Ashford and St. Peter's Hospitals NHS
NHS Foundation Trust

TRUST BOARD
16th December 2010

TITLE	**Authorisation as a Foundation Trust**
EXECUTIVE SUMMARY	In accordance with the NHS Act 2006, Monitor issues the Terms of Authorisation of a Foundation Trust. This paper asks the Board to ▪ Acknowledge the Terms of Authorisation ▪ Acknowledge the Standing Orders for the Board ▪ Appoint the Executive Directors ▪ Note the position on the Register of protected assets ▪ Agree the winding up of the Foundation Trust Project Board ▪ Note the indemnity for the Board of Directors and agree for the Council
BOARD ASSURANCE (Risk) / IMPLICATIONS	BAF risk 1.3 relates.
STAKEHOLDER / PATIENT IMPACT AND VIEWS	Views of the Council of Governors were sought at their meeting of 1 December 2010.
EQUALITY AND DIVERSITY ISSUES	None known
LEGAL ISSUES	Compliance with the NHS Act 2006
The Trust Board is asked to :	1. Acknowledge the Terms of Authorisation 2. Acknowledge the Standing Orders for the Board 3. Appoint the Executive Directors 4. Note the position on the Register of protected assets and delegate approval to the Chief Executive , Director of Finance and a NED 5. Agree the dissolution of the Foundation Trust Project Board 6. Note the indemnity and insurance arrangements for the Board of Directors and their application to the Council of Governors
Submitted by:	Jane Gear Head of Corporate Affairs
Date:	3rd December 2010
Decision:	For Agreeing and Noting

TRUST BOARD
16th December 2010
Authorisation as a Foundation Trust

1 Background

The Trust was authorised from 1st December 2010.

The Terms of Authorisation for the Foundation Trust comprises 3 parts:

Part 1	Authorisation
Part 2	Interpretation and construction
Part 3	Conditions

There are also 26 Conditions and six schedules to the Terms of Authorisation:

Schedule 1: Constitution (including annexes)

Schedule 2: Mandatory goods and services- sets out volumes or amounts of services that will be provided under legally binding contracts with the commissioning bodies. This is updated annually.

Schedule 3: Mandatory education and training services – sets out volumes or amounts of education and training services that will be provided to third parties under legally binding contracts. This is updated annually.

Schedule 4: Private charges cap – sets out the proportion of total income of the Trust in any financial year derived from private charges (i.e. the care of private patients) and is expressed as a percentage. For Ashford and St Peter's this is set at 2.2%

Schedule 5: Limit on borrowing –sets out the Trust's borrowing limits for the purpose of working capital and longer-term investment. Subject to annual review. For Ashford and St Peter's, this is set at £25.5m maximum cumulative long-term borrowing and an approved working capital facility not to exceed £15m.

Schedule 6: Information –sets out information the Trust is legally obliged to provide post authorisation to other parties. Subject to regular updating by Monitor.

The terms of authorisation are all available on Monitor's web site http://www.monitor-nhsft.gov.uk/home as well as from the Head of Corporate Affairs.

The annexes to the Constitution include

- Annex 8 Standing Orders for the Board (attached)

2 Legal framework

Ashford and St Peter's Hospitals NHS Trust was established under Statutory Instrument 1998 No. 801.

This Order is revoked under section 25(1) of the National Health Service Act 2006. Authorisation as a Foundation Trust does not affect the continuity of the body or its property and liabilities (including criminal).

3 Board of Directors

3.1 Council Appointments

At the Inaugural meeting of the Council of Governors held on 1st December 2010 the Council ratified the appointment of the Non Executive Directors as follows:

	Date of initial appointment with the NHS trust	End date with ASPH NHS FT
Ms Aileen McLeish (Chairman)	1/10/08	30/09/2012
Mr Nadeem Aziz	1/06/10	31/12/2010
Mr Peter Taylor	16/07/08	15/07/2012
Mr Philip Beesley	16/07/08	15/07/2012
Ms Sue Ells	09/02/09	08/02/2013
Mr Terry Price	14/09/08	13/09/2012

The Council noted the resignation of Nadeem Aziz with effect from 31 December 2010.

The Council also noted the appointment of Andrew Liles as Chief Executive.

3.2 Board appointments

The Constitution at Para 25.1 allows for the Board (a committee of the Chairman, Chief Executive and the other Non-Executives) to appoint the Executive Directors.

The Non Executive Directors and the Chief Executive are asked to appoint the following Executive Directors to the Board of Directors:

Director of Finance and Information- John Headley*
Medical Director- Dr Mike Baxter*
Chief Nurse – Susan Osborne* until 20 December 2010
Chief Nurse- Suzanne Rankin* from 20 December 2010
Director of Workforce and Organisational Development- Raj Bhamber
Deputy Chief Executive- Valerie Howell.

These positions are in accordance with the Constitution which ensures a number of statutory appointments to a Board (*) and allows for up to six executive directors including the Chief Executive.

4 Terms of authorisation

Under the Terms of Authorisation the Trust is required to :

1. Obtain written confirmation from Monitor in respect of carrying out research in connection with the provision of Healthcare. Clarification is being sought from Monitor as to the specific requirements.

2. Establish and maintain an asset register in respect of protected property (within one month of authorisation).

This asset register is being prepared. It is recommended that authority to finalise the register is delegated to the Chief Executive, Finance Director and at least one Non Executive Director, and that it is then presented to the January 2011 Board meeting.

5 Indemnity and Insurance

5.1 Indemnity

Standing Orders includes the following wording regarding Indemnity for the Board :

> *Members of the Board of Directors who act honestly and in good faith will not have to meet out of their personal resources any personal civil liability which is incurred in the execution or purported execution of their Board functions, save where they have acted recklessly. Any costs arising in this way will be met by the Trust and the Trust shall have the power to purchase suitable insurance or make appropriate arrangements with the National Health Service Litigation Authority to cover such costs.*

This indemnity is extended to the Council of Governors via their Standing Orders.

5.2 Directors' & Officers [D&O] liability cover

The Trust already has in place Directors and Officers liability Insurance Cover through its NHSLA arrangements. Directors' & Officers [D&O] liability cover is the means by which a Member (the trust) can protect its employees as individuals. The same occurrence can give rise to separate legal actions against both the Member and its Board and/or employees.

In the context of the NHS the cover is intended to mirror the commercial market, although unlike most off-the-shelf commercial insurance policies D&O cover through the NHSLA is unlimited in value and carries no 'excess'.

For the purposes of the cover 'Directors & Officers' are known as an *'Indemnified Person'* and defined in the Rules as *'a Board Member, or a Relevant Person who is not a Board Member'*. That definition includes Non-Executive Directors and the Council of Governors.

D&O liability cover will indemnify the individual against claims for monetary damages or other relief arising from defined wrongful acts, but not any fines or penalties. It does not cover dishonest or fraudulent acts

D&O liability cover will *not* extend to liabilities in respect of 'commercial' activities that fall outside the *'Relevant Function' for* Foundation Trusts The *'Relevant Function'* is the provision of services under the National Health Service Act 2006 and any associated legislation. Hence income generation and Charitable activities are not covered.

Foundation Trusts may purchase additional cover in respect of potential liabilities in respect of activities that fall outside the *'Relevant Function'*. The Director of Finance and Information is the lead for the Trust in

respect of insurance arrangements and will review the need for any top up insurance in respect of 'Directors & Officers Liability Insurance in conjunction with the Finance Committee. This might include cover for D&O after the Director or Officer leaves the Trust.

6 Next steps

The Trust was assessed with the following risk rating under the Monitor Compliance Framework at the date of authorisation

Finance	- FRR 4
Governance	- Amber – green

In accordance with the Monitor Compliance Framework, the Trust will be subject to quarterly monitoring for the first two years. The Board will consider the Q3 self-certification document at its January 2011 Board meeting for approval and submission.

The Board has previously established the Foundation Trust Project Board to oversee the stages leading up to authorisation.

As this has now been successfully achieved, it is recommended that the Project Board be dissolved.

7 RECOMMENDATION

The Board is asked to

7. Acknowledge the Terms of Authorisation
8. Acknowledge the Standing Orders for the Board
9. Appoint the Executive Directors
10. Note the position on the Register of protected assets and delegate approval to the Chief Executive , Director of Finance and a NED
11. Agree the dissolution of the Foundation Trust Project Board
12. Note the indemnity and insurance arrangements for the Board of Directors and their application to the Council of Governors

Jane Gear
Head of Corporate Affairs

Ashford and St. Peter's Hospitals NHS
NHS Foundation Trust

STANDING ORDERS FOR THE PRACTICE AND PROCEDURE OF THE BOARD OF DIRECTORS

ASHFORD & ST. PETER'S HOSPITALS NHS FOUNDATION TRUST

November 2010
Version 1 (Foundation Trust)
Review: I Year Post Authorisation

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SECTION A

1. INTERPRETATION AND DEFINITIONS FOR STANDING ORDERS AND STANDING FINANCIAL INSTRUCTIONS

1.1 Save as otherwise permitted by law, at any Board meeting the Chairman of the Trust shall be the final authority on the interpretation of Standing Orders (on which they should be advised by the Chief Executive or Secretary to the Board).

1.2 Unless a contrary intention is evident or the context requires otherwise, words or expressions contained in these standing orders shall bear the same meaning as in the 2006 Act and the following defined terms shall have the specific meanings given to them below:

1.2.1 **"Accounting Officer**" means the person who from time to time discharges the functions specified in paragraph 25(5) of Schedule 7 to the 2006 Act, namely the Chief Executive.

1.2.2 **"Trust"** means Ashford and St. Peter's Hospitals NHS Foundation Trust.

1.2.3 **"Board or Board of Directors"** means the Chairman, and the Executive and Non-Executive Directors of the Trust collectively as a body.

1.2.4 **"Budget"** means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.

1.2.5 **"Chairman of the Board (or Trust) or Chairman"** is the person appointed under section 17(1) of Schedule 7of the 2006 Act and in accordance with paragraph 22 or 23 of the Constitution to lead the Board and to ensure that it successfully discharges its overall responsibility for the Trust as a whole. The expression "the Chairman" shall be deemed to include the Deputy-Chairman of the Trust if the Chairman is absent from the meeting or is otherwise unavailable.

1.2.6 **"Chief Executive"** means the chief officer (and Accounting Officer) of the Trust appointed in accordance with paragraphs 25 or 26 of the Constitution.

1.2.7 **"Committee"** means a committee or sub-committee appointed by the Trust to sit on or to chair specific Committees.

1.2.8 **"Committee members"** means persons formally appointed by the Board to sit on or to chair specific committees.

1.2.9 **"Constitution"** means the Constitution of Ashford and St. Peter's Hospitals NHS Trust (the Trust) established in accordance with Schedule 7 of the 2006 Act and all annexes to it.

1.2.10 **"Deputy Chairman"** means the Non-Executive Director appointed by the Council of Governors to take on the Chairman's duties if the Chairman is absent for any reason.

1.2.11 **"Director"** means an Executive Director or a Non-Executive Director of the Board.

1.2.12 **"Director of Finance and Information"** means the Chief Financial Officer of the Trust (Finance Director).

1.2.13 **Executive Director "** means a person appointed as an Executive Director of the Trust under sections 15-19 of schedule 7 of the 2006 Act and in accordance with paragraph 25 of the Constitution and who is an officer of the Trust

1.2.14 **Funds held on trust"** shall mean those funds which the Trust holds at the date of incorporation, receives on distribution by statutory instrument, or chooses to subsequently accept under powers derived under Schedule 6, paragraph 8 of the 2006 Act. Such funds may or may not be charitable.

1.2.15 **"Governor"** means a Governor on the Council of Governors and being an Elected Governor or an Appointed Governor.

1.2.16 **"Member"** of the Trust" means a person whose name has been entered into the Trust's register of Members as a member of the Trust's Public constituency or Staff Constituency in accordance with paragraph 5 of the Constitution.

1.2.17 **"Monitor"** means the Independent Regulator of NHS Foundation Trusts, established under section 31 of the 2006 Act

1.2.18 **"Nominated officer"** means an officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.

1.2.19 **"Non-Executive Director"** means a person appointed as a Non-Executive Director of the Trust under Schedule 7 of the 2006 Act and in accordance with paragraph 20 of the constitution.

1.2.20 **"Officer"** means employee of the Trust or any other person holding a paid appointment or office with the Trust.

1.2.21 **"Secretary"** means a person appointed to act independently of the Board to provide advice on corporate governance issues to the Board and the Chairman and monitor the Trust's compliance with the law, its Constitution (which includes these Standing Orders), and Monitor's guidance.

1.2.22 **"SFIs"** means Standing Financial Instructions.

1.2.23 **"Senior Independent Director"** means a Non-Executive Director nominated to the role of Senior Independent Director in accordance with the provisions of the Constitution and Monitor's Code of Governance;

1.2.24 **"SOs"** means Standing Orders.

1.2.25 **"Terms of Authorisation "**means the terms of Authorisation of the Trust issued by Monitor under Section 35(1) of the 2006 Act.

1.2.26 **" Trust"** means the Ashford and St. Peter's Hospitals NHS Foundation Trust

Words importing the masculine gender only shall include the feminine gender; words importing the singular shall import the plural and vice-versa.

SECTION B

1. INTRODUCTION

1.1 Statutory Framework

1.1.1 The Ashford and St. Peter's Hospitals NHS Foundation Trust (the "Trust") is a public benefit corporation which was established under the National Health Service Act 2006 (the "2006 Act"). The principal places of business of the Trust are

Ashford Hospital, London Road, Ashford, Middlesex TW15 3AA and

St. Peter's Hospital , Guildford Road, Chertsey, Surrey,KT16 0PZ

1.1.2 The statutory functions conferred on the Trust are set out in the 2006 Act. The Trust also has a Constitution as required under Schedule 7 of the 2006 Act which includes further provisions consistent with Schedule 7 in support of the governance arrangements within the Trust.

1.1.3 The purpose of the Trust (as required by the 2006 Act) is to provide goods and services for purposes related to the provision of healthcare in accordance with its statutory duties and its Terms of Authorisation. The Trust is to have all the powers of a foundation trust as set out in the 2006 Act, subject to its Terms of Authorisation.

1.2 Regulatory Framework

1.2.1 In addition to the statutory requirements, Monitor may issue further requirements and guidance. Many of these are contained within the 2006 Act and on Monitor's website http://regulator-nhsft.gov.uk or the Department of Health website http://dh.gsi.gov.uk. Information is accessible locally via the Trust's Secretary.

1.2.2 The Constitution provides for the Trust to draw up a Schedule of Decisions Reserved to the Board, and a Scheme of Delegation to enable responsibility to be clearly delegated to committees of the Board and individual Directors. The Constitution also provides for the establishment of audit and remuneration committees and sets out arrangements for dealing with possible conflicts of interests of Board Directors.

1.2.3 Arrangements for public access to information are set out in the Trust's Publication Scheme under the Freedom of Information Act 2000.

1.3 Delegation of Powers

1.3.1 Under the Standing Orders relating to the Arrangements for the Exercise of Functions (SO 4) the Board exercises its powers to make arrangements for the exercise, on behalf of the Trust, of any of its functions by a Committee or sub-Committee appointed by

virtue of SO 5 or by a Director of the Trust, in each case subject to such restrictions and conditions as the Board thinks fit. Delegated Powers are covered in a separate document (Reservation of Powers to the Board and Delegation of Powers).

2. THE TRUST BOARD: COMPOSITION OF MEMBERSHIP, TENURE AND ROLE OF MEMBERS

2.1 General

2.1.1 All business shall be conducted in the name of the Trust.

2.1.2 The Trust has the functions conferred on it by the 2006 Act subject to any restrictions set out in its Terms of Authorisation. In exercising its functions the Board will consider guidance from the Independent Regulator's NHS Foundation Trust Code of Governance as amended from time to time.

2.1.3 All funds or property received in trust under section 51 of the 2006 Act shall be held in the name of the Trust as corporate trustee. In relation to funds held on trust, powers exercised by the Trust as corporate trustee shall be exercised separately and distinctly from those powers exercised as a Trust.

2.1.4 Directors acting on behalf of the Trust as its corporate trustee are acting as quasi trustees under section 51 of the 2006 Act. Accountability for charitable funds held on trust is to the Charity Commission and to Monitor. Accountability for non-charitable funds held on trust is only to Monitor

2.1.5 The Trust has resolved that certain powers and decisions may only be exercised or made by the Board in formal session. These powers and decisions are set out in Reservation of Powers to the Board.

2.2 Composition of the Membership of the Trust Board

2.2.1 In accordance with the 2006 Act and the Trust's Terms of Authorisation and Constitution, the composition of the Board shall be:

The Chairman of the Trust:

Up to 6 Non-Executive Directors (excluding the chairman); and

Up to 6 Executive Directors including:

(a) The Chief Executive;

(b) The Finance Director;

(c) The Director of Nursing and Quality;

(d) The Medical Director;

The operation of 22.1 above shall be that at all times at least half of the Board of Directors, excluding the Chairman, shall be Non-Executive Directors.

2.2.2 Officers of the Trust may also be invited to attend the Board from time to time as and when required to provide operational advice and support to the Board. For the avoidance of doubt, any Officer invited to attend a Board meeting shall do so in the capacity of a non-voting director and will not be a statutory director under the 2006 Act and will bear no responsibility or liability for any action or decision of the Board of Directors.

2.3 Appointment of Chairman and Non-Executive Directors of the Trust

2.3.1 The Chairman and Non-Executive Directors are appointed under sections 15-19 of Schedule 7 of the 2006 Act and in accordance with Paragraph 22 of the Constitution, by the Council of Governors at a general meeting of the Council of Governors.

2.4 Terms of Office of the Chairman and Non-Executive Directors

2.4.1 The remuneration and terms of office of the Chairman and Non-Executive Directors shall be decided by the Council of Governors at a general meeting of the Council of Governors in accordance with sections 15-19 of Schedule 7 of the Act and Paragraph 30.1 of the Constitution.

2.5 Appointment and Powers of Deputy Chairman

2.5.1. For the purpose of enabling the proceedings of the Trust to be conducted in the absence of the Chairman, and subject to SO 2.5.2 below and the request of the Chairman, the Council of Governors at a general meeting of the Council of Governors shall appoint a Non-Executive Director to be Deputy-Chairman for such period, not exceeding the remainder of his term as a Director of the Trust, as they may specify on appointing him.

2.5.2 Any Non-Executive Director appointed as Deputy Chairman in accordance with SO 2.5.1 above may at any time resign from the office of Deputy-Chairman by giving notice in writing to the Chairman. The Council of Governors may thereupon appoint another Non-Executive Director as Deputy-Chairman in accordance with the provisions of SO 2.5.1.

2.5.3 Where the Chairman of the Trust has died or has ceased to hold office, or where he has been unable to perform his duties as Chairman owing to illness or any other cause, the Deputy-Chairman shall act as Chairman until a new Chairman is appointed in accordance with the Constitution or the existing Chairman resumes his duties as the case may be; and references to the Chairman in these Standing Orders shall, so long as there is no Chairman able to perform his duties, be taken to include references to the Deputy-Chairman.

2.6 Appointment of Senior Independent Director

2.6.1 The Chairman may appoint one of the independent Non-Executive Directors as the Senior Independent Director in consultation with the Governors and the other Non-Executive Directors. The Chairman shall normally, but not necessarily, appoint the Deputy Chairman to this position.

2.7 Joint Executive Appointments

2.7.1 Where more than one person is appointed jointly to the post of Executive Director, those persons shall count for the purpose of Standing Order 2.2 as one person.

2.7.2 Where the post of Executive Director of the Board is shared jointly by more than one person:

a. either or both of those persons may attend or take part in meetings of the Board;

b. if both are present at a meeting they should cast one vote if they agree;

c. in the case of disagreements no vote should be cast;

d. the presence of either or both of those persons should count as the presence of one person for the purposes of Standing Order 3.13 Quorum.

2.8. Role of Board

The Board will function as a corporate decision-making body; Executive Directors and Non-Executive Directors will be full and equal members. Their role as members of the Board of Directors will be to consider the key strategic and managerial issues facing the Trust in carrying out its statutory and other functions.

2.8.1 Corporate role of the Board

(i) All business shall be conducted in the name of the Trust.

(ii) All funds received in trust shall be held in the name of the Trust as corporate trustee.

3. MEETINGS OF THE TRUST

3.1 Admission of the public and the press

3.1.1 The public and representatives of the press shall be afforded facilities to attend all formal meetings of the Board but shall be required to withdraw upon the Board resolving as follows:

> "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"

3.1.2 The Chairman (or Deputy-Chairman) shall give such directions as he thinks fit in regard to the arrangements for meetings and accommodation of the public and representatives of the press such as to ensure that the Board's business shall be conducted without interruption and disruption and, without prejudice to the power to exclude on grounds of the confidential nature of the business to be transacted, the public will be required to withdraw upon the Board resolving as follows:

> "that in the interests of public order the meeting adjourn for (the period to be specified) to enable the Board to complete business without the presence of the public"

3.1.3 Nothing in these Standing Orders shall require the Board to allow members of the public or representatives of the press to record proceedings in any manner whatsoever, other than in writing, or make any oral report of proceedings as they take place without the prior approval of the Board.

3.2. Calling Meetings

3.2.1 Ordinary meetings of the Board shall be held at such times and places as the Board may determine.

3.2.2 The Chairman of the Trust may call a meeting of the Board at any time.

3.2.3 If the Chairman refuses to call a meeting after a requisition for that purpose, signed by at least one-third of the whole number of Directors, has been presented to him/her, or if, without so refusing, the Chairman does not call a meeting within seven days after such requisition has been presented to him, at the Trust's Headquarters, such one third or more Directors may forthwith call a meeting.

3.3. Notice of Meetings and the Business to be transacted

3.3.1 Before each meeting of the Board a written notice specifying the business proposed to be transacted shall be delivered to every Director, or sent by post to the usual place of residence of each Director or by email to their habitual email address, so as to be available to Directors at least five working days before the meeting. The notice shall be signed by the Chairman or by an officer authorised by the Chairman to sign on their behalf. Want of service of such a notice on any Director shall not affect the validity of a meeting.

3.3.2 In the case of a meeting called by Directors in default of the Chairman calling the meeting, the notice shall be signed by those Directors, and no business shall be transacted at the meeting other than that specified in the notice.

3.3.3 Failure to serve such a notice on more than three Directors will invalidate the meeting. A notice shall be presumed to have been served at the time at which the notice would be delivered in the ordinary course of the post or arrived by email

3.3.4 A Director desiring a matter to be included on an agenda shall make his/her request in writing to the Chairman at least 10 clear days before the meeting. The request should include appropriate supporting information. Requests made less than 10 days before a meeting may be included on the agenda at the discretion of the Chairman.

3.3.5 Before each meeting of the Trust a public notice of the time and place of the meeting, and the public part of the agenda, shall be displayed at the Trust's office at least three clear days before the meeting.

3.4. Agenda and Supporting Papers

3.4.1 The Agenda will be sent to Directors 5 working days before the meeting and supporting papers, whenever possible, shall accompany the agenda, but will certainly be dispatched no later than three clear days before the meeting, save in emergency.

3.4.2 SOs 3.3.1 and 3.4.1 shall not apply to the inaugural meeting of the Board because of the uncertainty surrounding when Monitor will issue the Trust's Terms of Authorisation.

3.5. Annual General Meeting

The Trust will publicise and hold an annual general meeting of the Members of the Trust in accordance with its Constitution and Terms of Authorisation**.**

3.6 Petitions

Where a petition has been received by the Trust the Chairman shall include the petition as an item for the agenda of the next meeting.

3.7 Notice of Motion

3.7.1 A Director of the Trust desiring to move or amend a motion shall send a written notice thereof at least 10 clear days before the meeting to the Chairman, who shall insert in the agenda for the meeting all notices so received subject to the notice being permissible under the appropriate regulations. This paragraph shall not prevent any motion being moved during the meeting, without notice on any business mentioned on the agenda subject to SO 3.2.3.

3.8 Emergency Motions

Subject to the agreement of the Chairman, and subject also to the provision of Standing Order 3.9 'Motions: Procedure at and during a meeting', a member of the Board may give written notice of an emergency motion after the issue of the notice of meeting and agenda, up to one hour before the time fixed for the meeting. The notice shall state the grounds of urgency. If in order, it shall be declared to the Trust Board at the commencement of the business of the meeting as an additional item included in the agenda. The Chairman's decision to include the item shall be final.

3.9 Motions: Procedure at and during a meeting

3.9.1 Who may propose

A motion may be proposed by the Chairman of the meeting or any Director present. It must also be seconded by another Director.

3.9.2 Contents of motions

The Chairman may exclude from the debate at their discretion any such motion of which notice was not given on the notice summoning the meeting other than a motion relating to:

- the reception of a report;
- consideration of any item of business before the Trust Board;
- the accuracy of minutes;
- that the Board proceed to next business;
- that the Board adjourn;
- that the question be now put.

3.9.3 Motions

The mover of a motion shall have a right of reply at the close of any discussion on the motion or any amendment thereto.

When a motion is under discussion or immediately prior to discussion it shall be open to a Director to move:

a. an amendment to the motion;

b. the adjournment of the discussion or the meeting;

c. that the meeting proceed to the next business. (*);

d. the appointment of an ad hoc committee to deal with a specific item of business; or

e. that the motion be now put (*)

In the case of sub-paragraphs denoted by (*) above to ensure objectivity, motions may only be put by a Director who has not previously taken part in the debate.

No amendment to the motion shall be admitted if, in the opinion of the Chairman of the meeting, the amendment negates the substance of the motion.

3.10 Motion to Rescind a Resolution

3.10.1 Notice of motion to rescind any resolution (or the general substance of any resolution) which has been passed within the preceding six calendar months shall bear the signature of the Director who gives it and also the signature of four other Directors, and before considering any such motion of which notice shall have been given, the Trust Board may refer the matter to any appropriate Committee or the Chief Executive for recommendation.

3.10.2 When any such motion has been dealt with by the Trust Board it shall not be competent for any Director other than the Chairman to propose a motion to the same effect within six months.

3.11 Chairman of meeting

3.11.1 At any meeting of the Trust Board the Chairman, if present, shall preside. If the Chairman is absent from the meeting, the Deputy Chairman (if one has been appointed), if present, shall preside.

3.11.2 If the Chairman and Deputy Chairman are absent, such member (who is not also an Executive Director of the Trust) as the Directors present shall choose shall preside.

3.11.3 If the Chairman is absent from a meeting temporarily on the grounds of a declared conflict of interest the Deputy-Chairman, if one has been appointed and is present, shall preside. If the Chairman and Deputy-Chairman are absent, or are disqualified from participating, such Non-Executive Director as the Directors present shall choose shall preside.

3.12 Chairman's Ruling

The decision of the Chairman of the meeting on questions of order, relevancy and regularity (including procedure on handling motions) and their interpretation of the Standing Orders and Standing Financial Instructions, at the meeting, shall be final.

3.13 Quorum

3.13.1 No business shall be transacted at a meeting of the Trust unless at least one-third of the whole number of the Directors are present including on or after the operational date at least one Executive Director and one Non-Executive Director.

3.13.2 An Officer in attendance for an Executive Director but without formal acting up status may not count towards the quorum.

3.13.3 If a Director has been disqualified from participating in the discussion on any matter and/or from voting on any resolution by reason of the declaration of a conflict of interest (see SO 7 or 8) he/she shall no longer count towards the quorum. If a quorum is then not available for the discussion and/or the passing of a resolution on any matter, that matter may not be discussed further or voted upon at that meeting. Such a position shall be recorded in the minutes of the meeting. The meeting must then proceed to the next business. The above requirement for at least one Executive Director to form part of the quorum shall not apply where the Executive Directors are excluded from a meeting (for example when the Board considers the recommendations of the Remuneration Committee).

3.14 Voting

3.14.1 Save as provided in Standing Orders 3.l5 - Suspension of Standing Orders and 3.l6 - Amendment of Standing Orders, every question put to a vote at a meeting shall be determined by a majority of the votes of Directors present and voting on the question. In the case of an equal vote, the person presiding (ie: the Chairman of the meeting) shall have a second, and casting vote.

3.14.2 At the discretion of the Chairman all questions put to the vote shall be determined by oral expression or by a show of hands. A paper ballot may also be used if a majority of the Directors present so request.

3.14.3 If the Trust's Secretary advises that it is prudent in terms of corporate governance or if at least one third of the Directors present so request, the voting on any question may be recorded so as to show how each Director present voted or did not vote (except when conducted by paper ballot).

3.14.4 If a Director so requests, their vote shall be recorded by name.

3.14.5 In no circumstances may an absent Director vote by proxy. Absence is defined as being absent at the time of the vote.

3.14.6 An Officer who has been formally appointed to act up for an Executive Director during a period of incapacity or temporarily to fill an Executive Director vacancy shall be entitled to exercise the voting rights of the Executive Director

3.14.7 An Officer attending the Trust Board meeting to represent an Executive Director during a period of incapacity or temporary absence without formal acting up status may not exercise the voting rights of the Executive Director. An Officer's status when attending a meeting shall be recorded in the minutes.

3.14.8 For the voting rules relating to joint members see Standing Order 2.6.

3.15 Suspension of Standing Orders

3.15.1 Except where this would contravene any statutory provision or any direction made by Monitor or the rules relating to the Quorum (SO 3.13), any one or more of the Standing Orders may be suspended at any meeting, provided that at least two-thirds of the whole number of the Board are present (including at least one Executive Director of the Trust and one Non-Executive Director) and that the majority of those present vote in favour of suspension. The reason for the suspension shall be recorded in the Trust Board's minutes.

3.15.2 A separate record of matters discussed during the suspension of Standing Orders shall be made and shall be available to the Chairman and Directors.

3.15.3 No formal business may be transacted while Standing Orders are suspended.

3.15.4 The Audit Committee shall review every decision to suspend Standing Orders.

3.16 Amendment of Standing Orders

These Standing Orders shall not be amended except in the following circumstances:

- a notice of motion under Standing Order 3.7 has been given; and
- at least two-thirds of the Directors are present; and
- no fewer than half the total of the Trust's Non-Executive Directors vote in favour of amendment; and
- the variation proposed does not contravene a statutory provision or direction made by the Constitution or the Terms of Authorisation.

3.17 Record of Attendance

The names of the Chairman and Directors present at the meeting shall be recorded.

3.18 Minutes

3.18.1 The minutes of the proceedings of a meeting shall be drawn up and submitted for agreement at the next ensuing meeting where they shall be signed by the person presiding at it.

3.18.2 No discussion shall take place upon the minutes except upon their accuracy or where the Chairman considers discussion appropriate.

3.18.3 Minutes shall be circulated in accordance with Directors' wishes. Where providing a record of a public meeting the minutes shall be made available to the public.

4. ARRANGEMENTS FOR THE EXERCISE OF TRUST FUNCTIONS BY DELEGATION

4.1 Board arrangements for any of its functions

In accordance with section 15(2) of Schedule 7 of the 2006 Act, and subject to SO 1.3 and such directions as may be given by Monitor, the Board may make arrangements for the exercise, on behalf of the Board, of any of its functions:

- by a committee or sub-committee, appointed under Standing Order 4.2 or 4.3 below; or
- by a Director of the Trust

in each case subject to such restrictions and conditions as the Board thinks fit.

4.2 Delegation of functions to Committees and Directors

Subject to such directions as may be given by the Secretary of State, the Board may make arrangements for the exercise, on behalf of the Board, of any of its functions by a committee or sub-committee appointed by virtue of Standing Order 4, or by a Director of the Trust, in each case subject to such restrictions and conditions as the Trust thinks fit.

4.2.1 Delegation to Committees

The Board shall agree from time to time to the delegation of executive powers to be exercised by committees or sub-committees, which it has formally constituted. The constitution and terms of reference of these committees or sub-committees and their specific executive powers shall be approved by the Board.

4.2.2 Delegation to Directors

Those functions of the Trust which have not been retained as reserved by the Board or delegated to a committee or sub-committee shall be exercised on behalf of the Trust by the Chief Executive. The Chief Executive shall determine which functions he/she will perform personally and shall nominate Officers to undertake the remaining functions for which he/she will still retain accountability to the Trust.

4.3 Emergency Powers and urgent decisions

The powers which the Board has reserved to itself within these Standing Orders (see Standing Order 2.1.5) may in emergency or for an urgent decision be exercised by the Chief Executive and the Chairman after having consulted at least two Non-Executive Directors members. The exercise of such powers by the Chief Executive and Chairman shall be reported to the next formal meeting of the Trust Board for ratification.

4.4 Schedule of Matters Reserved to the Trust and Scheme of Delegation of powers

4.4.1 The arrangements made by the Board will be set out in the "Schedule of Matters Reserved to the Board" and "Scheme of Delegation" of powers.

4.4.2 The Chief Executive shall prepare a Scheme of Delegation identifying his/her proposals which shall 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 that shall be considered and approved by the Board as indicated above.

4.4.3 Nothing in the Scheme of Delegation shall impair the discharge of the direct accountability to the Board of the Trust's Secretary, Finance Director or other Executive Director to provide information and advise the Board in accordance with statutory requirements and the Trust's

Terms of Authorisation. Outside these statutory requirements the roles of the Finance Director and other Executive Directors shall be accountable to the Chief Executive for operational matters.

4.5 Duty to report non-compliance with Standing Orders and Standing Financial Instructions

If for any reason these Standing Orders are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance, shall be reported to the next formal meeting of the Board for action or ratification. All members of the Trust Board and staff have a duty to disclose any non-compliance with these Standing Orders to the Chief Executive as soon as possible.

5. APPOINTMENT OF COMMITTEES AND SUB-COMMITTEES

5.1 Appointment of Committees

Subject to Standing Order 4.2 and such directions as may be given by the Monitor, the Trust Board may appoint committees of the Trust consisting wholly or partly of the Chairman and the Directors

The Trust shall determine the membership and terms of reference of committees and sub-committees and shall if it requires to, receive and consider reports of such committees.

5.2 Applicability of Standing Orders and Standing Financial Instructions to Committees

The Standing Orders and Standing Financial Instructions of the Trust, as far as they are applicable, shall as appropriate apply to meetings and any committees established by the Trust. In which case the term “Chairman” is to be read as a reference to the Chairman of the other committee as the context permits.

5.3 Terms of Reference

Each such committee shall have such terms of reference and powers and be subject to such conditions (as to reporting back to the Board), as the Board shall decide and shall be in accordance with any legislation and regulation or direction issued by the Monitor.

5.4 Delegation of powers by Committees to Sub-Committees

Where committees are authorised to establish sub-committees they may not delegate executive powers to the sub-committee unless expressly authorised by the Trust Board.

5.5 Approval of Appointments to Committees

The Board shall approve the appointments to each of the committees which it has formally constituted.

5.6 Appointments for Statutory functions

Where the Board is required to appoint persons to a committee and/or to undertake statutory functions, and where such appointments are to operate independently of the Board, such appointment shall be made in accordance with the Constitution, the Terms of Authorisation and any applicable regulations and directions.

5.7 Committees established by the Trust Board

5.7.1 The committees established by the Board in accordance with its Constitution and the Terms of Authorisation are:

- Audit Committee (see NHS Audit Committee Handbook)
- Remuneration Committee
- Finance Committee
- Integrated Governance Assurance Committee
- Nominations Committee (Executive Appointments)

5.7.2 Other Committees

The Board may also establish such other committees as required to discharge the Trust's responsibilities

5.7.3 Confidentiality

A member of a Committee shall not disclose a matter dealt with by, or brought before, the Committee without its permission until the Committee shall have reported to the Board or shall otherwise have concluded on that matter.

A Director of the Trust or a member of a Committee shall not disclose any matter reported to the Board or otherwise dealt with by the Committee, notwithstanding that the matter has been reported or action has been concluded, if the Board or Committee shall resolve that it is confidential.

6. OVERLAP WITH OTHER TRUST POLICY STATEMENTS/ PROCEDURES, REGULATIONS AND THE STANDING FINANCIAL INSTRUCTIONS

6.1 Policy statements: general principles

The Trust Board will from time to time agree and approve Policy statements/ procedures which will apply to all or specific groups of staff employed by Ashford and St. Peter’s Hospitals Foundation Trust. The decisions to approve such policies and procedures will be recorded in an appropriate Trust Board minute and will be deemed where appropriate to be an integral part of the Trust's Standing Orders and Standing Financial Instructions.

6.2 Specific Policy statements

Notwithstanding the application of SO 6.1 above, these Standing Orders and Standing Financial Instructions must be read in conjunction with the following Policy statements:

- the Standards of Business Conduct and Conflicts of Interest Policy for the Trust staff.

6.3 Standing Financial Instructions

The Board shall adopt Standing Financial Instructions in accordance with the Regulatory Framework referred to in paragraph. 1.2 of these Standing Orders.

7. DUTIES AND OBLIGATIONS OF BOARD DIRECTORS AND SENIOR MANAGERS UNDER THESE STANDING ORDERS

7.1 Declaration of Interests

7.1.1 Requirements for Declaring Interests and applicability to Board Members

(i) The Constitution, the 2006 Act and the Code of Conduct and Accountability require Board Directors to declare interests which are relevant and material to the NHS board of which they are a Director. All existing Board Directors should declare such interests. Any Board Directors appointed subsequently should do so on appointment.

7.1.2 Interests which are relevant and material

(i) Interests which should be regarded as "relevant and material" are:

Directorships, including Non-Executive Directorships held in private companies or PLCs (with the exception of those of dormant companies);

Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS;

Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS;

A position of authority in a charity or voluntary organisation in the field of health and social care;

Any connection with a voluntary or other organisation contracting for NHS services;

Research funding/grants that may be received by an individual or their department;

Interests in pooled funds that are under separate management.

any other commercial interest in the decision before the meeting

(ii) Any Director of the Trust Board who comes to know that the Trust has entered into or proposes to enter into a contract in which he/she or any person connected with him/her (as defined in Standing Order 7.3 below and elsewhere) has any pecuniary interest, direct or indirect, the Board Director shall declare his/her interest by giving notice in writing of such fact to the Trust as soon as practicable.

7.1.3 Advice on Interests

If Board Directors have any doubt about the relevance of an interest, this should be discussed with the Chairman of the Trust or with the Trust's Secretary.

There is no requirement for the interests of Board Directors' spouses or partners to be declared. However, SO 8 requires that the interest of Directors' spouses or partners, if living together, in contracts should be declared.

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.

7.1.4 Recording of Interests in Trust Board minutes

At the time Board Directors' interests are declared, they should be recorded in the Trust Board minutes.

Any changes in interests should be declared at the next Trust Board meeting following the change occurring and recorded in the minutes of that meeting.

7.1.5 Conflicts of interest which arise during the course of a meeting

During the course of a Trust Board meeting, if a conflict of interest is established, the Board Director concerned should withdraw from the meeting and play no part in the relevant discussion or decision. (See overlap with SO 7.3)

7.2 Register of Interests

7.2.1 The Chief Executive will ensure that a Register of Interests is established to record formally declarations of interests of Board or Committee members. In particular the Register will include details of all directorships and other relevant and material interests (as defined in SO 7.1.2) which have been declared by both executive and non-executive Trust Board Directors.

7.2.2 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.

7.2.3 The Register will be available to the public and the Chief Executive will take reasonable steps to bring the existence of the Register to the attention of local residents and to publicise arrangements for viewing it.

7.3 Exclusion of Chairman and Directors in proceedings on account of pecuniary interest

7.3.1 Definition of terms used in interpreting 'pecuniary' interest

For the sake of clarity, the following definition of terms is to be used in interpreting this Standing Order:

(i) "spouse" shall include any person who lives with another person in the same household (and any pecuniary interest of one spouse shall, if known to the other spouse, be deemed to be an interest of that other spouse);

(ii) "contract" shall include any proposed contract or other course of dealing.

(iii) "pecuniary interest" subject to the exceptions set out in this Standing Order, a person shall be treated as having an indirect pecuniary interest in a contract if:-

(a) he/she, or a nominee of his/her, is a member of a company or other body (not being a public body), with which the contract is made, or to be made or which has a direct pecuniary interest in the same, or

(b) he/she is a partner, associate or employee of any person with whom the contract is made or to be made or who has a direct pecuniary interest in the same.

(iv) "exception to pecuniary interests" a person shall not be regarded as having a pecuniary interest in any contract if:

(a) neither he/she or any person connected with him/her has any beneficial interest in the securities of a company of which he/she or such person appears as a member, or

(b) any interest that he/she or any person connected with him/her may have in the contract is so remote or insignificant that it cannot reasonably be regarded as likely to influence him/her in relation to considering or voting on that contract, or

(c) those securities of any company in which he/she (or any person connected with him/her) has a beneficial interest do not exceed £5,000 in nominal value or one per cent of the total issued share capital of the company or of the relevant class of such capital, whichever is the less.

Provided however, that where paragraph (c) above applies the person shall nevertheless be obliged to disclose/declare their interest in accordance with Standing Order 7.1.2 (ii).

7.3.2 Exclusion in proceedings of the Trust Board

7.3.2.1 Subject to the following provisions of this Standing Order, if the Chairman or a Director has any pecuniary, personal or family interest, direct or indirect, in any contract, proposed contract or other matter and is present at a meeting of the Board at which the contract or other matter is the subject of consideration, he shall at the meeting and as soon as practicable after its commencement disclose the fact and shall not take part in the consideration or discussion of the contract or other matter or vote on any question with respect to it.

7.3.2.2 The Board may, subject to such conditions as it may think fit to impose, remove any disability imposed by this Standing Order in any case in which it appears to the Board in the interests of the Trust that the disability shall be removed.

7.3.2.3 The Board may exclude the Chairman or a Director from a meeting of the Board while any contract, proposed contract or other matter in which he has a pecuniary interest, is under consideration.

7.3.2.4 Any remuneration, compensation or allowances payable to the Chairman or a Director by virtue of the 2006 Act shall not be treated as a pecuniary interest for the purpose of this Standing Order.

7.3.2.5 For the purpose of this Standing Order the Chairman or a Director shall be treated as having indirectly a pecuniary, personal or family interest in a contract, proposed contract or other matter, if:

a. he, or a nominee of his, is a director of a company or other body, not being a public body, with which the contract was made or is proposed to be made or which has a direct pecuniary interest in the other matter under consideration; or

b. he is a partner of, or is in the employment, of a person with whom the contract was made or is proposed to be made or who has a direct pecuniary, personal or family interest in the other matter under consideration

and in the case of persons living together the interest of one person shall, if known to the other, be deemed for the purposes of this Standing Order to be also an interest of that person.

7.3.2.6 The Chairman or a Director shall not be treated as having a pecuniary, personal or family interest in any contract, proposed contract or other matter by reason only:

a. of his membership of a company or other body, if he has no beneficial interest in any securities of that company or other body; or

b. of an interest in any company, body or person with which he is connected as mentioned in SO 7.3.1 above which is so remote or insignificant that it cannot reasonably be regarded as likely to influence him in the consideration or discussion of or in voting on, any question with respect to that contract or matter.

7.3.2.6 Where the Chairman or a Director:

a. has an indirect pecuniary interest in a contract, proposed contract or other matter by reason only of a beneficial interest in securities of a company or other body; and

b. the total nominal value of those securities does not exceed £5,000 or one-hundredth of the total nominal value of the issued share capital of the company or body, whichever is the less; and

c. if the share capital is of more than one class, the total nominal value of shares of any one class in which he has a beneficial interest does not exceed one-hundredth of the total issued share capital of that class

This Standing Order shall not prohibit him from taking part in the consideration or discussion of the contract or other matter or from voting on any question with respect to it, without prejudice however to his duty to disclose his interest.

This Standing Order applies to a committee or sub-committee and to a joint committee as it applies to the Board and applies to a member of any such committee or sub-committee (whether or not he is also a Director of the Trust) as it applies to a Director of the Trust.

7.4 Standards of Business Conduct

7.4.1 Trust Policy and National Guidance

All Trust staff and Directors of must comply with the Trust's Standards of Business Conduct and Conflicts of Interest Policy (as amended from time to time), any applicable guidance issued by Monitor (as amended from time to time) and any other guidance adopted by the Trust (as amended and /or re-adopted from time to time). (See SO 6.2).

7.4.2 Interest of Officers in Contracts

i) Any officer or employee of the Trust who comes to know that the Trust has entered into or proposes to enter into a contract in which he/she or any person connected with him/her (as defined in SO 7.3) has any pecuniary interest, direct or indirect, the Officer shall declare their interest by giving notice in writing of such fact to the Chief Executive or Board's Secretary as soon as practicable.

ii) An Officer should also declare to the Chief Executive any other employment or business or other relationship of his/her, or of a cohabiting spouse, that conflicts, or might reasonably be predicted could conflict with the interests of the Trust.

iii) The Trust will require interests, employment or relationships so declared to be entered in a register of interests of staff.

7.4.3 Canvassing of and Recommendations by Directors in Relation to Appointments

i) Canvassing of Directors of the Board or of any Committee of the Trust directly or indirectly for any appointment under the Trust shall disqualify the candidate for such appointment. The contents of this paragraph of the Standing Order shall be included in application forms or otherwise brought to the attention of candidates.

ii) Directors of the Board shall not solicit for any person any appointment under the Trust or recommend any person for such appointment; but this paragraph of this Standing Order shall not preclude a Director from giving written testimonial of a candidate's ability, experience or character for submission to the Trust.

7.4.4 Relatives of Directors

i) Candidates for any staff appointment under the Trust shall, when making an application, disclose in writing to the Trust whether they are related to any Director or the holder of any office under the Trust. Failure to disclose such a relationship shall disqualify a candidate and, if appointed, render him liable to summary dismissal.

ii) The Chairman and every Director of the Trust shall disclose to the Trust Board any relationship between himself and a candidate of whose candidature that director is aware. It shall be the duty of the Chief Executive to report to the Trust Board any such disclosure made.

iii) On appointment, Non-Executive Directors (and prior to acceptance of an appointment in the case of Executive Directors) should disclose to the Trust whether they are related to any other Director or holder of any office under the Trust.

iv) Where the relationship of an Officer to a Director of the Trust is disclosed, the Standing Order headed 'Disability of Chairman and Directors in proceedings on account of pecuniary interest' (SO 7) shall apply.

8. CUSTODY OF SEAL, SEALING OF DOCUMENTS AND SIGNATURE OF DOCUMENTS

8.1 Custody of Seal

The common seal of the Trust shall be kept by the Chief Executive or a nominated Manager by him/her in a secure place.

8.2 Sealing of Documents

8.2.1 The Seal of the Trust shall not be fixed to any documents unless the sealing has been authorised by a resolution of the Board or of a committee thereof or where the Board has delegated its powers.

8.2.2 Before any building, engineering, property or capital document is sealed it must be approved and signed by the Finance Director (or an officer nominated by him/her) and authorised and countersigned by the Chief Executive (or an officer nominated by him/her who shall not be within the originating directorate).

8.2.3 Register of Sealing

An entry of every sealing shall be made and numbered consecutively in a book provided for that purpose, and shall be signed by the persons who shall have approved and authorised the document and those who attested the seal. A report of all sealings shall be made to the Board at least quarterly. (The report shall contain details of the seal number, the description of the document and date of sealing).

8.2.4 Signature of Documents

Where the signature of any document will be a necessary step in legal proceedings involving the Trust, it shall be signed by the Chief Executive, unless any enactment otherwise requires or authorises, or the Board shall have given the necessary authority to some other person for the purpose of such proceedings.

The Chief Executive or nominated officers shall be authorised, by resolution of the Board, to sign on behalf of the Trust any agreement or other document not requested to be executed as a deed, the subject matter of which has been approved by the Board or any committee, sub-committee or standing committee with delegated authority

9. TENDERING AND CONTRACT PROCEDURE

9.1 Duty to comply with Standing Orders

The procedure for making all contracts by or on behalf of the Trust shall comply with these Standing Orders and Standing Financial Instructions. Standing Financial Instructions will encompass the approach on:

EU Directives Governing Public Procurement
Formal Competitive Tendering including waivers
Quotations
Contracts including their determination
Contracts for funds held on Trust
Where tendering or competitive quotation is not required

9.2 Private Finance

When the Board proposes, or is required, to use finance provided by the private sector, the following should apply:

(a) The Chief Executive shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.

(b) Where the sum exceeds delegated limits a business case must be referred in accordance with Monitor guidance

(c) The proposal must be specifically agreed by the Board in the light of such professional advice as should reasonably be sought in particular with regard to vires.

(d) The selection of a contractor/finance company must be on the basis of competitive tendering or quotations.

9.3 Personnel and Agency or Temporary Staff Contracts

9.3.1 The Chief Executive shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts

9.3.2 Healthcare Services Agreements: Service agreements for the supply of healthcare services shall be drawn up in accordance with the NHS Act 2006 and administered by the Trust. Service agreements between NHS bodies are not legal documents.

10. DISPOSALS

Competitive tendering or quotation procedures shall not apply to the disposal of:

(a) any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or his nominated officer;

(b) obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the Trust;

(c) items to be disposed of with an estimated sale value detailed in Standing Financial Instructions;

(d) items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;

(e) land or buildings concerning which DoH guidance has been issued but subject to compliance with such guidance.

11. IN-HOUSE SERVICES

11.1 In all cases where the Board determines that in-house services should be subject to competitive tendering the following groups shall be set up:

(a) Specification group, comprising the Chief Executive or nominated officer/s and specialist.

(b) In-house tender group, comprising a nominee of the Chief Executive and technical support.

(c) Evaluation team, comprising normally a specialist officer, a supplies officer and a Finance Director representative. For services having a likely annual expenditure exceeding £100,000 a non-executive member should be a member of the evaluation team.

11.2 All groups should work independently of each other and individual officers may be a member of more than one group but no member of the in-house tender group may participate in the evaluation of tenders.

11.3 The evaluation team shall make recommendations to the Board.

11.4 The Chief Executive shall nominate an officer to oversee and manage the contract on behalf of the Trust.

12. MISCELLANEOUS

12.1 Standing Orders to be given to Directors and Officers

It is the duty of the Chief Executive to ensure that existing Directors and Officers and all new appointees are notified of and understand their responsibilities within these Standing Orders and the Trust's Standing Financial Instructions. Updated copies shall be issued to staff designated by the Chief Executive.

New Directors shall be informed in writing and shall receive copies of these Standing Orders.

12.2 Review of Standing Orders

These Standing Orders shall be reviewed annually by the Board.

12.3 Code of Conduct.

The Board is committed to maintaining the highest standards of corporate governance. Directors will adhere to the content of the Trust's Code of Conduct for Board Members or successor Policy and also the Nolan Principles (Appendix A)

12.4 Indemnity Insurance

Members of the Board of Directors who act honestly and in good faith will not have to meet out of their personal resources any personal civil liability which is incurred in the execution or purported execution of their Board functions, save where they have acted recklessly. Any costs arising in this way will be met by the Trust and the Trust shall have the power to purchase suitable insurance or make appropriate arrangements with the National Health Service Litigation Authority to cover such costs.

APPENDIX A

The Trust is also fully committed to taking all reasonable endeavours to achieve and demonstrate compliance with the Nolan principles in all its activities:

The Seven Principles of Public Life

Selflessness

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

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 are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness

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

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.