NHS Greater Glasgow and Clyde

NHS Board Meeting

21 April, 2009 **Board Paper No. 09/22**

Head of Board Administration

NHS Greater Glasgow and Clyde – Annual Review of Governance Arrangements

Recommendation

The NHS Board is asked to:

i) approve the Standing Orders for the Proceedings and Business of the NHS Board and the Decisions Reserved for the NHS Board (Appendix 1);

ii) approve the Standing Financial Instructions (Appendix 2) and Fraud Policy (Appendix 14);

iii) approve the remits of the following Standing Committees – Audit Committee (Appendix 3), Clinical Governance Committee (Appendix 4), Staff Governance Committee (Appendix 5), Performance Review Group (Appendix 6), Involving People Committee (Appendix 7), Research Ethics Governance Committee (Appendix 8), Pharmacy Practices Committee (Appendix 9) and Area Clinical Forum (Appendix 10).

iv) approve the memberships of the Standing and Partnership Committees (Appendix 11);

v) approve the membership of the Adults with Incapacity Supervisory Body (Appendix 12);

vi) approve the list of authorised officers to sign Healthcare Agreements and related contracts (Appendix 13).

A. Introduction

In February 2005 the NHS Board approved the new organisational arrangements to implement the White Paper – 'Partnership for Care'. Subsequently two significant reviews of the governance arrangements took place as the moves to single system working and integration of Clyde were carried out and, as a result, the NHS Board approved in December 2006 a detailed set of new governance arrangements to support the new organisation. This was further endorsed by approval of the Annual Review of Governance Arrangements in April 2007, the subsequent approval in August 2007 of the membership of Committees following the changes which resulted from the outcome of the Council elections in May 2007 and the approval of the Annual Review of Governance Arrangements in April 2008.

As has been the case in previous years, each Standing Committee of the NHS Board is asked every two years to formally discuss and review its remit and ensure that it is fit for purpose and meets the Committee's needs in having delegated powers for its own area of responsibility. Each Committee has carried out its formal review and the outcome is covered in Section C of the paper.

The Audit Committee considered the draft annual review of the corporate governance documentation at its meeting on 24 March 2009 and endorsed its submission to the NHS Board.

B. Governance Documentation

- Standing Orders for the Proceedings and Business of the NHS Board

  Attached as Appendix 1 are the Standing Orders for the Proceedings and Business of the NHS Board.

  Standing Order 1(1) The Removal of the Requirement of Members to subscribe to the Code of Conduct, Code of Accountability and Code of Practice on Openness issued by the Scottish Executive – all these Codes have been superseded by the Code of Conduct made under the Ethical Standards in Public Life etc. (Scotland) Act 2000 and the Freedom of Information (Scotland) Act 2002.

  An addition to Standing Order 17(4(e)) has been added following the decision of the NHS Board not to receive the CHCP/CHP and Mental Health Partnership Committee minutes but to use the arrangement for the organisational reviews to scrutinise and keep up to date with the business of the Partnerships. The minutes of the CHCPs/CHPs and Mental Health Partnership Committees are available on the website and the addition to the Standing Orders has been added in bold for members to review prior to taking any decision to improve the revised Standing Orders.

  Under the Ethical Standards in Public Life etc. Act 2000, the Register of Interests for NHS Board Members has been updated and made publicly available. Any changes should be notified to the Head of Board Administration within 4 weeks of that change. The annual training for NHS Board Members on ethical standards was delivered at the April 2009 NHS Board Seminar.

- Decisions Reserved for the NHS Board

  Minor word changes.

- Standing Financial Instructions (SFIs)

  A number of amendments to SFIs (attached as Appendix 2) are required to provide clarification or to reflect operational or internal control needs. The additions are shown in bold in the attached SFIs and below gives a description of the changes and issues detailed:-

  Section 1 – Introduction and Standards of Business Conduct

  It is proposed to amend the Introduction Section to SFIs to reflect the Code of Conduct under the Ethical Standards in Public Life (Scotland) Act 2000 and also the Code of Conduct for Staff which was introduced in January 2009. Other references within SFIs (including headings) to the Standards of Business Conduct will be amended as appropriate to Code of Conduct for Staff.

Section 4 – Audit

Changes are suggested to paragraph 4.1.1 to reflect the proposed amendments to the Remit of the Audit Committee which were endorsed by the Audit Committee at the meeting on 27 March 2009. The changes reflect the recently published Scottish Government Audit Committee Handbook and place particular emphasis on the Audit Committee's role in the assurance process which supports the Statement on Internal Control which the Chief Executive is required to sign as part of the annual accounts process. (The amended Audit Committee Remit is included as Appendix 3.)

In addition, changes are proposed to paragraphs 4.2.5 and 4.4.4 to make clearer the requirement for external auditors and internal auditors to meet with the Audit Committee on at least one occasion each year without Executive Directors or other Board staff being present.

Section 7 – Service Provision and Service Level Agreements (including Voluntary Sector Organisations)

It is proposed to change paragraph 7.6 to reflect new guidance produced by a short life working group chaired by the Head of Procurement on the tendering process including projects where the voluntary sector is involved.

Section 10 – Orders, Quotations and Tenders

Additions are proposed at paragraphs 10.5.2 and 10.8.3 to provide for the use of

- national framework contracts (emphasising the need for "mini" competition within the context of the framework);
- electronic tendering (planned to be introduced on pilot basis during 2009/2010).

Section 12 – Capital Investment

An additional paragraph 12.5 is proposed to reflect "Frameworks Scotland" – the strategic and flexible partnering/collaboration approach to the procurement of publicly funded construction work introduced by the Scottish Government in 2008.

Section 15 – Endowment Funds

It is proposed to add paragraph 15.6 to provide further guidance to Endowment fundholders and to complement guidance on endowments within the Code of Conduct for Staff.

Section 19 – Patients' Private Funds and Property

New paragraphs are proposed at 19.1.13 and 19.1.14 to provide greater clarity on how staff should manage patients' private funds.

- Fraud Policy (Appendix 14)

The Fraud Policy was incorporated into the Code of Conduct for Staff which was launched in January 2009. A number of minor changes are required to reflect:

The publication of the Scottish Government's Strategy to Combat NHS Fraud in Scotland:-

- The appointment of the Director of Finance as Counter Fraud Champion;
- The introduction of the Code of Conduct for Staff.

A full report on the Board's counter fraud arrangements will be included in the annual fraud report which forms part of the Audit Committee's annual review of the system of internal control.

- Risk Management Strategy

The Risk Management Strategy was approved by the Audit Committee in March 2007 and by the NHS Board in April 2007. The Risk Management Steering Group will review the Risk Management Strategy over the next few months and submit the outcome to the Audit Committee for approval.

- Standards of Business Conduct

NHS Board Members are required to adhere to the NHS Code of Conduct.

A single Code of Conduct for Staff was launched in January 2009 – it takes account of the extant national guidance on the Standards of Business Conduct, detailed NHSGG&C guidance supporting the Standards of Business Conduct, the Working With Clinical Suppliers requirements and the Whistleblowing Policy and the Fraud Policy. An on-line registration system for staff's interests has been developed and is in use. The Code will be reviewed after 12 months operation.

C Standing Committees of NHS Board

The single system for the Standing Committees has been effective from 1 January 2006.

i) Audit (Appendix 3)

The Audit Committee Remit has been revised to reflect guidance contained within the recently issued Scottish Government Audit Committee Handbook. The main change is to place greater emphasis on the Audit Committee's role in the assurance process which supports the preparation on the Statement on Internal Control. The changes to the remit are highlighted in Appendix 3.

ii) Clinical Governance (Appendix 4)

The Clinical Governance Committee remit has been changed to remove reference to the need for membership from the Clyde area; stipulation that one of the Members should be an Employee Director has been removed and a new last bullet point under Section 3 has been added to cover its responsibility for the following Sub-Committees - the Infection Control Organ Donation and Reference Committees.

iii) Staff Governance (Appendix 5)

The changes are as follows:-

- Job title changes in ex-officio members
- Para 2.6 – deletion of "a maximum of" – in terms of the number of meetings per annum
- Para 3.5 – deletion of "be responsible for" and insert "oversee the" .. in relation to the submission of the Staff Governance data for the Annual Review.

iv) Performance Review Group (Appendix 6)

The revision to the remit related to updated terminology and paragraph numbers.

v) Involving People Committee (Appendix 7)

There are no changes proposed.

vi) Research Ethics Governance Committee (Appendix 8)

The Committee was reconstituted from March 2009 to take account of the new West of Scotland Research Ethics Service and therefore the terminology within the remit has been altered to take on board this expanded area of responsibility.

March 2009 saw the introduction of the West of Scotland Research Ethics Service. NHS Greater Glasgow and Clyde had agreed to host this new West of Scotland service and five Research Ethics Committees (RECs) have been appointed from the eight existing committees to carry out consideration of applications for research across the West of Scotland. It has also been agreed that the NHS Greater Glasgow and Clyde Board's Research Ethics Governance Committee would carry out the governance arrangements for the West of Scotland and share their agendas, papers and minutes with NHS Lanarkshire, NHS Ayrshire & Arran and NHS Dumfries & Galloway to ensure that these Boards are aware of the new and developing arrangements and governance scrutiny being brought to bear on the operation and conduct of the five West of Scotland RECs.

vii) Pharmacy Practices Committee (Appendix 9)

There are no significant changes to the Pharmacy Practices Committee remit other than terminology changes to the name of the Regulations.

viii) Area Clinical Forum (Appendix 10)

The two changes proposed are - the addition of the Health Care Scientists in Section 4 and the change in Section 7 to the election of the Chair and Vice Chair being opened up to include all Area Clinical Forum members – previously only the Chairs of the respective Professional Advisory Committees could put themselves forward for the Chair/Vice Chair. Other changes are terminology/consistency changes.

ix) Community Health (Care) Partnerships (CH(C)Ps/Mental Health Partnership

The CH(C)P Committees have all had their Standing Orders for the Proceedings and Business of the CH(C)P approved by the NHS Board. No changes have been submitted by any CHCP/CHP or Mental Health Partnership to its previously approved Standing Orders.

x) Discipline Committees

The Family Health Service disciplinary process has been partially centralised under the arrangements which came into force on 26 November 2008. These Committees deal with discipline matters in relation to General Practitioners, General Dental Practitioners, Community Pharmacists and Opticians.

When an NHS Board or its Reference Committee considers that a Practitioner should be referred to an FHS Discipline Committee, it advises the new Central Discipline Unit (CDU) and the Central Legal Office (CLO), both in NHS National Services. The CDU will undertake the administrative task so that a case can proceed or the CLO will draw up a Statement of Case and represent the referring Board at hearings.

NHS Boards remain responsible for maintaining their own Disciplinary Committees although only the main NHS Board within each of the two Consortia will be expected to retain a legally qualified Chair. NHS Greater Glasgow and Clyde has assumed the lead role in the West Consortium.

D Membership of Standing Committees of the NHS Board

Attached is the revised membership of the Standing Committees of the NHS Board (Appendix 11). The NHS Board is asked to approve the membership of the Standing Committees and Partnership Committees.

Research Ethics Committees (RECs)

Research Ethics Committees consider applications for research and consider the ethical implications of each application. The governance arrangements of the five West of Scotland Committees are monitored by the Research Ethics Governance Committee.

The NHS Board retains the responsibility to appoint the Chairs of the five RECs and recommendation for each REC is given below (to serve a 2-year term to 30 April 2011):-

Dr John Hunter	Chair	West of Scotland
Dr Sue Langridge	Chair	West of Scotland
Dr J B Neilly	Chair	West of Scotland
Dr P Fleming	Chair	West of Scotland
Dr G Ofili	Chair	West of Scotland

E Supervisory Body Function

The NHS Board approved, at its April 2007 meeting, the establishment of the Supervisory Body to monitor and review the management of the affairs of patients. The Supervisory Body oversees the Health Board's responsibilities under Part IV of the Adults with Incapacity (Scotland) Act 2000 for regulating the financial affairs of an adult who had impaired capacity and who is resident within an authorised establishment under the control of the Health Board.

Appendix 12 sets out the membership of the Supervisory Body for the NHS Board's approval.

F Authorised Signatories

SFIs require that the NHS Board approves a list of officers with authority to sign agreements for the purchase and provision of healthcare and related contracts. Appendix 13 lists the posts and names of postholders. The arrangements for authorised nominees are that those officers who directly report to the postholders named in Appendix 13 will also have that authority to sign healthcare agreements and related contracts on their behalf.

The Financial Governance and Audit Manager is developing a Scheme of Financial Delegation supported by a detailed list of authorised signatories which will extend levels of more limited authorisations throughout the organisation. This will be submitted to the Audit Committee for review.

In terms of authorisation by Scottish Ministers to officers of NHS Greater Glasgow and Clyde in relation to signing matters relating to the acquisition, management and disposal of land, the following positions have been authorised to sign on behalf of Ministers:-

Chief Executive
Director of Finance – Corporate and Partnerships
Director of Corporate Planning and Policy
Chief Operating Officer – Acute Services Division
Director of Acute Services Strategy, Implementation and Planning

Conclusion

The NHS Board is asked to give consideration to the recommendations on Page 1 of this report.

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Head of Board Administration
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