West Hertfordshire Hospitals NHS
NHS Trust

18/06

Trust Board Sub-Committees: Membership, Terms of Reference and Meeting dates for 2006

1. Introduction

1.1 This paper identifies the formal sub-committees of the Trust Board, their membership and terms of reference. A meeting schedule for 2006 is attached at appendix A.

2. Trust Board Sub-committees

2.1 Finance & Performance

Membership: Thom Hanahoe - Chairman
Martin Saunders - Non Executive
Ailsa Bernard - Non Executive
Robin Douglas – Non Executive
David Law - Chief Executive
Carolyn Hughes – Director of Finance
Sarah Shaw – Director of Planning
Nick Evans – Acting Director of Operations
Andrew Moore – Deputy Director of Finance

Terms of Reference:

- to oversee the development of a financial strategy for the Trust
- to ensure that the Trust has a sound financial business planning process
- to monitor the implementation of and achievement against budgets, including the Trust's cost reduction plan
- to monitor achievement of performance

2.2 Audit Committee

Membership:

Martin Saunders Non Executive Chairman
Ailsa Bernard – Non Executive
Robin Douglas – Non Executive
Carolyn Hughes – Director of Finance

Terms of Reference:

1. Objectives

The Audit Committee shall provide the Board with a means of independent and objective review of:

- financial and information systems

- financial and information reporting
- compliance with law, NHS guidance and codes of conduct.
- Internal controls and risk management
- compliance with Controls Assurance Standards
- Counter Fraud Policies and Procedures

2. Financial Duties

The Audit Committee shall, as a minimum, undertake the following duties:

- consider the appointment of internal auditors, the audit fees and questions of resignation or dismissal.
- review the internal audit strategy and plan annually
- receive reports from the Chief Internal Auditor on completed audit reports and management responses
- review the annual report of the Chief Internal Auditor before the presentation to the Trust Board
- ensure that the Internal audit service has the appropriate standing within the organisation.
- review the external audit plan annually before commencement, and discuss problems or reservations arising from the completion of the annual external audit.
- review the Trust's annual accounts before submission to the Board, including any significant audit adjustments.
- review the External Auditor's reports, including value for money reports, annual management letter and the formal Trust responses thereto
- consider the content of any report involving the Trust issued by the Public Accounts Committee or the Comptroller and Auditor General and review the proposed Trust response
- review the scope of internal controls within the Trust
- review proposed changes to Standing Orders, Standing Financial Instructions and the Reservation of Powers to the Board and Delegation of Powers
- examine the circumstances associated with any waiving of Standing Orders
- review schedules of losses and compensation payments
- approve changes to accounting policies
- monitor the implementation of policy on standards of business conduct as detailed in the NHS guidance entitled "Codes of Conduct and Accountability" (EL(94)40)
- review the entries recorded on the Register of Interests
- review the entries recorded in the Entertainment Register
- review the entries in the Trust Seal Register
- review the entries in the Tender/Quotation Waiver Register
- review the Chief Executive's expenses

3. Non-Financial Duties

The Audit Committee shall, as a minimum, undertake the following duties:

- consider all non-financial reports e.g. External Audit Value For Money Reports, the Trust's responses thereto, and monitor the implementation of any remedial programme
- ensure compliance with Counter Fraud policies and procedures and receive any reports relating to alleged fraud or corruption from the Trust's Counter Fraud Specialist or the NHS Directorate of Counter Fraud Service

- monitor the Trust's compliance with Controls Assurance requirements
- monitor the Trust's compliance with all internal control and risk management policies and procedures

4. Monitoring of Internal Audit

4.1 The Audit Committee shall evaluate the extent to which the internal audit service complies with mandatory audit standards by, as a minimum, the following means:

- reviewing the assessment of the internal audit service by the External Auditor.
- review the internal audit programme
- considering the major findings of internal audit investigations and management responses thereto
- ensuring that the internal audit service has an effective quality assurance programme
- ensuring that the investment in internal audit is adequate and takes account of the guidelines set out in the NHS Internal Audit Manual
- ensuring that the internal audit service has appropriately skilled, experienced and qualified staff
- ensuring that there is co-ordination between the internal and external auditors

4.2. The Audit Committee shall ensure that the Chief Internal Auditor has the ability to report direct to the committee, or the chairman thereof, on any matter of seriousness or urgency, and that such professional relationship is maintained and effectively used when required

4.3. The Audit Committee shall ensure a cost effective service from the internal Audit service by subjecting the service to regular competitive tendering arrangements.

5. Monitoring of External Audit

5.1 The Audit Committee shall confirm to the Board the existence of sound financial systems and accurate reporting by ensuring that the External Auditor provides an independent assurance of the following

- sound financial stewardship
- value for money
- probity
- accuracy in reporting
- compliance with NHS guidelines
- compliance with accepted accounting practice

5.2 The Audit Committee shall ensure a cost effective service from the External Auditor, including co-ordination with the Internal Auditor, and shall review the appointment of the External Auditor within the prevailing Audit Commission guidelines.

5.3 The Audit Committee shall ensure that the External Auditor has the ability to report direct to the Committee, or chairman thereof, on any matter of seriousness or urgency, and that such professional relationship is maintained and effectively used when required.

2.3 Remuneration committee

Membership:

Thom Hanahoe – Chairman
Ailsa Bernard – Non Executive
Said Namdarkhan – Non Executive
David Law – Chief Executive
Roger Rawlison – Director of Human Resources

The Chief Executive will not be present during discussions about his/her own remuneration and conditions of employment.

The Director of Human Resources will attend to present the recommendations of the Discretionary Points Committees and will provide appropriate advice to the committee, as required.

Terms of reference:

The Sub –Committee will meet as required to:

- Advise the Trust Board on the appropriate levels of remuneration and terms of employment for the Chief Executive and other Executive Directors of the Trust, including the Medical Director in respect of his/her Management contract.

- To approve on behalf of the Trust Board the recommendations of the Discretionary Points Committees in relation to:

    - Consultants / Associate Specialists
    - Staff Grades
    - Nurses / Midwifes
    - Allied Health Professionals

2.4 Clinical Governance Committee

Membership:

Non-Executive Director

Medical Director
Deputy Medical Director
Associate Medical Director (Clinical Governance)
Director of Nursing, Midwifery, Quality & Risk
Divisional / Clinical Directors
Clinical Governance/Effectiveness Manager
Head of Quality & Risk
Clinical Effectiveness Lead
Clinical Audit Lead
Divisional Heads of Nursing/Midwifery / Risk Leads
Director of Infection Control
Head of Clinical Informatics
Head of Management Information
Chief Pharmacist

Clinical Governance Lead (Pathology)
PCT Clinical Governance Leads
Patients' Panel Representative

Terms of Reference:

GENERIC:

The CGC must ensure that:

- clear WHHT CG and Clinical Effectiveness (CE) Strategies in line with the national strategy are developed
- mandatory CG documentation is produced, endorsed and submitted within the stipulated timescales
- responsibilities for CG/CE are appropriately allocated within WHHT
- progress is being made in order to achieve compliance with national targets, statutory requirements and other guidance e.g. NICE, National Service Frameworks (NSFs) and recommendations from National Confidential Enquiries (NCEs)
- WHHT complies with the requirements of Standards for Better Health
- any serious unresolved problems / risks are reported to the RMC

SPECIFIC:

The CGC must ensure that:

- the WHHT CG Strategy, Annual Report, Development Plan and progress reports are endorsed by the RMC / Board as appropriate
- the implementation of Trust CG policies is monitored
- relevant data is collected regularly and monitoring reports are provided for the WHHT Board
- the implementation of recommendations and standards originating from NICE, the National Patient Safety Agency (NPSA), NSFs, NCEs is encouraged
- the development of professional and personal standards of conduct and practice is supported positively: advice on CG aspects of Trust development, training and continuing education for all staff is available
- the committee monitors the implementation of the CG aspects of the new Curriculum for the Foundation Years in Postgraduate Education for junior doctors
- the outcome from the implementation of the Research Governance programme is regularly monitored, a required

- serious clinical deficiencies and other issues relating to CG are investigated, reported and specialist advice is made available as necessary

2.5 Risk Management Committee

Membership:

Non-Executive Director Chiarman
Non-Executive Director
Director of Nursing, Midwifery, Quality and Risk
Medical Director
Director of Capital Planning and Facilities
Director of Finance
Director of HR
Director of Operations
Director of Planning
Clinical Governance Manager
Risk Manager
Risk Co-ordinator
Patient Representative

Terms of Reference:

GENERIC:

- Develop a clear strategy for the management of risk in the Trust.

- To identify:

    - Key risk issues in context
    - Potential scope of impact
    - Items to populate the Trust's risk register

- To ensure that there is clear prioritisation of the management of risk and of risk issues

- To identify serious unresolved risks to the Trust Board

- To monitor progress being made in order to achieve compliance with National targets, statutory requirements and other guidance

- Proactively construct and develop an assurance framework which systematically brings together the relevant risk management activity, thereby, adding real benefit to the organisation

SPECIFIC:

The RMC will also ensure that the Trust Board has:

- Sound training plans

- The means of complying with all statutory and other guidance such as that relevant to CNST, RPST, Controls Assurance, Health and Safety, Control of Infection, Medical Devices etc.

- Monitored key practice indicators (identified by Risk Leads and Risk Management Sub-Committees) that are capable of showing improvements in the management of risk

- A clear understanding of the major areas of risk facing the Trust.

2.6 Information Governance Committee

Membership:

To be confirmed – Non Executivee Chairman
Robin Douglas Non Executive
Nick Evans – Acting Director of Operations
Carolyn Hughes – Director of Finance
Howard Borkett-Jones – Medical Director
Julia Schofield - Chair, Health Records Committee

Terms of Reference (Draft):

1. To oversee the Trust's strategy on I, M+T

2. To monitor implementation of that strategy

3. To ensure that IM&T resources are being used to support the delivery of Trust objectives

4. To ensure compliance with national standards of Information Governance

5. To identify risks associated with I, M+T and report them to the Risk Management Committee

6. To collaborate with the Clinical Governance Committee on governance issues. The IGC will take the lead on policy issues associated with Health Records[1], Caldicott Guardianship and Freedom of Information. The CGC will take the lead on the application of any such policies in clinical settings.

7. To ensure the Trust' system and processes for I, M+T are fit for purpose

8. To make recommendations to the Board through the Risk Management Committee

9. To hold meetings on a quarterly basis

2.7 Human Resources Committee

Membership:

Ailsa Bernard – Non Executive Chairman
Jane Wright - Non Executive
Roger Rawlinson - Director of Human Resources
Gary Etheridge - Director of Nursing, Quality and Risk
Howard Borkett-Jones - Medical Director

Terms of Reference:

To monitor and recommend actions to the Trust in respect of:
- the Trust's employment and retention policies and strategies
- the Trust's training and development plans
- the Trust's Workforce plans
- the application of national HR policies, agreements and strategies
- the Trust's Diversity and Equality strategies and policies to implement them
- actions arising out of any specific Management reviews within the Terms of Reference
- actions arising from Staff Attitude Surveys and/or Audits

To ratify/agree, on behalf of the Trust Board
- Major changes to pay and conditions of all staff, within nationally agreed frameworks
- Relevant HR policies, following agreement at JCC/LNC

2.8 Charitable Affaires Committee

Membership:

Martin Saunders – Non Executive Chairman
Ailsa Bernard – Non Executive
Said Namdarkhan – Non Executive
Carolyn Hughes – Director of Finance

Terms of Reference:

1. To ensure Funds Held on Trust/Charitable Funds are managed in accordance with the Trust's Standing Financial Instruction No 18, as approved by the Trust Board.

2. To receive regular reports from the Finance Directorate covering:

    - Number and value of funds
    - Purpose of funds
    - Income and Expenditure Analysis

3. To receive detailed quarterly Investment Performance Report from Investment Managers.

4. To decide on investment policy.

5. To appoint Investment Managers as appropriate

6. To decide upon expenditure criteria.

7. To ensure that the requirements of the Charities Acts and the Charities Commission are met.

8. To provide reports for the Trust Board as appropriate.

9. To review the Annual Accounts prior to submission to the Trustees for formal approval.

2 Action Required

2.1 **The board is asked to note the report**