

Model Standing Orders

Reservation and Delegation of Powers

Digital Health and Care Wales

Executive Sponsor & Function:

Board Secretary

Document Author:

Melanie Westlake

Approved by:

Minister for Health and Social Services

Approval Date:

TBC

Date of Equality Impact Assessment:

To be completed by DHCW

Equality Impact Assessment Outcome:

To be completed by DHCW

Review Date:

Annual Review required by DHCW

Next scheduled review by Welsh Government
on March 2023 or earlier if required

Version: Final July 2023 v2

Foreword

The Digital Health and Care Wales (Membership and Procedures) Regulations 2020 provides that Digital Health and Care Wales (DHCW) or Iechyd a Gofal Digidol Cymru must make standing orders for the regulation of its proceedings and business.

The DHCW Board must consider and agree to adopt the Standing Orders (SOs) for the regulation of their proceedings and business. They are designed to translate the statutory requirements set out in legislation into day to day operating practice, and, together with the adoption of a Scheme of Decisions reserved to the Board; a Scheme of Delegations to officers and others; and Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of DHCW.

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

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

Further information on governance in the NHS in Wales may be accessed at <https://nwssp.nhs.wales/all-wales-programmes/governance-e-manual/>

Contents

□ Foreword.....	2
□ Section A – Introduction	6
□ Statutory framework	6
□ NHS framework	7
□ Applying Standing Orders	8
□ Variation and amendment of Standing Orders.....	8
□ Interpretation	9
□ The role of the Board Secretary	9
□ Section B – Standing Orders	11
□ 1. DIGITAL HEALTH AND CARE WALES	11
□ 1.1 Membership of Digital Health and Care Wales Board	11
○ <i>Officer Members [to be known as Executive Directors]</i>	11
○ <i>Non Officer Members [to be known as Independent Members]</i>	12
○ <i>Associate Members</i>	12
○ <i>Use of the term ‘Independent Members’</i>	12
□ 1.2 Joint Post Holders	12
□ 1.3 Tenure of Board members	13
□ 1.4 The Role of the DHCW Board and responsibilities of individual members	13
○ <i>Role</i>	13
○ <i>Responsibilities</i>	14
□ 2. RESERVATION AND DELEGATION OF DHCW FUNCTIONS	15
□ 2.1 Chair’s action on urgent matters	16
□ 2.2 Delegation of Board functions	16
□ 2.3 Delegation to officers	16
□ 3. COMMITTEES	17
□ 3.1 DHCW Committees	17
○ <i>Use of the term ‘Committee’</i>	17
□ 3.2 Joint-Committees	17
○ <i>Joint Committee Standing Orders, terms of reference and operating arrangements</i>	18
□ 3.3 Sub-Committees	18
□ 3.4 Committees established by DHCW	18
□ 3.5 Other Committees	19
□ 3.6 Confidentiality	19
□ 3.7 Reporting activity to the Board	20
□ 4. NHS WALES SHARED SERVICES PARTNERSHIP	20
□ 5. WORKING IN PARTNERSHIP	20
□ 6. ADVISORY GROUP(S)	21

<input type="checkbox"/> 7. MEETINGS	25
<input type="checkbox"/> 7.1 Putting Citizens first.....	25
<input type="checkbox"/> 7.2 Annual Plan of Board Business	26
<input type="checkbox"/> <i>Annual General Meeting (AGM)</i>	27
<input type="checkbox"/> 7.3 Calling Meetings.....	27
<input type="checkbox"/> 7.4 Preparing for Meetings	27
<input type="checkbox"/> <i>Setting the agenda</i>	27
<input type="checkbox"/> <i>Notifying and equipping Board members</i>	28
<input type="checkbox"/> <i>Notifying the public and others</i>	28
<input type="checkbox"/> 7.5 Conducting Board Meetings.....	28
<input type="checkbox"/> <i>Admission of the public, the press and other observers</i>	29
<input type="checkbox"/> <i>Addressing the Board, its Committees and Advisory Groups</i>	29
<input type="checkbox"/> <i>Chairing Board Meetings</i>	30
<input type="checkbox"/> <i>Quorum</i>	30
<input type="checkbox"/> <i>Dealing with motions</i>	30
<input type="checkbox"/> <i>Voting</i>	32
<input type="checkbox"/> 7.6 Record of Proceedings	32
<input type="checkbox"/> 7.7 Confidentiality	32
<input type="checkbox"/> 8. VALUES AND STANDARDS OF BEHAVIOUR.....	33
<input type="checkbox"/> 8.1 Declaring and recording Board members' interests.....	33
<input type="checkbox"/> 8.2 Dealing with Members' interests during Board meetings	34
<input type="checkbox"/> 8.3 Dealing with officers' interests.....	35
<input type="checkbox"/> 8.4 Reviewing how Interests are handled.....	35
<input type="checkbox"/> 8.5 Dealing with offers of gifts and hospitality	36
<input type="checkbox"/> 8.6 Sponsorship	37
<input type="checkbox"/> 8.7 Register of Gifts and Hospitality	37
<input type="checkbox"/> 9. SIGNING AND SEALING DOCUMENTS.....	38
<input type="checkbox"/> 9.1 Register of Sealing.....	38
<input type="checkbox"/> 9.2 Signature of Documents	38
<input type="checkbox"/> 9.3 Custody of Seal	39
<input type="checkbox"/> 10. GAINING ASSURANCE ON THE CONDUCT OF DHCW BUSINESS.....	39
<input type="checkbox"/> 10.1 The role of Internal Audit in providing independent internal assurance	39
<input type="checkbox"/> 10.2 Reviewing the performance of the Board, its Committees and Advisory Groups	40
<input type="checkbox"/> 10.3 External Assurance	40
<input type="checkbox"/> 11. DEMONSTRATING ACCOUNTABILITY	41
<input type="checkbox"/> 12. REVIEW OF STANDING ORDERS.....	41
<input type="checkbox"/> Schedule 1.....	42
<input type="checkbox"/> Schedule 2.....	57
<input type="checkbox"/> Key Guidance, Instructions and Other Related Documents	57
<input type="checkbox"/> DHCW Framework.....	57
<input type="checkbox"/> NHS Wales framework.....	57

□	Schedule 3	58
○	Board Committee Arrangements	58
○	Standard Terms of Reference and Operating Arrangements for all Committees of the Board	60
○	Terms of Reference and Operating Arrangements – Audit Committee ..	65
○	Terms of Reference and Operating Arrangements – Remuneration and Terms of Service Committee.....	72
□	Schedule 4	75
○	Advisory Groups.....	75
○	Terms of Reference and Operating Arrangements.....	75
○	Local Partnership Forum Advisory Group.....	76
○	Terms of Reference and Operating Arrangements.....	76
□	Appendix 1	81
□	Appendix 2	82
□	Appendix 3	83

Section A – Introduction

Statutory framework

- i) Digital Health and Care Wales (DHCW) is a Special Health Authority (SHA) that was established on 30 December 2020 and became operational on the 1 April 2021, under The Digital Health and Care Wales (Establishment and Membership) Order 2020 (SI No. 2020/1451 (W. 313)) “the Establishment Order”.
- ii) The principal place of business of DHCW is Ty Glan-yr-Afon, 21 Cowbridge Road East, Cardiff, CF11 9AD.
- iii) All business shall be conducted in the name of Digital Health and Care Wales.
- iv) DHCW is a corporate body and its functions must be carried out in accordance with its statutory powers and duties. DHCW’s functions are set out in the Establishment Order and in Directions issued by Welsh Ministers.
- v) In addition to Directions the Welsh Ministers will issue an annual remit letter and may from time to time issue guidance which DHCW must take into account when exercising any function.
- vi) Under powers set out in sections 25(1)(b), 25(2 and 203(9) and (10) of, and paragraphs 3(3) and (4), 5 and 13 of Schedule 5 to the NHS (Wales) Act 2006, the Welsh Ministers have made **the Digital Health and Care Wales (Membership and Procedure) Regulations 2020 (S.I. 2020/1469 (W.315))** (“the Membership and Procedure Regulations”) which make provision concerning the membership and procedures of DHCW.
- vii) In carrying out its duties it will co-operate with others.
- viii) Section 72 of the NHS Act 2006 places a duty on NHS bodies, including an SHA to co-operate with each other in exercising their functions.
- ix) Section 82 of the NHS Act 2006 places a duty on NHS bodies, including an SHA, 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. The Welsh Language (Wales) Measure 2011 makes provision with regards to the development of standards relating to the Welsh language. The Welsh Language Standards (No. 7) Regulations 2018 for the health sector do not currently apply to DHCW. They will apply at a future date but in the interim DHCW will develop a Welsh Language policy/scheme to deliver commitments relating to Welsh language.
- x) **The Health and Social Care (Quality and Engagement) (Wales) Act 2020 (2020 asc 1)** (the 2020 Act) makes provision for:
 - Ensuring NHS bodies and ministers consider how their decisions will secure an improvement in the quality of health services (the Duty of

Quality);

- Ensuring NHS bodies and primary care services are open and honest with patients, when something may have gone wrong in their care (the Duty of Candour); and
- The creation of a new Citizens Voice Body for Health and Social Care, Wales (to be known as Llais) to represent the views of and advocate for people across health and social care in respect of complaints about services.

The act has been commenced at various stages with the final provision, relating to the preparation and publication of a code of practice regarding access to premises coming into effect in June 2023.

DHCW will need ensure they comply with the provisions of the 2020 Act and the requirements of the statutory guidance.

The Duty of Quality statutory guidance 2023 can be found at <https://www.gov.wales/duty-quality-healthcare>

The NHS Duty of Candour statutory guidance 2023 can be found at <https://www.gov.wales/duty-candour-statutory-guidance-2023>

- xi) As a SHA, DHCW is also bound by any other statutes and legal provisions which govern the way that NHS bodies do business. The powers of NHS bodies established under statute shall be exercised by NHS bodies meeting in public session, except as otherwise provided by these SOs.

NHS framework

- xii) In addition to the statutory requirements set out above, NHS bodies including SHAs must carry out all business in a manner that enables them to contribute fully to the achievement of the Welsh 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.
- xiii) Adoption of the principles will better equip NHS bodies to take a balanced, holistic view of their organisations and their capacity to deliver high quality, safe health and care services for all its citizens within the NHS framework set nationally.
- xiv) The overarching NHS governance and accountability framework incorporates these SOs; the Schedules 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 Health and Care Quality Standards 2023, the NHS Risk and Assurance Framework, and the NHS planning and performance management systems.

- xv) The Welsh Ministers, reflecting their constitutional obligations and legal duties under the **Well-being of Future Generations (Wales) Act 2015**, have 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) DHCW is not considered a public body under the Act but is committed to achieving the Well-being Goals and the sustainable development principle
- xvii) 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 <https://nwssp.nhs.wales/all-wales-programmes/governance-e-manual/>. Directions or guidance on specific aspects of business are also issued electronically, usually under cover of a Welsh Health Circular.
- xviii) DHCW will from time to time agree and approve policy statements which apply to the Board members and/all or specific groups of staff employed by DHCW. The decisions to approve these policies will be recorded in the appropriate Board minute and, where appropriate will be considered to be an integral part of DHCW’s SOs and SFIs. Details of the key policy statements will be included in Schedule 2.
- xix) DHCW shall ensure that an official is designated to undertake the role of the Board Secretary (the role of which is set out in paragraph xxv below).

Applying Standing Orders

- xx) The SOs of DHCW (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 DHCW including any Advisory Groups, sub-Committees, joint-Committees and joint sub-Committees. These SOs may be amended or adapted for the Committees as appropriate, with the approval of the Board. Further detail on the Committees may be found in Schedule 3 of these SOs.
- xxi) 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 [insert the name of committee established to consider audit matters] to formally consider the matter and make proposals to the Board on any action to be taken. All Board members and DHCW 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.
- xxii) **Ultimately, failure to comply with SOs is a disciplinary matter that could result in an individual’s dismissal from employment or removal from the Board.**

Variation and amendment of Standing Orders

- xxiii) Although these SOs are subject to regular, annual review by DHCW, 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 by the Board if:

- The variation or amendment is in accordance with regulation 18 of the Membership and Procedure Regulations 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 [insert the name of committee established to consider audit matters] and is the subject of a formal report to the Board; and
- A formal notice of motion under Standing Order 7.5.14 has been given.

Interpretation

- xxiv) During any Board meeting where there is doubt as to the applicability or interpretation of the SOs, the Chair of DHCW 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 responsible for finance (in the case of SFIs).
- xxv) The terms and provisions contained within these SOs aim to reflect those covered within all applicable legislation. The legislation takes precedence over these SOs when interpreting any term or provision covered by legislation.

The role of the Board Secretary

- xxvi) The role of the Board Secretary is crucial to the ongoing development and maintenance of a strong governance framework within DHCW, and is a key source of advice and support to the DHCW Chair and other Board members. Independent of the Board, the Board Secretary acts as the guardian of good governance within DHCW. The Board Secretary is responsible for:
- Providing advice to the Board as a whole and to individual Board members on all aspects of governance;
 - Facilitating the effective conduct of DHCW 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 public services values and standards of behaviour; and
 - Monitoring DHCW's compliance with the law, SOs and the governance and accountability framework set by the Welsh Ministers.
- xxvii) 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 in respect of matters relating to responsibilities of the Board, its Committees and Advisory Groups, and reports on a day-to-day basis to the Chief Executive with regard to the wider governance of the organisation and their personal responsibilities.

- xxviii) Further details on the role of the Board Secretary within DHCW, including details on how to contact them, are available at **[insert details]**.

Section B – Standing Orders

1. DIGITAL HEALTH AND CARE WALES

1.0.1 DHCW's principal role is to exercise such functions as the Welsh Ministers may direct in connection with:

- the provision, design, management, development and delivery of digital platforms, systems and services;
- the collection, analysis, use and dissemination of health service data;
- the provision of advice and guidance to the Welsh Ministers about improving digital platforms, systems and services;
- supporting bodies and persons identified in directions given by the Welsh Ministers to DHCW in relation to matters relevant to digital platforms, systems and services; and
- any other matters so as to secure the provision or promotion of services under the **NHS (Wales) Act 2006**.

1.0.2 DHCW was established by the **Digital Health and Care Wales (Establishment and Membership) Order 2020 (SI No. 2020/1451 (W. 313))**. DHCW must ensure that all its activities are in exercise of those functions or other statutory functions that are conferred on it through directions issued by the Welsh Ministers.

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

1.1 Membership of Digital Health and Care Wales Board

1.1.1 The membership of the DHCW Board shall be no more than 15 members comprising the Chair, Vice-Chair and non-officer members (appointed by the Minister for Health and Social Services), Associate Members, the Chief Executive and officer members, all appointed in accordance with the Membership and Procedure Regulations.

1.1.2 For the purposes of these SOs, the members of the DHCW Board shall collectively be known as “the Board” or “Board members”; the officer, non-officer members (which will include the Chair and Vice-Chair) shall be referred to as Executive Directors and Independent Members respectively; and the Chief Officer, Finance Officer and Clinical Officer shall respectively be known as the Chief Executive, the Director of Finance and the Medical Director. Officer and non-officer members shall have full voting rights. Associate Members who do not have voting rights.

Officer Members [to be known as Executive Directors]

1.1.3 A total of 5 (including the Chief Executive, Director of Finance, and Medical Director, appointed in accordance with the Membership and Procedure Regulations. Executive Directors may have other responsibilities as

determined by the Board and set out in the scheme of delegation to officers.

Non Officer Members [to be known as Independent Members]

- 1.1.4 A total of 7 (including the Chair and Vice-Chair), appointed by the Minister for Health and Social Services in accordance with the Membership and Procedure Regulations.
- 1.1.5 An addition to the eligibility, disqualification, suspension and removal provisions contained within Part 4 of the Membership and Procedure Regulations, an individual shall not normally serve concurrently as a non-officer member on the Board of more than one NHS body in Wales.

Associate Members

- 1.1.6 A total of up to 3 Associate Members may be appointed to the Board. They will attend Board meetings on an ex-officio basis, but will not have any voting rights.
- 1.1.7 The Welsh Ministers, or DHCW acting with the consent of the Welsh Ministers, may appoint up to 2 Associate Members. They may include the Chief Digital Officer for NHS Wales.
- 1.1.8 The non-officer members must appoint a Trade Union Associate Member where one or more trade unions are recognised by DHCW. The arrangements for appointment of the Trade Union Associate Member must be in accordance with Regulation 4 of the Membership and Procedure Regulations.

Use of the term 'Independent Members'

- 1.1.9 For the purposes of these SOs, use of the term 'Independent Members' refers to the following voting members of the Board:

- Chair
- Vice Chair (if appointed)
- Non Officer Members

unless otherwise stated.

1.2 Joint Post Holders

- 1.2.1 Where a Board position 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 Independent Members shall be appointed for a period specified by the Welsh Ministers, but for no longer than 4 years in any one term. These members can be reappointed but may not serve a total period of more than 8 years. 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 Any Associate Member appointed to the Board by Welsh Ministers under 1.1.6 will be appointed in accordance with the terms and conditions of appointment. They may be re-appointed as an Associate Member subject to any provisions to the contrary in their terms of appointments.
- 1.3.3 Any Associate Member appointed by the Board with the consent of Welsh Ministers may be appointed in accordance with terms and conditions approved by the Welsh Ministers. This would normally be for a period of up to one year. They may be re-appointed but they would normally not hold office as an Associate Member appointed by the Board with the consent of Welsh Ministers for more than four years. This is to recognise the need to keep this role under review to ensure it remains necessary or expedient for the performance of DHCW's functions. Time served includes time as an Independent Member (if relevant) which need not be consecutive and will still be counted towards the total period even where there is a break in the term. They may therefore, in accordance with the provisions contained within these Standing Orders, hold office for a maximum of 8 years when all roles are combined.
- 1.3.4 The Trade Union Associate Member if appointed, may be appointed for a period of office not exceeding 4 years. Subject to the arrangements agreed by the non-officer members for seeking a nomination, they may be eligible for reappointment.
- 1.3.5 Executive Directors' tenure of office as Board members will be determined by their contract of appointment.
- 1.3.6 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 Part 4 of the Membership and Procedure 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.
- 1.3.7 DHCW will require Board members to confirm in writing their continued eligibility on an annual basis.

1.4 The Role of the DHCW Board and responsibilities of individual members

Role

- 1.4.1 The principal role of DHCW 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; and
- Ensuring delivery of the organisation's aims and objectives through effective challenge and scrutiny of DHCW'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 appointed to the Board must act in a balanced manner, ensuring that any opinion expressed is objective and based upon the best interests of the health and care service in Wales.
- 1.4.4 DHCW 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".
- 1.4.5 Associate Members, whilst not sharing corporate responsibility for the decisions of the Board, are nevertheless required to act in a corporate manner at all times, as are their fellow Board members who have voting rights.
- 1.4.6 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 DHCW within the communities it serves.
- 1.4.7 **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 powers delegated by the Board and set out in the Scheme of Delegation.
- 1.4.8 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.
- 1.4.9 **The Vice-Chair** – The Vice-Chair shall deputise for the Chair in their absence

if they are unable to perform their duties, or any reason, and will do so until either the existing chair resumes their duties or a new chair is appointed.

1.4.10 In addition to their corporate role across the breadth of the Board's responsibilities, the Vice-Chair has a specific brief to provide strong, effective and visible leadership, across digital systems and services within primary, community, mental health and learning disability services. This will be discharged internally through the Board and its Committees and externally through their connections with a wide range of stakeholders and partners within the wider community.

1.4.11 **Chief Executive** – The Chief Executive is responsible for the overall performance of the executive functions of DHCW. They are the appointed Accountable Officer for DHCW and shall be responsible for meeting all the responsibilities of that role, as set out in their Accountable Officer Memorandum.

1.4.12 **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 DHCW, 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 DHCW 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 DHCW 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 DHCW retains full responsibility for any functions delegated to others to carry out on its behalf. Where DHCW has a joint duty, it 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.

2.1 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.
- 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 Board shall agree the delegation of any of their functions except for those set out within the 'Schedule of Matters reserved to the Board' to Committees and others, setting any conditions and restrictions it considers necessary and following any directions or regulations given by the Welsh Ministers. These functions may be carried out:
 - i) By a Committee, sub-Committee or officer of DHCW; or
 - ii) Jointly with one or more Special Health Authorities through a joint-Committee or joint sub-Committee
- 2.2.2 The Board shall agree and formally approve the delegation of specific executive powers to be exercised by Committees, sub-Committees joint-Committees and joint sub-Committees which it has formally constituted.
- 2.2.3 Any arrangements put in place by the Board for certain functions to be carried out on its behalf does not affect the Board's responsibility for, or its ability to, exercise a delegated function.

2.3 Delegation to officers

- 2.3.1 The Board may 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 in accordance with the framework established by the Chief Executive and agreed by the Board.

3. COMMITTEES

3.1 DHCW Committees

- 3.1.1 The Board may, and where directed by the Welsh Ministers must, appoint Committees of DHCW 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
- Joint-Committee
- sub-Committee
- joint sub-Committee

3.2 Joint-Committees

- 3.2.1 The Board may, and where directed by the Welsh Ministers must, together with one or more Special Health Authority¹ appoint joint-Committees or joint sub-Committees. These may consist wholly or partly of DHCW members or Board members of other Special Health Authorities or of persons who are not DHCW Board members or Board members of Special Health Authorities. Any such appointments must be made in accordance with the Board's defined requirements on membership (including definition of member roles, powers and terms and conditions of appointment) and any directions given by the Welsh Ministers.
- 3.2.2 The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out by others on its behalf.

¹ In accordance with Part 2, Chapter 3, Section 25 of the NHS (Wales) Act 2006 any Special Health Authority which DHCW wishes to form a joint-Committee with must have had provision made within their Regulations

The Board shall wherever possible determine, in agreement with its partners, that its joint-Committees hold meetings in public unless there are specific, valid reasons for not doing so.

Joint Committee Standing Orders, terms of reference and operating arrangements

3.2.3 The Board shall formally approve SOs or terms of reference and operating arrangements for each joint-Committee 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 accountability; and terms and conditions of office) and quorum;
- Meeting arrangements;
- Communications;
- Relationships and accountabilities with others (including the SHA Board, its Committees and Advisory Groups);
- Any budget, financial and accounting responsibility;
- Secretariat and other support;
- Training, development and performance; and
- Reporting and assurance arrangements.

3.2.4 In doing so, the Board shall specify which aspects of these SOs are not applicable to the operation of the joint-Committee, keeping any such aspects to the minimum necessary.

3.3 Sub-Committees

3.3.1 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.

3.4 Committees established by DHCW

3.4.1 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 covers the following aspect of Board business:

- Audit;
- Remuneration and Terms of Service; and
- Oversight and scrutiny of quality, safety, information governance, data quality, security and risk.

3.4.2 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; and
- Maximise cohesion and integration across all aspects of governance and assurance.

3.4.3 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 Advisory Groups)
- Any budget and financial responsibility, where appropriate;
- Secretariat and other support;
- Training, development and performance; and
- Reporting and assurance arrangements.

3.4.4 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.

3.4.5 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 DHCW 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 DHCW Board, its staff (subject to the conditions set in Standing Order 3.4.6) or others not employed by DHCW.

3.4.6 Executive Directors or other DHCW officers shall not normally be appointed as Committee Chairs, nor should they be appointed to serve as members on any Committee set up to review the exercise of functions delegated to officers. Designated DHCW officers shall, however, be in attendance at such Committees, as appropriate.

3.5 Other Committees

3.5.1 The Board may also establish other Committees to help DHCW conduct its business.

3.6 Confidentiality

3.6.1 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.

3.7 Reporting activity to the Board

- 3.7.1 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. NHS WALES SHARED SERVICES PARTNERSHIP

- 4.0.1 From 1 June 2012 the function of managing and providing Shared Services to the health service in Wales was given to Velindre NHS Trust. The Trust's Establishment Order has been amended to reflect the fact that the Shared Services function has been conferred on it.

- 4.0.2 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 (known for operational purposes as the Shared Services Partnership Committee) which will be responsible for exercising the Trust's Shared Services functions. The Shared Services Regulations (as amended) prescribe the membership of the Shared Services Committee in order to ensure that all Local Health Boards, Trusts and SHAs 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.

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

- 4.0.4 These arrangements necessitate putting in place a Memorandum of Co-operation and a Hosting Agreement between all LHBs, Trusts and SHAs 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.

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

5. WORKING IN PARTNERSHIP

- 5.0.1 DHCW shall work constructively in partnership with others to plan and secure the provision and delivery of digital health and care services as described

within paragraph 1.0.1, 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 DHCW.
- 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.

6. ADVISORY GROUP(S)

- 6.0.1 DHCW may and where directed by Welsh Ministers, must appoint Advisory Group(s) to the SHA to provide advice to the Board in the exercise of its functions.
- 6.0.2 Details of the SHA's Advisory Group(s), their membership and terms of reference are set out in Schedule 4.
- 6.0.3 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 Group(s) to hold meetings in public unless there are specific, valid reasons for not doing so.

6.1 Advisory Group(s) established by DHCW

- 6.1.1 DHCW shall establish the following Advisory Group(s):
 - Local Partnership Forum

6.2 Terms of reference and operating arrangements

- 6.2.1 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 others (including the Board, its Committees and Advisory Groups) as well as other relevant local and national groups;
- Any budget and financial responsibility (where appropriate);
- Secretariat and other support;
- Training, development and performance; and
- Reporting and assurance arrangements.

6.2.3 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. The detailed terms of reference and operating arrangements for the SHA's Advisory Groups are set out in Schedule 4.

6.2.4 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 the Board approves such action.

6.3 Support to Advisory Group(s)

6.3.1 The Board Secretary, on behalf of the Chair, will ensure that Advisory Group(s) are properly equipped to carry out their role by:

- Co-ordinating and facilitating appropriate induction and organisational development activity;
- Ensuring the provision of governance advice and support to the Advisory Group Chair on the conduct of its business and its relationship with the DHCW Board and others;
- Ensuring the provision of secretariat support for Advisory Group meetings (for specific arrangements relating to Local Partnership Forum see 6.7 and Schedule 4);
- Ensuring that the Advisory Group receives the information it needs on a timely basis;
- Ensuring strong links to communities/groups/professionals as appropriate; and
- Facilitating effective reporting to the Board

6.4 Confidentiality

6.4.1 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.

6.5 Advice and feedback

6.5.1 DHCW may specifically request advice and feedback from the Advisory Group(s) on any aspect of its business and they may also offer advice and feedback even if not specifically requested by the organisation. The Group(s) may provide advice to the Board:

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

6.6 Reporting activity

- 6.6.1 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.
- 6.6.2 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.
- 6.6.3 Each Advisory Group shall report regularly on its activities to those whose interests they represent.

6.7 The Local Partnership Forum (LPF)

Role

- 6.7.1 The LPF's role is to provide a formal mechanism where DHCW, as employer, and trade unions/professional bodies representing DHCW employees (hereafter referred to as staff organisations) work together to improve digital health and care services for the citizens served by DHCW - 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 DHCW workforce.
- 6.7.2 It is the forum where the organisation 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 digital health and care matters.

6.8 Relationship with the Board and others

- 6.8.1 The LPF's main link with the Board is through the Executive members of the LPF.
- 6.8.2 The Board may determine that designated Board members or DHCW staff shall be in attendance at LPF meetings. The LPF's Chair may also request the attendance of Board members or DHCW staff, subject to the agreement of the DHCW Chair.
- 6.8.3 The Board shall determine the arrangements for any joint meetings between the Board and the LPF's staff representative members.
- 6.8.4 The Board's Chair shall put in place arrangements to meet with the LPF's Joint Chairs on a regular basis to discuss the LPF's activities and operation.
- 6.8.5 The LPF shall ensure effective links and relationships with other groups/fora at a local and, where appropriate, national level.

Refer to Schedule 4 for detailed Terms of Reference and Operating Arrangements.

6.9 The Citizen Voice Body for Health and Social Care, Wales (known as Llais)

- 6.9.1 Part 4 of the **Health and Social Care (Quality and Engagement) (Wales) Act 2020 (2020 asc 1)** (the 2020 Act) places a range of duties on DHCW in relation to the engagement and involvement of Llais in its operations.
- 6.9.2 The 2020 Act places a statutory duty on DHCW to have regard to any representations made to them by Llais. Statutory Guidance on Representations has been published to guide NHS organisations, local authorities and Llais in how these representations should be made and considered.

The Statutory Guidance on Representations made by the Citizen Voice Body

can be found at

<https://www.gov.wales/sites/default/files/publications/2023-04/statutory-guidance-on-representations-made-by-the-citizen-voice-body.pdf>

- 6.9.3 The 2020 Act also places a statutory duty on DHCW to promote awareness of Llais and make arrangements to engage and co-operate with Llais with the view to supporting each other in the exercise of their relevant functions. Promoting and facilitating engagement between individuals and Llais through access to relevant premises can help strengthen the public's voice and participation in shaping the design and delivery of services. DHCW must have regard to the Code of Practice on Access to Premises and Engagement with Individuals (so far as the code is relevant)

The Code of Practice on Access to Premises and Engagement with Individuals can be found at

<https://www.gov.wales/code-practice-llais-accessing-premises-and-engaging-people>

- 6.9.4 In discharging these duties, and given the all-Wales nature of DHCW's functions, the Board shall work constructively with the Board of Llais to ensure that regional offices of Llais are involved, as appropriate, in:
- The planning of the provision of its digital healthcare services;
 - The development and consideration of proposals for service change and the way in which those services are provided;
 - The Board's decisions affecting the operation of those digital healthcare services that it has responsibility for; and
 - Engaging, formally consulting and working jointly with Llais on any proposals for substantial development or change of the services it is responsible for, in line with the Guidance on Changes to Health Services in Wales 2023 .

The Guidance on Changes to Health Services can be found at

<https://www.gov.wales/guidance-changes-health-services>

- 6.9.5 The Board shall ensure Llais is provided with the information it needs on a timely basis to enable it to effectively discharge its functions.

Relationship with the Board

- 6.9.6 The Board shall ensure arrangements are in place for regular meetings between DHCW officers and representatives of Llais.
- 6.9.7 The Board's Chair shall put in place arrangements to meet with the Chair or Deputy Chair and/or representatives of Llais on a regular basis to discuss matters of common interest.

7. MEETINGS

7.1 Putting Citizens first

7.1.1 DHCW'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. DHCW, 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 when these are not held via electronic means;
- The availability of papers in English and Welsh languages and in accessible formats, such as Braille, large print, easy read (where requested and required) and in electronic formats; Requesting that attendees notify DHCW 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 Welsh language requirements.

7.1.2 The Chair will ensure that, in determining the matters to be considered by the Board, full account is taken of the views of partners and stakeholder and interests of the communities served by DHCW.

7.2 Annual Plan of Board Business

7.2.1 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.

7.2.2 The plan shall set out the arrangements in place to enable DHCW to meet its obligations whilst also allowing Board members to contribute in either English or Welsh languages, where appropriate.

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

7.2.4 During the first year of establishment the Board shall agree the plan of business for the forthcoming year as close to 1 April 2021 as possible. This first plan will be kept under review and will be amended as necessary. For subsequent years the Board shall agree the plan for the forthcoming year by the end of March. The annual plan of board business will be published on the organisations website.

Annual General Meeting (AGM)

- 7.2.5 DHCW must hold an AGM in public no later than the 31 July each year. [no later than 30 September for year 2022/2023]. At least 10 calendar days prior to the meeting a public notice of the intention to hold the meeting, the time and place of the meeting, and the agenda shall be displayed bilingually (in English and Welsh) on the SHA's website.

The notice shall state that:

- Electronic or paper copies of the Annual Report and Accounts of the SHA are available, on request, prior to the meeting; and
- State how copies can be obtained, in what language and in what format, e.g. as Braille, large print, easy read etc.

- 7.2.6 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, may also include presentation of other reports of interest to citizens and others.

- 7.2.7 A record of the meeting shall be submitted to the next ordinary meeting of the Board for agreement.

7.3 Calling Meetings

- 7.3.1 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.

- 7.3.2 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.

7.4 Preparing for Meetings

Setting the agenda

- 7.4.1 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 the priorities facing DHCW. The Chair must ensure that all relevant matters are brought before the Board on a timely basis.

- 7.4.2 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

- 7.4.3 Board members shall be sent an Agenda and a complete set of supporting papers at least 7 calendar 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.
- 7.4.4 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. It will include evidence that appropriate impact assessments have been undertaken and taken into consideration. Impact assessments shall be undertaken on all new or revised policies, strategies, guidance and or practice to be considered by the Board, and the outcome of the assessment shall accompany the report to the Board to enable the Board to make an informed decision.
- 7.4.5 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 should go ahead, their decision, and the reason for it, shall be recorded in the minutes.
- 7.4.6 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

- 7.4.7 Except for meetings called in accordance with Standing Order 7.3, at least 7 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):
- On the DHCW website, together with the papers supporting the public part of the Agenda; as well as
 - Through other methods of communication as set out in DHCW's communication strategy.
- 7.4.8 When providing notification of the forthcoming meeting, DHCW 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.

7.5 Conducting Board Meetings

Admission of the public, the press and other observers

- 7.5.1 DHCW shall encourage attendance at its formal Board meetings by the public and members of the press as well as officers or representatives from organisations who have an interest in DHCW business. The venue for such meetings (when meetings are not held via electronic means) shall be appropriate to facilitate easy access for attendees and translation services; and appropriate facilities wherever practicable to maximise accessibility.
- 7.5.2 The Board and its Committees 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).

- 7.5.3 In the 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.
- 7.5.4 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.
- 7.5.5 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.

Addressing the Board, its Committees and Advisory Groups

- 7.5.6 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 its work and to demonstrate openness and transparency in the conduct of business.

Chairing Board Meetings

- 7.5.7 The Chair of DHCW will preside at any meeting of the Board unless they are and unable to perform their duties (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 elect one of the Independent Members to preside.
- 7.5.8 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

- 7.5.9 At least six Board members, at least two of whom are Executive Directors and four are Independent Members, must be present to allow any formal business to take place at a Board meeting.
- 7.5.10 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.
- 7.5.11 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

- 7.5.12 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 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).

7.5.13 Proposing a 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.

7.5.14 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.

7.5.15 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.

7.5.16 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.

7.5.17 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.

7.5.18 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.

7.5.19 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.

7.5.20 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 the motion is supported by the (simple) majority of Board members.

- 7.5.21 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

- 7.5.22 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. Associate Members may not vote in any meetings or proceedings of the Board.
- 7.5.23 In determining every question at a meeting the Board members must take account, where relevant, of the views expressed and representations made by individuals and organisations who represent the interests of stakeholders.
- 7.5.24 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.
- 7.5.25 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.

7.6 Record of Proceedings

- 7.6.1 A record of the proceedings of formal Board 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.
- 7.6.2 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 DHCWs website and in hard copy or other accessible format on request, in accordance with any legislative requirements, e.g., Data Protection Act 2018, General Data Protection Regulations, DHCW's Communication Strategy and Welsh language requirements.

7.7 Confidentiality

- 7.7.1 All Board members (including Associate Members), together with members of any Committee or Advisory Group established by or on behalf of the Board

and DHCW officials must respect the confidentiality of all matters considered by the Board 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.

8. VALUES AND STANDARDS OF BEHAVIOUR

- 8.0.1 The Board must adopt a set of values and standards of behaviour for DHCW 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 DHCW, including Board members, DHCW officers and others, as appropriate. The framework adopted by the Board will form part of these SOs.

8.1 Declaring and recording Board members' interests

- 8.1.1 ***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 [insert title of relevant policy] and their statutory duties under the Membership and Procedure Regulations. Board members must notify the Chair and Board Secretary of any such interests at the time of their appointment, and any further interests as they arise throughout their tenure as Board members.
- 8.1.2 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.
- 8.1.3 ***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.
- 8.1.4 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.

- 8.1.5 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 DHCW are made aware of, and have access to view DHCW's Register of Interests. This may include publication on the DHCW website.
- 8.1.6 ***Publication of declared interests in Annual Report*** – Board members' declared directorships of companies or positions in other organisations likely or possibly seeking to do business with the NHS shall be published in DHCW's Annual Report.

8.2 Dealing with Members' interests during Board meetings

- 8.2.1 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 DHCW and the NHS in Wales.
- 8.2.2 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.
- 8.2.3 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 made 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 health and care and an Independent Member is a health and care 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 Board 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.

- 8.2.4 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.
- 8.2.5 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.
- 8.2.6 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.
- 8.2.7 ***Members with pecuniary (financial) interests*** – Where a Board member, or any person they are connected with² has any direct or indirect pecuniary interest in any matter being considered by the Board, including a contract or proposed contract, that member must at the meeting and as soon as practicable after its commencement, disclose the interest and 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.
- 8.2.8 The Values and Behaviour Framework [insert name of relevant policy] defines '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.
- 8.2.9 ***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 DHCW 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.

8.3 Dealing with officers' interests

- 8.3.1 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 DHCW officers' interests in accordance with the Values and Standards of Behaviour Framework.

8.4 Reviewing how Interests are handled

² 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.

- 8.4.1 The Audit Committee [insert title] will review and report to the Board upon the adequacy of the arrangements for declaring, registering and handling interests at least annually.

8.5 Dealing with offers of gifts³ and hospitality

- 8.5.1 The Values and Standards of Behaviour Framework adopted by the Board prohibits Board members and DHCW 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.
- 8.5.2 Gifts, benefits or hospitality must never be solicited. Any Board member or DHCW 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 Board member or DHCW officer. Failure to observe this requirement may result in disciplinary and/or legal action.
- 8.5.3 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;
 - **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 DHCW;
 - **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, and sport, cultural or social events would only be acceptable if attendance is justifiable in that it benefits DHCW ; and

³The term gift refers also to any reward or benefit.

- **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.

8.5.4 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.

8.6 Sponsorship

8.6.1 In addition to gifts and hospitality individuals and the organisation may also receive sponsorship. Sponsorship is an offer of funding to an individual, department or the organisation as whole from an external source whether in cash, goods, services or benefits. It could include an offer to sponsor a research or operational post, training, attendance at a conference, costs associated with meetings, conferences or working visit. The sponsorship may cover some or all of the costs.

8.6.2 All sponsorship must be approved prior to acceptance in accordance with the Values and Behaviour Framework [insert title of relevant policy] and relevant procedures. A record of all sponsorship accepted or declined will also be maintained.

8.7 Register of Gifts and Hospitality

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

8.7.2 Every Board member and DHCW officer has a personal responsibility to volunteer information in relation to offers of gifts, hospitality and sponsorship, 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, hospitality and sponsorship are kept under active review, taking appropriate action where necessary.

8.7.3 When determining what should be included in the Register, individuals shall apply the following principles, subject to the considerations in Standing Order 8.5.3:

- **Gifts:** Generally, only gifts of material value should be recorded. Those with a nominal value, e.g., 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’⁴ hospitality need not be included in the Register.

8.7.4 Board members and DHCW 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 DHCW;
- 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.

8.7.5 The Board Secretary will arrange for a full report of all offers of Gifts, Hospitality and Sponsorship recorded by DHCW to be submitted to the Audit Committee (or equivalent) at least annually. The Audit Committee will then review and report to the Board upon the adequacy of the DHCW’s arrangements for dealing with offers of gifts, hospitality and sponsorship.

9. SIGNING AND SEALING DOCUMENTS

9.0.1 The common seal of the DHCW 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.

9.0.2 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 Deputy Chief Executive (or another authorised individual) both of whom must witness the seal.

9.1 Register of Sealing

9.1.1 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.

9.2 Signature of Documents

9.2.1 Where a signature is required for any document connected with legal

⁴ 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.

proceedings involving DHCW, it shall 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.

- 9.2.2 The Chief Executive or nominated officers may be authorised by the Board to sign on behalf of DHCW 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.

9.3 Custody of Seal

- 9.3.1 The Common Seal of DHCW shall be kept securely by the Board Secretary.

10. GAINING ASSURANCE ON THE CONDUCT OF DHCW BUSINESS

- 10.0.1 The Board shall set out explicitly, within a Risk and Assurance Framework, how it will be assured on the conduct of DHCW 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.

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

- 10.0.3 Assurances in respect of the services provided by the NHS Wales Shared Services Partnership 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 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 DHCW.

- 10.0.4 Arrangements for seeking and providing assurance in respect of any other services provided on behalf of or in association with DHCW shall be clearly identified and reflected within the practice of the organisation and within the relevant agreements.

10.1 The role of Internal Audit in providing independent internal assurance

- 10.1.1 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 other requirements determined by the Welsh Ministers.

- 10.1.2 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 HIA communicates and interacts directly with the Board, facilitating direct and unrestricted access;
- Require Internal Audit to confirm its independence annually; and
- Ensure that the Head of Internal Audit reports periodically to the Board on its activities, including its purpose, authority, responsibility and performance. Such reporting will include governance issues and significant risk exposures.

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

10.2.1 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 Group. Where appropriate, the Board may determine that such evaluation may be independently facilitated.

10.2.2 Each Committee and, where appropriate, Advisory Group must 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 including the review of its performance and that of any sub-Committees it has established.

10.2.3 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 Welsh Government's Citizen Centred Governance Principles.

10.3 External Assurance

10.3.1 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 DHCW's operations, e.g., the Auditor General for Wales.

10.3.2 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.

10.3.3 The Board shall keep under review and ensure that, where appropriate, DHCW implements any recommendations relevant to its business made by the Welsh Government's Audit Committee, Senedd Cymru/Welsh

Parliament's Public Accounts Committee and other appropriate bodies.

10.3.4 DHCW 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.

11. DEMONSTRATING ACCOUNTABILITY

11.0.1 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, regulators, partners, service providers and others; and
- Responds to the views and representations made by those who represent the interests of the communities it serves and other stakeholders, including its officers and health and care professionals.

11.0.2 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 the community and other partners.

11.0.3 The Board shall also facilitate effective scrutiny of the DHCW's operations through the publication of regular reports on activity and performance, including publication of an Annual Report for each financial year on how it has discharged its functions during that year.

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

12. REVIEW OF STANDING ORDERS

12.0.1 The Board Secretary shall arrange for appropriate impact assessments to be carried out on a draft of these SOs prior to their formal adoption by the Board, the results of which shall be presented to the Board for consideration and action, as appropriate. The fact that an assessment has been carried out shall be noted in the SOs.

12.0.2 These SOs shall be reviewed annually by the Audit Committee [or equivalent], 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 appropriate impact assessments.

Schedule 1

SCHEME OF RESERVATION AND DELEGATION OF POWERS

This Scheme of Reservation and Delegation of Powers forms part of, and shall have effect as if incorporated in the Standing Orders

Introduction

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

- i) a committee, e.g. Remuneration and Terms of Service Committee;
- ii) a sub-committee, any such delegation would, subject to the Boards authority, usually be via a main committee of the Board;
- iii) a joint-Committee or joint sub-Committee, e.g. with other Special Health Authorities to take forward a matters as agreed by both organisations;
- iv) Officers of DHCW (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 DHCW.

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:

- Schedule of matters reserved to the Board;
- Scheme of delegation to Committees and others; and
- Scheme of delegation to Officers.

all of which form part of DHCW's Standing Orders.

DHCW Standing Orders, Reservation and Delegation of Powers

Status: Version 1 – 22 March 2021

Page 1 of 26

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 Standing Orders or Standing Financial Instructions*
- *The Board must retain that which it is required to retain (whether by statute or as determined by Welsh Government) 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; and
- associated arrangements for the delegation of financial authority to equip officers to deliver on their delegated responsibilities (and set out in Standing Financial Instructions).

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 DHCW 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 Audit Committee

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

Individuals to who 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 DHCW's values and standards of behavior.

Where an individual does not feel that they are equipped to deliver on a matter delegated to them, they must notify the [DHCW to insert details] 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 DHCW. The Scheme is to be used in conjunction with the system of control and other established procedures within DHCW.

SCHEDULE OF MATTERS RESERVED TO THE BOARD¹

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 Standing Orders
2	FULL	GENERAL	The Board must determine any matter that will be reserved to the whole Board. [DHCW to insert details]
3	FULL	GENERAL	Approve DHCW's Governance Framework
4	FULL	OPERATING ARRANGEMENTS	Approve, vary and amend: <ul style="list-style-type: none"> ▪ Standing Orders (SOs); ▪ Standing Financial Instructions (SFIs);

1 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 Welsh Government requirements

			<ul style="list-style-type: none"> ▪ Schedule of matters reserved to the Board; ▪ Scheme of delegation to Committees and others; and ▪ Scheme of delegation to Officers. <p>In accordance with any directions set by Welsh Ministers.</p>
5	FULL	OPERATING ARRANGEMENTS	Ratify any urgent decisions taken by the Chair and the Chief Executive in accordance with Standing Order requirements
6	NO – Can delegate to Audit Committee	OPERATING ARRANGEMENTS	Formal consideration of report of the Board Secretary on any non-compliance with Standing Orders, making proposals to the Board on any actions to be taken
7	FULL	OPERATING ARRANGEMENTS	Receive report and proposals regarding any non-compliance with Standing Orders, and where required ratify in public session any instances of failure to comply with Standing Orders and Standing Financial Instructions
8	FULL	OPERATING ARRANGEMENTS	Authorise use of the DHCW's official seal
9	FULL	OPERATING ARRANGEMENTS	Approve DHCW's Values and Standards of Behavior Framework [DHCW to insert title of the relevant policy]
10	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 or Board Secretary
11	FULL	STRATEGY & PLANNING	Determine DHCWs strategic aims, objectives and priorities

12	FULL	STRATEGY & PLANNING	<p>Approve the DHCWs key strategies and programmes related to:</p> <ul style="list-style-type: none"> ▪ Communication and engagement ▪ Workforce and Organisational Development ▪ Infrastructure, including IM &T, Estates and Capital; ▪ DHCW Organisational Strategy – Digital Strategy ▪ Partnership and Stakeholder Engagement ▪ Quality Standards/Management
13	FULL	STRATEGY & PLANNING	Approve DHCW's annual business plan and three-year plan setting out how DHCW will meet the requirements set out in the remit letter.
14	FULL	STRATEGY & PLANNING	Approve DHCW's budget and financial framework (including overall distribution of the financial allocation)
15	FULL	OPERATING ARRANGEMENTS	Approve DHCW's framework and strategy for performance management.
16	FULL	OPERATING ARRANGEMENTS	Approve DHCW's framework and strategy for risk and assurance
17	FULL	OPERATING ARRANGEMENTS	Ratify policies for dealing with raising concerns, complaints and incidents in accordance with Welsh Government and health and safety requirements
18	FULL	OPERATING ARRANGEMENTS	Agree the arrangements for ensuring the adoption of standards of governance and performance (including the quality and safety of health and care and public/patient experience) to be met by DHCW, including standards/requirements determined by Welsh Government, regulators, professional bodies/others e.g. National Institute of Health and Care Excellence (NICE)

19	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 DHCW's aims, objectives and priorities
20	NO	ORGANISATION STRUCTURE & STAFFING	Non-officer members to appoint and approve the discipline, suspension and dismissal of the chief officer, with the exception of the first chief officer who is appointed by Welsh Ministers.
21	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE & STAFFING	Non-officer members and chief officer to appoint officer members with the exception of the first finance officer and clinical officer who are appointed by the non-officer members
22	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE & STAFFING	Non-officer members to approve the discipline, suspension and dismissal of the officer members.
23	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE AND STAFFING	Consider appraisal of officer members of the Board (Chief Officer and Executive Directors)
24	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE AND STAFFING	Approve the appointment, appraisal, discipline and dismissal of any other Board level appointments and other senior employees, in accordance with Ministerial Instructions e.g. the Board Secretary

25	NO – Remuneration and Terms of Service Committee	ORGANISATION STRUCTURE AND STAFFING	Consider and approve redundancy and Early Release Applications, noting that where the settlement is £50,000 or above subsequent agreement of Welsh Government is required.
26	FULL	ORGANISATION STRUCTURE & STAFFING	Approve, review, and revise DHCW's top level organisation structure and corporate policies
27	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, review, revise and dismiss Board committees, including any joint-committee directly accountable to the Board
28	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss the Chair and members of any committee, joint-committee or Group set up by the Board
29	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss individuals appointed to represent the Board on outside bodies and groups
30	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the standing orders and terms of reference and reporting arrangements of all committees and groups established by the Board

31	FULL	OPERATING ARRANGEMENTS	Approve individual compensation payments in line with the provisions of Annex 4 to Chapter 6 of the Welsh Government Manual for Accounts
32	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
33	FULL	OPERATING ARRANGEMENTS	Approve proposals for action on litigation on behalf of DHCW
34	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 and Scheme of Delegation
35	FULL	PERFORMANCE & ASSURANCE	Approve DHCW's internal audit and assurance arrangements
36	FULL	PERFORMANCE & ASSURANCE	Receive reports from DHCW's Executive on progress and performance in the delivery of DHCW's strategic aims, objectives and priorities and approve action required, including improvement plans, as appropriate
37	FULL	PERFORMANCE & ASSURANCE	Receive assurance reports from the Board's committees, groups and other internal sources on DHCW's performance and approve action required, including improvement plans, as appropriate

38	FULL	PERFORMANCE & ASSURANCE	Receive reports on DHCW's performance produced by external auditors, regulators and inspectors that raise significant issues or concerns impacting on DHCW's ability to achieve its aims and objectives and approve action required, including improvement plans, taking account of the advice of Board Committees (as appropriate)
39	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion of DHCW's Chief Internal Auditor and approve action required, including improvement plans
40	FULL	PERFORMANCE & ASSURANCE	Receive the annual management report from the Auditor General for Wales and approve action required, including improvement plans
41	FULL	PERFORMANCE & ASSURANCE	Receive assurance regarding the organisations performance against appropriate Health and Care Standards for Wales approving required action, including improvement plans.
42	FULL	REPORTING	Approve DHCW's Reporting Arrangements, including reports on activity and performance to partners and stakeholders and nationally to the Welsh Government where required.
43	FULL	REPORTING	Receive, approve and ensure the publication of DHCW reports, including its Annual Report and annual financial accounts in accordance with directions and guidance issued.

ADDITIONAL AREAS OF RESPONSIBILITY DELEGATED TO CHAIR, VICE CHAIR AND INDEPENDENT MEMBERS			
	CHAIR		
	VICE CHAIR		
	CHAMPION/ NOMINATED LEAD		

DELEGATION OF POWERS TO COMMITTEES AND OTHERS³

Standing Order 2 provides that the Board may delegate powers to 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.

Any delegated powers to Board Committees are set out in the Terms of reference of the relevant committee, which are appended to these SOs for the following Committees:

- Audit Committee [title to be inserted];
- Remuneration and Terms of Service Committee; and
- Committee or committees to provide oversight and scrutiny of quality, safety, information governance, data quality, security and risk

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 Board's Scheme of Delegation to Committees.

³ As defined in Standing Orders

SCHEME OF DELEGATION TO EXECUTIVE DIRECTORS, OTHER DIRECTORS AND OFFICERS

The DHCW Standing Orders and Standing Financial Instructions 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 Standing Financial Instructions form the basis of the SHA's Scheme of Delegation to Officers.

DELEGATED MATTER	RESPONSIBLE OFFICER(S)

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

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

Delegated Financial Limits

	DHCW	Revenue	Capital
1	Board	No Limit*	No Limit*
2	Chief Executive		
3	Director of Finance		
4	Executive Directors / Board Secretary – Within delegated budget area		
5	Deputy Director of Finance		
6	Delegated Budget Managers (within own area) directly reporting to 4 above		
7	Delegated Budget Managers (within own area) directly reporting to 6 above		
8	Delegated Budget Managers (within own area) directly reporting to 7 above		
9	Delegated Budget Managers (within own area) directly reporting to 8 above		

* All contracts exceeding £1million in value require notification to Welsh Ministers prior to award

Schedule 2

KEY GUIDANCE, INSTRUCTIONS AND OTHER RELATED DOCUMENTS

This Schedule forms part of, and shall have effect as if incorporated in the DHCW Standing Orders

DHCW Framework

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

- ***SFIs***
- ***Values and Standards of Behaviour Framework***
- ***Risk and Assurance Framework***
- ***Key policy documents agreed by the Board including:***
 - ***Policies, procedures and other written control documents policy and procedure;***
 - ***Equality and Human Rights Policy***
 - ***Welsh Language Scheme;***

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.

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 <https://nwssp.nhs.wales/all-wales-programmes/governance-e-manual/>. Directions or guidance on specific aspects of DHCW business are also issued in hard copy, usually under cover of a Welsh Health Circular.

Schedule 3

BOARD COMMITTEE ARRANGEMENTS

This Schedule forms part of, and shall have effect as if incorporated in the DHCW Standing Orders

The DHCW Board has agreed initially to set up three committees:

- Audit Committee; [Title to be inserted]
- Remuneration and Terms of Service Committee; and
- Committee or committees to provide oversight and scrutiny of quality, safety, information governance, data quality, security and risk

The Terms of Reference and Operating arrangement for each Committee is detailed below:

Audit Committee

The **Audit Committee** is responsible for reviewing the system of governance and assurance established within DHCW and the arrangements for internal control, including risk management, for the organisation and, in particular, advises on the Annual Governance Statement signed by the Chief Executive.

The Committee also keeps under review the risk approach of the organisation and utilises information gathered from the work of the Board, its own work, the work of other Committees and also other activity in the organisation in order to advise the Board regarding its conclusions in relation to the effectiveness of the system of governance and control

Remuneration and Terms of Service Committee

The **Remuneration and Terms of Service Committee** has the purpose of providing 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 Government and provide *assurance* to the Board in relation to DHCW'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.

Committee or committees to provide oversight and scrutiny of quality, safety, information governance, data quality, security and risk

In addition to the Audit and Remuneration and Terms of Service Committee the organisation will also ensure it establishes a committee or committees responsible for providing *assurance* to the Board in relation to DHCW's arrangements with regard to quality, safety, information governance, data quality, security and risk.

Standard Terms of Reference and Operating Arrangements for all Committees of the Board

Date: 22 March 2021	Version: Draft 1.0
Review Date: Annually	
1. Introduction: <p>Section 3.1 of the DHCW standing orders provide that “The Board may and, where directed by the Welsh Government must, appoint Committees 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”.</p> <p>In line with Section 3.3 of the standing orders, the Board shall as a minimum nominate annually committees which cover the following aspects of Board business:</p> <ul style="list-style-type: none">• Audit and Assurance;• Remuneration and Terms of Service; and• Committee or committees to provide oversight and scrutiny of quality, safety, information governance, data quality, security and risk <p>Each has its own committee.</p> <p>This document includes content common to all committees and should be read alongside the specific terms of reference and operating arrangements for each committee.</p> <p>The provisions of Section 5 of the Standing Orders have also been taken into account when developing the committee Terms of Reference. This relates to transparency of meetings, planning board/committee business, setting agenda’s etc.</p>	
2. Authority: <p>Each Committee is authorised by the Board to investigate or have</p>	

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 Authority relevant to the Committee's remit, ensuring staff confidentiality, as appropriate. It may seek relevant information from any:

- employee (and all employees are directed to co-operate with any reasonable request made by the Committee); and
- any other Committee, joint-Committee, sub-committee, joint sub-Committee or group set up by the Board to assist it in the delivery of its functions.

Each 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. Sub-Committees and Groups

Each Committee may, subject to the approval of the Board, establish sub-committees or groups to carry out on its behalf specific aspects of Committee business.

4. Membership and Attendees:

4.1 Secretariat

As determined by the Board Secretary.

4.2 Member Appointments

- The membership of each Committee shall be determined by the Board, based on the recommendation of the Chair - taking account of the balance of skills and expertise necessary to deliver each Committee's remit and subject to any specific requirements or directions made by the Welsh Government. The Board shall ensure succession planning arrangements are in place.
- Members shall be appointed to hold office for a period of one year at a time, up to a maximum of their term of office. During this

time a member may resign or be removed by the Board. The Board should, as a matter of good practice, review the membership of each Committee every two years in order to ensure each Committee is continually refreshed whilst maintaining continuity.

- Committee members' terms and conditions of appointment, (including any remuneration and reimbursement) will be in accordance with their terms of appointment to DHCW. Where a member has been co-opted to fulfil a specific function and where they are not Non-Executive Directors or employees of DHCW this will be determined by the Board, based upon the recommendation of the Chair and on the basis of advice from the Remuneration and Terms of Service Committee.

4.3 Support to Committee Members

The Board Secretary, on behalf of each Committee Chair, shall:

- Arrange the provision of advice and support to committee members on any aspect relating to the conduct of their role; and
- Ensure the provision of a programme of organisational development for Committee members as part of the overall Organisational Development programme developed by the Deputy Chief Executive.

4.4 Withdrawal of individuals in attendance

Each 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.

Members and attendees will also withdraw from the meeting, as appropriate, where there is a potential conflict of interest.

5. Relationships and accountabilities with the Board and its Committees/Groups:

Although the Board has delegated authority to the Committees for the exercise of certain functions, as set out within each Committee's terms of reference, it retains overall responsibility and accountability for ensuring a strategic approach to developing the Welsh health workforce for now and for the future through the effective governance of the organisation.

Each Committee is directly accountable to the Board for its performance in exercising the functions set out in each Committee's terms of reference.

Each 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.

- Each Committee shall embed DHCW values, corporate standards, priorities and requirements through the conduct of its business.

6. Reporting and Assurance Arrangements:

Each Committee Chair shall:

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

- 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 when appropriate, as well as the presentation of an annual report;

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. This could be where the Committee's assurance role relates to a joint or shared responsibility.

The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self-assessment and evaluation of each Committee's performance and operation including that of any sub committees established and groups.

Terms of Reference and Operating Arrangements – Audit Committee

Date: 22 March 2021

Review Date: Annually

1. Introduction

In line with Section 3 of the Standing Orders, the Board shall nominate annually a committee which covers Audit. This remit of this Committee will be extended to include Assurance and Corporate Governance and will be known as the **Audit Committee**.

The detailed terms of reference and operating arrangements set by the Board in respect of this Committee are detailed below.

These terms of reference and operating arrangements are to be read alongside the standard terms of reference and operating arrangements applicable to all committees.

2. Purpose

The purpose of the Audit Committee ("the Committee") is to:

- **Advise** and **assure** the Board and the Chief Executive (who is the Accountable Officer) on whether effective arrangements are in place - through the design and operation of DHCW's assurance framework - to support them in their decision taking and in discharging their accountabilities for securing the achievement of its objectives, in accordance with the standards of good governance determined for the NHS in Wales
- Where appropriate, the Committee will **advise** the Board and the Accountable Officer on where, and how, its systems and assurance framework may be strengthened and developed further
- **Approve** on behalf of the Board policies, procedures and other written control documents in accordance with the Scheme of Delegation

3. Delegated Powers

With regard to its role in providing advice to the Board, the

Committee will comment specifically on the:

- adequacy of DHCW's strategic governance and assurance framework, systems and processes for the maintenance of an effective system of governance, internal control and risk management across the whole 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 and other directions and requirements set by the Welsh Government and others
 - reliability, integrity, safety and security of the information collected and used by the organisation
 - the efficiency, effectiveness and economic use of resources
 - the extent to which the organisation safeguards and protects all its assets, including its people.

In undertaking its work and responsibility the Committee will comment specifically on:

- Board's Standing Orders, and Standing Financial Instructions (including associated framework documents, as appropriate)
- 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
- Schedule of Losses and Special Payments
- planned activity and results of internal audit, external audit and the Local Counter Fraud Specialist (including strategies, annual work plans and annual reports)

- adequacy of executive and management's response to issues identified by audit, inspection and other assurance activity
- proposals for accessing Internal Audit services via Shared Service arrangements (where appropriate)
- anti fraud policies, whistle-blowing (raising concerns) processes and arrangements for special investigations
- issues upon which the Board or the Accountable Officer may seek advice

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

- 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 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 National Assembly for Wales Directions and as required by the Counter Fraud and Security Management Service

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.

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 Chief Executives assurance needs across the whole of DHCW activities;
- the reliability and integrity of these assurances

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 Chief Executive through the Committee
- there is an effective audit and quality improvement function that provides appropriate assurance to the Board and the Accountable Officer through the committee discharged with ensuring quality and safety of services.
- 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 Chief Executive or through the work of the Board's committees
- the work carried out by key sources of external assurance, in particular, but not limited to DHCW'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

- systems for financial reporting to the Board, including those of budgetary control, are effective
- results of audit and assurance work specific to DHCW, and the implications of the findings of wider audit and assurance activity relevant to the DHCW's operations are appropriately considered and acted upon to secure the ongoing development and improvement of the organisations governance arrangements

The Committee will review and agree the programme of work on an annual basis, and will recommend it to the Board for approval.

4. Access

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 vice versa.

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.

The Chair of the Audit Committee shall have reasonable access to Executive Directors and other relevant senior staff.

5. Membership, Attendees and Quorum

5.1 Members

A minimum of three members, comprising:

Chair Independent Member

Members Independent Member x 2

The Chair of the organisation shall not be a member of the Audit Committee, but may be invited to attend by the Chair of the Committee as appropriate.

5.2 Attendees

In attendance:

Board Secretary
Director of Finance
Head of Internal Audit (or representative)
Local Counter Fraud Specialist
Representative of the Auditor General for Wales

In addition to this others from within or outside the organisation who the Committee considers should attend, will be invited taking account of the matters under consideration at each meeting.

The Chief Executive shall be invited to attend, at least annually, to discuss with the Committee the process for assurance that supports the Annual Governance Statement.

5.3 Quorum

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 where appointed).

6. Frequency of Meetings

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

7. Relationships and accountabilities with the board and its Committees/Groups:⁵

The Audit Committee must have an effective relationship with other committees or sub-committees of the Board so that it can understand the system of assurance for the Board as a whole. It is very important that the Audit Committee remains aware of its distinct role and does not seek to perform the role of other committees.

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 DHCW's overall framework of assurance.

8. Reporting and Assurance Arrangements

The Committee shall provide a written, annual report to the Board and the Chief Executive on its work in support of the Annual Governance Statement, specifically commenting on the adequacy of the assurance framework, 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.

⁵ Reference to the Board's Committees/Groups incorporates its sub committees, as well as other groups, such as Task and Finish Groups, where this is appropriate to the remit of this Audit Committee

Terms of Reference and Operating Arrangements – Remuneration and Terms of Service Committee

Date: 22 March 2021	Version: Draft 1.0
Review Date: Annually	
1. Introduction	
<p>In line with Section 3 of the Standing Orders and DHCW's Scheme of Delegation, the Board shall nominate annually a committee to be known as the Remuneration and 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.</p> <p>These terms of reference and operating arrangements are to be read alongside the standard terms of reference and operating arrangements applicable to all Committees.</p>	
2. Purpose	
<p>The purpose of the Remuneration and Terms of Service Committee ("the Committee") is to provide:</p> <ul style="list-style-type: none">• advice to the Board on remuneration and terms of service and performance for the Chief Executive, Executive Directors and other senior staff within the framework set by the Welsh Government• assurance to the Board in relation to DHCW'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. <p>The Committee shall have no powers to exercise on behalf of the Board.</p>	

3. Delegated Powers

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, members of the Executive Team and other Very Senior Managers (VSMs); ensuring that the policies on remuneration and terms of service as determined from time to time by the Welsh Government are applied consistently
- objectives for Executive Directors and members of the Executive Team and their performance assessment
- performance management system in place for those in the positions mentioned above and its application
- proposals regarding termination arrangements, including those under the Voluntary Early Release Scheme, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant Welsh Government guidance.

4. Membership, Attendees and Quorum

4.1 Members

Chair: DHCW Chair

Members: Independent Members

4.2 By Invitation As required but usually to include:
Chief Executive
Director of Finance
Board Secretary

The Committee Chair may invite the following to attend all or part of a meeting to assist it with its discussions on any particular matter:

- any other official;

- and/or any others from within or outside the organisation

4.3 Quorum

At least **three** members must be present to ensure the quorum of the Committee, one of whom must be the Chair (or Vice Chair where appointed).

5. Frequency of Meetings

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 annual plan of Board Business.

Schedule 4

ADVISORY GROUPS

Terms of Reference and Operating Arrangements

This Schedule forms part of, and shall have effect as if incorporated in the
DHCW Standing Orders

[DHCW to insert details, including detailed terms of reference and operating arrangements for each Advisory Group – as a minimum to include the Local Partnership Forum]

Local Partnership Forum Advisory Group Terms of Reference and Operating Arrangements

1. Role and Purpose

The DHCW Local Partnership Forum (LPF) is the formal mechanism where NHS Wales's employers and trade unions/professional bodies (hereafter referred to as staff organisations) work together to improve health services for the people of Wales. It is the forum where key stakeholders will engage with each other to inform, debate and seek to agree local priorities on workforce and health service issues.

At the earliest opportunity, DHCW members will engage with staff organisations in the key discussions within the SHA at the Board, LPF and Directorate levels.

All LPF members are full and equal members of the forum and collectively share responsibility for the decisions made.

The LPF will provide the formal mechanism for consultation, negotiation and communication between the staff organisations and management. The TUC principles of partnership will apply. These principles are attached at Appendix 1.

The purpose of the LPF will be to:

- Establish a regular and formal dialogue between the Executive Directors and staff organisations on matters relating to workforce and health service issues.
- Enable employers and staff organisations to put forward issues affecting the workforce.
- Provide opportunities for staff organisations and managers to input into organisation service development plans at an early stage.
- Consider the implications on staff of service reviews and identify and seek to agree new ways of working.
- Consider the implications for staff of NHS reorganisations at a national or local level and to work in partnership to achieve mutually successful implementation.

- Appraise and discuss in partnership the financial performance of the organisation on a regular basis.
- Appraise and discuss in partnership the organisations services and activity and its implications.
- Provide opportunities to identify and seek to agree quality issues, including clinical governance, particularly where such issues have implications for staff.
- Communicate to the partners the key decisions taken by the Board and senior management.
- Consider national developments in NHS Wales Workforce and Organisational Strategy and the implications for the organisation including matters of service re-profiling.
- Negotiate on matters subject to local determination.
- Ensure staff organisation representatives are afforded reasonable paid time off to undertake trade union duties
- To develop in partnership appropriate facilities arrangements using A4C Facilities Agreement as a minimum standard.

In addition the LPF can establish LPF sub groups to establish ongoing dialogue, communication and consultation on service and operational management issues specific to Directorates. Where these sub groups are developed they must report to the DHCW LPF.

2. General Principles

DHCW and LPF accepts that partnerships help the workforce and management work through challenges and to grow and strengthen their organisations. Relationships are built on trust and confidence and demonstrate a real commitment to work together.

The principles of true partnership working between staff organisations and Management are as follows:

- Staff organisations and management show joint commitment to the success of the organisation with a positive and constructive approach
- They recognise the legitimacy of other partners and their interests and treat all parties with trust and mutual respect

- They demonstrate commitment to employment security for workers and flexible ways of working
- They share success – rewards must be felt to be fair
- They practice open and transparent communication – sharing information widely with openness, honesty and transparency
- They must bring effective representation of the views and interests of the workforce
- They must demonstrate a commitment to work with and learn from each other

All LPF members must:

- be prepared to engage with and contribute fully 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.

A Code of Conduct is attached as Appendix 2.

3. Membership

All members of the LPF are full and equal members and share responsibility for the decisions of the LPF. The NHS organisation shall agree the overall size and composition of the LPF in consultation with those staff organisations DHCW recognises for collective bargaining. The Trade Union member of the Board will be expected to attend the LPF in an ex-officio capacity. As a minimum, the membership of the LPF shall comprise:

Management Representatives

Management will normally consist of the following members of management representatives.

Chief Executive
 Finance Director
 General Managers/Divisional Managers (as locally identified)
 Director of Workforce and OD (or equivalent)
 Workforce and OD staff (as locally identified)

Other Executive Directors and others may also be members or may be co-opted dependant upon the agenda.

Staff Representatives

The Board recognises those staff organisations listed in Appendix 3 for the representation of members who are employed by DHCW.

Staff representatives must be employed by DHCW and accredited by their respective staff organisations for the purposes of bargaining. If a representative ceases to be employed by DHCW or ceases to be a member of a nominating staff organisation then they will automatically cease to be a member of the LPF. Full time officers of the staff organisations may attend meetings subject to prior notification and agreement.

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.

Quorum

Every effort will be made by all parties to maintain a stable membership. There should be 50% attendance of both parties for the meeting to be quorate.

If the meeting is not quorate no decisions can be made but information may be exchanged. Where joint chairs agree extraordinary meeting may be scheduled within 7 calendar days notice.

Consistent attendance and commitment to participate in discussions is essential. Where a member of the LPF does not attend on 3 consecutive occasions, the Joint Secretaries will write to the LPF member and bring the response to the next meeting for further consideration and possible removal.

4. Officers

The Staff Organisation Chair, Vice Chair and Secretary will be elected from the LPF annually. Best practice requires these three officers to come from different staff organisations.

Chairs

The Management and Staff Organisation Chairs will chair the LPF. This will be done on a rotational basis. In the absence of the Chair(s) the Vice Chair(s) will act as Chair. The Chairs shall work in partnership with each other and, as appropriate, with the Chairs of DHCW's other advisory groups (if applicable). Supported by the Board Secretary, Chairs shall ensure that key and appropriate issues are discussed by the LPF in a timely manner with all the necessary information and advice being made available to LPF members to inform the debate and ultimate resolutions

Joint Secretaries

Each side of the LPF should appoint/elect its own Joint Secretary. The Management and Staff Organisation Secretary will be responsible for the preparation of the agendas and minutes of the meetings held, and for obtaining the agreement of the Management and Staff Organisation Chairs.

The Director of Workforce and OD (or equivalent) will act as Management Secretary and will be responsible for the maintenance of the constitution of the LPF membership, the circulation of agenda and minutes and notification of meetings.

5. Sub Committees

When is considered appropriate, the LPF can decide to appoint a sub committee, to hold detailed discussion on a particular issue(s). Nominated representatives to sub committees will communicate and report regularly to the LPF.

6. Management of Meetings

Meetings will be held bi-monthly but this may be changed to reflect the need of either staff organisations or management.

The business of the meeting shall be restricted to matters pertaining to LPF issues and should include local operational issues. DHCW wide strategic issues and issues that have DHCW wide implications shall be referred to the Welsh Partnership Forum via the Board.

The minutes shall normally be distributed 10 days after the meeting and no later than 7 days prior to the next meeting. Items for the agenda and supporting papers should be notified to the Management Secretary as early as possible, and in the event at least two weeks in advance of the meeting.

The LPF has the capacity to co-opt others onto the LPF or its sub groups as deemed necessary by agreement.

Six Principles of Partnership Working

- a shared commitment to the success of the organisation
- a focus on the quality of working life
- recognition of the legitimate roles of the employer and the 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 the future plans for the organisation
- adding value – a shared understanding that the partnership is delivering measurable improvements for the employer, the union and employees

Code of Conduct

A code of conduct for meetings sets ground rules for all participants:

- Respect the meeting start time and arrive punctually
- Attend the meeting well-prepared, willing to contribute and with a positive attitude
- Listen actively. Allow others to explain or clarify when necessary
- Observe the requirement that only one person speaks at a time
- Avoid 'put downs' of views or points made by colleagues
- Respect a colleague's point of view
- Avoid using negative behaviours e.g. sarcasm, point-scoring, personalisation
- Try not to react negatively to criticism or take as a personal slight
- Put forward criticism in a positive way
- Be mindful that decisions have to be made and it is not possible to accommodate all individual views
- No 'side-meetings' to take place
- Respect the Chair
- Failure to adhere to the Code of Conduct may result in the suspension or removal of the LPF member.

List of Recognised Trade Unions/Professional Bodies referred to as 'staff organisations' within these Standing Orders

- British Medical Association (BMA)
- Royal College of Nursing (RCN)
- Royal College of Midwives (RCM)
- UNISON
- UNITE
- GMB
- British Orthoptic Society
- Society of Radiographers
- British Dental Association
- Society of Chiropodists and Podiatrists
- Federation of Clinical Scientists
- Chartered Society of Physiotherapy (CSP)
- British Dietetic Association
- British Association of Occupational Therapists (BAOT)