Ashford and St. Peter's Hospitals NHS
NHS Trust

COUNCIL OF GOVERNORS
1st December 2010

TITLE	**Terms of Authorisation, the Constitution and Standing Orders**
EXECUTIVE SUMMARY	In accordance with the NHS Act 2006, Monitor issues the Terms of Authorisation of a Foundation Trust. Monitor will publish the Authorisation document once the Monitor Board has taken the formal decision as to whether the Trust is Authorised to become a Foundation Trust.
The Council is asked to:	The Council of Governors is asked to 1) note the broad content of the Trust's Terms of Authorisation as a Foundation Trust (subject to a Monitor decision) and to 2) adopt the Standing Orders for the Council which are incorporated into the Constitution and Terms of Authorisation.
Submitted by:	. Jane Gear Head of Corporate Affairs
Date:	13th November 2010
Decision:	For Approval

COUNCIL OF GOVERNORS
1st December 2010
Terms of Authorisation, Constitution and Standing Orders

1 Background

The standard Terms of Authorisation for Foundation Trusts comprise 3 parts:

Part 1	Authorisation
Part 2	Interpretation and construction
Part 3	Conditions

There are also typically 26 Conditions and finally there are 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.

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

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

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.

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

As soon as the Trust is formally Authorised and receives the terms of Authorisation this will be circulated to Governors. These documents will all be available on Monitor's web site http://www.monitor-nhsft.gov.uk/home as well as from the Membership Office.

A copy of Schedule 1, the Constitution, is attached (main body only).

The annexes to the Constitution include

- Annex 7 Standing Orders for the Council of Governors (attached)

2 RECOMMENDATION

The Council of Governors is asked to

1. NOTE the general Terms of Authorisation (subject to Monitor decision) including the Constitution

2. ADOPT the Standing Orders for the Council (These will form part of the Terms of Authorisation).

Jane Gear
Head of Corporate Affairs

(October 2010 version 1.0)

ASHFORD AND ST PETER'S HOSPITALS NHS FOUNDATION TRUST

CONSTITUTION

Constitution

TABLE OF CONTENTS

Paragraph		*Page*
1.	Interpretation and Definitions	4
2.	Name	9
3.	Principal purpose	9
4.	Powers	9
5.	Membership and constituencies	9
6.	Application for membership	9
7.	Public constituency	9
8.	Staff constituency	10
9.	Patient Constituency - not used	-
10.	Restriction on membership	11
11.	Council of Governors – composition	11
12.	Council of Governors – election of governors	11
13.	Council of Governors – tenure	12
14.	Council of Governors – disqualification and removal	12
15.	Council of Governors – meeting of governors	13
16.	Council of Governors – standing orders	13
17.	Council of Governors – conflicts of interest of governors	13
18.	Council of Governors – travel expenses	13
19.	Council of Governors – further provisions	13
20.	Board of Directors – composition	13
21.	Board of Directors – qualification for appointment as non-executive	14
22.	Board of Directors – appointment and removal	14
23.	Board of Directors – appointment of initial chairman etc	15
24.	Board of Directors – appointment of deputy chairman	15
25.	Board of Directors – appointment and removal	15
26.	Board of Directors – appointment and removal of initial Chief Executive	16
27.	Board of Directors – disqualification	16
28.	Board of Directors – standing orders	16
29.	Board of Directors – conflicts of interest of directors	16
30.	Board of Directors – remuneration and terms of office	16
31.	Registers	17
32.	Admission to and removal from the registers	17
33.	Registers – inspection and copies	17
34.	Documents available for public inspection	18
35.	Auditor	18
36.	Audit committee	18
37.	Annual accounts	18
38.	Annual report and forward plans	19
39.	Meeting of Council of Governors to consider annual accounts and reports	19
40.	Instruments	19
41.	Amendment of the constitution	19

Paragraph

ANNEX 1 – THE PUBLIC CONSTITUENCY
ANNEX 2 – THE STAFF CONSTITUENCY
ANNEX 3 Not used
ANNEX 4 – COMPOSITION OF COUNCIL OF GOVERNORS
ANNEX 5 – THE MODEL ELECTION RULES
ANNEX 6 – ADDITIONAL PROVISIONS – COUNCIL OF GOVERNORS
ANNEX 7 – STANDING ORDERS – COUNCIL OF GOVERNORS
ANNEX 8 – STANDING ORDERS – BOARD OF DIRECTORS
ANNEX 9 – FURTHER PROVISIONS

1. Interpretation and definitions

Unless otherwise stated, words or expressions contained in this constitution shall bear the same meaning as in the National Health Service Act 2006.

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

"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;
"Applicant NHS Trust"	means Ashford and St Peter's NHS Trust;
"the 2006 Act"	means the National Health Service Act 2006;
"Appointed Governors"	means the PCT Governors, the Local Authority Governors and the University Governors;
"Appointing Organisation"	Means the organisation responsible for appointing the Appointed Governors, as specified in Annex 4;
"Area of the Trust"	means the area consisting of all the areas specified in Annex 1 as an area for the Public Constituency;
"Board of Directors"	means the Board of Directors of the Trust as constituted in accordance with this Constitution and referred to in paragraph 20 and "Board" shall be construed accordingly;
"Chairman"	means the Chairman of the Trust appointed in accordance with paragraph 22 or paragraph 23 of this Constitution;
"Chief Executive"	means the Chief Officer (and Accounting Officer) of the Trust appointed in accordance with paragraphs 25 or 26 of this Constitution;
"Class"	means one of the five descriptions of individuals who are eligible for Membership of the Staff Constituency in accordance with paragraph 8 of the Constitution;
"Committee"	shall mean a committee appointed by the Trust;
"Committee Member"	shall be persons formally appointed by the Trust to sit on or to chair specific Committees;
"Constituencies"	means the Public Constituencies and the Staff Constituency;
"Constitution"	means this Constitution of Ashford and St Peter's

	NHS Foundation Trust and all annexes to it;
"Council of Governors"	means the Council of Governors of the Trust as constituted in accordance with this Constitution and which shall have the same meaning as the "Board of Governors" in the 2006 Act;
"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
"Director"	means an Executive Director or Non Executive Director on the Board of Directors;
"Director of Finance and Information"	shall mean the chief finance officer of the Trust;
"Elected Governors"	means the Public Governors and the Staff Governors;
"Executive Director"	means a person appointed as an Executive Director of the Trust under sections15-19 of Schedule 7 of the 2006 Act and in accordance with paragraph 25 of the constitution and who is an officer of the Trust Executive Director of the Trust;
"Finance Director"	means the Director of Finance of the Trust;
"Financial Year"	means:- (a) the period beginning with the date on which the Trust is authorised and ending with the next 31st March; and (b) each successive period of twelve months beginning with 1st April;
"Funds Held On Trust"	shall mean those funds which the Trust holds at its date of incorporation, receives on distribution by statutory instrument, or chooses subsequently to accept under powers derived under Schedule 6, Paragraph 8 of the 2006 Act. Such funds may or may not be charitable;
"Governor"	means a Governor on the Council of Governors and being either an Elected Governor or an Appointed Governor;
"Heath Service Body"	means a body which is a health service body for the purpose of Section 9(4) of the 2006 Act;
"Independent Regulator" or "Monitor"	means the independent regulator of NHS foundation trusts as provided by Section 31 of the 2006 Act;

"Initial Elections"	means the first elections held by the Trust pursuant to this Constitution;
"Initial Elected Governors"	means those Elected Governors who are elected as Governors at the Initial Elections;
"Lead Governor"	means the governor appointed by the Council of Governors whose role is more fully described at Annex 7 paragraph 3
"Local Authority"	means the local authority specified in Annex 4, which is a local authority for an area which includes the whole or part of the Area of the Trust;
"Local Authority Governor"	means the member of the Council of Governors appointed by the Local Authority in accordance with the provisions of this Constitution and as specified in Annex 4;
"**Member"**	means a Member of the Trust as determined in accordance with paragraph 5 of this Constitution;
"Membership"	means Membership of the Trust through being a Member of one of its constituencies;
"Membership Strategy"	means a document explaining how the Trust will recruit and support an active membership by engaging Members and Governors in the business of the Trust;
"Model Election Rules"	means the model form rules for the conduct of elections published from time to time by the Department of Health and as currently set out in Annex 5;
"Motion"	means a formal proposition to be discussed and voted on during the course of a meeting;
"NHS Foundation Trust Code of Governance"	means the Code of Governance published by Monitor in 2010 or such similar or further guidance as Monitor may publish from time to time;
"Nominated Officer"	means an Officer charged with the responsibility for discharging specific tasks within SOs and SFIs;
"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;
"Officer"	means an employee of the Trust;
"Partnership Organisations"	means those organisations designated as

	partnership organisations for the purposes of this Constitution specified in Annex 4;
"Partnership Organisation Governor"	means each member of the Council of Governors appointed in accordance with the provisions of this Constitution by each of the Partnership Organisations specified in Annex 4;
"Patients"	means individuals who have attended any of the Trust's premises for care;
"PCT Governor"	means each member of the Council of Governors appointed in accordance with the provisions of this Constitution by each of the Primary Care Trusts specified in Annex 4;
"Primary Care Trust" or "PCT"	means those Primary Care Trusts specified in Annex 4;
"Public Benefit Corporation"	means a body corporate which is constituted in accordance with Schedule 7 of the NHS Act;
"Public Governor"	means a member of the Council of Governors elected by the Members of a Public Constituency;
"Public Constituency"	means a public constituency of the Trust as defined in Annex 1;
"Secretary"	means the secretary of the Trust or any other person appointed to perform the duties of the Secretary of the Trust;
"Senior Independent Director"	means a Non-Executive Director nominated to the role of Senior Independent Director in accordance with the provisions of this Constitution;
"SFIs"	means Standing Financial Instructions;
"Staff Classes"	means the classes of the Staff Constituency as specified in Annex 2;
"Staff Constituency"	means that part of the Trust's Membership consisting of the staff of the Trust and other persons as more particularly provided for at paragraph 8 of this Constitution and which is divided into the Staff Classes as specified in Annex 2;
"Staff Governor"	means a member of the Council of Governors elected by a Staff Class;
"Standing Orders (or SOs)"	means whichever of the Standing Orders for the Council of Governors at Annex 7 or the Standing Orders for the Board of Directors at Annex 8 as is

	relevant;
“Terms of Authorisation”	means the authorisation issued to the Applicant Trust by the Independent Regulator under Section 35 of the 2006 Act;
“the Trust”	means Ashford and St Peter's NHS Foundation Trust;
"Trust Volunteers"	means those individuals who are eligible to become Members of the Trust Volunteer Staff Class within the Staff Constituency specified in paragraph 5 of Annex 2;
“Trust’s Hospital”	means any premises used by the Trust for the provision of goods and services for the purposes of the health service in England falling within the definition of “hospital” in Section 275 of the 2006 Act;

2. Name

The name of the foundation trust is Ashford and St Peter's Hospitals NHS Foundation Trust (the Trust).

3. Principal purpose

The principal purpose of the Trust is the provision of goods and services for the purposes of the health service in England.

4. Powers

4.1 The powers of the Trust are set out in the 2006 Act, subject to any restrictions in the terms of Authorisation.

4.2 The powers of the Trust shall be exercised by the Board of Directors on behalf of the Trust.

4.3 Any of these powers may be delegated to a committee of directors or to an executive director.

5. Membership and constituencies

The Trust shall have members, each of whom shall be a member of one of the following constituencies:

5.1 a public constituency and

5.2 a staff constituency

6. Application for membership

An individual who is eligible to become a member of the Trust may do so on application to the Trust.

7. Public Constituency

7.1 An individual who lives in an area specified in Annex 1 as an area for a public constituency may become or continue as a member of the Trust.

7.2 Those individuals who live in an area specified as an area for any public constituency are referred to collectively as the Public Constituency.

7.3 The minimum number of members in each area for the Public Constituency is specified in Annex 1.

7.4 Further provisions relating to Membership of the Public Constituency are set out in Annex 9

8. Staff Constituency

8.1 An individual who is employed by the Trust under a contract of employment with the Trust may become or continue as a member of the trust provided:

8.1.1 he is employed by the Trust under a contract of employment which has no fixed term or has a fixed term of at least 12 months; or

8.1.2 he has been continuously employed by the Trust under a contract of employment for at least 12 months.

8.2 Individuals who exercise functions for the purposes of the Trust, otherwise than under a contract of employment with the Trust, may become or continue as members of the staff constituency provided such individuals have exercised these functions continuously for a period of at least 12 months, including but not limited to Trust Volunteers.

8.3 Those individuals who are eligible for membership of the Trust by reason of the previous provisions are referred to collectively as the Staff Constituency.

8.4 The Staff Constituency shall be divided into five (5) descriptions of individuals who are eligible for membership of the Staff Constituency, each description of individuals being specified within Annex 2 and being referred to as a class within the Staff Constituency.

8.5 The minimum number of members in each class of the Staff Constituency is specified in Annex 2.

Automatic membership by default – staff

8.6 An individual who is:

8.6.1 eligible to become a member of the Staff Constituency, and

8.6.2 invited by the Trust to become a member of the Staff Constituency and a member of the appropriate class within the Staff Constituency,

shall become a member of the Trust as a member of the Staff Constituency and appropriate class within the Staff Constituency without an application being made, unless he informs the Trust that he does not wish to do so.

9. Patients' Constituency

9.1 Not used

10. Restriction on membership

10.1 An individual who is a member of a constituency, or of a class within a constituency, may not while membership of that constituency or class continues, be a member of any other constituency or class.

10.2 An individual who satisfies the criteria for membership of the Staff Constituency may not become or continue as a member of any constituency other than the Staff Constituency.

10.3 An individual must be at least 14 years old to become a member of the Trust.

10.4 Further provisions as to the circumstances in which an individual may not become or continue as a member of the Trust are set out in Annex 9 – Further Provisions.

11. Council of Governors – composition

11.1 The Trust is to have a Council of Governors, which shall comprise both elected and appointed governors.

11.2 The composition of the Council of Governors is specified in Annex 4.

11.3 The members of the Council of Governors, other than the appointed members, shall be chosen by election by their constituency or, where there are classes within a constituency, by their class within that constituency. The number of Governors to be elected by each constituency, or, where appropriate, by each class of each constituency, is specified in Annex 4.

11.4 The Council of Governors shall nominate one of their Governors to be the lead Governor

12. Council of Governors – election of governors

12.1 Elections for elected members of the Council of Governors shall be conducted in accordance with the Model Election Rules.

12.2. The Model Election Rules as published from time to time by the Department of Health form part of this constitution. The Model Election Rules current at the date of the Trust's Authorisation are attached at Annex 5.

12.3 A subsequent variation of the Model Election Rules by the Department of Health shall not constitute a variation of the terms of this constitution for the purposes of paragraph 41 of the constitution (amendment of the constitution).

12.4 An election, if contested, shall be by secret ballot.

13. Council of Governors - tenure

13.1 Subject to the transitional provisions contained in paragraph 1 of Annex 6A in relation to initial Governors an elected governor may hold office for a period of up to 3 years.

13.2 An elected governor shall cease to hold office if he ceases to be a member of the constituency or class by which he was elected.

13.3 An elected governor shall be eligible for re-election at the end of his term, subject to the provisions of paragraph 5 of Annex 6A.

13.4 An appointed governor may hold office for a period of up to 3 years.

13.5 An appointed governor shall cease to hold office if the appointing organisation withdraws its sponsorship of him or if the Appointing Organisation ceases to exist and there is no successor in title to it.

13.6 An appointed governor shall be eligible for re-appointment at the end of his term

13.7 A Governor shall be eligible for re-election or re-appointment as appropriate at the end of his term. A Governor shall not hold office for more than 6 years or 2 terms of office which ever is the least.

13.8 For the purposes of this paragraph 13 ,"year" means the period of 12 months commencing on authorisation or such other date on which the election or appointment of a Governor takes effect.

13.9 Further provisions relating to a Governor's tenure are set out in Annex 6

14. Council of Governors – disqualification and removal

14.1 The following may not become or continue as a member of the Council of Governors:

14.1.1 a person who has been adjudged bankrupt or whose estate has been sequestrated and (in either case) has not been discharged;

14.1.2 a person who has made a composition or arrangement with, or granted a trust deed for, his creditors and has not been discharged in respect of it;

14.1.3 a person who within the preceding five years has been convicted in the British Islands of any offence if a sentence of imprisonment (whether suspended or not) for a period of not less than three months (without the option of a fine) was imposed on him.

14.2 Governors must be at least 16 years of age at the date they are nominated for election or appointment.

14.3 Further provisions as to the circumstances in which an individual may not become or continue as a member of the Council of Governors are set out in Annex 6.

14.4 The constitution makes provision for the removal of Governors in Annex 6C.

15. Council of Governors – meetings of governors

15.1 The Chairman of the Trust (i.e. the Chairman of the Board of Directors, appointed in accordance with the provisions of paragraph 22.1 or paragraph 23.1 below) or, in his absence the Deputy Chairman (appointed in accordance with the provisions of paragraph 24 below)], shall preside at meetings of the Council of Governors.

15.2 Meetings of the Council of Governors shall be open to members of the public save that members of the public may be excluded from a meeting for grounds specified in Annex 7 Standing Orders for the Council of Governors*)*

16. Council of Governors – standing orders

The standing orders for the practice and procedure of the Council of Governors are attached at Annex 7.

17. Council of Governors - conflicts of interest of governors

If a governor has a pecuniary, personal or family interest, whether that interest is actual or potential and whether that interest is direct or indirect, in any proposed contract or other matter which is under consideration or is to be considered by the Council of Governors, the governor shall disclose that interest to the members of the Council of Governors as soon as he becomes aware of it. The Standing Orders for the Council of Governors shall make provision for the disclosure of interests and arrangements for the exclusion of a governor declaring any interest from any discussion or consideration of the matter in respect of which an interest has been disclosed.

18. Council of Governors – travel expenses

The Trust may pay travelling and other expenses to members of the Council of Governors at rates determined by the Trust.

19. Council of Governors – further provisions

Further provisions with respect to the Council of Governors are set out in Annex 6.

20. Board of Directors – composition

20.1 The Trust is to have a Board of Directors, which shall comprise both executive and non-executive directors.

20.2 The Board of Directors is to comprise:

20.2.1 a non-executive Chairman

20.2.2 Up to 6 other non-executive directors (excluding the Chairman; and

20.2.3 Up to 6 executive directors.

20.3 One of the executive directors shall be the Chief Executive.

20.4 The Chief Executive shall be the Accounting Officer.

20.5 One of the executive directors shall be the finance director.

20.6 One of the executive directors is to be a registered medical practitioner or a registered dentist (within the meaning of the Dentists Act 1984).

20.7 One of the executive directors is to be a registered nurse or a registered midwife

20.8 The operation of 20.2 above shall be that at all times at least half of the Board of Directors, excluding the Chairman, shall be Non Executive Directors.

20.9 The Board may determine that the operational directors may attend meetings of the Board of Directors as and when required to provide operational advice and support to assist the Board in the discharge of their responsibilities. For the avoidance of doubt, such operational directors will not be statutory directors under the 2006 Act, nor will they be able to vote and will bear no responsibility or liability for any action or decisions of the Board of Directors.

21. Board of Directors – qualification for appointment as a non-executive director

A person may be appointed as a non-executive director only if –

21.1 he is a member of the Public Constituency, and

21.2 he is not disqualified by virtue of paragraph 27 below.

22. Board of Directors – appointment and removal of chairman and other non-executive directors

22.1 The Council of Governors at a general meeting of the Board of Governors shall appoint or remove the chairman of the Trust and the other non-executive directors.

22.2 Removal of the chairman or another non-executive director shall require the approval of three-quarters of the members of the Council of Governors.

22.3 The initial chairman and the initial non-executive directors are to be appointed in accordance with paragraph 23 below.

23. Board of Directors – appointment of initial chairman and initial other non-executive directors

23.1 The Council of Governors shall appoint the chairman of the applicant NHS Trust as the initial chairman of the Trust, if he wishes to be appointed.

23.2 The power of the Council of Governors to appoint the other non-executive directors of the Trust is to be exercised, so far as possible, by appointing as the initial non-executive directors of the Trust any of the non-executive directors of the applicant NHS Trust (other than the Chairman) who wish to be appointed.

23.3 The criteria for qualification for appointment as a non-executive director set out in paragraph 21 above (other than disqualification by virtue of paragraph 27 below) do not apply to the appointment of the initial chairman and the initial other non-executive directors in accordance with the procedures set out in this paragraph.

23.4 An individual appointed as the initial chairman or as an initial non-executive director in accordance with the provisions of this paragraph shall be appointed for the unexpired period of his term of office as Chairman or (as the case may be) non-executive director of the applicant NHS Trust; but if, on appointment, that period is less than 12 months, he shall be appointed for 12 months.

23.5 Board of Directors- appointment of Senior Independent Director

The Board shall, following consultation with the Council of Governors, appoint one of the independent non executive directors as a Senior Independent Director to act in accordance with Monitor's Code of Governance and the Board's Standing Orders.

24. Board of Directors – appointment of deputy chairman

The Council of Governors at a general meeting of the Council of Governors shall appoint one of the non-executive directors as a Deputy Chairman.

25. Board of Directors - appointment and removal of the Chief Executive and other executive directors

25.1 The non-executive directors shall appoint or remove the Chief Executive.

25.2 The appointment of the Chief Executive shall require the approval of the Council of Governors.

25.3 The initial Chief Executive is to be appointed in accordance with paragraph 26 below.

25.4 A committee consisting of the Chairman, the Chief Executive and the other non-executive directors shall appoint or remove the other executive directors.

26. Board of Directors – appointment and removal of initial Chief Executive

26.1 The non-executive directors shall appoint the chief officer of the applicant NHS Trust as the initial Chief Executive of the Trust, if he wishes to be appointed.

26.2 The appointment of the chief officer of the applicant NHS Trust as the initial Chief Executive of the Trust shall not require the approval of the Council of Governors.

27. Board of Directors – disqualification

The following may not become or continue as a member of the Board of Directors:

27.1 a person who has been adjudged bankrupt or whose estate has been sequestrated and (in either case) has not been discharged.

27.2 a person who has made a composition or arrangement with, or granted a trust deed for, his creditors and has not been discharged in respect of it.

27.3 a person who within the preceding five years has been convicted in the British Islands of any offence if a sentence of imprisonment (whether suspended or not) for a period of not less than three months (without the option of a fine) was imposed on him.

27.4 A person who falls within further grounds for disqualification as set out in Annex 9D

28. Board of Directors – standing orders

The standing orders for the practice and procedure of the Board of Directors are attached at Annex 8.

29. Board of Directors - conflicts of interest of directors

If a director has a pecuniary, personal or family interest, whether that interest is actual or potential and whether that interest is direct or indirect, in any proposed contract or other matter which is under consideration or is to be considered by the Board of Directors, the director shall disclose that interest to the members of the Board of Directors as soon as he becomes aware of it. The Standing Orders for the Board of Directors shall make provision for the disclosure of interests and arrangements for the exclusion of a director declaring any interest from any discussion or consideration of the matter in respect of which an interest has been disclosed.

30. Board of Directors – remuneration and terms of office

30.1 The Council of Governors at a general meeting of the Council of Governors shall decide the remuneration and allowances, and the other terms and conditions of office, of the Chairman and the other non-executive directors.

30.2 The Trust shall establish a committee of non-executive directors to decide the remuneration and allowances, and the other terms and conditions of office, of the Chief Executive and other executive directors.

30.3 Pending the committee being established by the Council of Governors, the terms and allowances applied by the applicant Trust will apply.

31. Registers

The Trust shall have:

31.1 a register of members showing, in respect of each member, the constituency to which he belongs and, where there are classes within it, the class to which he belongs;

31.2 a register of members of the Council of Governors;

31.3 a register of interests of governors;

31.4 a register of directors; and

31.5 a register of interests of the directors.

32. Admission to and removal from the registers

The Trust will comply with the Public Benefit Corporation (Register of members) Regulations 2004 as amended or updated from time to time.

The Secretary to the Trust shall remove from the Register of Members the name of any member who ceases to be entitled to be a member under the provisions of the constitution.

33. Registers – inspection and copies

33.1 The Trust shall make the registers specified in paragraph 31 above available for inspection by members of the public, except in the circumstances set out below or as otherwise prescribed by regulations.

33.2 The Trust shall not make any part of its registers available for inspection by members of the public which shows details of any member of the Trust, if the member so requests.

33.3 So far as the registers are required to be made available:

33.3.1 they are to be available for inspection free of charge at all reasonable times; and

33.3..2a person who requests a copy of or extract from the registers is to be provided with a copy or extract.

33.4 If the person requesting a copy or extract is not a member of the Trust, the Trust may impose a reasonable charge for doing so.

34. Documents available for public inspection

34.1 The Trust shall make the following documents available for inspection by members of the public free of charge at all reasonable times:

34.1.1 a copy of the current constitution;

34.1.2 a copy of the current authorisation;

34.1.3 a copy of the latest annual accounts and of any report of the auditor on them;

34.1.4 a copy of the latest annual report;

34.1.5 a copy of the latest information as to its forward planning; and

34.1.6 a copy of any notice given under section 52 of the 2006 Act.

34.2 Any person who requests a copy of or extract from any of the above documents is to be provided with a copy.

34.3 If the person requesting a copy or extract is not a member of the Trust, the Trust may impose a reasonable charge for doing so.

35. Auditor

35.1 The Trust shall have an auditor.

35.2 The Council of Governors shall appoint or remove the auditor at a general meeting of the Council of Governors.

36. Audit committee

The Trust shall establish a committee of non-executive directors as an audit committee to perform such monitoring, reviewing and other functions as are appropriate.

37. Accounts

37.1 The Trust shall keep accounts in such form as Monitor may with the approval of HM Treasury direct.

37.2 The accounts are to be audited by the Trust's auditor.

37.3 The Trust shall prepare in respect of each financial year annual accounts in such form as Monitor may with the approval of the HM Treasury direct.

37.4 The functions of the Trust with respect to the preparation of the annual accounts shall be delegated to the Accounting Officer.

38. Annual report and forward plans

38.1 The Trust shall prepare an Annual Report and send it to Monitor.

38.2 The Trust shall give information as to its forward planning in respect of each financial year to Monitor.

38.3 The document containing the information with respect to forward planning (referred to above) shall be prepared by the directors.

38.4 In preparing the document, the directors shall have regard to the views of the Council of Governors.

39. Meeting of Council of Governors to consider annual accounts and reports

The following documents are to be presented to the Council of Governors at a general meeting of the Council of Governors:

39.1 the annual accounts

39.2 any report of the auditor on them

39.3 the annual report.

40. Instruments

40.1 The Trust shall have a seal.

40.2 The seal shall not be affixed except under the authority of the Board of Directors.

41. Amendment of the constitution

41.1 Amendments by the Trust of its constitution are to be made with the approval of Monitor. For the avoidance of doubt, any amendments to the annexes attached to this constitution must also be approved by Monitor.

41.1 No proposal for amendment of this Constitution will be submitted to Monitor unless it has first been approved by the Board of Directors who shall have consulted with the Council of Governors before so doing.

Annex 7

ASHFORD AND ST PETER'S HOSPITALS NHS FOUNDATION TRUST

Standing Orders - Council of Governors

CONTENTS

Heading

1. INTRODUCTION
2. INTERRPRETATION AND DEFINITIONS
3. THE COUNCIL OF GOVERNORS
4. MEETINGS OF THE COUNCIL OF GOVERNORS
5. COMMITTEES
6. DECLARATIONS OF INTERESTS
7. STANDARDS OF BUSINESS CONDUCT
8. REMUNERATION
9. PAYMENT OF EXPENSES
10. MISCELLANEOUS
11. NOMINATIONS AND APPOINTMENTS COMMITTEE
12. REMUNERATION AND APPRAISAL COMMITTEE
13. DISPUTE RESOLUTION

1. INTRODUCTION

Statutory Framework

1.1 Ashford and St. Peter's Hospitals NHS Foundation Trust (the "Trust") is a Public Benefit Corporation which was established by the granting of Terms of Authorisation by the Independent Regulator of NHS Foundation Trusts (Monitor).

1.2 The statutory functions conferred on the Trust are set out in the National Health Service Act 2006 and in the Trust's Terms of Authorisation issued by Monitor.

1.3 Paragraph 16 of the Constitution requires the Council of Governors to adopt its own Standing Orders for its practice and procedure.

2. INTERPRETATION AND DEFINITIONS

2.1 Save as otherwise permitted by law and subject to the Constitution, at any Council of Governors meeting the Chairman's interpretation of these Standing Orders (on which he should be advised by the Chief Executive or Secretary) shall be final.

2.2 In these Standing Orders, the provisions relating to the interpretation in the Constitution shall apply and the words and expressions defined in the Constitution shall have the same meaning.

"The 2006 ACT" means the National Health Service Act 2006 ("the Act")

"BOARD OF DIRECTORS" means the Chairman and the Executive and Non-Executive Directors of the Trust collectively as a body.

"CHAIRMAN OF THE BOARD" or "**CHAIRMAN OF THE TRUST**" is the person appointed by the Council of Governors under section 17(1) of Schedule 7 of the 2006 Act and in accordance with paragraph 22 or 23 of the Constitution to lead the Board of Directors and to ensure that the Board successfully discharges its overall responsibility for the Trust as a whole. The expressions "the Chairman of the Board" and "the Chairman of the Trust" shall be deemed to include the Deputy Chairman of the Trust if the Chairman is absent from the meeting or is otherwise unavailable.

"CHIEF EXECUTIVE" means the chief officer of the Trust (and Accounting Officer) appointed in accordance with paragraphs 25 or 26 of the Constitution.

"COMMITTEE" means a committee of the Council of Governors.

"COMMITTEE MEMBERS" means the Chairman and the Governors or Directors formally appointed by the Council of Governors to sit on or to chair specific committees.

"CONSTITUTION" means the constitution of the Trust established in accordance with Schedule 7 of the 2006 Act and all annexes to it.

"COUNCIL OF GOVERNORS" and **"COUNCIL"** both mean the Council of Governors of the Trust as constituted in accordance with the Constitution and which shall have the same meaning as the 'Board of Governors' in the 2006 Act.

"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.

"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 23 of the Constitution and who is an officer of the Trust.

"GOVERNOR" means a Governor on the Council of Governors and being either an elected Governor or an Appointed Governor.

"Lead Governor" means a Governor appointed by the Council of Governors whose role is to lead the Council of Governors where it is not considered appropriate for the Chair or one of the other Non executive Detectors to do so.

"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.

"MONITOR" means the Independent Regulator of NHS Foundation Trusts, established under Section 31 of the 2006 Act.

"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.

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

"**REGULATORY FRAMEWORK**" Comprises the 2006 Act, the Constitution and Terms of Authorisation

"SECRETARY" means a person who may be 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 with Monitor's guidance.

"TERMS OF AUTHORISATION" means the terms of authorisation of the Trust issued by Monitor under Section 35 of the 2006 Act.

"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.

3. THE COUNCIL OF GOVERNORS

3.1 Composition of the Council – the composition of the Council of Governors shall be as set out in Annex 4 of the Constitution.

3.2 Roles and Responsibilities of Governors-

3.2.1 Appointment and removal of the Chairman and Non-Executive Directors (Constitution paragraph 22);

3.2.2 Approve the appointment of the Chief Executive (Constitution paragraph 25);

3.2.3 To decide the remuneration and allowances and other terms of offices of the Non-Executive Directors (Constitution paragraph 30.1);

3.2.4 Appoint and remove the Auditor (Constitution paragraph 35);

3.2.5 Receive the Annual Report & Accounts (Constitution paragraph 39);

3.2.6 Monitor the activities of the Trust with a view to seeking to ensure as far as possible, that they are being conducted in a manner consistent with its Terms of Authorisation and the terms of its Constitution;

3.2.7 To be consulted upon by the Board of Directors regarding future Trust plans and priorities;

3.2.8 Oversee the development of the Trust as an effective social enterprise through focus on the wider public interest and promoting social cohesion in seeking to ensure that the Council of Governors reflects all the interests of the Membership community;

3.2.9 To respond, as appropriate, when consulted by the Board of Directors;

3.2.10 To consider resolution to remove a Governor from the Council of Governors in accordance with Annex 6;

3.2.11 To seek to ensure that the interests of the community served by the Trust are appropriately represented when taking into account the Membership Strategy.

3.3 Appointment of the Chairman and Non-Executive Directors – The Chairman and Non-Executive Directors are appointed by the Council of Governors in accordance with paragraph 22 of the Constitution.

3.4 Terms of Office of the Chairman and Non-Executive Directors – The provisions governing the period of tenure of office of the Chair and the Non-Executive Directors are contained in paragraph 30 of the Constitution.

3.5 Appointment of the Lead Governor - Any Public Governor appointed as Lead Governor may at any time resign from the office of Lead Governor by

giving notice in writing to the Secretary and the Governors of the Trust may thereupon appoint another Vice Chair.

The Lead Governor's details will be provided to Monitor and updated as required

3.6 The Lead Governor may preside at meetings of the Council of Governors in the following circumstances:

3.6.1 On those occasions when the Council of Governors is considering matters relating to Non-Executive Directors, and it would be inappropriate for the Chairman or Deputy Chairman to preside;

3.6.2 When the remuneration, allowance and other terms and conditions of the Chairman and Deputy Chairman are being considered; or

3.6.3 On occasions when the Chairman and Deputy Chairman declares a pecuniary interest that prevents him from taking part in the consideration or discussion of a matter before the Council of Governors.

3.7 The Lead Governor shall facilitate direct communication between the Council of Governors and Monitor where it is deemed necessary, which may include but shall not be limited to the following circumstances:

3.7.1 Where Monitor has concerns as to the Board of Directors' leadership of the Trust;

3.7.2 where Monitor has been made aware that the process for appointment of the Chairman or other members of the Board of Directors, or elections for Governors, or other material decisions, may not have complied with the Constitution, or, whilst complying with the Constitution, may be inappropriate; or

3.7.3 Where any individual Governor wishes to contact Monitor (which he or she must do via the Lead Governor)

3.8 For the avoidance of doubt, the Lead Governor will not deputise for, nor take on the duties of, the Deputy Chair of the Board of Directors.

3.9 The Lead Governor shall take steps to understand Monitor's role, the available guidance and the basis on which Monitor may take regulatory action.

3.10 The 2006 Act provides that all the powers of the Trust are to be exercised by its Directors. The Council of Governors does not have the right to veto decisions made by the Board of Directors.

3.11 The Council of Governors, and individual Governors, are not empowered to speak on behalf of the Trust, and must seek the advice and views of the Chairman concerning any contact from the media or any invitation to speak publicly about the Trust or their role within it. For the avoidance of doubt, in this context the Chairman acts as Chairman of the Trust not as Chairman of the Council of Governors and in his absence Governors should seek the advice and views of the Deputy Chairman of the Trust or another Non-Executive Director of the Trust.

4 MEETINGS OF THE COUNCIL OF GOVERNORS

4.1 Admission to the Public

The meetings of the Council of Governors shall generally be open to members of the public except when the Council resolves:

4.1.1 that members of the public be excluded from the remainder of the meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public; and/or

4.1.2 that in the interests of public order the meeting adjourn for a period to be specified in such resolution to enable the Council to complete business without the presence of the public.

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

4.3 Role of the Chairman – The Chairman is not a member of the Council of Governors. However, he presides at meetings of the Council of Governors and has a casting vote.

4.4 Calling Meetings

4.4.1 Ordinary meetings of the Council of Governors shall be held at such times and places as the Council of Governors may determine and there will be no fewer than four meetings per year. The Secretary will publish times and locations of the meetings for the year two months in advance.

4.4.2 Meetings of the Council of Governors may be called by the Secretary, or by the Chairman, or by six Governors who give written notice to the Secretary specifying the business to be carried out. The Secretary shall send a written notice to all Governors as soon as possible after receipt of such a request. The Secretary shall call a meeting and shall give at least fourteen but not more than twenty-eight days' notice to discuss the specified business. If the Secretary fails to call such a meeting then the Chairman or six Governors, whichever is the case, shall call such a meeting. Notice will also be published on the Trust's website.

4.4.3 Failure to serve such a notice specifying the business on more than 2 Governors will invalidate the meeting. A notice will be presumed to have been served at the time at which the notice would be delivered in the ordinary course of the post or, where the notice is sent by email, at the time at which the email is sent.

4.4.4 In the case of a meeting being called by 6 Governors in default of the Chairman in accordance with Standing Order 4.4.2, the notice shall be signed by those members of the Council and no business shall be transacted at the meeting other than that specified in the notice.

4.5 Agenda of Meetings – Before each meeting of the Council of Governors, an agenda of the meeting specifying the business proposed to be transacted at it and any supporting papers shall be delivered to each Governor, or sent by post to the usual place of residence of the Governor, so as to be available to him at least 3 clear days before the meeting.

4.6 Setting the Agenda

4.6.1 The Council of Governors may determine that certain matters shall appear on every agenda for a meeting of the Council and shall be addressed prior to any other business being conducted.

4.6.2 A Governor desiring a matter to be included on an agenda shall make his request in writing to the Chairman at least 15 clear days before the meeting. The request should state whether the item of business is proposed to be transacted in the presence of the public and should include appropriate supporting information. Requests made less than 15 days before a meeting may be included on the agenda at the discretion of the Chairman.

4.6.3 There shall be no items on the agenda other than those included in accordance with this Standing Order 4.

4.7 Chairman of the Meeting - At any meeting of the Council, the Chairman, if present, shall preside. If the Chairman is absent from the meeting, the Deputy Chair, if there is one and he is present, shall preside.

4.8 Notices of Motion - A Governor desiring to move or amend a motion shall send a written notice thereof at least 15 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 Standing Order shall not prevent any motion being moved during the meeting without notice on any business mentioned on the agenda, except that the acceptance of such a motion for inclusion on the agenda will be at the discretion of the Chairman.

4.9 Withdrawal of Motion or Amendments - A motion or amendment once moved and seconded may be withdrawn by the proposer with the concurrence of the seconder and the consent of the Chairman.

4.10 Motion to Rescind a Resolution - Notice of motion to amend or rescind any resolution (or the general substance of any resolution) which has been passed within the preceding 6 calendar months shall bear the signature of the Governor who gives it and also the signature of 4 other Governors. When any such motion has been disposed of by the Council, it shall not be competent for any Governor to propose a motion to the same effect within 6 months, however the Chairman may do so if he considers it appropriate.

4.11 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.

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

4.12.1 an amendment to the motion;

4.12.2 the adjournment of the discussion or the meeting;

4.12.3 that the meeting proceed to the next business (*);

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

4.12.5 that the motion be now put (*)

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

4.13 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.

4.14 Chairman's Ruling - Statements of Governors made at meetings of the Council shall be relevant to the matter under discussion at the material time and the decision of the Chairman of the meeting on questions of order, relevancy, regularity and any other matters shall be final.

4.15 Voting – Save as otherwise provided in the Constitution and/ or the 2006 Act questions arising at a meeting of the Council of Governors shall be decided by a majority of votes except that in the case of an equality of votes the Chairman (or in his absence the Deputy Chair).

4.16 All questions put to the vote shall, at the discretion of the Chairman of the meeting, be determined by oral expression or by a show of hands. A paper ballot may also be used if a majority of the Governors present so request.

4.17 If at least one-third of the Governors present so request, the voting (other than by paper ballot) on any question may be recorded to show how each Governor present voted or abstained.

4.18 If a Governor so requests, his vote shall be recorded by name upon any vote (other than by paper ballot).

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

4.20 Written resolutions – Where the Chairman or a Governor desires that a resolution is passed by the Council of Governors, the Chairman or the Governor (with the consent of the Chairman) may circulate the resolution amongst the Governors proposing that it is passed as a written resolution. For the resolution to be validly passed, at least three quarters of all the Governors must sign the resolution. Any written resolution that is so passed shall be noted at the next meeting of the Council of Governors.

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

4.22 No discussion shall take place upon the minutes except upon their accuracy or where the Chairman considers discussion appropriate. Any amendment to the minutes shall be agreed and recorded at the next meeting.

4.23 Minutes shall be circulated in accordance with Governors' wishes.

4.24 Suspension of Standing Orders - Except where this would contravene any statutory provision, the Terms of Authorisation or any provision of the Constitution, any one or more of these Standing Orders may be suspended at any meeting, provided that at least two thirds of the Council of Governors are present and that a majority of those present vote in favour of suspension.

4.25 A decision to suspend these Standing Orders shall be recorded in the minutes of the meeting.

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

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

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

4.29 Amendment of Standing Orders - These Standing Orders shall be amended only in accordance with paragraph 41 of the Constitution.

4.30 Record of Attendance - The names of the Chairman and Governors present at the meeting shall be recorded in the minutes. Governors who are unable to attend the Council of Governors meeting should advise the Secretary in advance of the meeting so that their apologies may be submitted.

4.31 Quorum – No business shall be transacted at a meeting of the Council unless that meeting is quorate, and quoracy shall require that there are at least nine Governors present, and of that nine at least 6 must be Public Governors, 1 must be an Appointed Governor and 2 must be Staff Governors. For the avoidance of doubt, the number of Public Governors present at a meeting should be in the majority.

4.32 If the Chairman or any Governor 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 in accordance with Standing Order 6 he 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.

4.33 The Chief Executive or any other Director or a representative of the Trust's auditors or other advisors can attend a meeting of the Council of Governors unless the Council of Governors agrees otherwise.

5 COMMITTEES

5.1 Appointment of Committees - Subject to such directions and guidance as may be given by Monitor, the Council of Governors may, and if directed by the Chairman shall, appoint committees of the Council, consisting only of a majority of Governors.

5.2 A committee appointed under Standing Order 5.1 may, subject to such guidance as may be given by Monitor or the Council, appoint sub-committees consisting wholly or partly of members of the appointing committee.

5.3 These Standing Orders shall, as far as they are applicable, apply with appropriate alteration to meetings of any committees or sub-committee established by the Council, in which case the term 'Chairman' is to be read as a reference to the Chairman of the committee as the context permits, and the term 'Governor' is to be read as a reference to a member of the committee as the context permits.

5.4 Each committee and sub-committee shall have such terms of reference and powers and be subject to such conditions (as to reporting back to the Council) as the Council shall decide and shall be in accordance with any guidance issued by Monitor and any applicable legislation. Such terms of reference shall have effect as if incorporated into these Standing Orders.

5.5 The Council shall appoint persons to each of the committees which it has formally constituted at the next meeting following any elections.

5.6 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 Council or shall otherwise have concluded on that matter.

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

5.8 A Governor of the Trust shall not reveal or disclose contents of papers marked 'in confidence' or minutes headed 'items taken in private' outside of the Trust without the express permission of the Board of Directors. This prohibition shall apply equally to the content of any discussion during any meeting which may take place relating to such report or papers.

5.9 The Council of Governors shall establish a Nominations Committee in accordance with Standing Order 11 below.

6 DECLARATIONS OF INTERESTS AND REGISTER OF INTERESTS

6.1 Declaration of Interests – Each Governor shall upon being elected or appointed declare to the Council via the Secretary any pecuniary (which includes monetary), personal or family interests that he has that is relevant to the Trust.

6.2 A Governor must declare to the Secretary:

6.2.1 any pecuniary interest, direct or indirect, in any contract, proposed contract or other matter concerning the Trust, and

6.2.2 any interests which are relevant and material to the business of the Trust.

6.3 Such a declaration shall be made by completing and signing a form, as prescribed by the Secretary from time to time setting out any interests required to be declared in accordance with the Constitution or these Standing Orders and delivering it to the Secretary within 28 days of a Governor's election or appointment or otherwise within seven days of becoming aware of the existence of a relevant or material interest. The Secretary shall amend the Register of Interests upon receipt of notification within three working days.

6.4 If a Governor is present at a meeting of the Council of Governors and has an interest of any sort in any matter which is the subject of consideration, he shall at the meeting and as soon as practicable after its commencement disclose the fact and shall not vote on any question with respect to the matter and, if he has declared a pecuniary interest, he shall not take part in the consideration or discussion of the matter. The provisions of this Standing Order are subject to Standing Order 4.33.

6.5 Interests which should be declared pursuant to Standing Order 6.1 above include but are not limited to:

6.5.1 directorships, including non-executive directorships held in private companies or PLCs (with the exception of those of dormant companies);

6.5.2 majority or controlling share holdings in organisations, or ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the Trust or the NHS;

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

6.5.4 any connection with a voluntary organisation or other organisation that is seeking to contract or has contracted for NHS services or for the provision of the Trust's mandatory or authorised services;

6.5.5 any connection with an organisation, entity or company considering entering into or having entered into a financial arrangement with the Trust including but not limited to lenders or banks;

6.5.6 research funding/ grants that may be received by an individual or their department; and

6.5.7 interests in pooled funds that are under separate management.

6.6 Subject to any other provision of this Constitution, a Governor shall be treated as having indirectly a pecuniary interest in a contract, proposed contract or other matter, if:

6.6.1 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

6.6.2 he is a partner, associate or employee of any person with whom the contract was made or is proposed to be made or who has a direct pecuniary interest in the same.

6.7 No Governor shall be treated as having an interest in any contract, proposed contract or other matter by reason only:

6.7.1 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

6.7.2 of an interest in any company, body or person with which he is connected 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, proposed contract or other matter.

6.8 Where a Governor:

6.8.1 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

6.8.2 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

6.8.3 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;

the Governor shall not be prohibited 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 disclose his interest.

6.9 Any travelling or other expenses or allowances payable to a Governor in accordance with this Constitution shall not be treated as a pecuniary interest.

6.10 In the case of persons living together the interest of one partner or spouse shall, if known to the other, be deemed for the purposes of these Standing Orders to be also an interest of the other.

6.11 If Governors have any doubt about the relevance of an interest, this should be discussed with the Chairman or the Secretary.

6.12 At the time Governors' interests are declared, they should be recorded in the Council minutes. Any changes in interests should be declared at the next Council meeting following the change occurring. It is the obligation of the Governor to inform the Secretary in writing within 7 days of becoming aware of the existence of an interest. The Secretary shall amend the Register upon receipt within 3 working days.

6.13 This Standing Order applies to a committee or sub-committee as it applies to the Council and applies to a member of any such committee or sub-committee as it applies to a Governor.

6.14 Directorships of companies likely or possibly seeking to do business with the Trust or the NHS should be published in the Trust's annual report. This information should be kept up to date for inclusion in succeeding annual reports.

6.15 Register of Interests - The Secretary will ensure that a Register of Interests (the “Register”) is established to record formally declarations of interests of Governors. The Secretary shall record any declarations of interest made in the Register in accordance with paragraph 32 of the Constitution. Any interest declared at a meeting shall also be recorded in the minutes of the meeting.

6.16 The details on the Register shall be reviewed annually.

6.17 The Register will be available for inspection to the public free of charge at all reasonable times and the Chairman 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.

6.18 A person who requests it is to be provided with a copy or extract from the Register. If the person requesting the copy or extract is not a Member of the Trust then a reasonable charge may be made for doing so.

6.19 In establishing, maintaining, updating and publicising the Register, the Trust shall comply with all guidance issued from time to time by Monitor.

7 STANDARDS OF BUSINESS CONDUCT

7.1 Policy - Governors must comply with the Trust's values, the Trust's Code of Conduct, the Constitution, the NHS Foundation Trust Code of Governance, the requirements of the law and any guidance and directions issued by Monitor. In particular, the Trust must be impartial and honest in the conduct of its business and its office holders and staff must remain beyond suspicion. Governors are expected to be impartial and honest in the conduct of official business.

7.2 Canvassing of, and Recommendations by, Governors in Relation to Appointments - Canvassing of Directors or Governors or of any members 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 Standing Order shall be included in application forms or otherwise brought to the attention of candidates.

7.3 A Governor shall not solicit for any person any appointment under the Trust or recommend any person for such appointment but this Standing Order shall not preclude a Governor from giving written testimonial of a candidate's ability, experience or character for submission to the Trust.

7.4 Informal discussions outside appointments panels or committees, whether solicited or unsolicited, should be declared to the panel or committee.

7.5 Relatives of Governors - Candidates for any staff appointment under the Trust shall when making application disclose in writing whether they are related to any Governor. Failure to disclose such a relationship shall disqualify a candidate and, if appointed, render him liable to instant dismissal.

7.6 Every Governor of the Trust shall disclose to the Chief Executive any relationship with a candidate of whose candidature that Governor is aware. It shall be the duty of the Chief Executive to report to the Trust any such disclosure made.

7.7 On election or appointment, Governors should disclose to the Trust whether they are related to any other Governor or Officer of the Trust. This disclosure will be asked for when Governors sign their declaration of eligibility to vote prior to their first Council of Governors meeting.

7.8 Where the relationship to a Governor is disclosed, Standing Order 6 shall apply.

8 REMUNERATION

Governors are not to receive remuneration.

9 PAYMENT OF EXPENSES TO GOVERNORS

9.1 The Trust will pay travelling expenses to Governors at the prevalent NHS Public Transport rate for attendance at General Meetings of the Governors, or any other business authorised by the Secretary as being under the auspices of the Council of Governors.

9.2 Expenses will be authorised and reimbursed through the Secretary's office on receipt of a completed and signed expenses form provided by the Secretary.

9.3 A summary of expenses paid to Governors will be published in the Annual Report.

10 MISCELLANEOUS

10.1 Standing Orders to be given to Governors - It is the duty of the Secretary to ensure that existing Governors and Officers and all new appointees are notified of and understand their responsibilities within these Standing Orders. Updated copies shall be issued to individuals designated by the Chief Executive. New Governors shall be informed in writing and shall receive copies where appropriate of Standing Orders.

10.2 Review of Standing Orders – These Standing Orders shall be reviewed annually by the Council. The requirement for review extends to all documents having effect as if incorporated in these Standing Orders.

10.3 Indemnity- Members of the Council of Governors 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.

11 NOMINATIONS AND APPOINTMENTS COMMITTEE

11.1 Subject to the provisions of paragraph 23 of the Constitution in relation to the appointment of the initial Chairman and Non-Executive Directors of the Trust, the Chairman and other Non-Executive Directors shall be appointed following a process of open competition.

11.2 The functions of the Committee shall be as follows:

11.2.1 to determine the criteria and process for the selection of the candidates for office as Chairman or other Non-Executive Director of the Trust having first consulted with the Board of Directors as to those matters and having regard to such views as may be expressed by the Board of Directors;

11.2.2 to seek by way of open advertisement and other means candidates for office and to assess and select for interview such candidates as are considered appropriate and in doing so the Nominations and Appointments Committee shall be at liberty to seek advice and

assistance from persons other than members of the Nominations and Appointments Committee or of the Council of Governors;

11.2.3 to make recommendation to the Council of Governors as to potential candidates for appointment as Chairman or other Non-Executive Director, as the case may be; and

11.2.4 as further stipulated in Standing Order 11.6 below.

11.3 The Nominations and Appointments Committee will be chaired by the Chairman of the Board.

11.4 The Council of Governors shall resolve in general meeting to appoint such candidate or candidates (as the case may be) as it considers appropriate and in reaching its decision it shall have regard to the views of the Board of Directors and of the Nominations Committee as to the suitability of the available candidates.

12. REMUNERATION AND APPRAISAL COMMITTEE

12.1 The Remuneration and Appraisal Committee shall:

12.1.1 Take the lead in agreeing the process for the evaluation of the Non Executive Directors, considering carefully the performance against pre determined objectives that support the delivery of the Trust's forward plan and

12.1.2 consider and make recommendations to the Council of Governors as to the remuneration and allowances and other terms and conditions of office of the Chairman and other Non-Executive Directors.

13. DISPUTES RESOLUTION

13.1 The Senior Independent Director is to be available to Governors if they have concerns which contact through the normal charnels of Chairman Chief Executive or Finance Director has failed to resolve or for which such contact is inappropriate.

13.2 Formal provisions relating to the resolution of disputes are contained in Annex 9 of the Constitution