

Governors Annual Declaration

Information Booklet

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Part 1 - Roles and Responsibilities of Governors and Non-Executive Directors

1. Introduction

Governors provide their time voluntarily to support the hospital. The Trust is very grateful for the support received from all Governors and their commitment to the hospital is commendable. Each Governor brings with them a wealth of experience and knowledge that can be used for the benefit of patients. We value this experience and would like to support you in using these skills across hospital groups and committees.

The Health and Social Care Act 2012 outlines the Governors roles and responsibilities and as these are laid down in statute and they cannot be altered. The Trust and its Governors need to demonstrate compliance with these areas. However, there is some level of interpretation related to how some of these elements are practically applied. For example, how we hear the voice of the public and the membership or how we actually hold the Non-Executive Directors (NEDs) to account.

The purpose of the document is to firstly to assist governors in understanding the roles and responsibilities of Governors and NEDs, and secondly, to build a framework that demonstrates how Governors are holding NEDs to account e.g. through reports from the NEDs at the CoG meetings.

The Governors and Non-Executive Directors should work in partnership to ensure that the NEDs are challenging the Executives on the performance of the trust board as whole.

2. Governor's Role

Key Principles to enable Governors to fulfil all their roles:

1. The overall responsibility for running an NHS foundation trust lies with the board of directors.
2. The council of Governors is the collective body through which the directors explain and justify their actions, and the council should not seek to become involved in the operational running of the trust.
3. Governors must act in the best interests of the NHS foundation trust and should adhere to its values and code of conduct.
4. Directors are responsible and accountable for the performance of the Foundation Trust; Governors do not take on this responsibility or accountability. This is reflected in the fact that directors are paid while Governors are not remunerated.
5. Governors hold no fiduciary or corporate responsibility

3. Lead Governor Role

The Lead Governor is:

- Elected by the Council of Governors
- Works with the Chair and Trust Board Secretary to set the agendas for the meetings and the seminars
- Point of contact for the Governors to raise issues and identify areas to be included in the CoG agendas
- The main point of contact in a few specific circumstances in which NHS Improvement may need to contact the CoG or vice versa.

4. Governors Responsibilities

The over-riding role of the council of Governors is to hold the NEDs individually and collectively to account for the performance of the board of directors and to represent the interests of NHS foundation trust members and of the public.

Governors have three essential continuing roles and, from time to time, a fourth:

3.1.1 To appoint (administered by the Remuneration and Nomination Committee) and to “**hold NEDs to account**”

- The Council of Governors appoint the Chairman and other NEDs and set their terms of office and remuneration.
- To ratify the appointment of the Chief Executive made by the NEDs.
- It is the responsibility of the Governors to hold the NEDs to account for the performance of the Board of Directors
- It is not the responsibility of the Council of Governors to make the decisions of the Board of Directors on the operational management of the organisation. If there was any impact on performance, this would need to be raised with the Non-Executive team to challenge the Executive

3.2 To act as **ambassadors** for the hospital

- To market/promote the services of the hospital wherever the opportunity arises
- To address any misapprehensions. People may harbour old views of the hospital from years gone by
- To help arrange and participate in external activities (e.g. medical lectures)
- To encourage volunteers

3.3 To **seek and represent** the views of members

- To attend community engagement events to meet and hear back from the public

- To engage with your local GP patient groups to hear back from those that use the hospital services
- To speak with other interested groups in your neighbourhood
- To recruit new members

3.4 With **ultimate control**

- The responsibility to approve significant transactions over £3m. The level is agreed between the Council of Governors and the Board of Directors.
- The Governors and members ultimately receive the report and accounts at the Annual Members Meeting (AMM).

5. Meetings/Dialogue

Less formal

- Participating in Trust committees and groups
- Attending PLACE Assessments
- Site visits (supervised)

Formal – the AMM and Governor meetings/seminars

- Raise issues in advance with Lead Governor. The relevant NED would then, as part of their involvement in the Trust committees, raise these concerns, and challenge the Executives on performance and action plans
- If there are any issues you are unhappy about the Senior Independent Director, Gordon Johns, is the contact
- Be mindful of others and their time to contribute/speak (a code of conduct is attached)
- It is intended that:
 - A pre-meet before each CoG meeting should be allowed for governors only
 - NEDs will report back from the formal sub-committee of the board
 - NEDs will report back with the Governors issues from Trust Committees where governors are represented
 - Schedule of rolling programme of NED overview of their activities.

Frequency of meetings

Governors must attend Council of Governor (COG) 'Meetings' – 4 per year every three months for two hours in the evening (Wednesday). These are face to face which will be held within Bedfordshire. If they are unable to attend apologies must be sent in advance.

Governors may, based on their needs and issues being raise, attend the Council of Governor (COG) 'Seminars' that are scheduled for two consecutive months, following each CoG Meeting. These meeting are held in the evening.

6. Non-Executive Duties

NEDs are appointed and held to account by the Governors in doing their duties. The NEDs duties are (in summary):

- a. Appointing the Executive Directors, including the CEO. (The appointment of the CEO is approved by the Council of Governors.) This is undertaken by the Executive Remuneration and Nomination Committee
- b. Ensuring a governance framework exists (and participating in that structure) to run the hospital
- c. Fulfilling statutory duties (signing off the accounts, submitting returns to NHSI, etc.)
- d. Working with the Executive on delivering the core values of the hospital

7. Overall

It is essential that Governors and NEDs each acknowledge their respective duties and work in partnership. It is important that each group (both collectively and individually) feel that they have an opportunity to fulfil all their roles for the benefit of the hospital and the community it serves. Governors are a vital part of the Trust Governance system and the role of the Governors should work seamlessly with the Non-Executive Directors to work towards the same common values of improving services for patients.

Part 2 – Code of Conduct

Extract from the Bedfordshire Hospital's NHS Foundation Trust Constitution Annex 4 - Governors' Code of Conduct

1. All members of the Bedfordshire Hospitals NHS Foundation Trust Council of Governors will:
 - a. Abide by the Seven Principles of Public Life (Nolan) which are:

Selflessness

Holders of public office should take decisions solely in terms of public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, friends or associates.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office should be as open as possible about all decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Openness

Holders of public office should take collective responsibility and be transparent and as open as possible about the processes involved in decision making. They should give reasons for the decisions made by the Council of Governors. All information of a confidential nature must be respected, and in the event that this restriction is not in the public interest, should be discussed with the Board Secretary.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

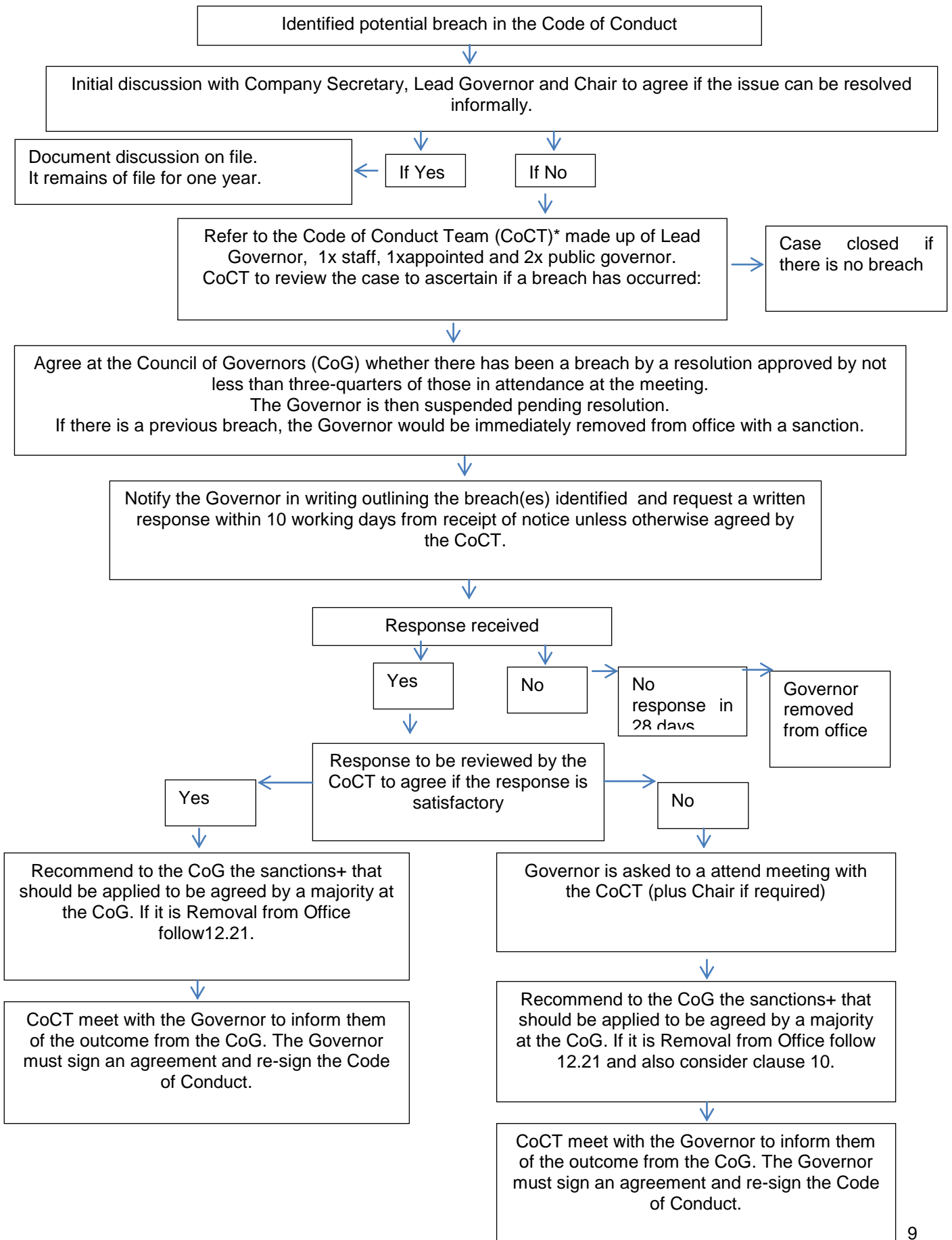
These principles apply to all aspects of public life. The Nolan Committee has set them out here for the benefit of all who serve the public in any way.

- b. Actively support the vision and aims of the Trust in developing as a successful NHS Foundation Trust;
- c. Act in the best interests of the NHS Foundation Trust at all times;
- d. Contribute to the work of the Council of Governors in order for it to fulfil its role as defined in the Trust's Constitution;
- e. Recognise that the Council of Governors exercises collective decision making on behalf of patients, members, local public and staff;
- f. Not expect any privilege arising from being a Governor;
- g. Recognise that the Council of Governors has no managerial role within the NHS Foundation Trust;
- h. Value and respect Governor Colleagues, Board of Directors, and all members of staff;
- i. Respect the confidentiality of information received in the role of Governor;
- j. Attend meetings of the Council of Governors, members' meetings and development days on a regular basis, in order to carry out their roles;
- k. Conduct them in a manner that reflects positively on the Bedfordshire Hospitals NHS Foundation Trust, acting as an ambassador for the Trust;
- l. In undertaking the role of Governor of this NHS Foundation Trust, all Governors shall sign the following declaration:
 - i) If I am a member of any trade union, political party or other organisation, recognise that I must declare this fact and that I will not be representing those organisations (or the views of those organisations) but will represent the constituency that elected me;
 - ii) As a Governor I will act on behalf of and represent the constituency that elected me and forward any members' concerns through the Trust Board Secretary.

I will not use the role to raise personal issues and will ensure I inform my constituents of the procedure to follow in order for them to have their issues and concerns dealt with.

- iii) Seek to ensure that my fellow Governors are valued as fellow colleagues and that their views are both respected and considered;
- iv) Accept responsibility for my own actions;
- v) Show my commitment to working as a team member by working with all my colleagues in the NHS and the wider community;
- vi) Seek to ensure that the membership of the constituency I represent is properly informed and given the opportunity to influence services;
- vii) Seek to ensure that no one is discriminated against because of their religion, belief, race, colour, gender, marital status, disability, sexual orientation, age, social and economic status or national origin;
- viii) Comply with the Constitution;
- ix) Respect the confidentiality of individual patients;
- x) I will respect the confidentiality of all issues discussed at a Part II meeting of the Council of Governors and not disclose these outside of the meeting or to a third party;
- xi) Not knowingly make or permit any untrue or misleading statement relating to my own duties or the functions of the NHS Foundation Trust;
- xii) Inform the Trust Board Secretary as soon as possible if contacted by the media or press. Any statements or dealings with the media or press with regard to the Trust must be channelled through the Trust Board Secretary and Communications Office.
- xiii) As a Governor I will at all times uphold the reputation and integrity of the Trust and not bring it into disrepute.
- xiv) Support and assist the Accountable Officer of the NHS Foundation Trust in his/her responsibility to answer the regulator, commissioners and the public for the performance of the Trust.

Non-Compliance with the Code of Conduct - see flow chart below



* The Code of Conduct Team would have the support of the Company Secretary to ensure that the communications are pulled together and agreed through the legal and advisory channels.

+ Sanctions are: No Sanction, Verbal Warning, Written Warning or Removed from Office. The Code of Conduct Team are able to recommend an alternative sanction should these options not be deemed appropriate.

The following provisions shall apply to those subject to a Code of Conduct process:

- a) Where misconduct takes place, the Chair shall be authorised to take such action as may be immediately required, including the exclusion of the person concerned from a meeting (s), Seminar (s) and Trust Committees.
- b) If the Code of Conduct process is initiated, it would be suspended if the Governor resigns. However, should the person subsequently be re-elected as a Governor, the Code of Conduct process would be re-instated on election and before the office is taken up at the Annual Members Meeting. This is completed in line with the Code of Conduct Process Flowchart.

Part 3 – Declarations of Interest

Extract from the Bedfordshire Hospitals NHS Foundation Trust Conflict of Interest Policy

7. DECLARATIONS OF INTERESTS AND REGISTER OF INTERESTS

7.1 Declaration of Interests - The Code of Accountability requires Directors and Governors to declare interests which are relevant and material to the Board of Directors of which they are a member. All existing Directors and Governors should declare such interests. Any board directors appointed subsequently should do so on appointment.

7.2 Interests which should be regarded as "relevant and material" are:

- a) Directorships, including non-executive directorships held in private companies or plc (with the exception of those of dormant companies).
- b) Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS.
- c) Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS.
- d) A position of trust in a charity or voluntary organisation in the field of health and social care.
- e) Any connection with a voluntary or other organisation contracting for NHS services.
- f) Any other commercial interest in the decision before the meeting.

7.3 At the time Board Directors interests are declared, they should be recorded in the Board minutes. Any changes in interests should be declared at the next Board meeting following the change occurring.

7.4 Board members' directorships of companies likely or possibly seeking to do business with the NHS should be published in the Board's annual report. The information should be kept up to date for inclusion in succeeding annual reports.

7.5 During the course of a Board meeting, if a conflict of interest is established, the member concerned should withdraw from the meeting and play no part in the relevant discussion or decision.

- 7.6 There is no requirement in the Code of Accountability for the interests of Board Directors spouses or partners to be declared. However Standing Order 7, which is based on the regulations, requires that the interest of spouses, if living together, in contracts should be declared. Therefore, the interests of Board Directors spouses, cohabiting partners and siblings are regarded as relevant.
- 7.7 If Board Directors or governors have any doubt about the relevance of an interest, this should be discussed with the Chairman or Board Secretary. Financial Reporting Standard No 8 (issued by the Accounting Standards Board) specifies that influence rather than the immediacy of the relationship is more important in assessing the relevance of an interest. The interests of partners in professional partnerships including general practitioners should also be considered.
- 7.8 **Register of Interests** - The Board Secretary will ensure that a Register of Interests is established to record formally declarations of interests of Board Directors and Governors. In particular the Register will include details of all directorships and other relevant and material interests which have been declared by both executive and non-executive Board members, as defined in Standing Order 7.2.
- 7.9 These details will be kept up to date by means of an annual review of the Register in which any changes to interests declared during the preceding twelve months will be incorporated.
- 7.10 The Register will be available to the public and the Associate Director of Corporate Affairs will take reasonable steps to bring the existence of the Register to the attention of the local population and to publicise arrangements for viewing it.
- 7.11 The Associate Director of Corporate Affairs shall remove from the register of Directors the name of any Director who ceases to be entitled to be a Director under the provisions of the constitution.

For more details please refer to the Trust Constitution which is found on the Trust website: <https://www.bedfordshirehospitals.nhs.uk/corporate-information/trust-publications/annual-reports-and-key-documents/>

Part 4 – Eligibility to be a Governor & Terms of Office

12.19. A person may not become a Governor of the Foundation Trust if any of the paragraphs 12.19.1 to 12.19.17 apply. If already holding such office the governor's situation will be discussed and processed as outlined in the code of conduct in Annex 4:

12.19.1. they are under sixteen years of age;

12.19.2. they are a Director of the Foundation Trust, or a governor or director of a health service body (unless they are appointed by an appointing organisation which is a health service body);

12.19.3. they are the spouse, partner, parent or child of a member of the Board of Directors of the Foundation Trust;

12.19.4. they are a member of a local authority's Scrutiny Committee covering health matters;

12.19.5. being a Member of one of the Public Constituencies, they refuse to sign a declaration in the form specified by the Secretary of particulars of their qualification to vote as a Member of the Foundation Trust, and that they are not prevented from being a member of the Council of Governors;

12.19.6. they have been adjudged bankrupt or their estate has been sequestrated and in either case they have not been discharged;

12.19.7. they have made a composition or arrangement with, or granted a trust deed for, their creditors and have not been discharged in respect of it;

12.19.8. they have within the preceding five years been convicted in the British Islands of any offence and a sentence of imprisonment (whether suspended or not) for a period of three months or more (without the option of a fine) was imposed;

12.19.9. they have within the preceding two years been dismissed, otherwise than by reason of redundancy, from any paid employment with a health service body;

12.19.10. they are a person whose tenure of office as the Chair or as a member or Director of a health service body has been terminated on the grounds that their appointment is not in the interests of the health service, for non-attendance at meetings, or for non-disclosure of a pecuniary interest;

12.19.11. they have been disqualified from being a Director of a Company or a Trustee of a Charity under the Companies Act 2006 and/or the Charities Act 2006;

12.19.12. they have failed to provide a basic DBS Certificate when requested by the Secretary to do so; or

12.19.13. have, within the last five years been removed from office as a governor of a foundation trust or other elected public office on grounds set out, or similar to those set out in 12.21.

12.19.14. they have had their name suspended, erased, removed or struck off a register of professionals maintained by a regulator of health care or social work professionals;

12.19.15. the staff member is under consideration, investigation or review for an alleged misconduct prior to a formal disciplinary proceeding;

12.19.16. the staff member has been suspended from work while investigation into alleged misconduct is taking place;

12.19.17. the staff member is in receipt of a file note from the Line manager (informal) and the time period for such file note has not expired ; or the staff member is in receipt of first or final written warning under the Trust's formal disciplinary procedure and the time period for such a warning has not expired;

Terms of office for Governors

12.16. Elected Governors:

12.16.1. shall normally hold office for a maximum period of three years commencing immediately after the Annual Members' Meeting at which their election is announced;

12.16.2. are eligible for re-election at the end of that period;

12.16.3. may not hold office for more than nine cumulative years, and shall not be eligible for re-election until at least 3 years have elapsed since they last held office. Existing Governors cannot stand for re-election if the future term of office will take them over the cumulative nine years.