

Borders NHS Board



ANNUAL REVIEW OF THE NHS BORDERS CODE OF CORPORATE GOVERNANCE

Aim

The purpose of this paper is to provide a summary of issues raised by Code of Corporate Governance Steering Group and the Audit Committee and their recommendations on the amendments that should be made to NHS Borders Code of Corporate Governance (CoCG).

Background

The NHS Borders Code of Corporate Governance was approved by the NHS Borders Board in February 2011.

An annual review cycle was agreed to ensure the document remains 'fit for purpose'.

The Code of Corporate Governance Steering Group was set up to discuss issues raised by the officers of the organisation adhering to the details of the Code.

Summary

The table contained within the report was compiled to detail the issues raised following introduction of the Code of Corporate Governance.

The suggested recommendations address the issues raised and provide clarity to officers of the Board strengthening governance arrangements and ensuring the document is operationally 'fit for purpose'.

The Steering Group have completed the required annual review of the Code of Corporate Governance.

Recommendation

The Board is asked to **approve** the report.

Policy/Strategy Implications	N/A
Consultation	N/A
Consultation with Professional Committees	The Code of Corporate Governance has been reviewed by the CoCG Steering Group and the Audit Committee.
Risk Assessment	Failure to regularly review the Code of

	Corporate Governance may expose the Board to the risk that the document is not 'fit for purpose'.
Compliance with Board Policy requirements on Equality and Diversity	N/A
Resource/Staffing Implications	None identified

Approved by

Name	Designation	Name	Designation
Carol Gillie	Director of Finance		

Author(s)

Name	Designation	Name	Designation
Susan Swan	Deputy Director of Finance (Financial Accounting)		

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Aim

The purpose of this paper is to provide a summary of issues raised by Code of Corporate Governance Steering Group and the Audit Committee and their recommendations on the amendments that should be made to NHS Borders Code of Corporate Governance (CoCG).

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Key Issues

Issues raised have been detailed in the following table headed as either Governance or Operational.

Governance Issue	Details of Issue	Recommendation
Endowment Fund Board of Trustees –Terms of Reference	The CoCG does not include the Terms of Reference for the Endowment Board of Trustees	Include up to date TOR for the Endowment Fund Board of Trustees
Governance Committees' - Terms of Reference	There is currently no review period detailed in the CoCG for Board Governance Committees' to review their TOR's	Include the explicit requirement in the CoCG for all Board Governance Committees' to annually review their TOR's
Application of Board Policies and Procedures to Non Executive Directors	Non Executive Directors are not employees of the Board.	The CoCG covers members of the Board. Current Board Policies and Procedures are applied to all members and employees of the Board.
Appointment to the position of Chair to the Governance Committees	The appointment process limits the opportunity of the Chair to use the Non Executive Director resource in the most effective manner.	Chairs of the Governance Committees will be appointed by the NHS Borders Board Chair.
The CoCG includes a governance structure which details that the Area Partnership Forum (APF)	The structure chart does not reflect the reporting line for APF, which is through the Staff	The structure chart is amended to detail APF reporting through Staff Governance Committee to

reports directly to the NHS Borders Board	Governance Committee to the NHS Borders Board	the NHS Borders Board
Corporate Endorsement Protocol	The CoCG does not contain the organisations corporate endorsement process.	Include the Corporate Endorsements Protocol.
Recruitment of Consultants	Requirement for Non Executive Director to chair consultant advisory committees changed under new national guidelines issued in 2009	Update the CoCG to include the instructions issued within the revised national guidelines
Operational Issue	Details of Issue	Recommendation
Discretionary Spend Authorisation Schedule	Due to departmental restructures the schedule is out of date	Update the schedule to reflect current departmental structures.
Delegated limits for authorising officers	Future departmental structure changes require to be reflected in the delegated limits on an ongoing basis	Action any future departmental structure changes to the delegated limits.
Service Level Agreement (SLA)	NHS Borders Board is required to sign off Service Level Agreements in excess of £1m	An exception is made for the signoff of the Lothian Service Level Agreement whereby sign off is delegated to the Director of Finance
Delegated Limits for Senior Clinical Managers	Senior Clinical Managers are not recognised in the scheme of delegation	Senior Clinical Managers are included as signatories on general expenditure at the level of £30,000 - £50,000
Delegated limit for Commissioning Manager	The Commissioning Manager is not identified against the Service Level Agreement (SLA) signatory schedule	The Commissioning Manager is authorised as the delegated officer for SLA expenditure up to £50,000
Authorisation of travel to foreign destinations	Is currently authorised in line with business travel delegated limits	Travel to foreign destinations to be authorised by the Chair or appointed deputy
Delegated limits for Endowment Fund expenditure	The delegated limits for endowment expenditure between £25,000 and £100,000 is out of date	Update the schedule to reflect the limits approved by the Endowment Fund Board of Trustees

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The suggested recommendations address the issues raised and provide clarity to officers of the Board strengthening governance arrangements and ensuring the document is operationally 'fit for purpose'.

The Steering Group have completed the required annual review of the Code of Corporate Governance.

Recommendation

The Board are asked to **approve** that the NHS Borders Code of Corporate Governance is updated with the recommendations proposed.

Approved by

Name	Designation	Name	Designation
Carol Gillie	Director of Finance		

Author(s)

Name	Designation	Name	Designation
Susan Swan	Deputy Director of Finance (Financial Accounting)		

12th January 2012