal and external auditors. The external auditors of Velindre NHS Trust will ensure that there is overall audit coverage of claims management across the NHS in Wales.

Associated documents: Scheme of Delegation
 Members Handbook
 WRP Reimbursement Procedure

2. Velindre NHS Trust Audit Committee for NHS Wales Shared Services Partnership - Terms of Reference

9. BACKGROUND

1.4 In May 2012, each Health Board and Trust approved the Standing orders for the Shared Services Committee. Section 4.0.3 of the Standing Orders states;

*“The SSPC shall establish a Sub-Committee structure that meets its own advisory and assurance needs and/or **utilise Velindre’s Committee arrangements** to assist in discharging its governance responsibilities.”*

These Terms of reference sets out the arrangements for utilising the Velindre NHS Trust Audit Committee to discharge those relevant functions in relation to NWSSP.

ORGANISATIONAL STRUCTURE

Velindre Trust has an interest in NWSSP on two levels;

- a) The internal governance of the operational running in relation to the host relationship, and

- b) As a member of the NWSSP Committee in relation to the running of national systems and services.

If the Velindre Audit Committee is to be utilised to act on behalf of the NWSSP Committee, there should be a clear distinction between these two areas/functions and they should be addressed separately under the proposed Audit Committee arrangements. This 'functional split' will allow for clear consideration of the issues relating specifically to the business of the nationally run systems and national services that are provided by Shared Services and will avoid the boundaries between the governance considerations of the hosting relationship and the governance considerations of Shared Services being blurred. The functional split can be illustrated below;

<p>(a) Governance of Operational Running (Host Relationship)</p> <p>↓</p>	<p>(b) Nationally run Systems/Services</p> <p>↓</p>
<p>Velindre Trust Audit Committee</p>	<p>Velindre Trust Audit Committee for Shared Services</p>

The governance issues relating to the hosting of The NHS Wales Shared Services Partnership (NWSSP) (a) will be incorporated into the standard business of the existing Velindre Trust Audit Committee with a specific focus at alternating Trust Audit Committee meetings. The assurance for the business dealt with in (a) will be to the Velindre Trust Board. The Chair of the Shared Services Committee should receive copies of the meeting papers and have the right of attendance at the Velindre Trust Audit Committee.

Issues relating to Shared Services nationally run systems and services (b) will be fed into a separate Velindre Trust Audit Committee for Shared Services operating within its own work cycle. The assurance for the business dealt with in (b) will be to the NWSSP Chair and the Committee via the communication routes detailed below.

The arrangements for (a) above will not be considered further within these Terms of Reference, as it is for Velindre Trust Audit Committee to determine the relevant assurance required in relation to the host relationship.

This document goes on to outline the Terms of reference for (b) above.

10. INTRODUCTION

- 2.1 The Trust's standing orders provide that "*The Board may and, where directed by the Welsh Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The*

Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by Committees".

1.6.13

2.2 In line with standing orders and the NHS Wales Shared Services Partnership's scheme of delegation, the Shared Services Partnership Committee (SSPC) shall nominate annually a Committee to be known as the Velindre Trust Audit Committee for Shared Services. The detailed terms of reference and operating arrangements in respect of this Committee are set out below.

2.3 These Terms of Reference and Operating Arrangements are based on the model Terms of Reference as detailed in the NHS Wales Audit Committee Handbook June 2012.

3 PURPOSE

3.1 The purpose of the Audit Committee ("the Committee") is to:

- **Advise** and **assure** the SSPC and the Accountable Officer on whether effective arrangements are in place - through the design and operation of the Partnership's **system of assurance** - to support them in their decision taking and in discharging their accountabilities for securing the achievement of the organisation's objectives, in accordance with the standards of good governance determined for the NHS in Wales.

Where appropriate, the Committee will advise the Velindre Trust Board and SSPC on where, and how, its system of assurance may be strengthened and developed further.

4 DELEGATED POWERS AND AUTHORITY

4.1 With regard to its role in providing advice to both Velindre Trust Board and the SSPC, the Audit Committee will comment specifically upon:

- The adequacy of the organisation's strategic governance and assurance arrangements and processes for the maintenance of an effective system of good governance, risk management and internal control across the whole of the organisation's activities designed to support the public disclosure statements that flow from the assurance processes, including the Annual Governance Statement providing reasonable assurance on:
 - the organisations ability to achieve its objectives,

- compliance with relevant regulatory requirements, standards, quality and service delivery requirements and other directions and requirements set by the Welsh Government and others,
- the reliability, integrity, safety and security of the information collected and used by the organisation,
- the efficiency, effectiveness and economic use of resources, and
- the extent to which the organisation safeguards and protects all its assets, including its people

to ensure the provision of high quality, safe healthcare for its citizens;

- The NHS Wales Shared Services Partnership's Standing Orders, and Standing Financial Instructions (including associated framework documents, as appropriate);
- The planned activity and results of internal audit, external audit, clinical audit and the Local Counter Fraud Specialist (including strategies, annual work plans and annual reports);
- The adequacy of executive and managements response to issues identified by audit, inspection and other assurance activity;
- Proposals for accessing Internal Audit service (where appropriate)
- Anti fraud policies, whistle-blowing processes and arrangements for special investigations as appropriate; and
- Any particular matter or issue upon which the Partnership Committee or the Accountable Officer may seek advice.

4.2 The Committee will support the SSPC with regard to its responsibilities for governance (including risk and control) by reviewing:

- All risk and control related disclosure statements (in particular the Annual Governance Statement together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances), prior to endorsement by the SSPC;
- The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements;

- The policies for ensuring compliance with relevant regulatory, legal and code of conduct and accountability requirements; and
 - The policies and procedures for all work related to fraud and corruption as set out in Welsh Government Directions and as required by the Counter Fraud and Security Management Service.
- 4.3 In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of good governance, risk management and internal control, together with indicators of their effectiveness.
- 4.4 This will be evidenced through the Committee's use of effective governance and assurance arrangements to guide its work and that of the audit and assurance functions that report to it, and enable the Committee to review and form an opinion on:
- The **comprehensiveness** of assurances in meeting the SSPC and the Accountable Officers assurance needs across the whole of the organisation's activities; and
 - The **reliability and integrity** of these assurances.
- 4.5 To achieve this, the Committee's programme of work will be designed to provide assurance that:
- There is an effective internal audit function that meets the standards set for the provision of internal audit in the NHS in Wales and provides appropriate independent assurance to the SSPC and the Accountable Officer through the Committee;
 - There is an effective counter fraud service that meets the standards set for the provision of counter fraud in the NHS in Wales and provides appropriate assurance to the SSPC and the Accountable Officer through the Committee;
 - There is an effective Health and Safety function that meets the standards set for the NHS in Wales and provides appropriate assurance to the SSPC and the Accountable Officer or through the Quality and Safety Committee.
 - There are effective arrangements in place to secure active, ongoing assurance from management with regard to their responsibilities and accountabilities, whether directly to the SSPC and the Accountable Officer or through the effective completion of Audit Recommendations

and the Committee's review of the development and drafting of the NHS Wales Partnership's Annual Governance and Annual Quality Statements

- The work carried out by key sources of external assurance, in particular, but not limited to the SSPC's external auditors, is appropriately planned and co-ordinated and that the results of external assurance activity complements and informs (but does not replace) internal assurance activity
- The work carried out by the whole range of external review bodies is brought to the attention of the SSPC, and that the organisation is aware of the need to comply with related standards and recommendations of these review bodies, and the risks of failing to comply;
- The systems for financial reporting to the Board, including those of budgetary control, are effective; and that
- The results of audit and assurance work specific to the organisation, and the implications of the findings of wider audit and assurance activity relevant to the SSPC's operations are appropriately considered and acted upon to secure the ongoing development and improvement of the organisation's governance arrangements.

In carrying out this work, the Committee will follow and implement the Audit Committee for Shared Services Annual Work plan, and will be evidenced through meeting papers, formal minutes, and highlight reports to the SSPC and annually via the Annual Governance Statement, to the Velindre NHS Trust Chief Executive.

Authority

- 4.6 The Committee is authorised by the SSPC to investigate or have investigated any activity within its terms of reference. In doing so, the Committee shall have the right to inspect any books, records or documents of the Partnership relevant to the Committee's remit, and ensuring patient/client and staff confidentiality, as appropriate. It may seek relevant information from any:
- Employee (and all employees are directed to cooperate with any reasonable request made by the Committee); and
 - Any other Committee, sub Committee or group set up by the SSPC to assist it in the delivery of its functions.
- 4.7 The Committee is authorised by the SSPC to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers it necessary, in

accordance with the SSPC's procurement, budgetary and other requirements.

Access

- 4.8 The Head of Internal Audit and the Auditor General and his representatives shall have unrestricted and confidential access to the Chair of the Audit Committee at any time, and the Chair of the Audit Committee will seek to gain reciprocal access as necessary.
- 4.9 The Committee will meet with Internal and External Auditors and the nominated Local Counter Fraud Specialist without the presence of officials on at least one occasion each year.
- 4.10 The Chair of Audit Committee shall have reasonable access to Executive Directors and other relevant senior staff.

Sub Committees

- 4.11 The Committee may, subject to the approval of the SSPC establish sub Committees or task and finish groups to carry out on its behalf specific aspects of Committee business. At this stage, no sub Committees/task and finish groups have been established.

5 MEMBERSHIP

Members

- 5.1 A minimum of (3) members, comprising:

Chair Independent member of the Board

Members Two other independent member of the Velindre Trust Board
The Committee may also co-opt additional independent 'external' members from outside the organisation to provide specialist skills, knowledge and expertise.

The Chair of the organisation shall not be a member of the Audit Committee.

Attendees

- 5.2 In attendance

NWSSP Managing Director as Accountable Officer

NWSSP Director of Finance
NWSSP Director of Audit & Assurance
Head of Internal Audit
Velindre NHS Trust Board Secretary
Velindre NHS Trust Director of Finance
Local Counter Fraud Specialist
Representative of the Auditor General
NWSSP Governance Manager
NWSSP Chair
Other Executive Directors will attend as required by the
Committee Chair

By invitation The Committee Chair may invite:

- the Chair of the organisation
- any other Partnership officials; and/or
- any others from within or outside the organisation

to attend all or part of a meeting to assist it with its discussions on any particular matter.

The Velindre Chief Executive Officer should be invited to attend, at least annually, to discuss with the Committee the process for assurance that supports the Annual Governance Statement.

Secretariat

5.3 Secretary As determined by the Accountable Officer

Member Appointments

- 5.3 The membership of the Committee shall be determined by the Velindre Trust Board, based on the recommendation of the Trust Chair – taking account of the balance of skills and expertise necessary to deliver the Committee’s remit and subject to any specific requirements or directions made by the Assembly Government.
- 5.4 Members shall be appointed to hold office for a period of four years. Members can be reappointed up to a maximum of their term of office. During this time a member may resign or be removed by the Velindre Trust Board.
- 5.5 Committee members’ terms and conditions of appointment, (including any remuneration and reimbursement) are determined on appointment by the

Minister for Health.

Support to Committee Members

- 5.6 The Board Secretary, on behalf of the Committee Chair, shall:
- Arrange the provision of advice and support to Committee members on any aspect related to the conduct of their role; and
 - Ensure the provision of a programme of organisational development for Committee members as part of the Trust's overall OD programme developed by the Velindre Executive Director of Workforce & Organisational Development.

6 COMMITTEE MEETINGS

Quorum

- 6.1 At least two members must be present to ensure the quorum of the Committee, one of whom should be the Committee Chair or Vice Chair.

Frequency of Meetings

- 6.2 Meetings shall be held no less than quarterly and otherwise as the Chair of the Committee deems necessary – consistent with the NWSSP's annual plan of Business. The External Auditor or Head of Internal Audit may request a meeting if they consider that one is necessary.

Withdrawal of individuals in attendance

- 6.3 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

7 RELATIONSHIP & ACCOUNTABILITIES WITH THE TRUST BOARD DELEGATED TO THE AUDIT COMMITTEE

1.6.14

- 7.1 Although the Velindre Trust Board with the SSPC and its sub committees has delegated authority to the Committee for the exercise of certain functions as set out within these terms of reference, it retains overall responsibility and accountability for ensuring the quality and safety of healthcare for its citizens through the effective governance of the organisation.
- 7.2 The Committee is directly accountable to the Velindre Trust Board for its performance in exercising the functions set out in these terms of reference.

7.3 The Committee, through its Chair and members, shall work closely with the organisation and its other Sub Committees to provide advice and assurance to the SSPC by taking into account:

- Joint planning and co-ordination of the SSPC business; and
- Sharing of information

in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Partnership's overall risk and assurance arrangements. This will primarily be achieved through the discussions held at the SSPC Annually at the end of the Financial Year.

7.1 The Committee will consider the assurance provided through the work of the SSPC's other Committees and sub Committees to meet its responsibilities for advising the SSPC on the adequacy of the organisation's overall system of assurance by receipt of their annual workplans.

7.1 The Committee shall embed the SSPC's and Trust's corporate standards, priorities and requirements, e.g., equality and human rights through the conduct of its business.

8 REPORTING AND ASSURANCE ARRANGEMENTS

8.1 The Committee Chair shall:

- Report formally, regularly and on a timely basis to the Board, SSPC and the Accountable Officer on the Committee's activities. This includes verbal updates on activity and the submission of committee minutes, and written highlight reports throughout the year;
- Bring to the Board, SSPC and the Accountable Officer's specific attention any significant matters under consideration by the Committee;
- Ensure appropriate escalation arrangements are in place to alert the SSPC Chair, Managing Director (and Accountable Officer) or Chairs of other relevant Committees of any urgent/critical matters that may affect the operation and/or reputation of the organisation.

8.2 The Committee shall provide a written, annual report to the SSPC and the Accountable Officer on its work in support of the Annual Governance Statement and the Annual Quality Statement, specifically commenting on the adequacy of the assurance arrangements, the extent to which risk management is comprehensively embedded throughout the organisation, the integration of governance arrangements and the appropriateness of self

assessment activity against relevant standards. The report will also record the results of the Committee's self assessment and evaluation.

1.6.15

8.3 The Velindre Trust Board and SSPC may also require the Committee Chair to report upon the Committee's activities at public meetings or to community partners and other stakeholders, where this is considered appropriate, e.g., where the Committee's assurance role relates to a joint or shared responsibility.

1.6.16

8.4 The Board Secretary, on behalf of the Partnership, shall oversee a process of regular and rigorous self assessment and evaluation of the Committee's performance and operation including that of any sub Committees established. In doing so, account will be taken of the requirements set out in the NHS Wales Audit Committee Handbook.

9 APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

9.1 The requirements for the conduct of business as set out in the NWSSP's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:

- Quorum [*as per section on Committee meetings*]
- Notice of meetings
- Notifying the public of Meetings
- Admission of the public, the press and other observers

10 REVIEW

10.1 These terms of reference and operating arrangements shall be reviewed annually by the Committee with reference to the SSPC and Velindre Trust Board.

Annex 4

ADVISORY GROUPS AND EXPERT PANELS

Terms of Reference and Operating Arrangements

This Annex forms part of, and shall have effect as if incorporated in the SSPC Standing Orders

[SSPC to insert details, including detailed Terms of Reference and Operating Arrangements for each Advisory Group and Expert Panel]

Annex 5

Process for the Selection, Appointment and Termination of the Chair of the SSPC

This Annex forms part of, and shall have effect as if incorporated in the Shared Services Committee Standing Orders

The NWSSP Committee has the responsibility for appointing the Chair of the Committee. Whilst the appointment is not a Ministerial appointment the planned process has taken account of the appointment principles outlined in the Code of Practice for Ministerial Appointments to Public Bodies 2012.

MAIN BODY

In line with the Code of Practice for Ministerial Appointments to Public Bodies 2012 the three principles of public appointments are summarised below:

Merit - The process should facilitate applications from high quality candidates, drawn from a strong and diverse field, whose skills, experience and qualities have been judged to best meet the needs of the public body or statutory office in question.

Fairness - Selection processes must be objective, impartial and applied consistently to all candidates. Each candidate must be assessed against the same published criteria.

Openness – Information about the requirements of the post and the selection process must be publicly available. The appointment must be advertised publicly in a way that is designed to attract a strong and diverse field of suitable candidates.

The essential features of the process will include the following:

- A panel must be set up to oversee the appointments process.
- The panel must be chaired by an independent assessor
- An agreed selection process, selection criteria and publicity strategy for a successful appointment
- A panel report must be prepared, signed by the chair of the appointment panel
- The appointment of the successful candidate must be publicised.

It is important that all public appointees uphold the standards of conduct set out in the Committee on Standards in Public Life's Seven Principles of Public Life. The panel must satisfy itself that all candidates for appointment can meet these standards and have no conflicts of interest that would call into question their ability to perform the role.

The selection panel will comprise of the following members:

- The current Committee Chair who will act as Chair of the selection panel
- 3 members of the NWSSP Committee
- NWSSP Director of Workforce and OD

The appointment process is managed by the NWSSP Director of Workforce and OD.

A suite of supporting documentation has been developed to support the process.

The job **advertisement**. It is proposed that, in line with the practice adopted by Welsh Government for all other public appoints this is the post is advertised on Job Wales which is the Western Mail and Daily Post on-line publication.

The candidate **application form**. The content and format very closely mirrors the application form currently used by the Welsh Government for Ministerial Public Appointments.

A **briefing pack** for candidates . This includes details of the role profile and person specification.

GOVERNANCE AND RISK ISSUES

The process appointment will conducted in line with the Code of Practice for Ministerial Appointments to Public Bodies 2012.

The appointment documentation and processes has been reviewed and agreed by the Cwm Taff HB Board Secretary who is a current NWSSP Committee member and has also been provided to the Velindre Trust Board Secretary to ensure that the appointment aligns to Velindre's governance requirements.

The selection process will be repeated following each maximum term of office for the Chair of the Committee, or when the Chair resigns, or following removal of the Chair by termination.

Suspension and Termination

Should the circumstances laid down in the draft regulations at 9. (1), 9.(3), 9.(5) or 10.(1) emerge, and the removal (i.e. suspension or termination) of the Chair is deemed necessary, the Committee will agree the reasons for the decision to do so

and formally submit these reasons to a panel constituted as that described for the selection process above.

The panel will then make a recommendation to Velindre Trust to suspend or remove the Chair. Velindre Trust will then take the necessary action and subsequently provide the Welsh Ministers with the reasons agreed as per section 9.(2) (termination) or 10.(2) (suspension) of the Regulations.